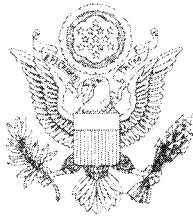


# APPENDIX



EXECUTIVE OFFICE OF  
THE PRESIDENT  
OFFICE OF MANAGEMENT  
AND BUDGET

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# BUDGET OF THE UNITED STATES GOVERNMENT

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FISCAL YEAR  
**1989**

## THE BUDGET DOCUMENTS

*Budget of the United States Government, 1989* contains the Budget Message of the President and presents an overview of the President's budget proposals. It includes summary information on the economic assumptions used in the 1989 Budget, Federal receipts, and Federal spending. In addition, it includes supplemental information on the baselines used in the Budget, Federal credit programs, Federal capital expenditures, several topics that help place the budget in perspective, the budget system and concepts, a listing of the Federal program by agency and account, and summary tables.

*United States Budget in Brief, 1989* is designed for use by the general public. It provides a more concise, less technical overview of the 1989 Budget than the above volume, including summary and historical tables on the Federal budget and debt, together with graphic displays.

*Budget of the United States Government, 1989—Appendix* contains detailed information on the various appropriations and funds that constitute the budget. The *Appendix* contains more detailed information than any of the other budget documents. It includes for each agency: the proposed text of appropriation language, budget schedules for each account, new legislative proposals, explanations of the work to be performed and the funds needed, and proposed general provisions applicable to the appropriations of entire agencies or groups of agencies. Supplemental proposals for the current year are presented separately. Information is also provided on certain activities whose outlays are not part of the budget totals.

*Special Analyses, Budget of the United States Government, 1989* contains analyses that are designed to highlight specified program areas or provide other significant presentations of budget data. The first part of this document includes information about two alternative views of the budget; i.e., the current services and Gramm-Rudman-Hollings budget baselines, and the na-

tional income accounts. The second part provides analyses and tabulations of the totals that cover the Federal Government's finances and operation as a whole and reflect the ways in which Government finances affect the economy. Financial information on Federal research and development programs and data on Federal civilian employment are also included in this part.

*Historical Tables, Budget of the United States Government, 1989* provides data on budget receipts, outlays, surpluses or deficits, and Federal debt covering extended time periods—in many cases from 1940-1993. These are much longer time periods than those covered by similar tables in other budget documents. The data in this volume and all other historical data in the budget documents are consistent with the concepts and presentation used in the 1989 Budget, so the data series are comparable over time.

*Management of the United States Government, 1989* includes the President's Management Message and provides the goals and strategies of the President's Management Improvement Program. It reports on the credit management program, the program to improve financial management in executive branch agencies, the President's Productivity Program, the activities of the President's Council on Integrity and Efficiency, and the President's Council on Management Improvement. This document also describes the status of Grace Commission recommendations and the status of debt collection and prompt payment efforts.

*Major Policy Initiatives, 1989* highlights the major policy changes proposed in the 1989 Budget. Each description includes a brief history of the program and the conditions that precipitated the need for change. The President's proposal describes concisely the initiative and, in most examples, presents a summary funding chart that contains the budget authority and outlay changes that would occur if enacted.

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

### GENERAL NOTES

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

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PART I

**DETAILED BUDGET ESTIMATES**

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

## EXPLANATION OF ESTIMATES

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

### ARRANGEMENT

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

Each chapter is organized by major subordinate organizations within the agency (usually bureaus) or by major program area. For each bureau or major program area, *Federal funds*, covering the funds that are not set aside in "trust," precede *trust funds*, covering moneys that are held by the Government in accounts established by law or by trust agreement for specific purposes and designated by law as being trust funds. Within each fund group, accounts with new budget authority in 1989 generally will precede those without such an entry. By law, the Old-Age and Survivors Insurance and Disability Insurance trust funds are outside the budget totals. In this volume, these accounts are presented in a separate chapter, Health and Human Services, Social Security.

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

An explanation of the types of funds included in the budget may be found in Part 6e, "The Budget System and Concepts," in *The Budget of the United States Government, 1989*.

### FORM OF DETAILED MATERIAL

#### APPROPRIATIONS LANGUAGE

The language proposed for inclusion in the 1989 appropriations acts is printed following the account title. Language for 1988 appropriations, printed in roman type, is used as a base. All language for accounts receiving appropriations in 1988 is based on language included in a continuing resolution for 1988 (Public Law 100-

202). Brackets enclose material that is proposed for deletion; italic type indicates proposed new language. At the end of the final language paragraph, and printed in italics within parentheses, are citations to any relevant authorizing legislation and to the specific appropriations act (as included in the continuing resolution) from which the basic text of the 1988 language is taken. Where appropriate, a note follows the language indicating that the budget authority proposed is for continuing activities for which additional appropriations authorization is or has been proposed. An illustration of proposed appropriations language for 1989 follows:

#### OPERATING EXPENSES

For necessary expenses of the Office of Climate Information, **[\$29,440,000]** *\$28,920,000* of which **[\$150,000]** *\$400,000* shall remain available until expended. (34 U.S.C. 218 et seq.; Department of Government Appropriation Act, 1988.)

#### BASIS FOR SCHEDULES

The 1987 column of this budget generally presents the actual transactions and balances for that year, as recorded in agency accounts.

For 1988, the regular schedules include enacted appropriations. In addition, indefinite appropriations are included on the basis of amounts likely to be required.

The 1989 column of the regular schedules includes proposed appropriations for all programs under existing legislation, including those that require extension or renewal of expiring laws.

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

#### PROGRAM AND FINANCING SCHEDULE

This schedule consists of three parts.

In the "Program by activities" section, obligations generally are shown for specific activities or projects. The activity structure is developed individually for each appropriation or fund account to provide a meaningful

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

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

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

The account identification code, found at the head of the program and financing schedule, facilitates computer processing of budgetary information. The last three digits of this code represent the functional category to which the account is classified. Functional classification permits presentation of budget authority and outlays in terms of their purpose, rather than the organization administering the program or the account under which these funds are made available. For example, the 452 at the top of the following schedule indicates that the purpose of the program financed by this appropriation is *Area and regional development*—a subfunction within major function 450, *Community and regional development*. When the outlays from an account are split between two or more subfunctions within a single major function, the code of the major function is used. In those few cases where the outlays from an account are split between two or more functions, a code of 999 is used. A detailed discussion of how Federal programs

are addressed to each identified national need is included in Part 5 of the 1989 Budget. The individual functional categories are identified with each appropriation or fund account in the "Federal Program by Agency and Account" in Part 6f of the Budget.

Program and Financing (in thousands of dollars)

Identification code	17-0643-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Information services.....	22,866	22,700	21,500
00.02	Meteorological research.....	4,780	4,900	4,900
00.03	Longitudinal weather studies.....	2,500	2,490	2,120
00.04	Construction.....		150	400
00.91	Total direct program.....	30,146	30,240	28,920
01.01	Reimbursable program.....	250	350	380
10.00	Total obligations.....	30,396	30,590	29,300
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-250	-350	-380
21.40	Unobligated balance available, start of year.....			-50
24.40	Unobligated balance available, end of year.....		50	
25.00	Unobligated balance lapsing.....	45		
40.00	Budget authority (appropriation).....	30,191	30,290	28,870
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	30,146	30,240	28,920
72.40	Obligated balance, start of year.....	1,364	1,120	1,246
74.40	Obligated balance, end of year.....	-1,120	-1,246	-1,275
90.00	Outlays.....	30,390	30,114	28,891

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

NARRATIVE STATEMENT OF PROGRAM AND PERFORMANCE

Narrative statements present briefly the objectives of the program and the work to be financed primarily for 1989. Measures of expected performance may be included, and the relationship to the financial estimates is described.

SCHEDULE OF OBJECT CLASSIFICATION AND PERSONNEL SUMMARY

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

10 PERSONAL SERVICES AND BENEFITS	24 Printing and reproduction
11 Personnel compensation	25 Other services
12 Personnel benefits	26 Supplies and materials
13 Benefits for former personnel	30 ACQUISITION OF CAPITAL ASSETS
20 CONTRACTUAL SERVICES AND SUPPLIES	31 Equipment
21 Travel and transportation of persons	32 Lands and structures
22 Transportation of things	33 Investments and loans
23.1 Rental payment to GSA	40 GRANTS AND FIXED CHARGES
23.2 Rental payments to others	41 Grants, subsidies, and contributions
23.3 Communications, utilities, and miscellaneous charges	42 Insurance claims and indemnities
	43 Interest and dividends
	44 Refunds

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

Several of the object classes are divided into subclasses—personnel compensation, for example, is shown separately for full-time permanent employees, for other than full-time employees, and for certain other payments.

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

Object Classification (in thousands of dollars)			
Identification code 17-0643-0-1-452	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	19,653	19,540	19,200
11.3 Other than full-time permanent .....	792	800	570
11.5 Other personnel compensation .....	231	169	190
11.9 Total personnel compensation .....	20,676	20,509	19,960
12.1 Civilian personnel benefits .....	1,940	1,899	1,887
21.0 Travel and transportation of persons .....	91	85	80
22.0 Transportation of things .....	17	18	17
23.1 Rental payments to GSA .....	1,680	1,752	1,790
23.3 Communications, utilities, and miscellaneous charges .....	1,759	1,580	1,675
24.0 Printing and reproduction .....	1,390	1,429	1,470
25.0 Other services .....	1,774	1,838	559
26.0 Supplies and materials .....	429	480	497
31.0 Equipment .....	390	500	585
32.0 Land and structures .....		150	400
99.0 Subtotal, direct obligations .....	30,146	30,240	28,920
99.0 Reimbursable obligations .....	250	350	380
99.9 Total obligations .....	30,396	30,590	29,300

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

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

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

**BUSINESS-TYPE BUDGET STATEMENTS**

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

**Statement of Revenue and Expense**

For many revolving funds there is a statement of revenue and expense that shows the resulting net income or loss for the year. This statement usually includes accrued revenue (e.g., revenue earned) and ac-

crued expenditures (e.g., including cost incurred but not yet paid), whether funded or unfunded.

Revenue and Expense (in thousands of dollars)			
	1987 actual	1988 est.	1989 est.
<b>Operating income:</b>			
Revenue .....	23,625	27,950	34,980
Expense .....	-2,830	-3,700	-4,000
Net operating income, total .....	20,795	24,250	30,980
Nonoperating income: Interest from U.S. securities .....	8,092	9,874	12,791
Net income for the year .....	28,887	34,124	43,771

**Statement of Financial Condition**

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

Financial Condition (in thousands of dollars)				
	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury .....	1,214	350	550	450
U.S. securities (par) .....	98,174	129,969	170,769	218,169
Accounts receivable (net) .....	5,546	5,737	7,365	9,106
Loans receivable (net) .....	6,901	4,059	6,415	8,715
Total assets .....	111,835	140,115	185,909	236,440
<b>Liabilities:</b>				
Accounts payable and accrued liabilities .....	1,941	1,162	862	862
Advances received .....	21,656	21,828	32,988	40,558
Total liabilities .....	23,597	22,990	33,850	41,420
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance .....	81,051	112,491	144,486	186,702
Undelivered orders .....	280	569	348	603
Unfinanced budget authority: Unfilled customer orders .....	-1,340	-896	-1,205	-1,536
Invested capital .....	8,247	4,961	7,620	9,251
Total Government equity .....	88,238	117,125	151,249	195,020

**FEDERAL CREDIT SCHEDULES**

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



Status of Direct Loans

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

Acquisitions of guaranteed non-Federal loans by a Federal agency in satisfaction of default or other guarantee claims are not recorded as new direct loan obligations. However, they are disbursements for guaranteed loan claims (line 1232) in the cumulative balance of loans outstanding section of the schedule on the status of direct loans.

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

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

Status of Direct Loans (in thousands of dollars)

Identification code	17-4023-0-3-453	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....	19,700	14,000	14,000
1112	Unobligated direct loan limitation.....	-1,000		
1150	Total direct loan obligations.....	18,700	14,700	14,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	58,430	66,239	65,789
Disbursements:				
1231	Direct loan disbursements.....	18,700	14,000	14,000
1232	Disbursements for guarantee claims.....	5,000	3,000	2,000
Repayments:				
1251	Repayments and prepayments.....	-15,475	-16,500	-15,000
1252	Repayments of defaulted guaranteed loans.....	-150	-150	-150
Adjustments:				
1262	Write-offs for default.....	-1,000	-800	-600
1264	Other adjustments, net <sup>1</sup> .....	734		
1290	Outstanding, end of year.....	66,239	65,789	66,039
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....	8.73	7.62	7.83
1330	Subsidy amount (in dollars).....	1,633	1,120	1,096

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

The subsidy amounts presented in these schedules are the estimated present value of the difference in cost to the borrower between the Federal direct loan or guaranteed loan and alternative private financing available to the same or a similar borrower for the same or a similar purpose.

Status of Guaranteed Loans

A guaranteed loan commitment is a legal or binding agreement that results in a non-Federal debt instrument on which the agency pledges to pay part or all of the amount due to a lender or holder in the event of default by the borrower. Agency guarantees that result in loans that are disbursed by the FFB are counted as *direct loans* of the agency and, therefore, will not be

counted as guaranteed loans. However, the amount of direct loans made in this manner is subject to limitations on loan guarantee commitments of the originating agency. Loan guarantees include agreements in the form of loan insurance, defined as a type of guarantee in which an agency pledges the use of accumulated insurance premiums to secure lenders against default on the part of borrowers.

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

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

Status of Guaranteed Loans (in thousands of dollars)

Identification code	17-4023-0-3-453	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders...	300,000	200,000	200,000
2112	Uncommitted limitation.....	-120,000		
2150	Total, guaranteed loan commitments.....	180,000	200,000	200,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	965,752	910,736	923,336
2231	Disbursements of new guaranteed loans.....	158,600	170,000	170,000
2251	Repayments and prepayments.....	-208,616	-200,000	-200,000
Adjustments:				
2261	Terminations for default that result in direct loans.....	-5,000	-3,000	-2,000
2264	Other adjustments, net.....		45,600	
2290	Outstanding, end of year.....	910,736	923,336	891,336
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding end of year.....	910,736	923,336	891,336
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....	1.2	1.2	1.2
2330	Subsidy amount (in dollars).....	2,160	2,520	2,400

BUDGETS NOT SUBJECT TO REVIEW

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

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

## LEGISLATIVE BRANCH

### SENATE

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

#### MILEAGE OF THE VICE PRESIDENT AND SENATORS

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

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

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

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

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

#### SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, [clerks to Senators,] and others as authorized by law, including agency contributions, [\$196,196,700] \$81,189,000 which shall be paid from this appropriation without regard to the below limitations, as follows:

##### OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, [\$1,145,000] \$1,168,000.

##### OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, [\$153,000] \$156,000.

##### OFFICE OF THE DEPUTY PRESIDENT PRO TEMPORE

For the Office of the Deputy President Pro Tempore, [\$90,000] \$92,000.

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

For Offices of the Majority and Minority Leaders, [\$1,388,000] \$1,416,000.

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

For Offices of the Majority and Minority Whips, [\$431,000] \$440,000.

##### CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, [\$556,500] \$567,500 for each such committee; in all, [\$1,113,000] \$1,135,000.

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

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, [\$270,000] \$279,000.

##### OFFICE OF THE CHAPLAIN

For Office of the Chaplain, [\$115,000] \$117,000.

##### OFFICE OF THE SECRETARY

For Office of the Secretary, [\$8,005,000] \$8,165,000.

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

[For administrative, clerical, and legislative assistance to Senators, \$109,605,500.]

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

For Office of the Sergeant at Arms and Doorkeeper, [\$44,161,000] \$49,517,000.

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

For Offices of the Secretary for the Majority and the Secretary for the Minority, [\$918,000] \$944,000.

##### AGENCY CONTRIBUTIONS

For agency contributions for employee benefits, as authorized by law, [\$28,802,200] \$17,760,000.

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

For salaries and expenses of the Office of the Legislative Counsel of the Senate, [\$1,764,000: *Provided*, That the amounts appropriated to the Office of the Legislative Counsel of the Senate for fiscal year 1987 shall remain available until September 30, 1988] \$2,265,000.

#### OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, [\$633,000] \$657,000.

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

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

#### CONTINGENT EXPENSES OF THE SENATE

##### SENATE POLICY COMMITTEES

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

##### INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980, [\$57,161,000] \$61,472,000.

##### EXPENSES OF UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

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

##### SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, [\$666,300] \$727,200.

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

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, [\$68,021,000: *Provided*, That of the amounts appropriated under this head in the Legislative Branch Appropriations Act,

## CONTINGENT EXPENSES OF THE SENATE—Continued

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

1986 (Public Law 99-151), \$2,250,000 shall remain available until September 30, 1988] \$65,085,000.

## MISCELLANEOUS ITEMS

For miscellaneous items, [\$10,183,000: *Provided*, That, from funds appropriated to the Conference of the Majority and from funds appropriated to the Conference of the Minority for any fiscal year, such Conference may utilize such amounts as it deems appropriate for the specialized training of professional staff, subject to such limitations, insofar as they are applicable, as are imposed by the Committee on Rules and Administration with respect to such training when provided to professional staff of standing committees of the Senate] \$6,111,000.

## SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, \$154,544,000.

## STATIONERY (REVOLVING FUND)

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

## [ADMINISTRATIVE PROVISIONS]

[SEC. 1. (a) The table and the sentence immediately following such table in subsection (d)(1) of section 105 of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(d)(1)), is amended to read as follows:

"\$740,000 if such population of his State is less than 1,000,000;
"\$775,950 if such population is 1,000,000 but less than 2,000,000;
"\$811,900 if such population is 2,000,000 but less than 3,000,000;
"\$847,850 if such population is 3,000,000 but less than 4,000,000;
"\$883,800 if such population is 4,000,000 but less than 5,000,000;
"\$919,750 if such population is 5,000,000 but less than 6,000,000;
"\$955,700 if such population is 6,000,000 but less than 7,000,000;
"\$991,650 if such population is 7,000,000 but less than 8,000,000;
"\$1,027,600 if such population is 8,000,000 but less than 9,000,000;
"\$1,063,550 if such population is 9,000,000 but less than 10,000,000;
"\$1,099,500 if such population is 10,000,000 but less than 11,000,000;
"\$1,135,450 if such population is 11,000,000 but less than 12,000,000;
"\$1,171,400 if such population is 12,000,000 but less than 13,000,000;
"\$1,207,350 if such population is 13,000,000 but less than 14,000,000;
"\$1,243,300 if such population is 14,000,000 but less than 15,000,000;
"\$1,279,250 if such population is 15,000,000 but less than 16,000,000;
"\$1,315,200 if such population is 16,000,000 but less than 17,000,000;
"\$1,351,150 if such population is 17,000,000 but less than 18,000,000;
"\$1,374,150 if such population is 18,000,000 but less than 19,000,000;
"\$1,397,150 if such population is 19,000,000 but less than 20,000,000;
"\$1,420,150 if such population is 20,000,000 but less than 21,000,000;
"\$1,443,150 if such population is 21,000,000 but less than 22,000,000;
"\$1,466,150 if such population is 22,000,000 but less than 23,000,000;
"\$1,489,150 if such population is 23,000,000 but less than 24,000,000;
"\$1,512,150 if such population is 24,000,000 but less than 25,000,000;
"\$1,535,150 if such population is 25,000,000 but less than 26,000,000;

"\$1,558,150 if such population is 26,000,000 but less than 27,000,000;

"\$1,581,150 if such population is 27,000,000 but less than 28,000,000; and

"\$1,604,150 if such population is 28,000,000 or more.

"For any fiscal year, the population of a State shall be deemed to be whichever of the following is the higher:

"(I) the population of such State (as determined for purposes of this paragraph) for the preceding fiscal year; or

"(II) the population of such State as of the first day of such fiscal year, as determined by the latest census (provisional or otherwise) conducted prior to such first day by the Bureau of the Census within the Department of Commerce.

"If the population of any State, as determined under the preceding sentence, is not evenly divisible by 1,000,000, the population of such State shall be deemed to be increased to the next higher multiple of 1,000,000.

"If, for any period after a fiscal year has begun, the census figures of the most recent census conducted prior to the first day of such year have not been officially released, then, for such period, in the administration of this paragraph, it shall be assumed that the population of each State is the same as such State's population (as determined for purposes of this paragraph) for the preceding fiscal year.

"In the event that the term of office of a Senator begins after the first month of a fiscal year or ends (except by reason of death, resignation, or expulsion) before the last month of a fiscal year, the aggregate amount available for gross compensation of employees in the office of such Senator for such year shall be the applicable amount contained in the preceding table, divided by 12, and multiplied by the number of months in such year which are included in the Senator's term of office, counting any fraction of a month as a full month."

(b) The amendment made by this section shall be effective in the case of fiscal years beginning after September 30, 1987.]

[SEC. 2. (a) Effective with respect to pay periods beginning on or after the enactment of this Act, the Chaplain of the Senate shall be compensated at a rate equal to the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The second proviso, under the headings "SENATE" and "Office of the Chaplain", of the Legislative Branch Appropriation Act, 1970 (Public Law 91-145) is amended to read as follows: "*Provided further*, That the Chaplain of the Senate may appoint and fix the compensation of a secretary".]

[SEC. 3. (a) Section 192 of title I, Chapter IX, of the Supplemental Appropriations Act, 1985 (Public Law 99-88; 99 Stat. 349; 2 U.S.C. 68-5) is amended—

(1) by striking out "and", where it appears immediately after "Minority Whip of the Senate," and inserting in lieu thereof "one for the attending physician, one as authorized by Senate Resolution 90 of the 100th Congress"; and

(2) by inserting immediately before the period at the end of such section the following: ", and such additional number as is otherwise specifically authorized by law".

(b) The amendments made by subsection (a) shall be effective in the case of fiscal years ending after September 30, 1986.]

[SEC. 4. Section 151(a) of Public Law 99-591 (100 Stat. 3341-3355) is amended by striking out "during fiscal year 1987".]

[SEC. 5. Subsection (i) of section 814 of the Foreign Relations Authorization Act, fiscal years 1986 and 1987 (Public Law 99-93), as amended by Public Law 99-151, is amended by striking out "1987" and inserting "1988".]

[SEC. 6. Effective in the case of fiscal years beginning after September 30, 1986, the first sentence of section 107(a) of the Supplemental Appropriations Act, 1979 (Public Law 96-38; 2 U.S.C. 69a), is amended by striking out "\$2,000" and inserting in lieu thereof "\$4,000".]

[SEC. 7. The Chairman of the Majority or Minority Conference Committee of the Senate may, during the fiscal year ending September 30, 1988, at his election, transfer not more than \$50,000 from the appropriation account for salaries for the Conference of the Majority and the Conference of the Minority of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6). Any transfer of funds under authority of the preceding sentence shall be made at such time or times as such chairman shall specify in writing to the Senate Disbursing Office. Any funds so transferred by the chairman of the Majority or Minority Conference Committee shall be

available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6).]

[Sec. 8. (a) The Secretary of the Senate is authorized, with the approval of the Senate Committee on Appropriations, to transfer, during any fiscal year, from the appropriations account, within the contingent fund of the Senate, for expenses of the Office of the Secretary of the Senate, such sums as he shall specify to the Senate appropriations account, appropriated under the headings "Salaries, Officers and Employees" and "Office of the Secretary"; and any funds so transferred shall be available in like manner and for the same purposes as are other funds in the account to which the funds are transferred.

(b) The Sergeant at Arms and Doorkeeper of the Senate is authorized, with the approval of the Senate Committee on Appropriations, to transfer, during any fiscal year, from the appropriations account, within the contingent fund of the Senate, for expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, such sums as he shall specify to the appropriations account, appropriated under the headings "Salaries, Officers and Employees" and "Office of the Sergeant at Arms and Doorkeeper"; and any funds so transferred shall be available in like manner and for the same purposes as are other funds in the account to which the funds are transferred.]

[Sec. 9. Section 114 of Public Law 95-94, as amended (2 U.S.C. 61-1a), is amended to read as follows:

"Sec. 114. Notwithstanding any other provision of law, appropriated funds are available for payment to an individual of pay from more than one position, each of which is either in the office of a Senator and the pay of which is disbursed by the Secretary of the Senate or is in another office and the pay of which is disbursed by the Secretary of the Senate out of an appropriation under the heading "SALARIES, OFFICERS, AND EMPLOYEES", if the aggregate gross pay from those positions does not exceed the maximum the Executive Schedule under section 5316 of title 5, United States Code." (Congressional Operations Appropriations Act, 1988.)

## HOUSE OF REPRESENTATIVES

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

[For payment to Lucie C. McKinney, widow of Stewart B. McKinney, late a Representative from the State of Connecticut, \$89,500.]

### MILEAGE OF MEMBERS

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

### SALARIES AND EXPENSES

For salaries and expenses of the House of Representatives, \$574,500,000, as follows:

#### HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, [\$3,456,000] \$3,724,000, including: Office of the Speaker, [\$798,000] \$842,000, including \$18,000 for official expenses of the Speaker; Office of the Majority Floor Leader, [\$708,000] \$768,000, including \$10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, [\$789,000] \$866,000, including \$10,000 for official expenses of the Minority Leader; Office of the Majority Whip, [\$621,000] \$673,000, including \$5,000 for official expenses of the Majority Whip and not to exceed [\$149,950] \$162,950, for the Chief Deputy Majority Whip; Office of the Minority Whip, [\$540,000] \$575,000, including \$5,000 for official expenses of the Minority Whip and not to exceed [\$79,150] \$80,740, for the Chief Deputy Minority Whip.

#### MEMBERS' CLERK HIRE

For staff employed by each Member in the discharge of his official and representative duties, [\$174,556,000] \$182,477,000.

#### COMMITTEE EMPLOYEES

For professional and clerical employees of standing committees, including the Committee on Appropriations and the Committee on the Budget, [\$49,102,000] \$71,770,000.

### COMMITTEE ON THE BUDGET (STUDIES)

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

### CONTINGENT EXPENSES OF THE HOUSE

#### STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by the House, [\$52,418,000] \$56,124,000.

#### ALLOWANCES AND EXPENSES

##### (INCLUDING TRANSFER OF FUNDS)

For allowances and expenses as authorized by House resolution or law, [\$174,797,000] \$196,886,000, including: Official Expenses of Members, [\$81,523,000] \$86,376,000; supplies, materials, administrative costs and Federal tort claims, [\$16,719,000] \$25,193,000; furniture and furnishings, [\$1,005,000] \$1,265,000; stenographic reporting of committee hearings, [\$550,000] \$800,000; reemployed annuitants reimbursements, [\$1,118,000] \$1,380,000; Government contributions to employees' life insurance fund, retirement funds, Social Security fund, Medicare fund, health benefits fund, and worker's and unemployment compensation, [\$73,260,000] \$81,250,000; and miscellaneous items including, but not limited to, purchase, exchange, maintenance, repair and operation of House motor vehicles, [restaurants,] interparliamentary receptions and gratuities to heirs of deceased employees of the House, \$622,000; Provided, That effective upon enactment of this Act, an amount not to exceed \$132,000 shall be made available by transfer from the appropriation for "House office buildings, 1987, No year" for deposit in the account established by section 208 of the First Supplemental Civil Functions Appropriations Act, 1941 (40 U.S.C. 174k(b)).

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

### COMMITTEE ON APPROPRIATIONS (STUDIES AND INVESTIGATIONS)

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, [\$4,300,000] \$4,522,000.

#### SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, [\$54,529,000] \$58,651,000, including: Office of the Clerk, [\$14,917,000] \$16,205,000; Office of the Sergeant at Arms, including overtime, as authorized by law, [\$21,180,000] \$22,728,000; Office of the Doorkeeper, including overtime, as authorized by law, [\$7,915,000] \$8,245,000; Office of the Postmaster, [\$2,517,000] \$2,760,000, including [\$48,124] \$49,570 for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed [\$16,766] \$17,101 per annum each; Office of the Chaplain, [\$75,000] \$78,000; Office of the Parliamentarian, including the Parliamentarian and \$2,000 for preparing the Digest of Rules, [\$716,000] \$746,000; for salaries and expenses of the Office for the Bicentennial of the House of Representatives, [\$243,000] \$261,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, [\$870,000] \$969,000; for salaries and expenses of the Office of the Legislative Counsel of the House, [\$3,025,000] \$3,237,000; six minority employees, [\$447,000] \$521,000; the House Democratic Steering Committee and Caucus, [\$721,000] \$803,000; the House Republican Conference, [\$721,000] \$803,000; and other authorized employees, [\$1,182,000] \$1,295,000.

Such amounts as are deemed necessary for the payment of salaries of officers and employees [under this head may be transferred between the various offices and activities within this appropriation, "Salaries, officers and employees" upon] under this heading may be transferred among the various offices and activities under this head-

## SALARIES AND EXPENSES—Continued

## SALARIES, OFFICERS AND EMPLOYEES—Continued

ing, upon the approval of the Committee on Appropriations of the House of Representatives.

## ADMINISTRATIVE PROVISIONS

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

Sec. 101. Of the amounts appropriated for fiscal year 1989 for salaries and expenses of the House of Representatives, such amounts as may be necessary may be transferred among the headings "HOUSE LEADERSHIP OFFICES", "MEMBERS' CLERK HIRE", "COMMITTEE EMPLOYEES", "CONTINGENT EXPENSES OF THE HOUSE (STANDING COMMITTEES, SPECIAL AND SELECT)", "CONTINGENT EXPENSES OF THE HOUSE (ALLOWANCES AND EXPENSES)", and "SALARIES, OFFICERS AND EMPLOYEES", upon approval of the Committee on Appropriations of the House of Representatives.

[SEC. 102. (a) One additional employee is authorized for each of the following:

- (1) the House Democratic Steering and Policy Committee; and
- (2) the House Republican Conference.

(b) The annual rate of pay for the positions established under subsection (a) shall not exceed 60 percent of the annual rate of pay payable from time to time for level V of the Executive Schedule under section 5316 of title 5, United States Code.] (Congressional Operations Appropriations Act, 1988.)

## JOINT ITEMS

For joint committees, as follows:

## CONTINGENT EXPENSES OF THE SENATE

## JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, **[\$3,179,000] \$3,430,000.**

## JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, **[\$1,037,000] \$1,165,000.**

## CONTINGENT EXPENSES OF THE HOUSE

## JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, **[\$4,219,000] \$4,466,000,** to be disbursed by the Clerk of the House.

For other joint items, as follows:

## OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including (1) an allowance of \$1,000 per month to the Attending Physician; (2) an allowance of \$600 per month to one Senior Medical Officer while on duty in the Attending Physician's office; (3) an allowance of \$200 per month each to two medical officers while on duty in the Attending Physician's office; (4) an allowance of \$200 per month each to not to exceed twelve assistants on the basis heretofore provided for such assistance; and (5) **[\$963,600] \$998,000** for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, such amount shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, **[\$1,493,000] \$1,414,000,** to be disbursed by the Clerk of the House.

## CAPITOL POLICE

## GENERAL EXPENSES

For purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including advance payment for travel for training or other purposes, and expenses associated with the relocation of instructor personnel to and from the Federal Law Enforcement Training Center as approved by the Chairman of the Capitol Police Board, and including \$85 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House as may be designated by the Chairman of the Board, **[\$1,734,000] \$2,189,000,** to be disbursed by the Clerk of the House: *Provided*, That the funds used to maintain the petty cash fund referred to as "Petty Cash II" which is to provide for the prevention and detection of crime shall not exceed \$4,000: *Provided further*, That the funds used to maintain the petty cash fund referred to as "Petty Cash III" which is to provide for the advance of travel expenses attendant to protective assignments shall not exceed \$4,000: *Provided further*, That, notwithstanding any other provision of law, the cost involved in providing basic training for members of the Capitol Police at the Federal Law Enforcement Training Center for fiscal year **[1988] 1989** shall be paid by the Secretary of the Treasury from funds available to the Treasury Department.

## OFFICIAL MAIL COSTS

For expenses necessary for official mail costs, **[\$82,163,000] \$58,926,000,** to be disbursed by the Clerk of the House, to be available immediately upon enactment of this Act: *Provided*, That funds appropriated for such purpose for the fiscal year ending September 30, **[1987] 1988,** shall remain available until expended.

## CAPITOL GUIDE SERVICE

For salaries and expenses of the Capitol Guide Service, **[\$1,137,000] \$1,220,000,** to be disbursed by the Secretary of the Senate: *Provided*, That none of these funds shall be used to employ more than thirty-three individuals: *Provided further*, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than one hundred twenty days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

## STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the **[first] second** session of the One-hundredth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, **[\$19,000] \$20,000,** to be paid to the persons designated by the chairmen of such committees to supervise the work. (Congressional Operations Appropriation Act, 1988.)

## CONGRESSIONAL BUDGET OFFICE

## Federal Funds

## General and special funds:

## SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), **[\$17,886,000] \$18,900,000:** *Provided*, That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further*, That none of the funds in this Act shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 226 staff employees: *Provided further*, That any sale or lease of property, supplies, or services to the Congressional Budget Office shall be deemed to be a sale or lease of such property, supplies, or services to the Congress subject to section 903 of Public Law 98-63. (2 U.S.C. 601 et seq.; Congressional Operations Appropriations Act, 1988.)

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

Identification code 08-0100-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	16,651	17,886	18,900
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	1,132		
40.00 <b>Budget authority (appropriation)</b> .....	<b>17,783</b>	<b>17,886</b>	<b>18,900</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	16,651	17,886	18,900
72.40 Obligated balance, start of year .....	1,907	2,149	2,004
74.40 Obligated balance, end of year .....	-2,149	-2,004	-2,105
77.00 Adjustments in expired accounts .....	14		
90.00 Outlays .....	16,423	18,031	18,799

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

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

Identification code 08-0100-0-1-801	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent .....	9,424	10,002	10,659
11.3 Other than full-time permanent .....	110	155	157
11.9 Total personnel compensation .....	9,534	10,157	10,816
12.1 Civilian personnel benefits .....	1,546	2,272	2,443
13.0 Benefits for former personnel .....	49	5	5
21.0 Travel and transportation of persons .....	60	75	80
23.3 Communications, utilities, and miscellaneous charges .....	334	329	401
24.0 Printing and reproduction .....	287	405	443
25.0 Other services .....	4,075	3,970	3,915
26.0 Supplies and materials .....	260	313	338
31.0 Equipment .....	506	360	459
99.9 Total obligations .....	16,651	17,886	18,900

**Personnel Summary**

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

**ARCHITECT OF THE CAPITOL**

*Federal Funds*

**General and special funds:**

**OFFICE OF THE ARCHITECT OF THE CAPITOL**

**SALARIES**

For the Architect of the Capitol; the Assistant Architect of the Capitol; the Executive Assistant; and other personal services; at rates of pay provided by law, **[\$5,925,000] \$7,236,000.** (5 U.S.C. 5307, 5318, 5341-44, 5346, 5349; 40 U.S.C. 161, 162, 162a, 166a-1, 166b, 166b-1, 166b-3; Congressional Operations Appropriations Act, 1988.)

**TRAVEL**

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of **[\$10,000] \$20,000.** (Congressional Operations Appropriations Act, 1988.)

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

Identification code 01-0100-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	5,125	5,925	7,236
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	353		
40.00 <b>Budget authority (appropriation)</b> .....	<b>5,478</b>	<b>5,925</b>	<b>7,236</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	5,125	5,925	7,236
72.40 Obligated balance, start of year .....	213	274	527
74.40 Obligated balance, end of year .....	-274	-527	-644
90.00 Outlays .....	5,064	5,672	7,119

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

Identification code 01-0100-0-1-801	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent .....	4,246	4,619	5,610
11.5 Other personnel compensation .....	305	399	406
11.9 Total personnel compensation .....	4,551	5,018	6,016
12.1 Civilian personnel benefits .....	574	907	1,220
99.9 Total obligations .....	5,125	5,925	7,236

**Personnel Summary**

Total number of full-time permanent positions .....	136	136	167
Total compensable workyears:			
Full-time equivalent employment .....	129	132	166
Full-time equivalent of overtime and holiday hours .....	6	8	8

**CONTINGENT EXPENSES**

To enable the Architect of the Capitol to make surveys and studies, and to meet unforeseen expenses in connection with activities under his care, **[\$48,000] \$100,000.** (Congressional Operations Appropriations Act, 1988.)

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

Identification code 01-0102-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	112	112	100
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-135	-64	
24.40 Unobligated balance available, end of year .....	64		
25.00 Unobligated balance lapsing .....	8		
40.00 <b>Budget authority (appropriation)</b> .....	<b>50</b>	<b>48</b>	<b>100</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	112	112	100
72.40 Obligated balance, start of year .....	97	54	
74.40 Obligated balance, end of year .....	-54		
77.00 Adjustments in expired accounts .....	-12		
90.00 Outlays .....	143	166	100

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

Identification code 01-0102-0-1-801	1987 actual	1988 est.	1989 est.
23.2 Rental payments to others .....	2		
25.0 Other services .....	110	112	100
99.9 Total obligations .....	112	112	100

General and special funds—Continued

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

For all necessary expenses for the maintenance, care and operation of the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment; not to exceed \$1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; purchase or exchange, maintenance and operation of a passenger motor vehicle; for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, and for security installations, which are approved by the Capitol Police Board, authorized by House Concurrent Resolution 550, Ninety-second Congress, agreed to September 19, 1972, the cost limitation of which is hereby further increased by **[\$111,000, \$12,793,000] \$565,000, \$21,180,000, of which [\$360,000] \$7,509,000 shall remain available until expended: Provided, That of the funds to remain available until expended, \$3,783,000 shall be available for obligation without regard to Section 3709 of the Revised Statutes, as amended. (5 U.S.C. 5307, 5318, 5341-44, 5346, 5349; 40 U.S.C. 162, 163, 163a, 166, 166a-1, 166b-2, 166b-3; 87 Stat. 825-829; Congressional Operations Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0105-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations	15,293	17,618	21,733
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-12,810	-9,520	-4,695
24.40 Unobligated balance available, end of year	9,520	4,695	4,142
25.00 Unobligated balance lapsing	322		
40.00 Budget authority (appropriation)	12,325	12,793	21,180
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	15,293	17,618	21,733
72.40 Obligated balance, start of year	2,026	5,178	5,231
74.40 Obligated balance, end of year	-5,178	-5,231	-3,507
77.00 Adjustments in expired accounts	-48		
90.00 Outlays	12,093	17,565	23,457

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0105-0-1-801			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	4,501	4,981	5,135
11.3 Other than full-time permanent	72	40	40
11.5 Other personnel compensation	946	1,069	1,091
11.9 Total personnel compensation	5,519	6,090	6,266
12.1 Civilian personnel benefits	2,037	2,560	2,595
13.0 Benefits for former personnel	300	300	300
21.0 Travel and transportation of persons	16	1	1
23.2 Rental payments to others	142	230	250
23.3 Communications, utilities, and miscellaneous charges	21	18	21
24.0 Printing and reproduction	2		
25.0 Other services	6,859	8,045	11,665
26.0 Supplies and materials	339	315	355
31.0 Equipment	58	59	280
99.9 Total obligations	15,293	17,618	21,733

Personnel Summary

Total number of full-time permanent positions	202	202	204
Total compensable workyears:			
Full-time equivalent employment	187	198	206
Full-time equivalent of overtime and holiday hours	21	23	24

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House Office Buildings, and

the Capitol Power Plant, **[\$3,404,000] \$3,911,000, of which \$160,000 shall remain available until expended. (5 U.S.C. 5307, 5341-44, 5346, 5349; 40 U.S.C. 162, 166a-1, 193a, 223; 87 Stat. 825-829; Congressional Operations Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0108-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations	3,940	3,496	4,255
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,257	-436	-344
24.40 Unobligated balance available, end of year	436	344	
25.00 Unobligated balance lapsing	171		
40.00 Budget authority (appropriation)	3,290	3,404	3,911
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	3,940	3,496	4,255
72.40 Obligated balance, start of year	380	632	608
74.40 Obligated balance, end of year	-632	-608	-658
77.00 Adjustments in expired accounts	-6		
90.00 Outlays	3,682	3,520	4,205

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0108-0-1-801			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	1,794	1,941	2,067
11.3 Other than full-time permanent	24	17	17
11.5 Other personnel compensation	278	317	322
11.9 Total personnel compensation	2,096	2,275	2,406
12.1 Civilian personnel benefits	301	428	461
21.0 Travel and transportation of persons	1		
25.0 Other services	1,369	685	1,049
26.0 Supplies and materials	91	97	106
31.0 Equipment	79	11	233
42.0 Insurance claims and indemnities	3		
99.9 Total obligations	3,940	3,496	4,255

Personnel Summary

Total number of full-time permanent positions	84	84	84
Total compensable workyears:			
Full-time equivalent employment	74	80	85
Full-time equivalent of overtime and holiday hours	7	8	8

WEST CENTRAL FRONT OF THE CAPITOL

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0109-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	3,085	2,000	15,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-29,256	-26,171	-24,171
24.40 Unobligated balance available, end of year	26,171	24,171	9,171
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	3,085	2,000	15,000
72.40 Obligated balance, start of year	5,456	2,048	1,348
74.40 Obligated balance, end of year	-2,048	-1,348	-10,248
90.00 Outlays	6,493	2,700	6,100



CONGRESSIONAL CEMETERY

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0110-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	105	18	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-124	-18	
24.40 Unobligated balance available, end of year	18		
<b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	105	18	
90.00 Outlays	105	18	

ACQUISITION OF PROPERTY AS AN ADDITION TO THE CAPITOL GROUNDS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0104-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0)	32		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-33		
25.00 Unobligated balance lapsing	1		
<b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	32		
90.00 Outlays	32		

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of Senate Office Buildings; and furniture and furnishings, to be expended under the control and supervision of the Architect of the Capitol, **[\$23,265,000] \$38,459,000**, of which **[\$3,943,000] \$17,070,000** shall remain available until expended: *Provided*, That **[\$928,000** of funds provided under this head are for improvements to the Senate Restaurants kitchen in the Dirksen Building: *Provided further*, That no obligations can be made from this amount for improvements to the Senate Restaurants kitchen in the Dirksen Building without the prior approval of the Committee on Appropriations of the United States Senate] of the funds to remain available until expended, \$10,000,000 shall be available for obligation without regard to Section 3709 of the Revised Statutes, as amended. (5 U.S.C. 5307, 5318, 5341-44, 5346, 5349; 40 U.S.C. 166a-1, 166b-2, 166b-3, 174b, 174b-1, 174c, 174j-1, 174j-8, 185a; 86 Stat. 443; 87 Stat. 542; 88 Stat. 206; 89 Stat. 289; 89 Stat. 832-833; Congressional Operations Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0123-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations	23,044	26,320	34,748
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-3,812	-6,175	-3,120
24.40 Unobligated balance available, end of year	6,175	3,120	6,831
25.00 Unobligated balance lapsing	496		
<b>Budget authority (appropriation)</b>			
	<b>25,903</b>	<b>23,265</b>	<b>38,459</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net	23,044	26,320	34,748
72.40 Obligated balance, start of year	6,205	7,530	4,632
74.40 Obligated balance, end of year	-7,530	-4,632	-3,829
77.00 Adjustments in expired accounts	-45		
90.00 Outlays	21,674	29,218	35,551

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0123-0-1-801			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	11,651	11,613	12,895
11.3 Other than full-time permanent	27	65	65
11.5 Other personnel compensation	1,954	1,932	1,999
<b>Total personnel compensation</b>			
11.9	13,632	13,610	14,959
12.1 Civilian personnel benefits	1,993	2,606	2,792
23.3 Communications, utilities, and miscellaneous charges	1		
25.0 Other services	3,361	5,375	13,514
26.0 Supplies and materials	1,078	965	1,110
31.0 Equipment	2,978	3,764	2,373
42.0 Insurance claims and indemnities	1		
<b>Total obligations</b>			
99.9	23,044	26,320	34,748

Personnel Summary

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions	585	585	585
Total compensable workyears:			
Full-time equivalent employment	559	576	587
Full-time equivalent of overtime and holiday hours	48	44	45

CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0122-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	649	297	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-946	-297	
24.40 Unobligated balance available, end of year	297		
<b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	649	297	
72.40 Obligated balance, start of year	321	162	
74.40 Obligated balance, end of year	-162		
90.00 Outlays	808	459	

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House Office Buildings, including the position of Superintendent of Garages as authorized by law, **[\$30,547,000] \$32,910,000**, of which **[\$8,010,000] \$8,468,000** shall remain available until expended. (5 U.S.C. 5307, 5318, 5341-44, 5346, 5349; 40 U.S.C. 166a-1, 166b-2, 166b-3, 174k, 175, 184a; 45 Stat. 1071-72; 69 Stat. 41-42; 86 Stat. 222; 87 Stat. 1079; 89 Stat. 12; 95 Stat. 64; Congressional Operations Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
01-0127-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations	24,296	30,720	33,505
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-3,273	-4,759	-4,454
22.40 Unobligated balance transferred, net		132	
24.40 Unobligated balance available, end of year	4,759	4,454	3,859
25.00 Unobligated balance lapsing	356		
<b>Budget authority (appropriation)</b>			
40.00	<b>26,138</b>	<b>30,547</b>	<b>32,910</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net	24,296	30,720	33,505
72.40 Obligated balance, start of year	2,359	3,319	5,167
74.40 Obligated balance, end of year	-3,319	-5,167	-6,446

General and special funds—Continued

CAPITOL BUILDINGS AND GROUNDS—Continued

HOUSE OFFICE BUILDINGS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	01-0127-0-1-801	1987 actual	1988 est.	1989 est.
77.00	Adjustments in expired accounts.....	31		
90.00	Outlays.....	23,368	28,872	32,226

Object Classification (in thousands of dollars)

Identification code	01-0127-0-1-801	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	13,635	15,300	16,073
11.3	Other than full-time permanent.....	209	15	15
11.5	Other personnel compensation.....	2,626	2,393	2,550
11.9	Total personnel compensation.....	16,470	17,708	18,638
12.1	Civilian personnel benefits.....	2,257	2,986	3,229
23.3	Communications, utilities, and miscellaneous charges.....	2		
25.0	Other services.....	4,532	9,307	10,568
26.0	Supplies and materials.....	773	588	775
31.0	Equipment.....	258	131	295
42.0	Insurance claims and indemnities.....	4		
99.9	Total obligations.....	24,296	30,720	33,505

Personnel Summary

Total number of full-time permanent positions.....	769	769	769
Total compensable workyears:			
Full-time equivalent employment.....	696	734	768
Full-time equivalent of overtime and holiday hours.....	61	49	51

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

Program and Financing (in thousands of dollars)

Identification code	01-0128-0-1-801	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Appropriation.....	-15		
21.49	Contract authority.....	-7,446	-7,446	-7,446
24.49	Unobligated balance available, end of year: Contract authority.....	7,446	7,446	7,446
25.00	Unobligated balance lapsing.....	15		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
72.40	Obligated balance, start of year.....	64	64	
74.40	Obligated balance, end of year.....	-64		
90.00	Outlays.....		64	

Status of Unfunded Contract Authority (in thousands of dollars)

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

INSTALLATION OF SOLAR COLLECTORS IN HOUSE OFFICE BUILDINGS

Program and Financing (in thousands of dollars)

Identification code	01-0129-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....		30	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-30	-30	

24.40	Unobligated balance available, end of year.....	30		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		30	
72.40	Obligated balance, start of year.....	17	17	
74.40	Obligated balance, end of year.....	-17		
90.00	Outlays.....		47	

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; for lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Congressional Library Buildings, and the grounds about the same, Botanic Garden, Senate garage, and for air conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City Post Office and heating and chilled water for air conditioning for the Supreme Court Building, Union Station complex and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation; **[\$24,583,000] \$24,905,000: Provided,** That not to exceed \$1,950,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year **[1988] 1989: Provided further,** That appropriations under this head shall hereafter be available for maintenance, alterations, personal and other services, and for all other necessary expenses of the Government owned property, buildings and facilities located in Lot 803, Square 695, formally known as the General Services Administration Coal Yard at 42 I Street, S.E., in the District of Columbia. (5 U.S.C. 5307, 5341-44, 5346, 5349; 40 U.S.C. 166a-1, 185; 33 Stat. 479; 34 Stat. 36; 42 Stat. 767-768; 44 Stat. 1262; 45 Stat. 1071-1072; 45 Stat. 1694-1696; 46 Stat. 51; 46 Stat. 583-584; 50 Stat. 9-10; 52 Stat. 392; 62 Stat. 1028-1029; 63 Stat. 933-934; 68 Stat. 803; 69 Stat. 41; 79 Stat. 987; 85 Stat. 637; 86 Stat. 1510; 91 Stat. 1374; 95 Stat. 1672; Congressional Operations Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	01-0133-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	21,716	24,797	24,905
01.01	Reimbursable program.....	1,950	1,950	1,950
10.00	Total obligations.....	23,666	26,747	26,855
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-1,827	-1,827	-1,827
14.00	Non-Federal sources.....	-123	-123	-123
21.40	Unobligated balance available, start of year.....	-452	-214	
24.40	Unobligated balance available, end of year.....	214		
25.00	Unobligated balance lapsing.....	3,238		
40.00	<b>Budget authority (appropriation)</b> .....	<b>24,716</b>	<b>24,583</b>	<b>24,905</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	21,716	24,797	24,905
72.40	Obligated balance, start of year.....	6,155	5,141	3,551
74.40	Obligated balance, end of year.....	-5,141	-3,551	-3,601
77.00	Adjustments in expired accounts.....	-51		
90.00	Outlays.....	22,679	26,387	24,855

Object Classification (in thousands of dollars)

Identification code	01-0133-0-1-801	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	2,273	2,489	2,607
11.3	Other than full-time permanent.....	13	7	7
11.5	Other personnel compensation.....	228	232	248
11.9	Total personnel compensation.....	2,513	2,728	2,862
12.1	Civilian personnel benefits.....	355	457	500

23.3	Communications, utilities, and miscellaneous charges...	15,476	17,203	17,273
25.0	Other services.....	807	1,206	903
26.0	Supplies and materials.....	2,564	3,203	3,367
42.0	Insurance claims and indemnities.....	1		
99.0	Subtotal, direct obligations.....	21,716	24,797	24,905
99.0	Reimbursable obligations.....	1,950	1,950	1,950
99.9	Total obligations.....	23,666	26,747	26,855

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions.....	104	104	104
	Total compensable workyears:			
	Full-time equivalent employment.....	84	87	90
	Full-time equivalent of overtime and holiday hours.....	4	3	4
<b>Reimbursable:</b>				
	Total compensable workyears: Full-time equivalent employment.....	14	14	14

**EXPANSION OF FACILITIES, CAPITOL POWER PLANT**

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

Identification code	01-0135-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....		54	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-54	-54	
24.40	Unobligated balance available, end of year.....	54		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		54	
90.00	Outlays.....		54	

**MODIFICATIONS AND ENLARGEMENT, CAPITOL POWER PLANT**

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

Identification code	01-0136-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	-224	200	214
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-190	-414	-214
24.40	Unobligated balance available, end of year.....	414	214	
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-224	200	214
72.40	Obligated balance, start of year.....	569	188	188
74.40	Obligated balance, end of year.....	-188	-188	
90.00	Outlays.....	157	200	402

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

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

Identification code	01-0106-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	169	250	250
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-1,156	-987	-737
24.40	Unobligated balance available, end of year.....	987	737	487
39.00	<b>Budget authority</b> .....			

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	169	250	250
72.40	Obligated balance, start of year.....	68	127	127
74.40	Obligated balance, end of year.....	-127	-127	-127
90.00	Outlays.....	110	250	250

**LIBRARY BUILDINGS AND GROUNDS**

**STRUCTURAL AND MECHANICAL CARE**

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, **[\$6,741,000]** \$8,975,000, of which **[\$365,000]** \$1,925,000 shall remain available until expended. (2 U.S.C. 141; 5 U.S.C. 5307, 5341-44, 5346, 5349; 40 U.S.C. 166a-1; 46 Stat. 583-584; 79 Stat. 987; Legislative Branch Appropriations Act, 1988.)

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

Identification code	01-0155-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	15,445	16,865	13,723
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-52,532	-43,097	-32,973
24.40	Unobligated balance available, end of year.....	43,097	32,973	28,225
25.00	Unobligated balance lapsing.....	250		
40.00	<b>Budget authority (appropriation)</b> .....	<b>6,260</b>	<b>6,741</b>	<b>8,975</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	15,445	16,865	13,723
72.40	Obligated balance, start of year.....	25,916	28,915	28,110
74.40	Obligated balance, end of year.....	-28,915	-28,110	-12,639
77.00	Adjustments in expired accounts.....	-10		
90.00	Outlays.....	12,436	17,670	29,194

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

Identification code	01-0155-0-1-801	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	3,383	3,813	3,910
11.5	Other personnel compensation.....	688	789	803
11.9	Total personnel compensation.....	4,071	4,602	4,713
12.1	Civilian personnel benefits.....	520	764	810
21.0	Travel and transportation of persons.....	1		
25.0	Other services.....	10,345	11,041	7,718
26.0	Supplies and materials.....	409	357	375
31.0	Equipment.....	80	81	87
32.0	Land and structures.....	19	20	20
99.9	Total obligations.....	15,445	16,865	13,723

**Personnel Summary**

Total number of full-time permanent positions.....	133	139	139
Total compensable workyears:			
Full-time equivalent employment.....	124	138	139
Full-time equivalent of overtime and holiday hours.....	15	16	16

**SENATE RESTAURANT FUND**

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

Identification code	00-4022-0-3-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	221	282	
<b>Financing:</b>				
21.98	Unobligated balance available, start of year.....	-504	-282	
24.98	Unobligated balance available, end of year.....	282		
39.00	<b>Budget authority</b> .....			

General and special funds—Continued

SENATE RESTAURANT FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	00-4022-0-3-801	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	221	282	.....
90.00	Outlays .....	221	282	.....

HOUSE OF REPRESENTATIVES RESTAURANT FUND

Program and Financing (in thousands of dollars)

Identification code	01-4003-0-3-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	76	719	.....
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....		- 58	.....
21.98	Unobligated balance available, start of year .....	-605	-529	.....
22.40	Unobligated balance transferred, net .....		- 132	.....
24.98	Unobligated balance available, end of year .....	529		.....
39.00	<b>Budget authority</b> .....			.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	76	661	.....
90.00	Outlays .....	76	661	.....

ADMINISTRATIVE PROVISIONS

SEC. 103. Notwithstanding any other provisions of law, the Architect of the Capitol is hereby authorized to (1) develop a pilot program to determine the economic feasibility and efficiency of centralizing certain maintenance functions, to assign and reassign, without increase or decrease in basic salary or wages, any person on the employment rolls of the Office of the Architect of the Capitol, for personal services in any buildings, facilities, or grounds under his jurisdiction for which appropriations have been made and are available; (2) maintain appropriate cost and productivity records for the program; and (3) report to appropriate authorities, including the Committees on Appropriations, on the results of the program, together with recommendations for continuation or expansion of the program.

SEC. 104. The Architect of the Capitol, under the direction of the Joint Committee on the Library, is authorized to accept donations to restore and display the Statue of Freedom model. (*Congressional Operations Appropriations Act, 1988.*)

LIBRARY OF CONGRESS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including [the Speaker's Civic Achievement Awards Program, subject to authorization,] development and maintenance of the Union Catalogs; custody, care and maintenance of the Library Buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog cards and other publications of the Library; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, [\$143,866,000] \$164,189,000, of which not more than \$5,000,000 shall be derived from collections credited to this appropriation during fiscal year [1988] 1989 under the Act of June 28, 1902, as amended (2 U.S.C. 150): *Provided*, That the total amount

available for obligation shall be reduced by the amount by which collections are less than the \$5,000,000: *Provided further*, That, of the total amount appropriated, [\$4,944,000] \$6,212,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other materials including subscriptions for bibliographic services for the Library, including \$40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections. (2 U.S.C. 131-177; 5 U.S.C. 5102, 5108, 5305, 5318, 7901-7903; 17 U.S.C. 201-205; 20 U.S.C. 91, 2101-2107; 28 U.S.C. 2672; 44 U.S.C. 1718, 1719; *Legislative Branch Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	03-0101-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Purchase of books and library materials .....	4,328	5,170	6,500
00.02	Preparation of books and library materials for use .....	42,977	47,483	50,554
Cataloging distribution service:				
00.03	Catalog services for the Library of Congress .....	3,558	3,660	3,844
00.04	Sale of catalog services to other institutions .....	4,349	4,474	4,699
00.05	Research and reader services .....	28,739	28,173	30,615
00.06	Preservation of library materials .....	3,472	6,757	8,474
00.07	Automated systems support .....	16,411	17,933	21,413
00.08	Optical disk program .....	589	598	2,158
00.09	Central support services .....	26,826	28,322	35,306
00.10	American Folklife Center .....	856	864	914
00.11	Deacidification facility .....	2,918	1,585	6,500
00.12	Civic Achievement Award .....		658	.....
00.91	Total direct program .....	135,023	145,677	170,977
01.01	Reimbursable program .....	52,165	57,417	67,726
10.00	Total obligations .....	187,188	203,094	238,703
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	- 52,337	- 57,589	- 67,898
14.00	Non-Federal sources .....	- 4,528	- 4,828	- 4,828
21.40	Unobligated balance available, start of year .....	- 11,090	- 11,854	- 10,043
24.40	Unobligated balance available, end of year .....	11,854	10,043	3,255
25.00	Unobligated balance lapsing .....	3,763		.....
40.00	<b>Budget authority (appropriation)</b> .....	<b>134,850</b>	<b>138,866</b>	<b>159,189</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	130,323	140,677	165,977
72.40	Obligated balance, start of year .....	25,742	31,441	34,334
74.40	Obligated balance, end of year .....	- 31,441	- 34,334	- 45,021
77.00	Adjustments in expired accounts .....	254		.....
90.00	Outlays .....	124,878	137,784	155,290

Note.—Excludes \$680 thousand in 1989 for activities transferred to Speaker's Civic Achievement Award Program. Comparable amounts for 1987 (\$0) and 1988 (\$658 thousand) are included above.

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

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

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

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

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

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

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

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

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

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

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

**Civic Achievement Award.**—Public Law 100-158 established the Civic Achievement Award Program in honor of the Office of Speaker of the House of Representatives. The program is to be conducted by the Close Up Foundation in cooperation with the National Association of Elementary School Principals. Funds for the program are to be disbursed to the Foundation by the Librarian of Congress.

Object Classification (in thousands of dollars)

Identification code 03-0101-0-1-503	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	85,538	89,833	96,556
11.3 Other than full-time permanent .....	1,827	2,676	2,902
11.5 Other personnel compensation .....	2,491	872	740
11.8 Special personal services payments .....	35	9	9
11.9 Total personnel compensation .....	89,891	93,390	100,207
12.1 Civilian personnel benefits .....	11,182	15,561	16,964
13.0 Benefits for former personnel .....	169	138	139
21.0 Travel and transportation of persons .....	564	476	536
22.0 Transportation of things .....	142	239	247
23.1 Rental payments to GSA .....	2,767	1,989	6,405
23.3 Communications, utilities, and miscellaneous charges .....	8,051	9,089	9,422
24.0 Printing and reproduction .....	4,295	4,239	4,690
25.0 Other services .....	7,927	10,287	16,645
26.0 Supplies and materials .....	2,414	2,118	2,528
31.0 Equipment .....	7,619	7,491	13,192
41.0 Grants, subsidies, and contributions .....		658	
42.0 Insurance claims and indemnities .....	2	2	2
99.0 Subtotal, direct obligations .....	135,023	145,677	170,977
99.0 Reimbursable obligations .....	52,165	57,417	67,726
99.9 Total obligations .....	187,188	203,094	238,703

Personnel Summary

Total number of full-time permanent positions .....	3,283	3,253	3,283
Total compensable workyears:			
Full-time equivalent employment .....	2,933	2,981	3,150
Full-time equivalent of overtime and holiday hours .....	59	15	16

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, **[\$19,061,000] \$20,173,000**, of which not more than \$7,000,000 shall be derived from collections credited to this appropriation during fiscal year **[1988] 1989** under 17 U.S.C. 708(c), and not more than **[\$931,000] \$1,034,000** shall be derived from collections during fiscal year **[1988] 1989** under 17 U.S.C. 111(d)(3) and 116(c)(1); *Provided*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the **[\$7,931,000] \$8,034,000**; *Provided further*, That **[\$150,000** of the unobligated balance of that part of the appropriation "Salaries and Expenses, Copyright Office" for the fiscal year 1987, for the acquisition of a stand-alone data system for the processing of cable television statements and jukebox registrations, shall remain available until September 30, 1988] **\$100,000** of the amount appropriated is available for the creation and maintenance of an "International Copyright Institute" in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies. (17 U.S.C. 101-710, 901-914; 5 U.S.C. 5108, 5305; 2 U.S.C. 169; Legislative Branch Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 03-0102-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Receiving and accounting for applications, fees, and correspondence .....	3,239	3,624	3,826
00.02 Examining copyright applications .....	5,457	5,980	6,313
00.03 Indexing and cataloging materials received .....	3,410	3,805	4,017
00.04 Reference service .....	2,216	2,537	2,678
00.05 Publishing the catalog of copyright entries and bulletins of decisions .....	22	10	10
00.06 General supervision and legal services .....	2,046	2,174	2,295
00.07 Licensing division .....	777	1,081	1,034
00.91 Total direct program .....	17,167	19,211	20,173
01.01 Reimbursable program .....	5	5	5
10.00 Total obligations .....	17,172	19,216	20,178

General and special funds—Continued

COPYRIGHT OFFICE—Continued  
SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 03-0102-0-1-376	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-964	-944	-1,047
14.00 Non-Federal sources.....	-6,497	-6,992	-6,992
25.00 Unobligated balance lapsing.....	595		
39.00 <b>Budget authority</b> .....	<b>10,306</b>	<b>11,280</b>	<b>12,139</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>10,306</b>	<b>11,130</b>	<b>12,139</b>
50.00 <b>Reappropriation</b> .....		<b>150</b>	
Relations of obligations to outlays:			
71.00 Obligations incurred, net.....	9,711	11,280	12,139
72.40 Obligated balance, start of year.....	1,172	1,522	1,620
74.40 Obligated balance, end of year.....	-1,522	-1,620	-1,706
77.00 Adjustments in expired accounts.....	27		
90.00 <b>Outlays</b> .....	<b>9,388</b>	<b>11,182</b>	<b>12,053</b>

The Copyright Office is responsible for registering and recording copyright claims, assignments, and renewals, for supplying copyright information to the public, for collecting and accounting for copyright fees, and for publishing complete and indexed catalogs for each class of copyright entries. The Office is conducted for the most part on a self-sustaining basis. The amount requested is substantially counterbalanced by fees received for services rendered and the value of books and other library materials deposited in accordance with the Copyright Act and transferred to the Library of Congress. The income and obligations for 1987, and estimates for 1988 and 1989 are as follows:

	1987 actual	1988 est.	1989 est.
<b>Income:</b>			
Gross receipts.....	7,812,841	7,931,000	8,034,000
Estimated value of materials deposited and transferred to the Library of Congress.....	5,456,166	5,570,000	5,700,000
<b>Total income</b> .....	<b>13,269,007</b>	<b>13,501,000</b>	<b>13,734,000</b>
<b>Obligations</b> .....	<b>17,166,724</b>	<b>19,211,000</b>	<b>20,173,000</b>

The effort described under each of the activities are predicated on an estimated 600,000 copyright registrations during 1989, an estimated 590,000 during 1988, and registrations of 582,000 during 1987.

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

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

*Indexing and cataloging materials received.*—The Register of Copyrights is required to publish complete and indexed catalogs of all items registered. The catalog entries prepared by the Copyright Office are made available to the public and the Library. It is estimated that for 1989 the number of items to be cataloged will be 600,000.

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

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

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

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

Object Classification (in thousands of dollars)

Identification code 03-0102-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	13,869	14,500	15,214
11.5 Other personnel compensation.....	27	49	50
11.9 <b>Total personnel compensation</b> .....	<b>13,896</b>	<b>14,549</b>	<b>15,264</b>
12.1 Civilian personnel benefits.....	1,734	2,853	2,995
13.0 Benefits for former personnel.....	15	20	20
21.0 Travel and transportation of persons.....	59	49	60
22.0 Transportation of things.....	4		
23.3 Communications, utilities, and miscellaneous charges.....	865	1,109	1,132
24.0 Printing and reproduction.....	222	262	270
25.0 Other services.....	33	66	178
26.0 Supplies and materials.....	152	125	130
31.0 Equipment.....	187	178	124
99.0 Subtotal, direct obligations.....	17,167	19,211	20,173
99.0 Reimbursable obligations.....	5	5	5
99.9 <b>Total obligations</b> .....	<b>17,172</b>	<b>19,216</b>	<b>20,178</b>

Personnel Summary

Total number of full-time permanent positions.....	561	564	564
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	515	511	532
Full-time equivalent of overtime and holiday hours.....	1	2	2

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, **[\$43,022,000] \$47,889,000: Provided,** That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration: *Provided further,* That, notwithstanding any other provisions of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code. (2 U.S.C. 166, 168-168d, 169; 5 U.S.C. 5108, 5305, 5318; Congressional Operations Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	03-0127-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Policy analysis and research .....	24,091	26,244	29,212
00.02	Documentation and status of legislation .....	2,369	2,581	2,873
00.03	Information and reference service .....	11,058	12,046	13,409
00.04	Executive direction and support .....	1,975	2,151	2,395
00.91	Total direct program .....	39,493	43,022	47,889
01.01	Reimbursable program .....	15	20	20
10.00	Total obligations .....	39,508	43,042	47,909
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-15	-20	-20
25.00	Unobligated balance lapsing .....	941		
40.00	Budget authority (appropriation) .....	40,434	43,022	47,889
<b>Relations of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	39,493	43,022	47,889
72.40	Obligated balance, start of year .....	3,510	4,871	4,130
74.40	Obligated balance, end of year .....	-4,871	-4,130	-4,597
77.00	Adjustments in expired accounts .....	-44		
90.00	Outlays .....	38,088	43,763	47,422

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

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

ties within that committee's jurisdiction that are scheduled to terminate during the current Congress.

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

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

Object Classification (in thousands of dollars)

Identification code	03-0127-0-1-801	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	29,801	32,053	35,828
11.3	Other than full-time permanent .....	539	683	697
11.5	Other personnel compensation .....	152	91	93
11.9	Total personnel compensation .....	30,492	32,827	36,618
12.1	Civilian personnel benefits .....	3,526	5,248	6,010
13.0	Benefits for former personnel .....	40	40	40
21.0	Travel and transportation of persons .....	62	84	122
22.0	Transportation of things .....	2		
23.3	Communications, utilities, and miscellaneous charges .....	1,058	1,468	1,521
24.0	Printing and reproduction .....	580	791	802
25.0	Other services .....	2,016	1,289	1,342
26.0	Supplies and materials .....	458	418	431
31.0	Equipment .....	1,259	857	1,003
99.0	Subtotal, direct obligations .....	39,493	43,022	47,889
99.0	Reimbursable obligations .....	15	20	20
99.9	Total obligations .....	39,508	43,042	47,909

Personnel Summary

Total number of full-time permanent positions .....	860	860	860
Total compensable workyears:			
Full-time equivalent employment .....	745	768	875
Full-time equivalent of overtime and holiday hours .....	4	2	2

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the provisions of the Act approved March 3, 1931, as amended (2 U.S.C. 135a), **[\$36,186,000]** \$37,692,000. (2 U.S.C. 135a, 135a-1, 135b, 169; 5 U.S.C. 5108, 5305; Legislative Branch Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	03-0141-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct service to users .....	29,712	28,578	29,474
00.02	Support services .....	5,921	7,608	8,218
10.00	Total obligations .....	35,633	36,186	37,692

General and special funds—Continued

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED—Continued  
SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 03-0141-0-1-503	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	466		
40.00 <b>Budget authority (appropriation)</b> .....	<b>36,099</b>	<b>36,186</b>	<b>37,692</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	35,633	36,186	37,692
72.40 Obligated balance, start of year .....	36,568	38,395	38,817
74.40 Obligated balance, end of year .....	-38,395	-38,817	-39,579
77.00 Adjustments in expired accounts .....	7		
90.00 <b>Outlays</b> .....	<b>33,813</b>	<b>35,764</b>	<b>36,930</b>

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

*Direct service to users.*—During the past 5-year period, 1983-87, the blind and physically handicapped readership throughout the country has grown from almost 622,000 to over 700,000 and circulation from approximately 17,795,000 units (volumes and containers) to over 20,400,000.

*Support services.*—A variety of professional, technical, and clerical functions are performed by NLS's staff. A combined total of almost 24,000 requests for interlibrary loan searches or information concerning library and related services available to the blind and to other physically handicapped persons were received in 1987, and approximately 2,500 copyright permissions were granted.

Object Classification (in thousands of dollars)

Identification code 03-0141-0-1-503	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	2,967	3,251	3,524
11.3 Other than full-time permanent .....	384	465	475
11.5 Other personnel compensation .....	22	35	36
11.9 <b>Total personnel compensation</b> .....	<b>3,373</b>	<b>3,751</b>	<b>4,035</b>
12.1 Civilian personnel benefits .....	432	759	777
13.0 Benefits for former personnel .....		10	10
21.0 Travel and transportation of persons .....	110	120	133
22.0 Transportation of things .....	26	25	25
23.1 Rental payments to GSA .....	650	1,357	1,357
23.3 Communications, utilities, and miscellaneous charges .....	167	228	410
24.0 Printing and reproduction .....	1,079	1,040	1,114
25.0 Other services .....	2,774	3,284	3,354
26.0 Supplies and materials .....	1,149	1,275	1,280
31.0 Equipment .....	25,873	24,337	25,197
99.9 <b>Total obligations</b> .....	<b>35,633</b>	<b>36,186</b>	<b>37,692</b>

Personnel Summary

Total number of full-time permanent positions .....	119	119	119
Total compensable workyears:			
Full-time equivalent employment .....	112	124	132
Full-time equivalent of overtime and holiday hours .....	1	1	1

COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS

(SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code 03-0144-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Acquisition of books and other library materials:			
00.01 Pakistan .....	495		
00.02 Burma .....	2	7	
00.03 Program support (U.S. dollars) .....	332	135	
10.00 <b>Total obligations</b> .....	<b>829</b>	<b>142</b>	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-581	-142	
24.40 Unobligated balance available, end of year .....	142		
40.00 <b>Budget authority (appropriation)</b> .....	<b>390</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	829	142	
72.40 Obligated balance, start of year .....	402	422	
74.40 Obligated balance, end of year .....	-422		
90.00 <b>Outlays</b> .....	<b>809</b>	<b>564</b>	

The Librarian of Congress has been able to use foreign currencies for the collection of foreign library material and the distribution of copies thereof to libraries and research centers in the United States. The availability of foreign currencies ceased at the end of 1987. The program is being continued on a reduced basis through appropriations to the Library of Congress Salaries and expenses account.

Object Classification (in thousands of dollars)

Identification code 03-0144-0-1-503	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	65		
11.3 Other than full-time permanent .....	157		
11.5 Other personnel compensation .....	17		
11.9 <b>Total personnel compensation</b> .....	<b>239</b>		
12.1 Civilian personnel benefits .....	18		
21.0 Travel and transportation of persons .....	53		
22.0 Transportation of things .....	16		
23.3 Communications, utilities, and miscellaneous charges .....	42		
24.0 Printing and reproduction .....	21		
25.0 Other services .....	91	135	
26.0 Supplies and materials .....	25		
31.0 Equipment (books and library materials) .....	324	7	
99.9 <b>Total obligations</b> .....	<b>829</b>	<b>142</b>	

Personnel Summary

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

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase and repair of furniture, furnishings, office and library equipment, **[\$5,816,000]** \$3,575,000, of which **[\$4,781,000]** \$1,000,000, shall be available until expended only for the purchase and supply of furniture, shelving, furnishings, and related costs necessary for the renovation and restoration of the Thomas Jefferson and John Adams Library Buildings. (2 U.S.C. 141, 169; Legislative Branch Appropriations Act, 1988.)



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

Identification code	03-0146-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Regular furniture and furnishings:				
00.01	Repair and replacement furniture and furnishings....	1,072	1,035	2,107
00.02	New furniture and furnishings.....	470		468
00.03	Jefferson and Adams Buildings, furniture and furnishings.....	84	3,000	6,117
00.91	Total direct program.....	1,626	4,035	8,692
01.01	Reimbursable program.....	50	75	75
10.00	Total obligations.....	1,676	4,110	8,767
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-50	-75	-75
21.40	Unobligated balance available, start of year.....		-3,336	-5,117
24.40	Unobligated balance available, end of year.....	3,336	5,117	
25.00	Unobligated balance lapsing.....	108		
40.00	<b>Budget authority (appropriation).....</b>	<b>5,070</b>	<b>5,816</b>	<b>3,575</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,626	4,035	8,692
72.40	Obligated balance, start of year.....	356	650	2,700
74.40	Obligated balance, end of year.....	-650	-2,700	-6,675
77.00	Adjustments in expired accounts.....	3		
90.00	Outlays.....	1,335	1,985	4,717

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

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

Identification code	03-0146-0-1-503	1987 actual	1988 est.	1989 est.
Direct obligations:				
11.3	Personnel compensation: Other than full-time permanent.....	183	208	208
12.1	Civilian personnel benefits.....	23	21	21
Equipment:				
31.0	Partitions.....		50	75
31.0	Annual furniture and equipment.....	350	215	390
31.0	Nonrecurring equipment.....	848	393	1,295
31.0	Furniture and equipment for overseas offices.....	12	8	5
31.0	Typewriters.....	93	90	144
31.0	Furnishings in Jefferson and Adams Buildings.....	84	3,000	6,467
31.0	Replacement carpet.....	33	50	87
99.0	Subtotal, direct obligations.....	1,626	4,035	8,692
99.0	Reimbursable obligations.....	50	75	75
99.9	Total obligations.....	1,676	4,110	8,767

**Personnel Summary**

Total compensable workyears: Full-time equivalent employment.....	6	7	7
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**SPEAKER'S CIVIC ACHIEVEMENT AWARDS PROGRAM**

For necessary expenses of the Speaker's Civic Achievement Awards Program in honor of the Office of Speaker of the House of Representatives, \$680,000. (Public Law 100-158.)

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

Identification code	03-0148-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			680
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation).....</b>			<b>680</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			680
90.00	Outlays.....			680

Note.—Includes \$680 thousand in 1989 for activities previously financed from: Salaries and Expenses, Library of Congress, 1987 (\$0) and 1988 (\$658 thousand).

Public Law 100-158 established the Civic Achievement Award Program in honor of the Office of Speaker of the House of Representatives. The program is to be conducted by the Close Up Foundation in cooperation with the National Association of Elementary School Principals. Funds for the program are to be disbursed to the Foundation by the Librarian of Congress.

**PAYMENTS TO COPYRIGHT OWNERS**

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

Identification code	03-5175-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Tribunal costs.....	504	539	510
00.02	Licensing costs.....	956	931	1,034
00.03	Payments to copyright owners.....	153,902	131,215	69,868
10.00	Total obligations.....	155,362	132,685	71,412
<b>Financing:</b>				
Unobligated balance, start of year:				
21.40	Treasury balance.....	-667	-117	-500
21.40	U.S. securities (par).....	-188,063	-104,555	-42,744
Unobligated balance, end of year:				
24.40	Treasury balance.....	117	500	500
24.40	U.S. securities (par).....	104,555	42,744	42,744
60.00	<b>Budget authority (permanent, indefinite) (special fund).....</b>	<b>71,304</b>	<b>71,257</b>	<b>71,412</b>
Relationship of obligations to outlays:				
71.00	Obligations incurred, net.....	155,362	132,685	71,412
72.40	Obligated balance, start of year.....		580	
74.40	Obligated balance, end of year.....	-580		
90.00	Outlays.....	154,782	133,265	71,412

The receipts from cable television stations and jukebox licenses are disbursed to the copyright owners through this appropriation after the deduction of administrative costs for the Copyright Royalty Tribunal and for the Copyright Office Licensing Division. Disbursements are made in accordance with the schedule established in Public Law 94-553.

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

Identification code	03-5175-0-2-376	1987 actual	1988 est.	1989 est.
25.0	Other services.....	1,460	1,470	1,544
41.0	Grants, subsidies, and contributions.....	153,902	131,215	69,868
99.9	Total obligations.....	155,362	132,685	71,412

**OLIVER WENDELL HOLMES DEVISE FUND**

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

Identification code	03-5075-0-2-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....		9	9
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-78	-78	-73
24.40	Unobligated balance available, end of year.....	78	73	68
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>		<b>4</b>	<b>4</b>

## General and special funds—Continued

## OLIVER WENDELL HOLMES DEVISE FUND—Continued

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

Identification code	03-5075-0-2-503	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net		9	9
90.00	Outlays		9	9

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

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

## Trust Funds

## GIFT AND TRUST FUND ACCOUNTS

## Program and Financing (in thousands of dollars)

Identification code	03-9971-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Acquisition of library materials	405	945	836
00.02	Reader and reference services	5,354	5,550	5,579
00.03	Organization and control of the collections	943	841	480
00.04	Public programs	547	886	716
10.00	Total obligations	7,249	8,222	7,611
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	-11,873	-12,110	-10,513
21.40	U.S. securities (par)	-1,340	-1,340	-1,340
Unobligated balance available, end of year:				
24.40	Treasury balance	12,110	10,513	10,438
24.40	U.S. securities (par)	1,340	1,340	1,340
60.00	Budget authority (appropriation) (permanent, indefinite)	7,485	6,625	7,536
Relation of obligations to outlays:				
71.00	Obligations incurred, net	7,249	8,222	7,611
72.40	Obligated balance, start of year	944	1,365	1,028
74.40	Obligated balance, end of year	-1,365	-1,028	-951
90.00	Outlays	6,828	8,559	7,688
Distribution of budget authority by account:				
	Payment of interest on bequest of Gertrude M. Hubbard	1	1	1
	Interest on Treasury investment account	128	104	107
	Library of Congress trust fund income from investment account	473	592	501
	Library of Congress gift fund	2,261	1,154	1,234
	Service fees	4,622	4,774	5,693
Distribution of outlays by account:				
	Payment of interest on bequest of Gertrude M. Hubbard		7	
	Interest on Treasury investment account	136	164	159
	Library of Congress trust fund income from investment account	620	740	671
	Library of Congress gift fund	1,533	2,162	1,600
	Service fees	4,539	5,486	5,258

This schedule covers (1) funds received as gifts for immediate expenditure, and receipts from the sale of recordings, publications, photoduplication and other materials financed from capital originally received as gifts, (2) income from investments held by or for the

Library of Congress Trust Fund Board, and (3) interest paid by the Treasury on the principal funds deposited therewith as described under "Library of Congress Trust Fund, Principal Accounts."

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

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

**Organization and control of the collections.**—In 1987 this included the ongoing updating of the Dewey Decimal Classification System, and a consultant's assistance in refining and testing network interconnections to facilitate the exchange of bibliographic information.

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

## Object Classification (in thousands of dollars)

Identification code	03-9971-0-7-503	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	2,818	3,250	3,315
11.3	Other than full-time permanent		1	1
11.5	Other personnel compensation	89	203	151
11.8	Special personal services payments	7	10	10
11.9	Total personnel compensation	2,914	3,464	3,477
12.1	Civilian personnel benefits	388	437	430
13.0	Benefits for former personnel	19	21	15
21.0	Travel and transportation of persons	125	156	130
22.0	Transportation of things	27	110	109
23.3	Communications, utilities, and miscellaneous charges	441	555	575
24.0	Printing and reproduction	326	460	359
25.0	Other services	1,734	1,263	991
26.0	Supplies and materials	797	918	819
31.0	Equipment	397	762	655
41.0	Grants, subsidies, and contributions	81	69	44
44.0	Refunds		7	7
99.9	Total obligations	7,249	8,222	7,611

## Personnel Summary

Total number of full-time permanent positions	125	141	144
Total compensable workyears:			
Full-time equivalent employment	125	141	144
Full-time equivalent of overtime and holiday hours	5	4	6

## ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount not to exceed **[\$101,390]** \$146,190 of which **[\$23,900]** \$55,700 is for the Congressional Research Service, when specifically authorized by the Librarian, for

expenses of attendance at meetings concerned with the function or activity for which the appropriation is made.

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

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

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

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

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

SEC. 204. No funds shall be expended by the Library of Congress for the purpose of providing long-term special study facilities for profit or non-profit business enterprises until guidelines for such use are approved by the Joint Committee on the Library. (*Legislative Branch Appropriations Act, 1988.*)

**GOVERNMENT PRINTING OFFICE**

*Federal Funds*

**General and special funds:**

**PRINTING AND BINDING**

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

Identification code	04-0202-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 24.0)	10,700		
<b>Financing:</b>				
40.00	Budget authority (appropriation)	10,700		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	10,700		
72.40	Obligated balance, start of year	2,428	4,366	500
74.40	Obligated balance, end of year	-4,366	-500	
77.00	Adjustments in expired accounts	-142		
90.00	Outlays	8,620	3,866	500

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

**CONGRESSIONAL PRINTING AND BINDING**

For authorized printing and binding for the Congress; for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and for printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, **[\$70,359,000] \$77,700,000. Provided,** That funds remaining from the unexpended balances from obligations made under prior year appropriations for this account shall be available for the purposes of the printing and binding account for the same fiscal year: *Provided further,* That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture) nor for copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further,* That, to the extent that funds remain from the unexpended balance of fiscal year 1984 **[and fiscal year 1985]** funds obligated for the printing and binding

costs of publications produced for the Bicentennial of the Congress, such remaining funds shall be available for the current year printing and binding cost of publications produced for the Bicentennial: *Provided further,* That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years. (*1 U.S.C. 205, 208, 211, 212; 44 U.S.C. 501, 701, 702, 703, 704, 706, 708, 709, 711-13, 715-17, 719-21, 723, 724, 727, 728, 733-35, 737, 901, 902, 906, 907, 1107, 1301, 1703, 1713, 1714, 1717, 1718, 1908; Congressional Operations Appropriations Act, 1988.*)

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

Identification code	04-0203-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 24.0)	62,000	70,359	77,700
<b>Financing:</b>				
40.00	Budget authority (appropriation)	62,000	70,359	77,700
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	62,000	70,359	77,700
72.40	Obligated balance, start of year	31,455	26,301	27,223
74.40	Obligated balance, end of year	-26,301	-27,223	-22,577
77.00	Adjustments in expired accounts	-4,708		
90.00	Outlays	62,446	69,437	82,346

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

**OFFICE OF SUPERINTENDENT OF DOCUMENTS**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of Superintendent of Documents, including compensation of all employees in accordance with the provisions of 44 U.S.C. 305; travel expenses (not to exceed \$117,000); price lists and bibliographies; repairs to buildings, elevators, and machinery; and supplying publications to the Depository Library and International Exchange Programs, **[\$24,662,000,** of which \$5,500,000 representing excess receipts from the sale of publications shall be derived from the Government Printing Office revolving fund] **\$26,800,000. Provided,** That \$300,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 1512), with the approval of the Public Printer, only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments. (*31 U.S.C. 1512, 44 U.S.C. 305, 1702-04, 1710, 1711, 1719, 1902, 1903, 1909; Legislative Branch Appropriations Act, 1988.*)

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

Identification code	04-0201-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Distribution for other Governments agencies and Members of Congress	1,047	966	996
00.02	Depository library distribution	19,720	20,240	22,108
00.03	Cataloging and indexing	2,401	2,395	2,637
00.04	International exchange	560	761	759
00.05	Contingency fund		300	300
00.91	Total direct program	23,728	24,662	26,800
01.01	Reimbursable program	4,931	4,866	5,284
10.00	Total obligations	28,659	29,528	32,084
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-4,931	-4,866	-5,284

**General and special funds—Continued**  
**OFFICE OF SUPERINTENDENT OF DOCUMENTS—Continued**  
**SALARIES AND EXPENSES—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code	04-0201-0-1-808	1987 actual	1988 est.	1989 est.
22.40	Unobligated balance transferred, net.....	-1,378	-5,500	
25.00	Unobligated balance lapsing.....	35		
<b>40.00</b>	<b>Budget authority (appropriation).....</b>	<b>22,385</b>	<b>19,162</b>	<b>26,800</b>
<i>Relation of obligations to outlays:</i>				
71.00	Obligations incurred, net.....	23,728	24,662	26,800
72.40	Obligated balance, start of year.....	15,656	15,604	20,799
74.40	Obligated balance, end of year.....	-15,604	-20,799	-23,703
77.00	Adjustments in expired accounts.....	-3,874		
<b>90.00</b>	<b>Outlays.....</b>	<b>19,906</b>	<b>19,467</b>	<b>23,896</b>

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

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

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

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

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

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

Identification code	04-0201-0-1-808	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	3,862	4,165	4,272
11.3	Other than full-time permanent.....	108	186	187
11.5	Other personnel compensation.....	205	231	240
<b>11.9</b>	<b>Total personnel compensation.....</b>	<b>4,175</b>	<b>4,582</b>	<b>4,699</b>
12.1	Civilian personnel benefits.....	528	599	644
21.0	Travel and transportation of persons.....	86	117	117
22.0	Transportation of things.....	163	172	178
23.2	Rental payments to others.....	82	76	79

23.3	Communications, utilities, and miscellaneous charges.....	1,761	1,674	1,740
24.0	Printing and reproduction.....	12,875	12,980	14,622
25.0	Other services.....	3,676	3,788	4,042
26.0	Supplies and materials.....	382	374	379
92.0	Undistributed.....		300	300
99.0	Subtotal, direct obligations.....	23,728	24,662	26,800
99.0	Reimbursable obligations.....	4,931	4,866	5,284
99.9	Total obligations.....	28,659	29,528	32,084

**Personnel Summary**

Total number of full-time permanent positions.....	253	258	263
Total compensable workyears:			
Full-time equivalent employment.....	254	257	262
Full-time equivalent of overtime and holiday hours.....	8	6	6

**Intragovernmental funds:**

**GOVERNMENT PRINTING OFFICE REVOLVING FUND**

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the "Government Printing Office revolving fund": *Provided*, That not to exceed \$5,000 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further*, That during the current fiscal year the revolving fund shall be available for the hire of [eight] twelve passenger motor vehicles: *Provided further*, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further*, That the revolving fund shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18: *Provided further*, That hereafter the revolving fund shall be available to acquire needed land, located in Northwest D.C., which is adjacent to the present Government Printing Office, and is bounded by Massachusetts Avenue and the southern property line of the Government Printing Office, between North Capitol Street and First Street. The land to be purchased is identified as Parcels 45-D, 45-E, 45-F, and 47-A in Square 625, and includes the alleys adjacent to these parcels, and G Street, N.W. from North Capitol Street to First Street: *Provided further*, That the revolving fund and the funds provided under the paragraph entitled "Office of Superintendent of Documents, Salaries and expenses" together may not be available for the full-time equivalent employment of more than 5,237 workyears: *Provided further*, That the revolving fund shall be available for expenses not to exceed \$500,000 for the development of plans and design of a multi-purpose facility: *Provided further*, That notwithstanding the limitations of 5 U.S.C., section 5901(a), as amended, the cost of uniforms furnished or allowances paid for uniforms to each uniformed special policeman appointed under the authority of 44 U.S.C. section 317, shall not exceed \$400 during the first year in which the employee is required to wear a prescribed uniform. (31 U.S.C. 1343 (b) and (c), 9104; 44 U.S.C. 301, 309, 1502, 1504, 1509, 1510; Legislative Branch Appropriations Act, 1988.)

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

Identification code	04-4505-0-4-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Printing and binding.....	777,334	854,469	852,205
00.02	Sales of publications.....	62,468	65,017	66,699
00.91	Subtotal.....	839,802	919,486	918,904
01.01	Capital investment.....	5,286	20,053	18,609
<b>10.00</b>	<b>Total obligations.....</b>	<b>845,088</b>	<b>939,539</b>	<b>937,513</b>
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-809,331	-845,300	-879,653
14.00	Non-Federal sources.....	-68,684	-70,135	-70,790

21.98	Unobligated balance available, start of year.....	-84,216	-115,765	-86,161
22.98	Unobligated balance transferred, net.....	1,378	5,500	
24.98	Unobligated balance available, end of year.....	115,765	86,161	99,091
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-32,927	24,104	-12,930
72.10	Receivables in excess of obligations, start of year.....		-19,341	
72.98	Obligated balance, start of year.....	17,490		2,755
74.10	Receivables in excess of obligations, end of year.....	19,341		13,409
74.98	Obligated balance, end of year: Fund balance.....		-2,755	
90.00	Outlays.....	3,904	2,008	3,234

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

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

REVENUE, EXPENSE, AND RETAINED EARNINGS,

PRINTING AND BINDING OPERATIONS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Total revenue.....	804,522	840,399	874,718
Expense:			
Personnel compensation.....	144,296	153,707	160,016
Personnel benefits.....	20,317	24,218	27,023
Travel and transportation of persons.....	427	885	845
Transportation of things.....	1,627	1,671	1,732
Rental payments to GSA.....	2,117	2,462	2,471
Rental payments to others.....	1,289	1,425	1,432
Communications, utilities, and miscellaneous charges.....	10,159	10,380	10,866
Printing and reproduction.....	552,657	578,733	600,072
Other services.....	3,757	5,341	5,045
Supplies and materials.....	50,694	53,704	55,030
Depreciation.....	5,730	7,873	10,186
Total expense.....	793,070	840,399	874,718
Net operating income.....	11,452		

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

REVENUE, EXPENSE, AND RETAINED EARNINGS,

SALES OF PUBLICATIONS OPERATIONS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Total revenue.....	73,448	75,000	75,700
Expense:			
Cost of publications sold.....	17,343	18,700	18,800
Postage for sales copies mailed.....	7,357	7,400	7,700
Unsalable publications.....	2,751	2,900	2,900
Subtotal.....	27,451	29,000	29,400
Gross profit.....	45,997	46,000	46,300
General and administrative:			
Personnel compensation.....	15,010	16,343	17,125
Personnel benefits.....	1,911	2,139	2,352

Travel and transportation of persons.....	42	76	77
Transportation of things.....	960	1,015	1,182
Rental Payments to GSA.....	595	617	788
Rental payments to others.....	1,453	1,717	2,015
Communications, utilities, and miscellaneous charges.....	775	840	859
Printing and reproduction.....	1,407	1,141	1,235
Other services.....	11,141	9,542	10,019
Supplies and materials.....	1,295	1,941	1,810
Subtotal.....	34,589	35,371	37,462
Total expense.....	62,040	64,371	66,862
Net earnings.....	11,408	10,629	8,838

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income:			
Printing and binding:			
Revenue.....	804,522	840,399	874,718
Expense.....	793,070	840,399	874,718
Net operating income, printing and binding.....	11,452		
Sales of publications:			
Revenue.....	73,448	75,000	75,700
Expense.....	62,040	64,371	66,862
Net operating income, sales of publications.....	11,408	10,629	8,838
Net operating income, total.....	22,860	10,629	8,838

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Fund balance with Treasury.....	101,706	96,424	88,916	85,682
Accounts receivable (net).....	218,727	242,158	256,598	266,414
Inventories (net).....	32,567	33,058	32,730	32,405
Other assets.....	234	1,734	368	926
Real property and equipment (net).....	54,494	53,715	65,542	73,572
Total assets.....	407,728	427,089	444,154	458,999
Liabilities:				
Selected liabilities:				
Accounts payable and accrued liabilities.....	107,722	112,786	121,997	126,683
Advances received.....	42,133	35,115	37,978	39,437
Total liabilities.....	149,855	147,901	159,975	166,120
Government equity:				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	84,216	115,765	86,161	99,091
Undelivered orders.....	86,362	74,916	99,378	86,885
Invested capital.....	87,295	88,507	98,640	106,903
Total Government equity.....	257,873	279,188	284,179	292,879

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
04-4505-0-4-808			
Personnel compensation:			
11.1 Full-time permanent.....	136,189	145,158	151,531
11.3 Other than full-time permanent.....	434	1,453	1,363
11.5 Other personnel compensation.....	22,683	23,439	24,247
Total personnel compensation.....	159,306	170,050	177,141
12.1 Civilian personnel benefits.....	22,228	26,357	29,375
21.0 Travel and transportation of persons.....	469	961	922
22.0 Transportation of things.....	2,587	2,686	2,914
23.1 Rental payments to GSA.....	2,712	3,079	3,259
23.2 Rental payments to others.....	2,742	3,142	3,447
23.3 Communications, utilities, and miscellaneous charges.....	18,291	18,620	19,425
24.0 Printing and reproduction.....	564,702	624,242	610,747
25.0 Other services.....	14,776	14,704	14,834
26.0 Supplies and materials.....	51,989	55,645	56,840
31.0 Equipment.....	5,286	16,553	15,609
32.0 Land and structures.....		3,500	3,000
99.9 Total obligations.....	845,088	939,539	937,513

Intragovernmental funds—Continued

GOVERNMENT PRINTING OFFICE REVOLVING FUND—Continued

Personnel Summary

Total number of full-time permanent positions.....	4,809	4,942	4,937
Total compensable workyears:			
Full-time equivalent employment .....	4,843	4,980	4,975
Full-time equivalent of overtime and holiday hours .....	322	261	255

ADMINISTRATIVE PROVISION

SEC. 205. Funds authorized to be expended by the Government Printing Office for fiscal year [1988] 1989, not to exceed [\$55,000] \$282,000, shall be available without regard to the 25 per centum limitation of section 322 of the Economy Act of June 30, 1932, as amended, for the repair, alteration, and improvement of rented premises. (Legislative Branch Appropriations Act, 1988.)

GENERAL ACCOUNTING OFFICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not to exceed [\$5,000] \$7,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8), respectively); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(b)); [\$329,847,000] \$393,864,000: *Provided*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including but not limited to the salary of the Executive Director and secretarial support: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of Forum costs as determined by the Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences: *Provided further*, That this appropriation shall be available to finance a portion, not to exceed \$50,000, of the costs of the Governmental Accounting Standards Board: *Provided further*, That [\$50,000] \$100,000 of this appropriation shall be available for the expenses of planning the triennial Congress of the International Organization of Supreme Audit Institutions (INTOSAI) to be hosted by the United States General Accounting Office in Washington, D.C., in 1992, to the extent that such expenses cannot be met from the trust authorized below: *Provided further*, That the General Accounting Office is authorized to solicit and accept contributions

(including contributions from INTOSAI), to be held in trust, which shall be available without fiscal year limitation for the planning, administration, and such other expenses as the Comptroller General deems necessary to act as the sponsor of the aforementioned triennial Congress of INTOSAI. Monies in the trust not to exceed \$10,000 shall be available upon the request of the Comptroller General to be expended for the purposes of the trust. (Legislative Branch Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 05-0107-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Top Management .....	2,209	2,531	2,636
00.02 General Government Division .....	18,557	20,179	22,103
00.03 Human Resources Division .....	14,607	16,064	16,663
00.04 National Security and International Affairs Division .....	24,759	26,532	28,665
00.05 Resources, Community and Economic Development Division .....	21,354	23,540	24,761
00.06 Accounting and Financial Management Division .....	15,417	15,349	17,379
00.07 Information Management and Technology Division .....	8,403	10,018	11,610
00.08 Office of Special Investigations .....	1,443	2,134	2,653
00.09 Office of the Chief Economist .....	766	934	983
00.10 Office of the General Counsel .....	10,179	11,454	11,881
00.11 Program Evaluation and Methodology Division .....	4,802	4,930	5,238
00.12 Regional and Overseas Offices .....	95,986	103,366	114,910
00.13 Mission Support .....	87,243	90,918	116,430
00.91 Total direct program .....	305,725	327,949	375,912
01.01 Reimbursable program .....	746	600	600
02.01 Capital investment .....	2,839	1,898	17,952
10.00 Total obligations .....	309,310	330,447	394,464
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-746	-600	-600
25.00 Unobligated balance lapsing .....	2,409		
40.00 Budget authority (appropriation) .....	310,973	329,847	393,864
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	308,564	329,847	393,864
72.40 Obligated balance, start of year .....	29,914	34,628	36,623
74.40 Obligated balance, end of year .....	-34,628	-36,623	-41,744
77.00 Adjustments in expired accounts .....	-2,716		
90.00 Outlays .....	301,134	327,852	388,743

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

Object Classification (in thousands of dollars)

Identification code 05-0107-0-1-801	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	198,735	209,602	222,423
11.3 Other than full-time permanent .....	3,468	3,300	3,874
11.5 Other personnel compensation .....	1,417	1,482	2,030
11.9 Total personnel compensation .....	203,620	214,384	228,327
12.1 Civilian personnel benefits .....	26,985	34,044	38,154
13.0 Benefits for former personnel .....	200	177	198
21.0 Travel and transportation of persons .....	14,981	15,861	21,072
22.0 Transportation of things .....	620	520	745
23.1 Rental payments to GSA .....	24,127	29,765	31,981
23.2 Rental payments to others .....	236	31	50
23.3 Communications, utilities, and miscellaneous charges .....	7,559	7,201	8,829
24.0 Printing and reproduction .....	2,825	2,202	2,979
25.0 Other services .....	21,328	20,621	35,656
26.0 Supplies and materials .....	1,966	1,997	2,588
31.0 Equipment .....	3,501	2,502	21,128
32.0 Land and structures .....	492	500	2,102
42.0 Insurance claims and indemnities .....	124	42	55
99.0 Subtotal, direct obligations .....	308,564	329,847	393,864
99.0 Reimbursable obligations .....	746	600	600
99.9 Total obligations .....	309,310	330,447	394,464

**Personnel Summary**

Total number of full-time permanent positions.....	5,196	5,093	5,270
Total compensable workyears:			
Full-time equivalent employment .....	5,016	5,052	5,200
Full-time equivalent of overtime and holiday hours .....	8	8	10

**UNITED STATES TAX COURT**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; **[\$27,500,000] \$29,345,000**: *Provided, That travel expenses of the judges shall be paid upon the written certificate of the judge; and in addition, \$1,225,000 shall be available only for installation of a chiller/air conditioning system in the United States Tax Court Headquarters Building in the District of Columbia, to remain available until expended. (Independent Agencies Appropriations Act, 1988.)*

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

Identification code 23-0100-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	22,703	27,528	29,345
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-34	-28	
24.40 Unobligated balance available, end of year.....	28		
25.00 Unobligated balance lapsing .....	2,916		
<b>40.00 Budget authority (appropriation) .....</b>	<b>25,613</b>	<b>27,500</b>	<b>29,345</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	22,703	27,528	29,345
72.40 Obligated balance, start of year .....	3,306	3,659	5,528
74.40 Obligated balance, end of year .....	-3,659	-5,528	-5,897
<b>90.00 Outlays .....</b>	<b>22,350</b>	<b>25,659</b>	<b>28,976</b>

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

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

For 1989, the court proposes a trial program of 400 weeks consisting of 230 weeks of regular trial sessions and 170 weeks of small tax case sessions. Trials are held in approximately 80 cities throughout the United States.

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

	1987 actual	1988 est.	1989 est.
Pending, beginning year.....	83,686	81,549	78,899
Docketed during year .....	42,623	42,000	42,000
Reopened during year .....	322	350	350
Disposed of during year .....	45,082	45,000	45,000
Pending, end of year.....	81,549	78,899	76,249

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

Identification code 23-0100-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	10,812	12,305	12,717
11.3 Other than full-time permanent .....	70	74	75
11.5 Other personnel compensation .....	169	179	182
11.9 Total personnel compensation.....	11,051	12,558	12,974
12.1 Civilian personnel benefits.....	1,564	1,887	1,942
13.0 Benefits for former personnel.....	598	731	715
21.0 Travel and transportation of persons .....	672	1,000	1,000
22.0 Transportation of things.....	62	134	134
23.1 Rental payments to GSA.....	4,564	5,624	5,761
23.2 Rental payments to others.....	551	659	659
24.0 Printing and reproduction.....	166	216	216
25.0 Other services.....	2,370	2,793	4,018
26.0 Supplies and materials .....	643	741	741
31.0 Equipment .....	462	1,185	1,185
<b>99.9 Total obligations.....</b>	<b>22,703</b>	<b>27,528</b>	<b>29,345</b>

**Personnel Summary**

Total number of full-time permanent positions.....	339	350	350
Total compensable workyears:			
Full-time equivalent employment .....	319	350	350
Full-time equivalent of overtime and holiday hours .....	2	2	2

**TAX COURT INDEPENDENT COUNSEL**

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

Identification code 23-5023-0-2-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			100
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....			-280
24.40 Unobligated balance available, end of year.....		280	280
<b>60.00 Budget authority (appropriation) (permanent, indefinite) (special).....</b>		<b>280</b>	<b>100</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			100
<b>90.00 Outlays.....</b>			<b>100</b>

This fund is established under 26 U.S.C. 7475. The fund will be used by the Tax Court to employ independent counsel to pursue disciplinary matters involving practitioners admitted to practice before the Court.

**Trust Funds**

**TAX COURT JUDGES SURVIVORS ANNUITY FUND**

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

Identification code 23-8115-0-7-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0) .....	59	59	59
<b>Financing:</b>			
21.40 Treasury balance.....	-1	-3	-2

TAX COURT JUDGES SURVIVORS ANNUITY FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	23-8115-0-7-602	1987 actual	1988 est.	1989 est.
21.40	U.S. securities (par).....	-1,851	-2,184	-2,538
	Unobligated balance available, end of year:			
24.40	Treasury balance.....	3	2	2
24.40	U.S. securities (par).....	2,184	2,538	2,908
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite).....	<b>394</b>	<b>412</b>	<b>428</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	59	59	59
90.00	Outlays.....	60	59	59

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

On September 30, 1987, 25 judges of the court were participating in the fund, and 3 eligible widows were receiving survivorship annuity payments.

OTHER LEGISLATIVE BRANCH AGENCIES

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, **[\$701,000]** \$780,000, to remain available until expended: *Provided*, That not to exceed \$6,000 of such amount shall be available for official reception and representation expenses. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	09-0110-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	713	729	780
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-215	-28	
24.40	Unobligated balance available, end of year.....	28		
40.00	<b>Budget authority (appropriation)</b> .....	<b>526</b>	<b>701</b>	<b>780</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	713	729	780
72.40	Obligated balance, start of year.....	64	56	99
74.40	Obligated balance, end of year.....	-56	-99	-107
90.00	Outlays.....	721	686	772

The Commission on Security and Cooperation in Europe was created to monitor compliance with that code of conduct, particularly in regard to what is called "Basket Three" of the Final Act, the Provisions on Cooperation in Humanitarian and Other Fields. The law establishing the Commission on Security and Cooperation in Europe also mandated it to monitor and encourage U.S. Government and private activities designed to expand East-West trade and the exchange of

people and ideas. The Commission will receive semiannual reports from the President on the signatories' compliance with the Final Act and on U.S. activities in trade and cultural/humanitarian exchange and it will itself make advisory reports to the Congress on the progress of implementation.

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

Object Classification (in thousands of dollars)

Identification code	09-0110-0-1-801	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	455	520	550
11.3	Other than full-time permanent.....	14		
11.5	Other personnel compensation.....	1		
11.9	Total personnel compensation.....	470	520	550
12.1	Civilian personnel benefits.....	64	70	75
21.0	Travel and transportation of persons.....	7	10	13
23.3	Communications, utilities, and miscellaneous charges.....	35	26	30
24.0	Printing and reproduction.....	3	5	7
25.0	Other services.....	113	75	80
26.0	Supplies and materials.....	16	15	17
31.0	Equipment.....	5	8	8
99.9	Total obligations.....	713	729	780

Personnel Summary

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

INTERNATIONAL CONFERENCES AND CONTINGENCIES: HOUSE AND SENATE EXPENSES

**[SEC. 303.** There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a total of \$290,000 for each fiscal year to carry out (in accordance with the respective authorization amounts) paragraph (2) of the first section of Public Law 74-170, section 2(2) of Public Law 84-689, section 2 of Public Law 86-42, and section 2 of Public Law 86-420. These funds may be disbursed to each delegation, pursuant to vouchers in accordance with the applicable provisions of law, at any time requested by the Chairman of the delegation after the fiscal year begins. Section 2 of Public Law 84-689 is amended by striking out "annually," and inserting in lieu thereof "annually (1)", by striking out "\$50,000, \$25,000" and inserting in lieu thereof "(2) \$100,000, \$50,000", and by striking out "and \$25,000" and inserting in lieu thereof "and \$50,000".] (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	09-0500-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....		290	290
<b>Financing:</b>				
39.00	<b>Budget authority</b> .....		<b>290</b>	<b>290</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....		<b>290</b>	
60.00	<b>Appropriation</b> (permanent (definite) (section 101(a), P.L. 100-202).....			<b>290</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		290	290
90.00	Outlays.....		290	290

This account provides funds to cover the expenses of House and Senate participants in international meetings.



**DWIGHT DAVID EISENHOWER CENTENNIAL COMMISSION**

**EXPENSES**

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

Identification code 76-1700-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		40	10
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-50	-10
24.40 Unobligated balance available, end of year	50	10	
40.00 <b>Budget authority (appropriation)</b>	<b>50</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		40	10
90.00 Outlays		40	10

In cooperation with the Eisenhower World Affairs Institute in the District of Columbia, the Eisenhower Foundation in Abilene, Kansas, and such other public or private entities as the Commission considers appropriate, the Commission plans, develops, and coordinates observances and activities commemorating the centennial of the birth of Dwight David Eisenhower; and submits recommendations to Congress relating to a joint meeting of both Houses of Congress to commemorate that centennial.

**BOTANIC GARDEN**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, **[\$2,221,000]** \$2,521,000. (5 U.S.C. 5307, 5341-44, 5346, 5349; 40 U.S.C. 166a-1, 216; 88 Stat. 1777; Legislative Branch Appropriations Act, 1988.)

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

Identification code 09-0200-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	2,006	2,300	2,521
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-101	-79	
24.40 Unobligated balance available, end of year	79		
25.00 Unobligated balance lapsing	151		
40.00 <b>Budget authority (appropriation)</b>	<b>2,135</b>	<b>2,221</b>	<b>2,521</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,006	2,300	2,521
72.40 Obligated balance, start of year	171	184	279
74.40 Obligated balance, end of year	-184	-279	-309
77.00 Adjustments in expired accounts	-3		
90.00 Outlays	1,990	2,205	2,491

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

Identification code 09-0200-0-1-801	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	1,278	1,437	1,479
11.3 Other than full-time permanent	12	10	10
11.5 Other personnel compensation	242	266	270
11.9 Total personnel compensation	1,532	1,713	1,759
12.1 Civilian personnel benefits	219	302	327

23.3	Communications, utilities, and miscellaneous charges	36	38	38
25.0	Other services	55	127	150
26.0	Supplies and materials	58	53	56
31.0	Equipment	103	65	189
32.0	Land and structures	3	2	2
99.9	<b>Total obligations</b>	<b>2,006</b>	<b>2,300</b>	<b>2,521</b>

**Personnel Summary**

Total number of full-time permanent positions	57	57	57
<b>Total compensable workyears:</b>			
Full-time equivalent employment	50	56	57
Full-time equivalent of overtime and holiday hours	5	6	6

**COPYRIGHT ROYALTY TRIBUNAL**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Copyright Royalty Tribunal, **[\$662,000]** \$637,000, of which **[\$533,000]** \$510,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807. (17 U.S.C. 801-810; Legislative Branch Appropriations Act, 1988.)

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

Identification code 09-0310-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	613	662	637
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-504	-533	-510
25.00 Unobligated balance lapsing	16		
40.00 <b>Budget authority (appropriation)</b>	<b>125</b>	<b>129</b>	<b>127</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	109	129	127
72.40 Obligated balance, start of year	38	7	15
74.40 Obligated balance, end of year	-7	-15	-15
77.00 Adjustments in expired accounts	2		
90.00 Outlays	142	121	127

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

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

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

Identification code 09-0310-0-1-376	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent	391	393	398
12.1 Civilian personnel benefits	47	52	64
21.0 Travel and transportation of persons	1	2	2
23.1 Rental payments to GSA	60	90	90
23.3 Communications, utilities, and miscellaneous charges	7	5	5
24.0 Printing and reproduction	20	20	20
25.0 Other services	69	95	53
26.0 Supplies and materials	4	2	2

General and special funds—Continued

COPYRIGHT ROYALTY TRIBUNAL—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	09-0310-0-1-376	1987 actual	1988 est.	1989 est.
31.0	Equipment .....	14	3	3
99.9	Total obligations .....	613	662	637

Personnel Summary

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

PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary to carry out section 601 of Public Law 98-21 [ \$3,592,000 ] \$3,664,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	95-3400-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	3,165	3,592	3,664
<b>Financing:</b>				
13.00	Offsetting collections from: Trust funds .....	-3,421	-3,592	-3,664
21.40	Unobligated balance available, start of year .....	-98	-98	
24.40	Unobligated balance available, end of year .....	98		
25.00	Unobligated balance lapsing .....	256	98	
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	-256		
72.40	Obligated balance, start of year .....	1,999	1,633	700
74.40	Obligated balance, end of year .....	-1,633	-700	-700
77.00	Adjustments in expired accounts .....	27		
90.00	Outlays .....	138	933	

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

Object Classification (in thousands of dollars)

Identification code	95-3400-0-1-551	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,026	1,110	1,153
11.3	Other than full-time permanent .....	88	157	161
11.9	Total personnel compensation .....	1,114	1,267	1,314
12.1	Civilian personnel benefits .....	180	208	216
21.0	Travel and transportation of persons .....	74	89	90
23.1	Rental payments to GSA .....	120	142	145
23.3	Communications, utilities, and miscellaneous charges .....	346	423	432
24.0	Printing and reproduction .....	100	100	102
25.0	Other services .....	1,192	1,318	1,320
26.0	Supplies and materials .....	30	31	31

31.0	Equipment .....	9	14	14
99.9	Total obligations .....	3,165	3,592	3,664

Personnel Summary

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

PHYSICIAN PAYMENT REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1845(a) of the Social Security Act [ \$2,997,000 ] \$3,059,000, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	95-1000-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	873	3,124	3,059
<b>Financing:</b>				
13.00	Offsetting collections from: Trust funds .....	-1,000	-2,997	-3,059
21.40	Unobligated balance available, start of year .....		-127	
24.40	Unobligated balance available, end of year .....	127		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	-127	127	
72.40	Obligated balance, start of year .....		182	500
74.40	Obligated balance, end of year .....	-182	-500	-500
90.00	Outlays .....	-309	-191	

The Physician Payment Review Commission was authorized by the Consolidated Budget Reconciliation Act of 1985 (Public Law 99-272) as an independent legislative agency established to advise Congress and the Secretary of Health and Human Services on matters related to Medicare physician reimbursement. The Commission, whose 13 members are appointed by the Office of Technology Assessment, is required to report to Congress each year on methods of adjusting levels of reasonable physician charges, setting physician payment rates, and making payments for physician services.

Object Classification (in thousands of dollars)

Identification code	95-1000-0-1-801	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	393	966	1,000
11.3	Other than full-time permanent .....	90	100	102
11.9	Total personnel compensation .....	483	1,066	1,102
12.1	Civilian personnel benefits .....	73	218	250
21.0	Travel and transportation of persons .....	57	105	110
22.0	Transportation of things .....	3		
23.1	Rental payments to GSA .....		125	133
23.3	Communications, utilities, and miscellaneous charges .....	109	555	567
24.0	Printing and reproduction .....	19	50	51
25.0	Other services .....	74	917	760
26.0	Supplies and materials .....	14	33	34
31.0	Equipment .....	41	55	52
99.0	Subtotal, direct obligations .....	873	3,124	3,059
99.9	Total obligations .....	873	3,124	3,059

**Personnel Summary**

Total number of full-time permanent positions.....	26	26	26
Total compensable workyears: Full-time equivalent employment .....	7	23	27

**RAILROAD ACCOUNTING PRINCIPLES BOARD**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

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

Identification code 09-0800-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	568		
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	32		
40.00 <b>Budget authority (appropriation)</b> .....	<b>600</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	568		
72.40 Obligated balance, start of year.....	86	139	
74.40 Obligated balance, end of year.....	-139		
77.00 Adjustments in expired accounts.....	-53		
90.00 <b>Outlays</b> .....	<b>462</b>	<b>139</b>	

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

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

Identification code 09-0800-0-1-801	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	284		
11.3 Other than full-time permanent.....	44		
11.5 Other personnel compensation.....	5		
11.9 Total personnel compensation.....	333		
12.1 Civilian personnel benefits.....	55		
21.0 Travel and transportation of persons.....	12		
23.3 Communications, utilities, and miscellaneous charges.....	4		
25.0 Other services.....	157		
26.0 Supplies and materials.....	7		
99.9 Total obligations.....	568		

**Personnel Summary**

Total compensable workyears: Full-time equivalent employment.....	9	0	0
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**【BIOMEDICAL ETHICS】**

**Federal Funds**

**General and special funds:**

**【SALARIES AND EXPENSES】**

【For the Biomedical Ethics Board and the Biomedical Ethics Advisory Committee, as authorized by section 381 of the Public Health Service Act (Public Law 99-158), \$100,000: *Provided*, That of the amounts appropriated under this head in the Legislative Branch Appropriations Act, 1987 (as enacted by Public Law 99-500 and Public Law 99-591), shall remain available for obligation until September 30, 1988.】 (*Congressional Operations Appropriations Act, 1988.*)

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

Identification code 09-0400-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		250	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-144		
25.00 Unobligated balance lapsing.....	144		
39.00 <b>Budget authority</b> .....		<b>250</b>	
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....		<b>100</b>	
50.00 <b>Reappropriation</b> .....		<b>150</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		250	
90.00 <b>Outlays</b> .....		<b>250</b>	

The Biomedical Ethics Board, a twelve-member congressional panel, and its fourteen-member advisory committee, was established by Public Law 99-158 to study and report to Congress on a continuing basis on the ethical issues arising from the delivery of health care and biomedical and behavioral research. The Board is specifically required to study and report on developments in human genetic engineering and on the advisability of exercising any waivers to existing regulations governing fetal research.

**【CONGRESSIONAL AWARD BOARD】**

**【CONGRESSIONAL AWARD PROGRAM】**

【Notwithstanding any other provision of law, there is appropriated to the Congressional Award Board (established by Public Law 96-114; 2 U.S.C. 801) the sum of \$189,000, to be disbursed by the Clerk of the House upon vouchers approved by the Chairman of the Congressional Award Board or another member of the Board as delegated by the Chairman, to remain available without fiscal year limitation: *Provided*, That notwithstanding any provision of such Public Law 96-114, such sum shall be used by the Congressional Award Board in the same manner and for the same purposes, and subject to the same limitations, as are funds donated to such Board by private individuals: *Provided further*, That these funds may only be used for routine operational purposes and may not be allocated for the payment of any debt outstanding as of the date of enactment of this Act.】 (*Congressional Operations Appropriations Act, 1988.*)

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

Identification code 09-0900-0-1-801	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		189	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....		<b>189</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		189	
90.00 <b>Outlays</b> .....		<b>189</b>	

This payment to the Congressional Award Board, a non-Federal entity, will assist it in establishing and administering the Congressional Award Program. This program will be designed to promote initiative, achievement, and excellence among youths in the areas of public service, personal development, and physical and expedition fitness. Under the program, gold, silver, and bronze medals will be awarded to young people within the United States, aged fourteen through twenty-three

General and special funds—Continued

[CONGRESSIONAL AWARD BOARD]—Continued  
[CONGRESSIONAL AWARD PROGRAM]—Continued

(subject to such exceptions as the Board may prescribe), who have satisfied the standards of achievement established by the Board.

OFFICE OF TECHNOLOGY ASSESSMENT  
Federal Funds

General and special funds:

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Technology Assessment Act of 1972 (Public Law 92-484), including reception and representation expenses (not to exceed [\$3,000] \$3,500 from the Trust Fund), and those expenditures authorized by Public Law 92-484, sec. 6(a)(5), to be made from the Trust Fund, and rental of space in the District of Columbia, and those necessary to carry out the duties of the Director of the Office of Technology Assessment under [section 1886 of the Social Security Act as amended by section 601 of the Social Security Amendments of 1983 (Public Law 98-21)] 42 U.S.C. 1395ww, and those necessary to carry out the duties of the Director of the Office of Technology Assessment under [part B of title XVIII of the Social Security Act as amended by section 9305 of the Consolidated Omnibus Reconciliation Act of 1985 (Public Law 99-272)] 42 U.S.C. 1395w-1, [\$16,901,000] \$18,321,000: *Provided*, That none of the funds in this Act shall be available for salaries or expenses of any employee of the Office of Technology Assessment in excess of 143 staff employees: *Provided further*, That no part of this appropriation shall be available for assessments or activities not initiated and approved in accordance with section 3(d) of Public Law 92-484, except that funds shall be available for the assessment required by Public Law 96-151: *Provided further*, That none of the funds in this Act shall be available for salaries or expenses of employees of the Office of Technology Assessment in connection with any reimbursable study for which funds are provided from sources other than appropriations made under this Act, or be available for any other administrative expenses incurred by the Office of Technology Assessment in carrying out such a study, except that funds shall be available for and reimbursement can be accepted for salaries or expenses of the Office of Technology Assessment in connection with the assessment required by section 101(b) of Public Law 99-190. (*Congressional Operations Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Total direct program.....	16,522	16,901	18,321
01.01 Reimbursable program.....	490		
10.00 Total obligations.....	17,012	16,901	18,321
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-490		
25.00 Unobligated balance lapsing.....	114		
40.00 Budget authority (appropriation).....	16,636	16,901	18,321
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	16,522	16,901	18,321
72.40 Obligated balance, start of year.....	3,925	4,815	4,225
74.40 Obligated balance, end of year.....	-4,815	-4,225	-4,580
77.00 Adjustments in expired accounts.....	-32		
90.00 Outlays.....	15,600	17,491	17,966

The Congressional Office of Technology Assessment was created by Public Law 92-484 to equip the Congress with new and effective means for securing competent, unbiased information concerning the physical, biological, economic, social, and political effects of technological applications; and to serve as an aid in the legislative assessment of matters pending before the Congress, par-

ticularly in those instances where the Federal Government may be called upon to consider support for, or management or regulation of, technological applications.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	6,500	6,915	7,156
11.3 Other than full-time permanent.....	1,538	1,753	1,815
11.9 Total personnel compensation.....	8,038	8,668	8,971
12.1 Civilian personnel benefits.....	1,299	1,698	1,759
13.0 Benefits for former personnel.....	7	17	25
21.0 Travel and transportation of persons.....	288	305	320
22.0 Transportation of things.....	76	80	84
23.2 Rental payments to others.....	772	1,370	1,593
23.3 Communications, utilities, and miscellaneous charges.....	704	401	421
24.0 Printing and reproduction.....	508	527	543
25.0 Other services.....	4,307	3,391	4,144
26.0 Supplies and materials.....	219	230	242
31.0 Equipment.....	304	214	219
99.0 Subtotal, direct obligations.....	16,522	16,901	18,321
99.0 Reimbursable obligations.....	490		
99.9 Total obligations.....	17,012	16,901	18,321

Personnel Summary

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

Trust Funds

CONTRIBUTIONS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	3	3	4
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-11	-11	-11
24.40 Unobligated balance available, end of year.....	11	11	11
60.00 Budget authority (appropriation) (permanent, indefinite).....	3	3	4
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3	3	4
72.40 Obligated balance, start of year.....	1		
90.00 Outlays.....	4	3	4

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

TITLE III—GENERAL PROVISIONS

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

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

SEC. 303. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position

appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided*, That the provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto.

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

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

(b) As used in this section—

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

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

Sec. 306. Hereafter, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, the term “program, project, and activity” shall be synonymous with each appropriation account in this Act, except that the accounts under the general heading “House of Representatives” shall be considered one appropriation account and one “program, project, and activity”, and the accounts under the general heading “Senate” shall be considered one appropriation account and one “program, project, and activity”.

Sec. 307. (a) Notwithstanding section 105 of title 4, United States Code, or any other provision of law, no person shall be required to pay, collect, or account for any sales, use, or similar excise tax, or any personal property tax, with respect to an essential support activity or function conducted by a nongovernmental person in the Capitol, the House Office Buildings, the Senate Office Buildings, the Capitol Grounds, or any other location under the control of the Congress in the District of Columbia.

(b) As used in this section—

(1) the term “essential support activity or function” means a support activity or function so designated by the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate, acting jointly or separately, as appropriate;

(2) the term “personal property tax” means a tax of a State, a subdivision of a State, or any other authority of a State, that is levied on, levied with respect to, or measured by, the value of personal property;

(3) the term “sales, use, or similar excise tax” means a tax of a State, a subdivision of a State, or any other authority of a State, that is levied on, levied with respect to, or measured by, sales, receipts from sales, or purchases, or by storage, possession, or use of personal property; and

(4) the term “State” means a State of the United States, the District of Columbia, or a territory or possession of the United States.

(c) This section shall apply to any sale, receipt, purchase, storage, possession, use, or valuation taking place after December 31, 1986. ]

Sec. 308. (a) Notwithstanding any other provision of law, the pay for positions described in subsection (b) shall be the amounts specified for such positions in appropriations Acts.

(b) The positions referred to in subsection (a) are: (1) the two positions of assistant referred to in the proviso in the first undesignated paragraph under the center subheadings “OFFICE OF THE ARCHITECT OF THE CAPITOL” and “SALARIES” in the Legislative Branch Appropriation Act, 1971 (40 U.S.C. 164a), and (2) the seven positions provided for in the third and fourth undesignated paragraphs under the center subheadings “OFFICE OF THE ARCHITECT OF THE CAPITOL” and “SALARIES” in the Legislative Branch Appropriation Act, 1960 (40 U.S.C. 166b-3).

(c) The pay for each position described in subsection (b) shall be the pay payable for such position with respect to the last pay period before this section takes effect, subject to any applicable adjustment during fiscal year 1988 under, or by reference to any applicable adjustment during fiscal year 1988 under, subchapter I of chapter 53 of title 5, United States Code.

(d) This section shall apply in fiscal years beginning after September 30, 1987, with respect to pay periods beginning after the date of the enactment of this Act. ]

Sec. 309. 307. (a) [None of the funds appropriated for fiscal year 1988 by this Act or any other law] Hereafter, no appropriated funds may be obligated or expended by any entity of the executive branch for the procurement from commercial sources of any printing related to the production of Government publications (including forms), unless such procurement is by or through the Government Printing Office.

(b) Subsection (a) does not apply to (1) individual printing orders costing not more than \$1,000, if the work is not of a continuing or repetitive nature, (2) printing for the Central Intelligence Agency, the Defense Intelligence Agency, or the National Security Agency, or (3) printing from commercial sources that is specifically authorized by law or is of a kind that has not been routinely procured by or through the Government Printing Office.

(c) As used in this section, the term “printing” means the process of composition, platemaking, presswork, binding, and microform, and the end items of such processes.

Sec. 310. The provision of law which was derived from section 80 of the Revised Statutes and which currently is carried as the second sentence of section 131 of title 2, United States Code, is hereby repealed. ]

Sec. 311. (a) The first sentence of section 4(a) of Public Law 91-656 (2 U.S.C. 60a-1) is amended by striking out the period at the end and inserting “and adjust the rates of such personnel by such amounts as necessary to restore the same pay relationships that existed on December 31, 1986, between personnel and Senators and between positions.”

(b) Section 4(d) of such public law is amended by striking out the period at the end and inserting “, except in cases in which it is necessary to restore and maintain the same pay relationships that existed on December 31, 1986, between personnel and Senators and between positions.”

(c) Notwithstanding any other provision of this Act or any other provision of law, subsections (a) and (b) of this section shall be effective in the case of pay orders issued by the President pro tempore of the Senate on or after January 1, 1988.

(d) Notwithstanding any other provision of this Act, or any other provision of law, rule, or regulation, hereafter each time the President pro tempore of the Senate exercises any authority pursuant to any of the amendments made by this section with respect to rates of pay or any other matter relating to personnel whose pay is disbursed by the Secretary of the Senate, the Speaker of the House of Representatives may, with respect to personnel whose pay is disbursed by the Clerk of the House of Representatives, exercise the same authority to the extent necessary to ensure parity of treatment between personnel of the respective Houses of Congress having comparable duties and responsibilities. ] (*Legislative Branch Appropriations Act, 1988.*)



# THE JUDICIARY

## SUPREME COURT OF THE UNITED STATES

### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase, or hire, driving, maintenance and operation of an automobile for the Chief Justice and not to exceed \$10,000 for the purpose of transporting Associate Justices, hire of passenger motor vehicles; not to exceed \$10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; **[\$15,247,000] \$16,448,000.** (28 U.S.C. 1, 5, 411, 412, 671-677; The Judiciary Appropriations Act, 1988.)

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

Identification code 10-0100-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	15,223	15,247	16,448
<b>Financing:</b>			
25.00 Obligated balance lapsing.....	290		
40.00 <b>Budget authority (appropriation)</b> .....	<b>15,513</b>	<b>15,247</b>	<b>16,448</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	15,223	15,247	16,448
72.40 Obligated balance, start of year.....	4,109	4,775	4,860
74.40 Obligated balance, end of year.....	-4,775	-4,860	-4,900
77.00 Adjustments in expired accounts.....	-271		
90.00 <b>Outlays</b> .....	<b>14,285</b>	<b>15,162</b>	<b>16,408</b>

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

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

Identification code 10-0100-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	9,299	9,489	9,947
11.3 Other than full-time permanent.....	622	622	635
11.9 Total personnel compensation.....	9,921	10,111	10,582
12.1 Civilian personnel benefits.....	1,550	1,988	2,236
13.0 Benefits for former personnel.....	28	27	27
21.0 Travel and transportation of persons.....	55	81	81
22.0 Transportation of things.....	12	15	16
23.3 Communications, utilities, and miscellaneous charges.....	654	618	673
24.0 Printing and reproduction.....	868	884	921
25.0 Other services.....	952	595	670
26.0 Supplies and materials.....	337	366	385
31.0 Equipment.....	846	562	857
99.9 Total obligations.....	15,223	15,247	16,448

#### Personnel Summary

Total number of full-time permanent positions.....	319	319	319
Total compensable workyears: Full-time equivalent employment.....	338	342	345

#### CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without regard to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract, **[\$2,110,000] \$2,384,000**, of which **[\$75,000] \$250,000** shall remain available until expended. (40 U.S.C. 13a, 13b, 13c; The Judiciary Appropriations Act, 1988.)

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

Identification code 10-0103-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	2,043	3,023	2,589
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-919	-1,118	-205
24.40 Unobligated balance available, end of year.....	1,118	205	
25.00 Unobligated balance lapsing.....	94		
40.00 <b>Budget authority (appropriation)</b> .....	<b>2,336</b>	<b>2,110</b>	<b>2,384</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,043	3,023	2,589
72.40 Obligated balance, start of year.....	413	293	275
74.40 Obligated balance, end of year.....	-293	-275	-227
77.00 Adjustments in expired accounts.....	-1		
90.00 <b>Outlays</b> .....	<b>2,163</b>	<b>3,040</b>	<b>2,637</b>

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

Identification code 10-0103-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	800	871	900
11.3 Other than full-time permanent.....	10	7	7
11.5 Other personnel compensation.....	153	165	168
11.9 Total personnel compensation.....	963	1,043	1,075
12.1 Civilian personnel benefits.....	124	142	154
23.3 Communications, utilities, and miscellaneous charges.....	591	635	635
25.0 Other services.....	335	1,155	678
26.0 Supplies and materials.....	18	24	24
31.0 Equipment.....	13	23	23
99.9 Total obligations.....	2,043	3,023	2,589

#### Personnel Summary

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

General and special funds—Continued

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

Program and Financing (in thousands of dollars)

Identification code	10-0104-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	1		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-4		
25.00	Unobligated balance lapsing	3		
<b>39.00</b>	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1		
90.00	Outlays	1		

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for all necessary expenses of the court, **[\$7,490,000] \$8,700,000.** (5 U.S.C. 5701-5707; 28 U.S.C. 44(a), 45, 46, 48, 372, 456, 462(d), 463, 711-715, 961, 1292 (c) and (d), 1295, 1296; 40 U.S.C. 490(j); *The Judiciary Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	10-0510-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	6,676	7,430	8,700
<b>Financing:</b>				
25.00	Unobligated balance lapsing	244		
<b>40.00</b>	<b>Budget authority (appropriation)</b>	<b>6,920</b>	<b>7,430</b>	<b>8,700</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	6,676	7,430	8,700
72.40	Obligated balance, start of year	360	524	578
74.40	Obligated balance, end of year	-524	-578	-788
77.00	Adjustments in expired accounts	19		
90.00	Outlays	6,530	7,376	8,490

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

and appeals under section 71 of the Plant Variety Protection Act of 1970.

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

Object Classification (in thousands of dollars)

Identification code	10-0510-0-1-752	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	3,053	3,622	4,151
12.1	Civilian personnel benefits	316	540	694
21.0	Travel and transportation of persons	27	42	45
22.0	Transportation of things	1	2	2
23.1	Rental payments to GSA	2,371	2,592	2,821
23.3	Communications, utilities, and miscellaneous charges	108	100	173
24.0	Printing and reproduction	14	20	36
25.0	Other services	234	225	236
26.0	Supplies and materials	59	38	42
31.0	Equipment	493	249	500
99.9	Total obligations	6,676	7,430	8,700

Personnel Summary

Total number of full-time permanent positions	93	93	101
Total compensable workyears: Full-time equivalent employment	85	88	101

UNITED STATES COURT OF INTERNATIONAL TRADE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by 5 U.S.C. 3109; and necessary expenses of the court, including exchange of books and traveling expenses, as may be approved by the court; **[\$7,768,000] \$8,164,000: Provided,** That travel expenses of judges of the Court of International Trade shall be paid upon written certificate of the judge. (5 U.S.C. 5701-5708; 28 U.S.C. 251-57, 372(c)(1), 372(c)(17), 456, 463, 871-873, 961, 1821; 40 U.S.C. 490(j); *The Judiciary Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	10-0400-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	6,965	7,768	8,164
<b>Financing:</b>				
25.00	Unobligated balance lapsing	153		
<b>40.00</b>	<b>Budget authority (appropriation)</b>	<b>7,118</b>	<b>7,768</b>	<b>8,164</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	6,965	7,768	8,164
72.40	Obligated balance, start of year	212	344	273
74.40	Obligated balance, end of year	-344	-273	-283
77.00	Adjustments in expired accounts	103		
90.00	Outlays	6,936	7,839	8,154



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

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

Identification code	10-0400-0-1-752	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	3,108	3,335	3,440
12.1	Civilian personnel benefits	350	465	514
21.0	Travel and transportation of persons	24	38	45
22.0	Transportation of things	5	10	10
23.1	Rental payments to GSA	2,839	3,290	3,388
23.3	Communications, utilities, and miscellaneous charges	155	138	177
24.0	Printing and reproduction	31	21	23
25.0	Other services	241	260	256
26.0	Supplies and materials	33	37	42
31.0	Equipment	179	174	269
99.9	Total obligations	6,965	7,768	8,164

**Personnel Summary**

Total number of full-time permanent positions	99	99	93
Total compensable workyears: Full-time equivalent employment	90	87	93

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

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the Claims Court, bankruptcy judges, magistrates, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and all necessary expenses of the courts, including the purchase of firearms and ammunition, **[\$1,081,447,000] \$1,385,513,000: Provided,** That, of the total amount appropriated, \$500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: *Provided further,* That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties: *Provided further,* That such sums as may be available in the fund established pursuant to 28 U.S.C. 1931 may be credited to this appropriation. (5 U.S.C. 3109, 5701-5707, 5722-5724, 5728, 8334(c), 8339(n); 11 U.S.C. 105(c); 18 U.S.C. 3060, 3142(g), 3152-3154, 3401, 3402, 3522(a), 3651, 3654, 3656, 4107(e), 4108(e), 4255; 28 U.S.C. 44, 133-135, 151-158, 171-175, 332, 371-375, 456, 460, 462, 463, 602(b), 604, 605, 631-636, 638, 711-715, 751-753, 755,

771-775, 791, 794-797, 961, 1334(a), 1407, 1821, 1827, 1828, 1914(a), 1915(b), 1930(a), 1931, 2509(g); 40 U.S.C. 490(j); 41 U.S.C. 114(a); 48 U.S.C. 1424b(a), 1614(a), 1694(b)(1); Rules 53, 72, 73, and 75 F.R. Civ. P.; Rules 5 and 28 F.R. Crim. P.; Rule 706 F.R. Evid.; Misdemeanor Rules 5 and 7; Rules 2003 and 5007 F.R. Bank. P.; The Judiciary Appropriation Act, 1988.)

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

Identification code	10-0920-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Salaries of judges	110,300	124,127	131,635
00.02	Salaries of supporting personnel	523,295	589,861	715,656
00.03	Expenses of operation and maintenance of the courts	152,150	174,583	262,312
00.04	Space and facilities	185,000	231,445	275,910
00.91	Total direct program	970,745	1,120,016	1,385,513
01.01	Reimbursable program	1,257	18,000	10,500
10.00	Total obligations	972,002	1,138,016	1,396,013
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-1,257	-18,000	-10,500
17.00	Recovery of prior year obligations	-366		
21.40	Unobligated balance available, start of year	-5,428	-39,069	-500
24.40	Unobligated balance available, end of year	39,069	500	500
40.00	Budget authority (appropriation)	1,004,020	1,081,447	1,385,513
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	970,745	1,120,016	1,385,513
72.40	Obligated balance, start of year	47,696	67,327	77,376
73.40	Obligated balance transferred, net	2,171		
74.40	Obligated balance, end of year	-67,327	-77,376	-94,251
77.00	Adjustments in expired accounts	-31		
78.00	Adjustments in unexpired accounts	-366		
90.00	Outlays	952,888	1,109,967	1,368,638

Funds appropriated under this heading are for the salaries and benefits of judges and supporting personnel and all operating expenses of the United States courts of appeals, district courts, bankruptcy courts, and Claims Court and are shown by activity:

**Salaries of judges.**—This activity includes the salaries and benefits of all active United States circuit and district judges (including judges of the territorial courts of the United States), Claims Court judges, bankruptcy judges, and all justices and judges who have retired from office or from regular active service in pursuance of law. The fiscal year 1989 request includes funds for an increase in the number of senior judges.

**Salaries of supporting personnel.**—The salaries and benefits of all other officers and employees of the Federal Judiciary not otherwise specifically provided for are included under this activity. It provides for United States magistrates; the administrative and legal aides required to assist the judges and magistrates in the conduct of hearings, trials, and other judicial functions; and personnel to staff the component offices of the courts, including the Federal Probation Service. For fiscal year 1989, funds are included to annualize the cost of new positions authorized in 1988 and for an additional 1,521 supporting personnel required as a result of increased workload.

**Expenses of operation and maintenance of the courts.**—Funds included under this activity are for travel expenses incurred by judges, magistrates, and supporting personnel in attending sessions of court or transacting other official business and for relocation expenses, communications, printing, contractual services, supplies, equipment, and lawbooks. The fiscal year

General and special funds—Continued

SALARIES AND EXPENSES—Continued

1989 request includes funds to support the additional supporting personnel; expansion of automated systems in the courts; expansion of the drug dependent offenders program; and increases in the cost of services, supplies, and equipment.

*Space and facilities.*—This activity provides for the rental of space, alterations, and related services for United States court facilities.

Object Classification (in thousands of dollars)

Identification code 10-0920-0-1-752	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	523,165	569,082	668,709
11.3 Other than full-time permanent.....	35,583	39,477	39,477
11.5 Other personnel compensation.....	36	37	37
11.9 Total personnel compensation.....	558,784	608,596	708,223
12.1 Civilian personnel benefits.....	75,581	106,224	139,941
13.0 Benefits for former personnel.....	200	200	200
21.0 Travel and transportation of persons.....	13,000	16,522	18,449
22.0 Transportation of things.....	2,125	1,331	1,384
23.1 Rental payments to GSA.....	170,000	210,107	232,965
23.2 Rental payments to others.....	375	416	606
23.3 Communications, utilities, and miscellaneous charges.....	40,943	43,352	57,456
24.0 Printing and reproduction.....	6,110	6,203	7,396
25.0 Other services.....	47,242	49,088	90,766
26.0 Supplies and materials.....	7,840	9,457	11,580
31.0 Equipment.....	48,532	68,510	116,537
42.0 Insurance claims and indemnities.....	13	10	10
99.0 Subtotal, direct obligations.....	970,745	1,120,016	1,385,513
99.0 Reimbursable obligations.....	1,257	18,000	10,500
99.9 Total obligations.....	972,002	1,138,016	1,396,013

Personnel Summary

Total number of full-time permanent positions:	1987 actual	1988 est.	1989 est.
Circuit judgeships.....	156	156	156
District judgeships.....	575	575	575
Claims Court judgeships.....	16	16	16
Bankruptcy judgeships.....	284	284	284
Magistrates.....	280	292	294
Supporting personnel.....	17,559	18,822	20,521
Total compensable workyears: Full-time equivalent employment.....	17,670	19,068	21,033

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act, the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel, and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by law; **[\$85,100,000]** \$137,815,000, to remain available until expended. (18 U.S.C. 3142(f)(2), 3144, 4109, 4211(c)(1), 4214, 4247(d); 28 U.S.C. 463, 753(f), 1875(d), 1915(b); 40 U.S.C. 490(j); The Judiciary Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 10-0923-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Federal public defenders.....	21,593	29,198	38,926
00.02 Community defender organizations (grants).....	6,750	7,986	14,216
00.03 Panel attorneys.....	46,280	53,366	79,705
00.04 Transcripts.....	3,700	3,900	4,818

00.05 General administrative expense.....	35	150	150
10.00 Total obligations.....	78,358	94,600	137,815
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-9,500	
24.40 Unobligated balance available, end of year: Appropriation.....	9,500		
40.00 Budget authority (appropriation).....	87,858	85,100	137,815
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	78,358	94,600	137,815
72.40 Obligated balance, start of year.....	40,540	49,158	60,174
74.40 Obligated balance, end of year.....	-49,158	-60,174	-86,799
90.00 Outlays.....	69,740	83,584	111,190

Funds appropriated under this heading provide for the administration and operation of the Criminal Justice Act of 1964 (18 U.S.C. 3006A), as amended, which provides for furnishing representation for any person financially unable to obtain adequate representation: (1) who is charged with a felony or misdemeanor (other than a petty offense, unless the defendant faces the likelihood of loss of liberty), or with juvenile delinquency, or with a violation of probation; (2) who is under arrest, when such representation is required by law; (3) who is entitled to appointment of counsel in parole proceedings under chapter 311 of title 18, United States Code; (4) who is subject to a mental condition hearing under chapter 313 of title 18, United States Code; (5) who is in custody as a material witness; (6) who is entitled to appointment of counsel under the sixth amendment to the Constitution; (7) who faces loss of liberty in a case, and Federal law requires the appointment of counsel; or (8) is seeking relief under section 2241, 2254, or 2255 of title 28, United States Code. Representation includes counsel and investigative, expert, and other necessary services. The appropriation includes funding for the compensation and expenses of court-appointed counsel and persons providing investigative, expert and other services under the Act, for the operation of the Federal Defender organizations, and for the continuing education and training of persons providing representational services under the Act. In addition, this appropriation is available for the compensation of counsel: (1) appointed pursuant to 5 United States Code Section 3109 to assist the court in criminal cases where the defendant has waived representation by counsel; and (2) appointed pursuant to 28 United States Code Section 1875 to represent jurors in civil actions for the protection of their employment.

Object Classification (in thousands of dollars)

Identification code 10-0923-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	14,174	18,800	24,796
11.3 Other than full-time permanent.....	412		
11.9 Total personnel compensation.....	14,586	18,800	24,796
12.1 Civilian personnel benefits.....	2,335	4,146	6,400
13.0 Benefits for former personnel.....	2		
21.0 Travel and transportation of persons.....	515	617	817
22.0 Transportation of things.....	30	16	22
23.1 Rental payments to GSA.....	1,745	2,343	3,036
23.2 Rental payments to others.....	26	30	37
23.3 Communications, utilities, and miscellaneous charges.....	714	944	1,155
24.0 Printing and reproduction.....	15	55	67
<b>Other services:</b>			
25.0 Compensation and out-of-pocket expenses of court-appointed counsel.....	43,710	50,166	75,525
25.0 Transcripts.....	3,700	3,900	4,818

25.0	Investigators, interpreters, psychiatrists, and other experts .....	2,950	3,712	4,855
25.0	Other .....	230	746	901
26.0	Supplies and materials .....	175	143	195
31.0	Equipment .....	875	835	975
41.0	Grants, subsidies, and contributions .....	6,750	8,147	14,216
99.9	Total obligations .....	78,358	94,600	137,815

**Personnel Summary**

Total number of full-time permanent positions .....	468	515	642
Total compensable workyears: Full-time equivalent employment .....	435	479	597

**FEES OF JURORS AND COMMISSIONERS**

For fees and expenses and refreshments of jurors; compensation of jury commissioners; and compensation of commissioners appointed in condemnation cases pursuant to Rule 71A(h) of the Federal Rules of Civil Procedure; **[\$43,135,000]** \$46,500,000, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code. (5 U.S.C. 3109(b); 28 U.S.C. 604, 1863(a)(b), 1871; *The Judiciary Appropriation Act, 1988.*)

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

Identification code 10-0925-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Jury commissioners .....	3	25	.....
00.02 Land commissioners .....	203	400	400
00.03 Grand jurors .....	11,575	11,782	12,202
00.04 Petit jurors .....	34,619	34,963	35,598
10.00 Total obligations .....	46,400	47,170	48,200
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	.....	-5,735	-1,700
24.40 Unobligated balance available, end of year .....	5,735	1,700	.....
40.00 <b>Budget authority (appropriation)</b> .....	<b>52,135</b>	<b>43,135</b>	<b>46,500</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	46,400	47,170	48,200
72.40 Obligated balance, start of year .....	2,251	2,700	2,700
74.40 Obligated balance, end of year .....	-2,700	-2,700	-2,750
90.00 Outlays .....	45,951	47,170	48,150

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

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

Identification code 10-0925-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
Other than full-time permanent:			
11.3 Jury commissioners .....	3	23	.....
11.3 Land commissioners .....	187	380	380
11.8 Special personal services payments .....	28,657	29,110	29,756
11.9 Total personnel compensation .....	28,847	29,513	30,136
12.1 Civilian personnel benefits .....	15	22	20
21.0 Travel and transportation of persons (jurors) .....	15,880	15,900	16,234
23.3 Communications, utilities, and miscellaneous charges .....	151	156	161
25.0 Other services (meals and lodging furnished sequestered jurors) .....	1,278	1,300	1,349
26.0 Supplies and materials .....	229	279	300
99.9 Total obligations .....	46,400	47,170	48,200

**BANKRUPTCY COURTS, SALARIES AND EXPENSES**

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

Identification code 10-0921-0-1-752	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	.....	.....	.....
72.40 Obligated balance, start of year .....	2,171	.....	.....
73.40 Obligated balance transferred, net .....	-2,171	.....	.....
90.00 Outlays .....	.....	.....	.....

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

**FURNITURE AND FURNISHINGS**

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

Identification code 10-0932-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 31.0) .....	103	413	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-381	.....	.....
21.40 Unobligated balance available, start of year .....	-136	-413	.....
24.40 Unobligated balance available, end of year .....	413	.....	.....
39.00 <b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	103	413	.....
72.40 Obligated balance, start of year .....	384	25	.....
74.40 Obligated balance, end of year .....	-25	.....	.....
78.00 Adjustments in unexpired accounts .....	-381	.....	.....
90.00 Outlays .....	81	438	.....

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

**COURT SECURITY**

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities; **[\$40,853,000]** \$56,980,000, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General. (28 U.S.C. 569(a); 40 U.S.C. 490(j); *The Judiciary Appropriation Act, 1988.*)

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

Identification code 10-0930-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	35,663	40,853	56,980
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	337	.....	.....
40.00 <b>Budget authority (appropriation)</b> .....	<b>36,000</b>	<b>40,853</b>	<b>56,980</b>

General and special funds—Continued

COURT SECURITY—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	10-0930-0-1-752	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net	35,663	40,853	56,980
72.40	Obligated balance, start of year	11,755	15,407	16,595
74.40	Obligated balance, end of year	-15,407	-16,595	-22,223
77.00	Adjustments in expired accounts	-1,144		
90.00	Outlays	30,867	39,665	51,352

This appropriation provides for the necessary expenses of security and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the judicial facility security program.

Object Classification (in thousands of dollars)

Identification code	10-0930-0-1-752	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	441	494	801
11.5	Other personnel compensation	46		
11.9	Total personnel compensation	487	494	801
12.1	Civilian personnel benefits	56	60	119
21.0	Travel and transportation of persons	11	113	133
22.0	Transportation of things		1	9
23.1	Rental payments to GSA	679	836	1,114
23.3	Communications, utilities, and miscellaneous charges	17	30	66
24.0	Printing and reproduction		2	8
25.0	Other services	28,793	33,785	48,066
26.0	Supplies and materials	8	15	59
31.0	Equipment	5,612	5,517	6,605
99.9	Total obligations	35,663	40,853	56,980

Personnel Summary

Total number of full-time permanent positions	15	15	23
Total compensable workyears:			
Full-time equivalent employment	15	15	23
Full-time equivalent of overtime and holiday hours	3		

SPECIAL RAIL REORGANIZATION COURT

Program and Financing (in thousands of dollars)

Identification code	10-0937-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	167	225	
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-3		
21.40	Unobligated balance available, start of year	-389	-225	
24.40	Unobligated balance available, end of year	225		
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	167	225	
72.40	Obligated balance, start of year	7	2	2
74.40	Obligated balance, end of year	-2	-2	
78.00	Adjustments in unexpired accounts	-3		
90.00	Outlays	169	225	2

Funds appropriated under this heading are for salaries and expenses of the special court established by the Rail Reorganization Act of 1973, as amended by Public

Law 95-199, approved November 23, 1977. Continued funding of the special court will be from the appropriation "Salaries and Expenses" once the available funds in this account have been exhausted.

Object Classification (in thousands of dollars)

Identification code	10-0937-0-1-752	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	147	199	
12.1	Civilian personnel benefits	19	26	
31.0	Equipment	1		
99.9	Total obligations	167	225	

Personnel Summary

Total number of full-time permanent positions			
Total compensable workyears: Full-time equivalent employment	7	9	

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts, including travel, advertising, hire of a passenger motor vehicle, and rent in the District of Columbia and elsewhere, **[\$31,167,000] \$41,970,000**, of which an amount not to exceed \$5,000 is authorized for official reception and representation expenses. (5 U.S.C. 5108(c)(1), 5402, 5403; 28 U.S.C. 332, 463, 601-606, 611, 621(a)(3), 628, 634, 635, 638, 1827, 1828; 31 U.S.C. 1105(b); 18 U.S.C. 2519(3), 4255; 40 U.S.C. 490(j); 2 D.C.C. 2226(b), 2227; The Judiciary Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	10-0927-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Executive direction	4,850	4,714	5,912
00.02	Program direction	4,542	4,518	6,146
00.03	Management services	10,515	11,056	14,825
00.04	Information systems	10,163	10,879	15,087
10.00	Total obligations	30,070	31,167	41,970
<b>Financing:</b>				
25.00	Unobligated balance lapsing	114		
40.00	Budget authority (appropriation)	30,184	31,167	41,970

Relation of obligations to outlays:

71.00	Obligations incurred, net	30,070	31,167	41,970
72.40	Obligated balance, start of year	3,524	3,377	3,773
74.40	Obligated balance, end of year	-3,377	-3,773	-4,874
77.00	Adjustments in expired accounts	-200		
90.00	Outlays	30,017	30,771	40,869

The Office, pursuant to section 604 of title 28, United States Code, under the supervision and direction of the Judicial Conference of the United States, is responsible for the administration of the U.S. courts, including the probation and bankruptcy system. The principal functions consist of providing staff and services for the courts; conducting a continuous study of the rules of practice and procedure in the Federal courts; examining the state of dockets of the various courts; compiling and publishing statistical data concerning the business transacted by the courts; and administering the Judicial Survivors Annuity System under title 28, United States Code, section 376. The Office also is responsible

for the preparation and submission of the annual budget estimates as well as supplemental and deficiency estimates; the disbursement of and accounting for moneys appropriated for the operation of the courts, the Public Defender Service for the District of Columbia and the Federal Judicial Center; the audit and examination of accounts; the purchase and distribution of supplies and equipment; providing automated data processing services; and for securing adequate space for occupancy by the courts and for such other matters as may be assigned by the Supreme Court and Judicial Conference of the United States.

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

Identification code	10-0927-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	18,037	19,125	21,720
11.3	Other than full-time permanent	375	485	485
11.5	Other personnel compensation	190	122	122
11.9	Total personnel compensation	18,602	19,732	22,327
12.1	Civilian personnel benefits	2,210	2,534	3,921
13.0	Benefits for former personnel	2	2	2
21.0	Travel and transportation of persons	775	924	1,336
22.0	Transportation of things	75	83	86
23.1	Rental payments to GSA	2,820	2,813	3,931
23.3	Communications, utilities, and miscellaneous charges	1,274	1,448	2,751
24.0	Printing and reproduction	30	26	27
25.0	Other services	2,236	2,180	3,029
26.0	Supplies and materials	542	502	900
31.0	Equipment	1,504	923	3,660
99.9	Total obligations	30,070	31,167	41,970

**Personnel Summary**

Total number of full-time permanent positions	608	617	656
Total compensable workyears:			
Full-time equivalent employment	553	543	593
Full-time equivalent of overtime and holiday hours	8	8	8

**STUDY OF CONSTRUCTION OF OFFICE BUILDING**

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

Identification code	10-0940-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	626	200	200
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-1,300	-674	-474
24.40	Unobligated balance available, end of year	674	474	274
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	626	200	200
72.40	Obligated balance, start of year		2	2
74.40	Obligated balance, end of year	-2	-2	-2
90.00	Outlays	624	200	200

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

**FEDERAL JUDICIAL CENTER**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, **[\$10,548,000]** \$12,109,000. (*The Judiciary Appropriation Act, 1988.*)

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

Identification code	10-0928-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Administration and support services	3,241	3,244	3,411
00.02	Education and training	3,490	3,972	4,906
00.03	Research and systems development	3,840	3,332	3,792
10.00	Total obligations	10,571	10,548	12,109
<b>Financing:</b>				
25.00	Unobligated balance lapsing	253		
40.00	<b>Budget authority (appropriation)</b>	<b>10,824</b>	<b>10,548</b>	<b>12,109</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	10,571	10,548	12,109
72.40	Obligated balance, start of year	1,546	2,259	2,510
74.40	Obligated balance, end of year	-2,259	-2,510	-2,822
77.00	Adjustments in expired accounts	-74		
90.00	Outlays	9,784	10,297	11,797

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

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

Identification code	10-0928-0-1-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	3,568	3,848	3,923
11.3	Other than full-time permanent	602	440	442
11.9	Total personnel compensation	4,170	4,288	4,365
12.1	Civilian personnel benefits	601	632	808
21.0	Travel and transportation of persons	2,376	2,800	3,647
22.0	Transportation of things	33	61	63
23.1	Rental payments to GSA	724	843	860
23.3	Communications, utilities, and miscellaneous charges	360	321	385
24.0	Printing and reproduction	178	191	199
25.0	Other services	811	863	898
26.0	Supplies and materials	358	256	344
31.0	Equipment (including library)	958	293	540
42.0	Insurance claims and indemnities	2		
99.9	Total obligations	10,571	10,548	12,109

**Personnel Summary**

Total number of full-time permanent positions	96	96	96
Total compensable workyears:			
Full-time equivalent employment	113	113	113
Full-time equivalent of overtime and holiday hours	1	1	1

**BICENTENNIAL EXPENSES, THE JUDICIARY**

*Federal Funds*

General and special funds:

BICENTENNIAL ACTIVITIES

Program and Financing (in thousands of dollars)

Identification code 10-0933-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	433	10	800
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-799	-1,366	-1,356
24.40 Unobligated balance available, end of year.....	1,366	1,356	556
40.00 <b>Budget authority (appropriation)</b> .....	<b>1,000</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	433	10	800
72.40 Obligated balance, start of year.....	80	280	158
74.40 Obligated balance, end of year.....	-280	-158	-523
90.00 Outlays.....	233	132	435

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

Object Classification (in thousands of dollars)

Identification code 10-0933-0-1-808	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	2	10	
24.0 Printing and reproduction.....	1		
25.0 Other services.....	430		800
99.9 Total obligations.....	433	10	800

**JUDICIARY TRUST FUNDS**

*Trust Funds*

JUDICIAL SURVIVORS' ANNUITIES FUND

Program and Financing (in thousands of dollars)

Identification code 10-8110-0-7-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Annuities.....	3,055	3,221	3,393
00.02 Claims and other expenses.....	4,228	134	134
10.00 Total obligations.....	7,283	3,355	3,527
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-338	-189	-470
21.40 U.S. securities (par).....	-112,644	-118,935	-130,162
Unobligated balance available, end of year:			
24.40 Treasury balance.....	189	470	435
24.40 U.S. securities (par).....	118,935	130,162	142,405
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>13,425</b>	<b>14,863</b>	<b>15,735</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	7,283	3,355	3,527
90.00 Outlays.....	7,283	3,355	3,527

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

ceived from said judges covering Federal civilian service prior to date of election.

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

Object Classification (in thousands of dollars)

Identification code 10-8110-0-7-602	1987 actual	1988 est.	1989 est.
42.0 Insurance claims and indemnities.....	3,062	3,230	3,402
44.0 Refunds.....	4,221	125	125
99.9 Total obligations.....	7,283	3,355	3,527

**GENERAL PROVISIONS—THE JUDICIARY**

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

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

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

SEC. 404. Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of the United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Director of the Administrative Office of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1988.

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

SEC. 406. Pursuant to section 140 of Public Law 97-92, during fiscal year 1989, Justices and judges of the United States shall receive the same percentage increase in salary accorded to employees paid under the General Schedule (pursuant to 5 U.S.C. 5305).

【SEC. 407. Section 1344(b)(1) of title 31, United States Code, is amended by inserting—

"(2) The Chief Justice and Associate Justices of the Supreme Court;" and redesignating subsections (2) and (3) as subsections (3) and (4), respectively.】

【SEC. 408. (a) Section 153(a) of title 28, United States Code, is amended to read as follows:

"(a) Each bankruptcy judge shall serve on a full-time basis and shall receive as full compensation for his services, a salary at an annual rate that is equal to 92 percent of the salary of a judge of the district court of the United States as determined pursuant to section 135, to be paid at such times as the Judicial Conference of the United States determines."

(b) Section 634(a) of title 28, United States Code, is amended by amending the first sentence to read as follows:

"(a) Officers appointed under this chapter shall receive, as full compensation for their services, salaries to be fixed by the conference pursuant to section 633, at rates for full-time United States magistrates up to an annual rate equal to 92 percent of the salary of a judge of the district court of the United States, as determined pursuant to section 135, and at rates for part-time magistrates of not less than an annual salary of \$100, nor more than one-half the maximum salary payable to a full-time magistrate."

(c) Section 225(C) of the Federal Salary Act of 1967 (2 U.S.C. 356(c)) is amended by striking out "and magistrates and" and inserting in lieu thereof "except bankruptcy judges, but including".

(d) This section shall become effective October 1, 1988, and any salary affected by the provisions of this section shall be adjusted at the beginning of the first applicable pay period commencing on or after such date of enactment. ]

【SEC. 409. Section 603 of title 28, United States Code, is amended by striking the second sentence and inserting in lieu thereof the following: "The salaries of the Deputy Director and of three additional positions shall be fixed by the Director at rates not to exceed the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5."】

This title may be cited as "The Judiciary Appropriation Act, 1988".





## EXECUTIVE OFFICE OF THE PRESIDENT

### COMPENSATION OF THE PRESIDENT

#### *Federal Funds*

**General and special funds:**

#### COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102; \$250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President. (*Executive Office Appropriations Act, 1988.*)

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

Identification code 11-0001-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Compensation of the President.....	200	200	200
00.02 Expenses .....	24	50	50
10.00 Total obligations.....	224	250	250
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	26		
40.00 Budget authority (appropriation).....	250	250	250
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	224	250	250
72.40 Obligated balance, start of year .....	5	3	3
74.40 Obligated balance, end of year.....	-3	-3	-3
77.00 Adjustments in expired accounts.....	-4		
90.00 Outlays.....	223	250	250

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

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

Identification code 11-0001-0-1-802	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent.....	200	200	200
25.0 Other services .....	24	50	50
99.9 Total obligations.....	224	250	250

## THE WHITE HOUSE OFFICE

#### *Federal Funds*

**General and special funds:**

#### SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed \$20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; **[\$26,426,000]** \$27,950,000. (*Executive Office Appropriations Act, 1988.*)

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

Identification code 11-0110-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	24,779	26,426	27,950
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	45		
40.00 Budget authority (appropriation).....	24,824	26,426	27,950
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	24,779	26,426	27,950
72.40 Obligated balance, start of year .....	3,831	2,901	3,099
74.40 Obligated balance, end of year.....	-2,901	-3,099	-3,252
77.00 Adjustments in expired accounts.....	-650		
90.00 Outlays.....	25,059	26,228	27,797

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

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

Identification code 11-0110-0-1-802	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,754	12,707	13,667
11.3 Other than full-time permanent.....	930	910	921
11.5 Other personnel compensation .....	121	125	125
11.8 Special personal services payments .....	297	1,032	560
11.9 Total personnel compensation.....	14,102	14,774	15,273
12.1 Civilian personnel benefits .....	2,062	2,301	2,414
21.0 Travel of the President.....	23	100	100
21.0 Travel and transportation of persons.....	555	500	500
22.0 Transportation of things.....	21	19	19
23.1 Rental payments to GSA.....	2,616	3,708	3,755
23.3 Communications, utilities, and miscellaneous charges .....	2,039	2,080	2,205
24.0 Printing and reproduction.....	670	705	735
25.0 Other services .....	1,450	1,335	1,715
25.0 Official entertainment.....	14	20	20
26.0 Supplies and materials .....	435	384	414
31.0 Equipment .....	792	500	800
99.9 Total obligations.....	24,779	26,426	27,950

#### Personnel Summary

Total number of full-time permanent positions.....	318	323	323
Total compensable workyears:			
Full-time equivalent employment .....	356	366	366
Full-time equivalent of overtime and holiday hours .....	4	4	4

## EXECUTIVE RESIDENCE AT THE WHITE HOUSE

#### *Federal Funds*

**General and special funds:**

#### OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; **[\$7,403,000**, of which \$2,400,000 for the repair of the face of the Executive Residence shall remain available until expended] **\$5,698,000**, to be expended and accounted for as provided by 3 U.S.C. 105, 109-110, 112-114. (*Executive Office Appropriations Act, 1988.*)

**General and special funds—Continued**  
**OPERATING EXPENSES—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code	11-0210-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program .....	4,752	5,763	5,978
01.01	Reimbursable program .....	947	1,244	1,362
10.00	<b>Total obligations .....</b>	<b>5,700</b>	<b>7,007</b>	<b>7,340</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-653	-515	-575
14.00	Non-Federal sources .....	-294	-729	-787
21.40	Unobligated balance available, start of year .....			-1,640
24.40	Unobligated balance available, end of year .....		1,640	1,360
25.00	Unobligated balance lapsing .....	1		
40.00	<b>Budget authority (appropriation) .....</b>	<b>4,753</b>	<b>7,403</b>	<b>5,698</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	4,752	5,763	5,978
72.40	Obligated balance, start of year .....	38	72	250
74.40	Obligated balance, end of year .....	-72	-250	-285
77.00	Adjustments in expired accounts .....	-43		
90.00	<b>Outlays .....</b>	<b>4,674</b>	<b>5,585</b>	<b>5,943</b>

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

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

Identification code	11-0210-0-1-802	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	2,717	3,003	3,083
11.5	Other personnel compensation .....	601	633	750
11.9	<b>Total personnel compensation .....</b>	<b>3,318</b>	<b>3,637</b>	<b>3,833</b>
12.1	Civilian personnel benefits .....	379	531	540
21.0	Travel and transportation of persons .....	7	3	9
23.3	Communications, utilities, and miscellaneous charges .....	202	239	262
25.0	Other services .....	322	925	806
26.0	Supplies and materials .....	490	372	473
31.0	Equipment .....	34	56	55
99.0	<b>Subtotal, direct obligations .....</b>	<b>4,752</b>	<b>5,763</b>	<b>5,978</b>
99.0	Reimbursable obligations .....	947	1,244	1,362
99.9	<b>Total obligations .....</b>	<b>5,700</b>	<b>7,007</b>	<b>7,340</b>

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions .....	93	93	94
	Total compensable workyears:			
	Full-time equivalent employment .....	93	93	94
	Full-time equivalent of overtime and holiday hours .....	14	14	14
<b>Reimbursable:</b>				
	Total compensable workyears: Full-time equivalent employment .....	3	3	3

**OFFICIAL RESIDENCE OF THE VICE PRESIDENT**

**Federal Funds**

**General and special funds:**

**OPERATING EXPENSES**

For the care, maintenance, repair and alteration, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed \$75,000 for official entertainment expenses of the Vice President, to be accounted for solely on

his certificate; \$258,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities. (*Executive Office Appropriations Act, 1988.*)

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

Identification code	11-0211-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	194	258	258
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	17		
40.00	<b>Budget authority (appropriation) .....</b>	<b>211</b>	<b>258</b>	<b>258</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	194	258	258
72.40	Obligated balance, start of year .....	158	26	31
74.40	Obligated balance, end of year .....	-26	-31	-36
77.00	Adjustments in expired accounts .....	-89		
90.00	<b>Outlays .....</b>	<b>237</b>	<b>253</b>	<b>253</b>

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

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

Identification code	11-0211-0-1-802	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....		31	31
11.8	Special personal service payments .....	16		
11.9	<b>Total personnel compensation .....</b>	<b>16</b>	<b>31</b>	<b>31</b>
12.1	Civilian personnel benefits .....		3	3
21.0	Travel and transportation of persons .....	3	5	5
22.0	Transportation of things .....		1	1
23.3	Communications, utilities, and miscellaneous charges .....	28	30	32
24.0	Printing and reproduction .....		3	5
25.0	Other services .....	138	155	151
26.0	Supplies and materials .....	5	15	15
31.0	Equipment .....	4	15	15
99.9	<b>Total obligations .....</b>	<b>194</b>	<b>258</b>	<b>258</b>

**Personnel Summary**

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

**Trust Funds**

**DONATIONS FOR THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT**

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

Identification code	11-8241-0-7-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	4		
<b>Financing:</b>				
11.00	Offsetting collections from: Federal Funds .....	-4		
39.00	<b>Budget authority (appropriation) .....</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....			
72.40	Obligated balance, start of year .....		4	
74.40	Obligated balance, end of year .....	-4		
90.00	<b>Outlays .....</b>	<b>-4</b>	<b>4</b>	

**SPECIAL ASSISTANCE TO THE PRESIDENT**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; **[\$2,163,000]** \$2,199,000. (*Executive Office Appropriations Act, 1988.*)

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

Identification code 11-1454-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	1,806	2,163	2,199
01.01 Reimbursable program.....	20	4	4
10.00 Total obligations.....	1,826	2,167	2,203
<b>Financing:</b>			
11.00 Offsetting collections from: Federal Funds.....	-20	-4	-4
25.00 Unobligated balance lapsing.....	91		
40.00 <b>Budget authority (appropriation).....</b>	<b>1,897</b>	<b>2,163</b>	<b>2,199</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,806	2,163	2,199
72.40 Obligated balance, start of year.....	188	262	307
74.40 Obligated balance, end of year.....	-262	-307	-311
77.00 Adjustments in expired accounts.....	-5		
90.00 Outlays.....	1,727	2,118	2,195

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

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

Identification code 11-1454-0-1-802	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	900	955	970
11.3 Other than full-time permanent.....	23		
11.8 Special personal services payments.....	24	24	24
11.9 Total personnel compensation.....	947	979	994
12.1 Civilian personnel benefits.....	124	163	170
21.0 Travel and transportation of persons.....	145	160	160
22.0 Transportation of things.....	4	5	6
23.1 Rental payments to GSA.....	279	516	522
23.3 Communications, utilities, and miscellaneous charges.....	160	175	175
24.0 Printing and reproduction.....	5	5	7
25.0 Other services.....	52	65	70
26.0 Supplies and materials.....	47	50	50
31.0 Equipment.....	43	45	45
99.0 Subtotal direct obligations.....	1,806	2,163	2,199
99.0 Reimbursable obligations.....	20	4	4
99.9 Total obligations.....	1,826	2,167	2,203

**Personnel Summary**

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

**COUNCIL OF ECONOMIC ADVISERS**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); **[\$2,500,000]** \$2,787,000. (*Executive Office Appropriations Act, 1988.*)

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

Identification code 11-1900-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	2,365	2,500	2,787
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	5		
40.00 <b>Budget authority (appropriation).....</b>	<b>2,370</b>	<b>2,500</b>	<b>2,787</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,365	2,500	2,787
72.40 Obligated balance, start of year.....	273	253	325
74.40 Obligated balance, end of year.....	-253	-325	-362
77.00 Adjustments in expired accounts.....	-11		
90.00 Outlays.....	2,375	2,428	2,750

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

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

Identification code 11-1900-0-1-802	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,297	1,203	1,551
11.3 Other than full-time permanent.....	124	99	32
11.5 Other personnel compensation.....	45	50	50
11.8 Special personal services payments.....	160	217	62
11.9 Total personnel compensation.....	1,626	1,569	1,695
12.1 Civilian personnel benefits.....	231	277	343
21.0 Travel and transportation of persons.....	25	28	43
22.0 Transportation of things.....	1	1	1
23.1 Rental payments to GSA.....	185	345	350
23.3 Communications, utilities, and miscellaneous charges.....	84	90	95
24.0 Printing and reproduction.....	88	75	95
25.0 Other services.....	50	55	55
26.0 Supplies and materials.....	37	30	40
31.0 Equipment.....	38	30	70
99.9 Total obligations.....	2,365	2,500	2,787

**Personnel Summary**

Total number of full-time permanent positions.....	30	28	34
Total compensable workyears:			
Full-time equivalent employment.....	33	30	35
Full-time equivalent of overtime and holiday hours.....	2	2	2

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

*Federal Funds*

**General and special funds:**

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

For necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their func-

General and special funds—Continued

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY—Continued

tions under the National Environmental Policy Act of 1969 (*Public Law 91-190*), the Environmental Quality Improvement Act of 1970 (*Public Law 91-224*), and Reorganization Plan No. 1 of 1977, including not to exceed \$500 for official reception and representation expenses, and hire of passenger motor vehicles, **[\$826,000] \$870,000.** (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	11-1453-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Environmental policy development and program evaluation.....	779	826	870
01.01	Reimbursable program.....	108	93	
10.00	Total obligations.....	887	919	870
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-108	-93	
25.00	Unobligated balance lapsing.....	24		
40.00	<b>Budget authority (appropriation).....</b>	<b>803</b>	<b>826</b>	<b>870</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	779	826	870
72.40	Obligated balance, start of year.....	121	234	234
74.40	Obligated balance, end of year.....	-234	-234	-238
77.00	Adjustments in expired accounts.....	-18		
90.00	Outlays.....	648	826	868

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

Object Classification (in thousands of dollars)

Identification code	11-1453-0-1-802	1987 actual	1988 est.	1989 est.
Direct obligations.				
11.1	Personnel compensation: Full-time permanent.....	536	570	587
12.1	Civilian personnel benefits.....	58	70	99
21.0	Travel and transportation of persons.....	15	18	18
22.0	Transportation of things.....	2	3	3
23.1	Rental payments to GSA.....	62	85	88
23.3	Communications, utilities, and miscellaneous charges...	18	20	25
24.0	Printing and reproduction.....	28	27	25
25.0	Other services.....	13	18	15
26.0	Supplies and materials.....	12	10	5
31.0	Equipment.....	35	5	5
99.0	Subtotal, direct obligations.....	779	826	870
99.0	Reimbursable obligations.....	108	93	
99.9	Total obligations.....	887	919	870

Personnel Summary

Direct:				
	Total number of full-time permanent positions.....	11	12	13
	Total compensable workyears: Full-time equivalent employment.....	11	12	13
Reimbursable:				
	Total number of full-time permanent positions.....	2	1	
	Total compensable workyears: Full-time equivalent employment.....	2	1	

Intragovernmental funds:

MANAGEMENT FUND

Program and Financing (in thousands of dollars)

Identification code	11-3963-0-4-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	1,204	885	923
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-990	-885	-923
21.98	Unobligated balance available, start of year.....	-214		
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	213		
72.98	Obligated balance, start of year.....	974	1,427	
74.98	Obligated balance, end of year.....	-1,427		
90.00	Outlays.....	-240	1,427	

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

COUNCIL ON WAGE AND PRICE STABILITY

Federal Funds

General and special funds:

Program and Financing (in thousands of dollars)

Identification code	11-1600-0-1-802	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-4		
25.00	Unobligated balance lapsing.....	4		
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-4		
90.00	Outlays.....	-4		

OFFICE OF POLICY DEVELOPMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; \$3,000,000. (*Executive Office Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	11-2200-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	2,586	3,000	3,000
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	103		
40.00	<b>Budget authority (appropriation).....</b>	<b>2,689</b>	<b>3,000</b>	<b>3,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,586	3,000	3,000
72.40	Obligated balance, start of year.....	302	358	410
74.40	Obligated balance, end of year.....	-358	-410	-410
77.00	Adjustments in expired accounts.....	-16		
90.00	Outlays.....	2,514	2,948	3,000

The Office of Policy Development advises and assists the President in the formulation, evaluation and coordination of long-range economic and domestic policy; supports the operation of the Office of Cabinet Affairs, including the Domestic Policy Council and the Economic Policy Council; and supports the President's Economic Policy Advisory Board and Interagency Low Income Opportunity Advisory Board.

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

Identification code	11-2200-0-1-802	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,559	1,754	1,753
11.3	Other than full-time permanent.....	94	17	20
11.5	Other personnel compensation.....	8	2	10
11.8	Special personal services payments.....	69	81	30
11.9	Total personnel compensation.....	1,729	1,854	1,813
12.1	Civilian personnel benefits.....	221	286	313
13.0	Benefits for former personnel.....	7		
21.0	Travel and transportation of persons.....	45	52	60
22.0	Transportation of things.....	1	1	1
23.1	Rental payments to GSA.....	275	558	550
23.3	Communications, utilities, and miscellaneous charges.....	129	174	168
24.0	Printing and reproduction.....	61	2	5
25.0	Other services.....	31	33	35
26.0	Supplies and materials.....	35	30	35
31.0	Equipment.....	51	10	20
99.9	Total obligations.....	2,586	3,000	3,000

**Personnel Summary**

Total number of full-time permanent positions.....	35	42	42
Total compensable workyears: Full-time equivalent employment.....	36	44	44

**NATIONAL SECURITY COUNCIL**

*Federal funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; **[\$5,000,000]** \$5,100,000. (Executive Office Appropriations Act, 1988.)

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

Identification code	11-2000-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Policy and operations coordination.....	4,200	4,598	4,687
00.02	President's intelligence advisory boards.....	322	402	413
00.91	Total direct program.....	4,522	5,000	5,100
01.01	Reimbursable program.....	134	38	38
10.00	Total obligations.....	4,656	5,038	5,138
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-134	-38	-38
25.00	Unobligated balance lapsing.....	90		
40.00	Budget authority (appropriation).....	4,612	5,000	5,100
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	4,522	5,000	5,100
72.40	Obligated balance, start of year.....	852	957	1,047
74.40	Obligated balance, end of year.....	-957	-1,047	-1,067
77.00	Adjustments in expired accounts.....	-47		
90.00	Outlays.....	4,369	4,910	5,080

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

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

Identification code	11-2000-0-1-802	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	2,319	2,432	2,432
11.3	Other than full-time permanent.....	236	230	200
11.5	Other personnel compensation.....	152	150	146
11.8	Special personnel services payments.....	35	35	35
11.9	Total personnel compensation.....	2,742	2,847	2,813
12.1	Civilian personnel benefits.....	314	380	448
21.0	Travel and transportation of persons.....	318	350	350
23.1	Rental payments to GSA.....	478	920	930
23.3	Communications, utilities, and miscellaneous charges.....	307	300	300
24.0	Printing and reproduction.....	12	14	14
25.0	Other services.....	193	70	123
26.0	Supplies and materials.....	84	84	84
31.0	Equipment.....	74	35	38
99.0	Subtotal, direct obligations.....	4,522	5,000	5,100
99.0	Reimbursable obligations.....	134	38	38
99.9	Total obligations.....	4,656	5,038	5,138

**Personnel Summary**

Total number of full-time permanent positions.....	55	61	61
Total compensable workyears:			
Full-time equivalent employment.....	63	63	63
Full-time equivalent of overtime and holiday hours.....	4	4	4

**NATIONAL CRITICAL MATERIALS COUNCIL**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373; **[\$350,000]** \$178,000. (Executive Office Appropriations Act, 1988.)

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

Identification code	11-0111-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	175	350	178
<b>Financing:</b>				
40.00	Budget authority (appropriation).....	175	350	178
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	175	350	178
72.40	Obligated balance, start of year.....	60	67	43
74.40	Obligated balance, end of year.....	-67	-43	-28
90.00	Outlays.....	168	374	193

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

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

Identification code	11-0111-0-1-802	1987 actual	1988 est.	1989 est.
11.8	Personnel compensation: Special personal services payments.....	118	185	111
21.0	Travel and transportation of persons.....	9	30	10
23.1	Rental payments to GSA.....	25	25	25
23.3	Communications, utilities, and miscellaneous charges.....	2	30	10
24.0	Printing and reproduction.....		40	7
25.0	Other services.....	17	15	12
26.0	Supplies and materials.....	4	10	2
31.0	Equipment.....		15	1
99.9	Total obligations.....	175	350	178

**OFFICE OF ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of Administration; **[\$16,000,000]** \$16,900,000, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles. (Executive Office Appropriations Act, 1988.)

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

Identification code	11-0038-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Director's office .....	454	440	449
00.02	Personnel management .....	610	600	806
00.03	Financial management .....	928	1,088	1,168
00.04	Administrative operations .....	5,097	5,405	5,748
00.05	Library and information services .....	1,326	1,338	1,393
00.06	Automated systems (operations) .....	7,366	7,129	7,336
00.91	Total direct program .....	15,781	16,000	16,900
01.01	Reimbursable program .....	4,907	5,392	5,500
10.00	Total obligations .....	20,688	21,392	22,400
Financing:				
11.00	Offsetting collections from: Federal funds .....	-4,907	-5,392	-5,500
25.00	Unobligated balance lapsing .....	133		
40.00	<b>Budget authority (appropriation) .....</b>	<b>15,914</b>	<b>16,000</b>	<b>16,900</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	15,780	16,000	16,900
72.40	Obligated balance, start of year .....	4,055	4,774	4,480
74.40	Obligated balance, end of year .....	-4,774	-4,480	-4,733
77.00	Adjustments in expired accounts .....	-208		
90.00	Outlays .....	14,853	16,294	16,647

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

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

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

Identification code	11-0038-0-1-802	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	4,143	4,430	4,594
11.3	Other than full-time permanent .....	389	425	430
11.5	Other personnel compensation .....	120	130	145
11.8	Special personal services payments .....	45		
11.9	Total personnel compensation .....	4,697	4,985	5,169
12.1	Civilian personnel benefits .....	708	815	851
21.0	Travel and transportation of persons .....	19	25	45
22.0	Transportation of things .....	59	35	35
23.1	Rental payments to GSA .....	1,554	1,765	1,790
23.3	Communications, utilities, and miscellaneous charges .....	2,362	1,400	1,575
24.0	Printing and reproduction .....	408	500	530
25.0	Other services .....	4,713	5,025	5,420
26.0	Supplies and materials .....	638	475	495
31.0	Equipment .....	623	975	990
99.0	Subtotal, direct obligations .....	15,781	16,000	16,900
99.0	Reimbursable obligations .....	4,907	5,392	5,500
99.9	Total obligations .....	20,688	21,392	22,400

**Personnel Summary**

Direct:			
Total number of full-time permanent positions .....	139	139	142
Total compensable workyears:			
Full-time equivalent employment .....	163	167	167
Full-time equivalent of overtime and holiday hours .....	4	4	4
Reimbursable:			
Total number of full-time permanent positions .....	28	29	30
Total compensable workyears: Full-time equivalent employment .....	24	29	30

**OFFICE OF MANAGEMENT AND BUDGET**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; **[\$39,000,000]** \$39,780,000, of which not to exceed \$4,500,000 shall be available to carry out the provisions of 44 U.S.C., chapter 35: *Provided, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: Provided further, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): Provided further, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the review of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: Provided further, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs: Provided further, That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below fiscal year 1985 levels: Provided further, That none of the funds appropriated by this Act shall be available to the Office of Management and Budget for revising, curtailing or otherwise amending the administrative and/or regulatory methodology employed by the Bureau of Alcohol, Tobacco and Firearms to assure compliance with section 205, title 27 of the United States Code (Federal Alcohol Administration Act) or with regulations, rulings or forms promulgated thereunder]. (Executive Office Appropriations Act, 1988.)*

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

Identification code	11-0300-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Budget review .....	5,381	5,590	5,698
00.02	National security and international affairs .....	5,544	5,731	5,871
00.03	Economics and government .....	4,039	4,175	4,278
00.04	Natural resources, energy, and science .....	4,911	5,076	5,201
00.05	Human resources, veterans, and labor .....	4,241	4,383	4,491
00.06	Director's office .....	4,284	4,445	4,538
00.07	Management .....	3,745	3,871	3,967
00.08	Information and regulatory affairs .....	5,009	5,176	5,303
00.09	Privatization office .....		353	433
00.10	Commission on privatization .....	75	200	
00.91	Total direct program .....	37,229	39,000	39,780
01.01	Reimbursable program .....	57		
10.00	Total obligations .....	37,286	39,000	39,780
Financing:				
11.00	Offsetting collections from: Federal funds .....	-57		
25.00	Unobligated balance lapsing .....	184		
40.00	<b>Budget authority (appropriation) .....</b>	<b>37,413</b>	<b>39,000</b>	<b>39,780</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	37,229	39,000	39,780

72.40	Obligated balance, start of year.....	3,823	4,383	4,601
74.40	Obligated balance, end of year.....	-4,383	-4,601	-4,282
77.00	Adjustments in expired accounts.....	-989		
90.00	Outlays.....	35,680	38,782	40,099

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

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

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

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

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

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

**Privatization.**—A coordinated and consolidated process to further the President's privatization agenda is provided. Privatization efforts and responsibilities are centralized to allow for the identification and analysis of government-wide privatization opportunities.

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

Identification code	11-0300-0-1-802	1987 actual	1988 est.	1989 est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent.....	20,634	22,180	22,730
11.3	Other than full-time permanent.....	1,276	955	955
11.5	Other personnel compensation.....	535	535	535
11.8	Special personal services payments.....	48	50	50
11.9	Total personnel compensation.....	22,493	23,720	24,270
12.1	Civilian personnel benefits.....	2,723	3,573	3,738
21.0	Travel and transportation of persons.....	246	320	320
23.1	Rental payments to GSA.....	5,079	5,097	5,162
23.3	Communications, utilities, and miscellaneous charges.....	889	910	910
24.0	Printing and reproduction.....	1,138	1,150	1,150

25.0	Other services.....	3,113	3,100	3,100
26.0	Supplies and materials.....	508	530	530
31.0	Equipment.....	1,040	600	600
99.0	Subtotal, direct obligations.....	37,229	39,000	39,780
99.0	Reimbursable obligations.....	57		
99.9	Total obligations.....	37,286	39,000	39,780

**Personnel Summary**

Total number of full-time permanent positions.....	478	570	570
Total compensable workyears:			
Full-time equivalent employment.....	507	580	580
Full-time equivalent of overtime and holiday hours.....	6	6	6

**OFFICE OF FEDERAL PROCUREMENT POLICY**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; **[\$2,300,000]** \$2,353,000. (Executive Office Appropriations Act, 1988.)

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

Identification code	11-0201-0-1-802	1987 actual	1988 est.	1989 est.
	<b>Program by activities:</b>			
10.00	Total obligations.....	1,588	2,300	2,353
	<b>Financing:</b>			
25.00	Unobligated balance lapsing.....	32		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,620</b>	<b>2,300</b>	<b>2,353</b>
	<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	1,588	2,300	2,353
72.40	Obligated balance, start of year.....	319	287	357
74.40	Obligated balance, end of year.....	-287	-357	-362
77.00	Adjustments in expired accounts.....	6		
90.00	Outlays.....	1,626	2,230	2,348

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

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

Identification code	11-0201-0-1-802	1987 actual	1988 est.	1989 est.
	<b>Personnel compensation:</b>			
11.1	Full-time permanent.....	862	1,555	1,590
11.3	Other than full-time permanent.....	44		
11.5	Other personnel compensation.....		20	20
11.8	Special personal services payments.....	15	25	25
11.9	Total personnel compensation.....	921	1,600	1,635
12.1	Civilian personnel benefits.....	92	192	196
21.0	Travel and transportation of persons.....	15	30	31
23.1	Rental payments to GSA.....	213	225	232
23.3	Communications, utilities, and miscellaneous charges.....	48	75	77
24.0	Printing and reproduction.....	2	25	25
25.0	Other services.....	74	94	97
26.0	Supplies and materials.....	39	30	30
31.0	Equipment.....	184	29	30
99.9	Total obligations.....	1,588	2,300	2,353

**Personnel Summary**

Total number of full-time permanent positions.....	25	32	32
Total compensable workyears: Full-time equivalent employment.....	21	32	32

**OFFICE OF SCIENCE AND TECHNOLOGY  
POLICY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed \$1,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia **[\$1,888,000] \$1,787,000. Provided,** That the Office of Science and Technology Policy shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

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

Identification code	11-2600-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program: Administrative support.....	1,816	1,888	1,787
01.01	Reimbursable program.....	59		
10.00	<b>Total obligations.....</b>	<b>1,875</b>	<b>1,888</b>	<b>1,787</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-59		
25.00	Unobligated balance lapsing.....	107		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,923</b>	<b>1,888</b>	<b>1,787</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,816	1,888	1,787
72.40	Obligated balance, start of year.....	927	1,222	1,215
74.40	Obligated balance, end of year.....	-1,222	-1,215	-1,175
77.00	Adjustments in expired accounts.....	-181		
90.00	<b>Outlays.....</b>	<b>1,340</b>	<b>1,895</b>	<b>1,827</b>

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

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

Identification code	11-2600-0-1-802	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	254	726	628
11.3	Other than full-time permanent.....	107	30	30
11.5	Other personnel compensation.....	7	10	10
11.8	Special personal services payments.....	562	251	251
11.9	<b>Total personnel compensation.....</b>	<b>930</b>	<b>1,017</b>	<b>919</b>
12.1	Civilian personnel benefits.....	44	65	80
21.0	Travel and transportation of persons.....	61	105	100
22.0	Transportation of things.....	3	3	3
23.1	Rental payments to GSA.....	433	436	442
23.3	Communications, utilities, and miscellaneous charges.....	116	119	120
24.0	Printing and reproduction.....	12	15	15
25.0	Other services.....	41	48	48
26.0	Supplies and materials.....	33	35	35

31.0	Equipment.....	143	45	25
99.0	Subtotal, direct obligations.....	1,816	1,888	1,787
99.0	Reimbursable obligations.....	59		
99.9	<b>Total obligations.....</b>	<b>1,875</b>	<b>1,888</b>	<b>1,787</b>

**Personnel Summary**

Total number of full-time permanent positions.....	7	15	15
Total compensable workyears:			
Full-time equivalent employment.....	10	23	20
Full-time equivalent of overtime and holiday hours.....		1	1

**OFFICE OF THE UNITED STATES TRADE  
REPRESENTATIVE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, **[\$15,229,000] \$15,393,000,** of which \$1,000,000 shall remain available until expended: *Provided,* That not to exceed \$69,000 shall be available for official reception and representation expenses. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988; additional authorizing legislation to be proposed.*)

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

Identification code	11-0400-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	13,488	15,229	15,393
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	57		
40.00	<b>Budget authority (appropriation).....</b>	<b>13,545</b>	<b>15,229</b>	<b>15,393</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	13,488	15,229	15,393
72.40	Obligated balance, start of year.....	1,476	1,393	2,285
74.40	Obligated balance, end of year.....	-1,393	-2,285	-2,309
77.00	Adjustments in expired accounts.....	-127		
90.00	<b>Outlays.....</b>	<b>13,444</b>	<b>14,337</b>	<b>15,369</b>

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

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

Identification code	11-0400-0-1-802	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	6,161	6,456	6,765
11.3	Other than full-time permanent.....	373	355	347
11.5	Other personnel compensation.....	235	273	267
11.8	Special personal services payments.....	389	537	512
11.9	<b>Total personnel compensation.....</b>	<b>7,158</b>	<b>7,621</b>	<b>7,891</b>
12.1	Civilian personnel benefits.....	1,019	1,132	1,164
21.0	Travel and transportation of persons.....	901	1,065	1,051
22.0	Transportation of things.....	54	60	78
23.1	Rental payments to GSA.....	511	1,138	1,180
23.2	Rental payments to others.....	495	580	577
23.3	Communications, utilities, and miscellaneous charges.....	1,020	1,170	1,158
24.0	Printing and reproduction.....	125	165	146



25.0	Other services .....	1,931	1,948	1,866
26.0	Supplies and materials .....	134	165	164
31.0	Equipment .....	140	185	118
99.9	Total obligations .....	13,488	15,229	15,393

**Personnel Summary**

Total number of full-time permanent positions.....	127	146	146
Total compensable workyears:			
Full-time equivalent employment .....	134	146	146
Full-time equivalent of overtime and holiday hours .....	4		

**[WHITE HOUSE CONFERENCE FOR A DRUG FREE AMERICA]**

*Federal Funds*

**General and special funds:**

**[SALARIES AND EXPENSES]**

**[For necessary expenses of the White House Conference for a Drug Free America, \$2,500,000.]** (*Executive Office Appropriations Act, 1988.*)

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

Identification code 11-0212-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,579	2,500	
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	3,421		
40.00 Budget authority (appropriation) .....	5,000	2,500	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,579	2,500	
72.40 Obligated balance, start of year .....		833	335
74.40 Obligated balance, end of year .....	-833	-335	
90.00 Outlays .....	745	2,998	335

A White House Conference for a Drug Free America, involving government at all levels and a broad spectrum of the private sector, will be held in the spring of 1988 to share knowledge and focus public attention on how to successfully attack and eliminate drug abuse.

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

Identification code 11-0212-0-1-551	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent .....	111	250	
11.3 Other than full-time permanent .....	211	480	
11.5 Other personnel compensation .....		10	
11.8 Special personnel services payments .....	60	140	
11.9 Total personnel compensation .....	383	880	
12.1 Civilian personnel benefits .....	50	120	
21.0 Travel and transportation of persons .....	30	150	
22.0 Transportation of things .....	7	20	
23.1 Rental payments to GSA .....	99	175	
23.2 Rental payments to others .....	40	80	
24.0 Printing and reproduction .....	23	50	
25.0 Other services .....	564	1,005	
26.0 Supplies and materials .....	51	10	
31.0 Equipment .....	332	10	
99.9 Total obligations .....	1,579	2,500	

**Personnel Summary**

Total number of full-time permanent positions.....	12	12	
Total compensable workyears:			
Full-time equivalent employment .....	8	34	
Full-time equivalent of overtime and holiday hours .....		5	

*Trust Funds*

**DONATIONS FOR THE WHITE HOUSE CONFERENCE FOR A DRUG FREE AMERICA**

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

Identification code 11-8240-0-7-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.00) .....		300	
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite) .....		300	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		300	
90.00 Outlays .....		300	

**SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION**

*Federal Funds*

**General and special funds:**

**MISCELLANEOUS EXPIRED ACCOUNTS**

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

Identification code 11-9912-0-1-554	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-55		
25.00 Unobligated balance lapsing .....	55		
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-55		
72.40 Obligated balance, start of year .....		43	
90.00 Outlays .....	-12		
Distribution of outlays by account:			
Special fund for drug abuse .....	-12		

**TITLE VI—GENERAL PROVISIONS**

**DEPARTMENTS, AGENCIES, AND CORPORATIONS**

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

SEC. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-24.

SEC. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is

## DEPARTMENTS, AGENCIES, AND CORPORATIONS—Continued

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

SEC. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

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

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

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

SEC. 608. No part of any appropriation contained in this or any other Act [.] shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 609. Funds made available by this or any other Act to (1) the General Services Administration, including the fund created by the Public Building Amendments of 1972 (86 Stat. 216), and (2) the "Postal Service Fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the

Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c): *Provided*, That when the Administrator of General Services delegates responsibility to protect property under this charge and control to the head of another Federal agency, that agency may employ guards to protect the property who shall have the same powers of special policemen in same manner as the foregoing.

SEC. 610. None of the funds available under this or any other Act shall be available for administrative expenses in connection with the designation for construction, arranging for financing, or execution of contracts or agreements for financing or construction of any additional purchase contract projects pursuant to section 5 of the Public Building Amendments of 1972 (Public Law 92-313) during the period beginning October 1, 1976, and ending September 30, [1988] 1989.

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

SEC. [612] 611. No part of any appropriation contained in, or funds made available by, this or any other Act [.] shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the fiscal year for which appropriations were granted.

SEC. [613] 612. (a)(1) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal years ending September 30, [1988] 1989, or September 30, [1989] 1990, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title—

(1) during the period from the date of expiration of the limitation imposed by section 613 of the Treasury, Postal Service, and General Government Appropriations Act, [1987 as incorporated in section 101(m) of Public Laws 99-500 and 99-591] 1988, until the first day of the first applicable pay period that begins not less than ninety days after that date, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 613; and

(2) during the period consisting of the remainder, if any, of fiscal year [1988] 1989, and that portion of fiscal year [1989] 1990, that precedes the normal effective date of the applicable wage survey adjustment that is to be effective in fiscal year [1989] 1990, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) of this subsection by more than the overall average percentage adjustment in the General Schedule during fiscal year [1988] 1989.

(b) Notwithstanding section 9(b) of Public Law 92-392 or section 704(b) of Public Law 95-454, subsection (a) of this section shall apply (in such manner as the Office of Personnel Management shall prescribe) to any prevailing rate employee to whom such section 9(b) applies.

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

[ (c) (d) For the purpose of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule that was not in existence on September 30, [1987] 1988, shall be determined under regulations prescribed by the Office of Personnel Management.

[ (d) (e) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, [1987] 1988, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

[ (e) (f) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, [1987] 1988.

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

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

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

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

Sec. [615] 613. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of \$5,000 to renovate, remodel, furnish, or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such renovation, remodeling, furnishing, or redecoration is [expressly approved by] given to the Committees on Appropriations of the House and Senate.

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

- (1) such space is available;
- (2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 50 percent are Federal employees; and
- (3) such officer or agency determines that such individual or entity will give priority for available child care services in such space to Federal employees.

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

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

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

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

Sec. [618] 615. (a) None of the funds appropriated by this Act, or any other Act in this or any fiscal year hereafter, may be used in preparing, promulgating, or implementing any regulations relating to the Combined Federal Campaign if such regulations are not in conformance with subsection (b).

(b)(1)(A) Any requirements for eligibility to receive contributions through the Combined Federal Campaign shall not, to the extent that such requirements relate to litigation, public-policy advocacy, or attempting to influence legislation, be any more restrictive than any requirements established with respect to those subject matters under section 501(c)(3) or 501(h) of the Internal Revenue Code of 1986.

(B) Any requirements for eligibility to receive contributions through the Combined Federal Campaign shall, to the extent that such requirements relate to any subject matter other than one referred to in subparagraph (A), remain the same as the criteria in the 1984 regulations, except as otherwise provided in this section.

(C) Notwithstanding any requirement referred to in subparagraph (A) or (B), for purposes of any Combined Federal Campaign—

(i) any voluntary agency or federated group which was a named plaintiff as of September 1, 1987, in a case brought in the United States District Court for the District of Columbia, and designated as Civil Action No. 83-0928 or 86-1367, and

(ii) The Federal Employee Education and Assistance Fund, shall be considered to have national eligibility.

(D) Public accountability standards shall remain similar to the standards which were by regulation established with respect to the 1984-1987 Combined Federal Campaigns, except that the Office of Personnel Management shall prescribe regulations under which a voluntary agency or federated group which does not exceed a certain size (as established under such regulations) may submit a copy of an appropriate Federal tax return, rather than complying with any independent auditing requirements which would otherwise apply.

(2)(A) A voluntary agency or federated group shall, for purposes of any Combined Federal Campaign in any year, be considered to have national eligibility if such agency or group—

- (i) complies with all requirements for eligibility to receive contributions through the Combined Federal Campaign, without regard to any requirements relating to "local presence"; and
- (ii) demonstrates that it provided services, benefits, or assistance, or otherwise conducted program activities, in—

(I) 15 or more different States over the 3-year period immediately preceding the start of the year involved; or

(II) several foreign countries or several parts of a foreign country.

For purposes of this subparagraph, an agency or federated group shall be considered to have conducted program activities in the required number of States, countries, or parts of a country, over the period of years involved, if such agency or group conducted program activities in such number of States, countries, or parts either in any single year during such period or in the aggregate over the course of such period, provided that no State, country, or part of a country is counted more than once.

(B) Notwithstanding any other provisions, eligibility requirements relating to International Services Agencies shall remain at least as inclusive as existing requirements. Any voluntary agency or federated group which attains national eligibility under subparagraph (A), and any voluntary agency which is a member of the International Services Agencies, shall be considered to have satisfied any requirements relating to "local presence".

(3)(A) If a federated group is eligible to receive donations in a Combined Federal Campaign, whether on a national level (pursuant to certification by the Office) or a local level (pursuant to certification by the local Federal coordinating committee), each voluntary agency which is a member of such group may, upon certification by the federated group, be considered eligible to participate on such national or local level, as the case may be.

(B) Notwithstanding any provision of subparagraph (A)—

(i) the Office may require a voluntary agency to provide information to support any certification submitted by a federated group with respect to such agency under subparagraph (A); and

(ii) if a determination is made, in writing after notice and opportunity to submit written comments, that the information submitted by the voluntary agency does not satisfy the applicable eligibility requirements, such agency may be barred from participating in the Combined Federal Campaign on a national or local level, as the case may be, for a period not to exceed 1 campaign year.

(4) The Office shall exercise oversight responsibility to ensure that—

(A) regulations are uniformly and equitably implemented in all local combined Federal campaigns;

(B) federated groups participating in a local combined Federal campaign are allowed to compete fairly for the role of principal combined fund organization;

(C) federated groups participating in a local combined Federal campaign are afforded—

(i) adequate opportunity to consult with the PCFO for the area involved before any plans are made final relating to the

## DEPARTMENTS, AGENCIES, AND CORPORATIONS—Continued

design or conduct of such campaign (including plans pertaining to any materials to be printed as part of the campaign);

(ii) adequate opportunity to participate in campaign events and other related activities; and

(iii) timely access to all reports, budgets, audits, and other records in the possession of, or under the control of, the PCFO for the areas involved; and

(D) a federated group or voluntary agency found by the Office, by a written decision issued after notice and opportunity to submit written comments, to have violated the regulations may be barred from serving as a PCFO for not to exceed 1 campaign year.

(5) The Office shall prescribe regulations to ensure that PCFOs do not make inappropriate delegations of decision-making authority.

(6)(A) The Office shall, in consultation with federated groups, establish a formula under which any undesignated contributions received in a local combined Federal campaign shall be allocated in any year.

(B) Under the formula for the 1990 Combined Federal Campaign, all undesignated contributions received in a local campaign shall be allocated as follows:

(i) 82 percent shall be allocated to the United Way.

(ii) 7 percent shall be allocated to the International Services Agencies.

(iii) 7 percent shall be allocated to the National Voluntary Health Agencies.

(iv) 4 percent shall, after fair and careful consideration of all eligible federated groups and agencies, be allocated by the local Federal coordinating committee among any or all of the following:

(I) National federated groups (other than any identified in clauses (i), (ii), or (iii)), except that a national federated group shall not be eligible under this subclause unless there are at least 15 members of such group participating in the local campaign, unless the members of such group collectively receive at least 4 percent of the designated contributions in the local campaign, and unless such group was granted national eligibility status for the 1987, 1988, 1989, or 1990 Combined Federal Campaign.

(II) Local federated groups.

(III) Any local, non-affiliated voluntary agency which receives at least 4 percent of the designated contributions in the local campaign.

(C) The formula set forth in subparagraph (B)—

(i) shall be phased in over the course of the 1988 and 1989 Combined Federal Campaigns;

(ii) shall be fully implemented with respect to the 1990 Combined Federal Campaigns; and

(iii) shall, with respect to any Combined Federal Campaign thereafter, be adjusted based on the experience gained in the Combined Federal Campaigns referred to in clauses (i) and (ii).

(D) Nothing in this paragraph shall apply with respect to any campaign conducted in a foreign country.

(E) All appropriate steps shall be taken to encourage donors to make designated contributions.

(7) The option for a donor to write in the name of a voluntary agency or federated group not listed in the campaign brochure to receive that individual's contribution in a local campaign shall be eliminated.

(8) The name of any individual making a designed contribution in a campaign shall, upon request of the recipient voluntary agency or federated group, be released to such agency or group, unless the contributor indicates that his or her name is not to be released. Under no circumstance may the names of contributors be sold or otherwise released by such agency or group.

(9)(A) The name of each participating voluntary agency and federated group, together with a brief description of [their] its respective programs, shall be published in any information leaflet distributed to employees in a local combined Federal campaign. Agencies shall be arranged by federated group, with combined Federal campaign organization code numbers corresponding to each such agency and group.

(B) The requirement under subparagraph (A) relating to the inclusion of program descriptions may, at the discretion of a local Federal coordinating committee, be waived for a local campaign in any year if, in the immediately preceding campaign year, contributions received through the local campaign totaled less than \$100,000.

(10) Employee coercion is not to be tolerated in the Combined Federal Campaign, and protections against employee coercion shall be strengthened and clarified.

(11) The Office—

(A) may not, after the date of the enactment of this Act, grant national eligibility status to any federated group unless such group has at least 15-member voluntary agencies, each of which meets the requirements for national eligibility under paragraph (2)(A); and

(B) may withdraw federation status from any federated group for a period of not to exceed 1 campaign year if it is determined, on the record after opportunity for a hearing, that the federated group has not complied with the regulatory requirements.

(12) The Office may bar from participation in the Combined Federal Campaign, for a period not to exceed 1 campaign year, any voluntary agency which the Office determines, in writing, and after notice and opportunity to submit written comments, did not comply with a reasonable request by the Office to furnish it with information relating to such agency's campaign accounting and auditing practices.

(c) For purposes of this section, a voluntary agency or federated group having "national eligibility" is one which is eligible to participate in each local domestic combined Federal campaign.

## [INDUSTRIAL FUNDING OF THE GENERAL SUPPLY FUND]

## [Sec. 619. Industrial Funding.]

## [SUBSECTION 1. PERMISSIBLE USES OF GENERAL SUPPLY FUND.]

[The last sentence of section 109(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 756(a)) is amended—

(1) by striking out "and" at the end of clause (1); and

(2) by inserting before the period at the end of clause (2) the following: ", and (3) for paying other direct costs of, and indirect costs that are reasonably related to, contracting, procurement, inspection, storage, management, distribution, and accountability of property and nonpersonal services provided by the General Services Administration or by special order through such Administration".]

## [SUBSEC. 2. COLLECTION OF PAYMENTS FOR DEPOSIT IN FUND.]

[Section 109(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 756(b)) is amended by inserting after the second sentence the following new sentence: "Such prices shall also include an additional charge to recover properly allocable costs payable by the General Supply Fund under subsection (a)(3) with respect to the supplies or services concerned.".]

## [SUBSEC. 3. IMPLEMENTATION PLAN.]

[Not later than February 15, 1988, the Administrator of General Services shall submit to the appropriate committees of the Congress a plan for the implementation of the amendments made by this Act. Such plan shall (1) fully describe and explain the accounting system (including the pricing and cost allocation methodology for supplies and services) to be used for such implementation, and (2) contain a schedule for completing actions necessary for such implementation.]

## [SUBSEC. 4. EFFECTIVE DATE.]

[The amendments made by this Act shall take effect not later than April 1, 1988.]

[SEC. 620. Section 1202(b) of title 5, United States Code, is amended by adding a new sentence as follows: "Any new member serving only a portion of a seven-year term in office may continue to serve until a successor is appointed and has qualified, except that such member may not continue to serve for more than one year after the date on which the term of the member would otherwise expire, unless reappointed.".]

SEC. [621] 616. (a) Notwithstanding the provisions of sections 112 and 113 of title 3, United States Code, each Executive agency detailing any personnel shall submit a report on an annual basis in each fiscal year to the Senate and House Committees on Appropriations on all employees or members of the armed services detailed to Executive agencies, listing the grade, position, and offices of each person detailed and the agency to which each such person is detailed.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

- (1) the Central Intelligence Agency;
- (2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

(c) The exemptions in part (b) of this section are not intended to apply to information on the use of personnel detailed to or from the intelligence agencies which is currently being supplied to the Senate and House Intelligence and Appropriations Committees by the executive branch through budget justification materials and other reports.

(d) For the purposes of this section, the term "Executive agency" has the same meaning as defined under section 105 of title 5, United States Code (except that the provisions of section 104(2) of title 5, United States Code shall not apply) and includes the White House Office, the Executive Residence, and any office, council, or organizational unit of the Executive Office of the President.

**[SEC. 622.** (a) None of the funds made available by this or any other Act with respect to any fiscal year may be used to make a contract for the manufacture of distinctive paper for United States currency and securities pursuant to section 5114 of title 31, United States Code, with any corporation or other entity owned or controlled by persons not citizens of the United States, or for the manufacture of such distinctive paper outside of the United States or its possessions. This subsection shall not apply if the Secretary of the Treasury determines that no domestic manufacturer of distinctive paper for United States currency or securities exists with which to make a contract and if the Secretary of the Treasury publishes in the Federal Register a written finding stating the basis for the determination.]

**[(b)** None of the funds made available by this or any other Act with respect to any fiscal year may be used to procure paper for passports granted or issued pursuant to the first section of the Act entitled "An Act to regulate the issue and validity of passports, and for other purposes", approved July 3, 1926 (22 U.S.C. 211a), if such paper is manufactured outside of the United States or its possessions or is procured from any corporation or other entity owned or controlled by persons not citizens of the United States. This subsection shall not apply if no domestic manufacturer for passport paper exists.]

**[SEC. 623. INTEREST ON BACK PAY FOR FEDERAL EMPLOYEES.—(a) IN GENERAL.—**Section 5596(b) of title 5, United States Code, is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by adding after paragraph (1) the following:

"(2)(A) An amount payable under paragraph (1)(A)(i) of this subsection shall be payable with interest.

"(B) Such interest—

"(i) shall be computed for the period beginning on the effective date of the withdrawal, or reduction involved and ending on a date not more than 30 days before the date on which payment is made;

"(ii) shall be computed at the rate or rates in effect under section 5621(a)(1) of the Internal Revenue Code of 1986 during the period described in clause (i); and

"(iii) shall be compounded daily.

"(C) Interest under this paragraph shall be paid out of amounts available for payments under paragraph (1) of this subsection.".]

**[(b) EFFECTIVE DATE.—**

(1) **GENERALLY.—**Except as provided in paragraph (2), the amendments made by subsection (a) shall take effect on the date of the enactment of this Act, and shall apply with respect to any employee found, in a final judgment entered or a final decision otherwise rendered on or after such date, to have been the subject of an unjustified or unwarranted personnel action, the correction of which entitles such employee to an amount under section 5596(b)(1)(A)(i) of title 5, United States Code.]

**[(2) EXCEPTION.—**

(A) **CASES IN WHICH A RIGHT TO INTEREST WAS RESERVED.—**The amendments made by subsection (a) shall also apply with respect to any claim which was brought under section 5596 of title 5, United States Code, and with respect to which

a final judgment was entered or a final decision was otherwise rendered before the date of the enactment of this Act, if, under terms of such judgment or decision, a right to interest was specifically reserved, contingent on the enactment of a statute authorizing the payment of interest on claims brought under such section 5596.]

**[(B) METHOD OF COMPUTING INTEREST.—**The amount of interest payable under this paragraph with respect to a claim shall be determined in accordance with section 5596(b)(2)(B) of title 5, United States Code (as amended by this section).]

**[(C) SOURCE.—**An amount payable under this paragraph shall be paid from the appropriation made by section 1304 of title 31, United States Code, notwithstanding section 5596(b)(2)(C) of title 5, United States Code (as amended by this section) or any other provision of law.]

**[(D) DEADLINE.—**An application for a payment under this paragraph shall be ineffective if it is filed after the end of the 1-year period beginning on the date of the enactment of this Act.]

**[(E) LIMITATION ON PAYMENTS.—**Payments under this paragraph may not be made before October 1, 1988, except that interest shall continue to accrue in accordance with section 5596(b)(2)(B) of title 5, United States Code.]

**[SEC. 624.** (a) Section 7701(j) of title 26, United States Code, is amended—

(1) by deleting from paragraph (1)(c) the words "the provisions of paragraph (2) and" following the words "subject to"; and

(2) by deleting paragraph (2) in its entirety and substituting in lieu thereof the following language: "NONDISCRIMINATION REQUIREMENTS.—Notwithstanding any other provision of law, the Thrift Savings Fund is not subject to the nondiscrimination requirements applicable to arrangements described in section 401(k) or to matching contributions (as described in section 401(m)), so long as it meets the requirements of this section.".]

**[(b)** Section 8440 of title 5, United States Code, is amended—

(1) by deleting from paragraph (a)(3) the words "the provisions of subsection (b) and" following the words "subject to"; and

(2) by deleting paragraph (b) in its entirety and by substituting in lieu thereof the following language: "NONDISCRIMINATION REQUIREMENTS.—Notwithstanding any other provision of law, the Thrift Savings Fund is not subject to the nondiscrimination requirements applicable to arrangements described in section 401(k) of title 26, United States Code, or to matching contributions (as described in section 401(m) of title 26, United States Code), so long as it meets the requirements of this section.".]

**SEC. [625] 617. TEMPORARY AUTHORITY TO TRANSFER LEAVE.—**In order to ensure that the experimental use of voluntary leave transfers established under Public Laws 99-500 [and], 99-591, and 100-202 may continue and may cover additional employees in fiscal year [1988] 1989, the Office of Personnel Management [shall establish] may continue to operate by regulation, notwithstanding chapter 63 of title 5, United States Code, a program under which the unused accrued annual leave of officers or employees of the Federal Government may be transferred for use by other officers or employees who need such leave due to a personal emergency as defined in the regulations. *The Office may provide by regulation for such exceptions from the provisions of section 7351 of title 5 as the Office may determine appropriate for the transfer of leave under this section.* The Veterans' Administration [shall establish] may operate a similar program for employees subject to section 4108 of title [5] 38, United States Code. The programs [established by] operated under this section shall expire at the end of fiscal year [1988] 1989, but any leave that has been transferred to an officer or employee under the programs shall remain available for use until the personal emergency has ended, and any remaining unused transferred leave shall, to the extent administratively feasible, be restored to the leave accounts of the officers or employees from whose accounts it was originally transferred

**[SEC. 626.** Subsection 8902 of title 5, United States Code, is amended—

(1) by inserting in subsection (k)(1), after "as applicable," the following: "or by a qualified clinical social worker as defined in section 8901(11);"

(2) by inserting in subsection (k)(1), after "such a clinical psychologist" the following: "qualified clinical social worker";

(3) by striking out all of subsection (k)(2) and by redesignating subsection (k)(3) as subsection (k)(2); and

## DEPARTMENTS, AGENCIES, AND CORPORATIONS—Continued

(4) by striking out the last sentence in subsection (m)(2)(A).】

【SEC. 627 (a) Section 5 of Public Law 99-87, relating to the use of official mail in the location of missing children, is amended by striking out “two and one-half years after the date of the enactment of this Act” and inserting in lieu thereof “after December 31, 1992”.】

【(b) Section 3(a) of Public Law 99-87 is amended by striking out “Not later than two years after the date of enactment of this Act,” and inserting in lieu thereof “Not later than June 30, 1992.”.】

【SEC. 628. SALE OF RESIDENCE OF TRANSFERRED FEDERAL EMPLOYEES AND TRANSPORTATION EXPENSES.—

(a) REIMBURSEMENT OF EXPENSES OF SALE AND PURCHASE OF A RESIDENCE UPON THE TRANSFER OF A FEDERAL EMPLOYEE.—

(1) REIMBURSEMENT OF EXPENSES.—Section 5724a(a)(4)(A) of title 5, United States Code, is amended—

(A) by inserting before the period at the end of the first sentence the following: “; and expenses, required to be paid by the employee, (i) of the sale of the residence (or the settlement of an unexpired lease) of the employee at the official station from which the employee was transferred when he was assigned to a post of duty located outside the United States, its territories or possessions, the Commonwealth of Puerto Rico, or areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979) and (ii) of the purchase of a residence at the new official station when the employee is transferred in the interest of the Government from a post of duty located outside the United States, its territories or possessions, the Commonwealth of Puerto Rico, or areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979), to an official station (other than the official station from which he was transferred when assigned to the foreign tour of duty) within the United States, its territories or possessions, the Commonwealth of Puerto Rico, or such areas and installations in the Republic of Panama”; and】

【(B) by adding at the end thereof the following new sentence: “Reimbursement of expenses prescribed under this paragraph in connection with transfers from a post of duty located outside the United States, its territories or possessions, the Commonwealth of Puerto Rico, or the areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979), shall not be allowed for any sale or settlement of unexpired lease or purchase transaction that occurs prior to official notification that the employee’s return to the United States would be to an official station other than the official station from which the employee was transferred when assigned to the foreign post of duty.”.】

【(2) EFFECTIVE DATE.—The amendments made by paragraph (2) shall be applicable with respect to any employee transferred to or from a post of duty on or after 60 days after the date of enactment of this section.】

【(b) FUNDS FOR IMPLEMENTATION.—The amendments made by subsection (a) shall be carried out by agencies by the use of funds appropriated or otherwise available for the administrative expenses of each of such respective agencies. The amendments made by such subsections do not authorize the appropriation of funds in amounts exceeding the sums already authorized to be appropriate for such agencies.】

Sec. 【629】 618. Notwithstanding 31 U.S.C. 1346 or section 【607】 608 of this Act, funds made available for fiscal year 【1988】 1989 by this or any other Act shall be available for the interagency funding of

national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided in Executive 【order Number】 Order No. 12472 (April 3, 1984).

## 【EMPLOYEE DISCLOSURE AGREEMENTS】

【SEC. 630. No funds appropriated in this or any other Act for fiscal year 1988 may be used to implement or enforce the agreements in Standard Forms 189 and 4193 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement:

(1) concerns information other than that specifically marked as classified; or, unmarked but known by the employee to be classified; or, unclassified but known by the employee to be in the process of a classification determination;

(2) contains the term classifiable;

(3) directly or indirectly obstructs, by requirement of prior written authorization, limitation of authorized disclosure, or otherwise, the right of any individual to petition or communicate with Members of Congress in a secure manner as provided by the rules and procedures of the Congress;

(4) interferes with the right of the Congress to obtain executive branch information in a secure manner as provided by the rules and procedures of the Congress;

(5) imposes any obligations or invokes any remedies inconsistent with statutory law:

*Provided*, That nothing in this section shall affect the enforcement of those aspects of such nondisclosure policy, form or agreement that do not fall within subsection (1)–(5) of this section.】

Sec. 619. *Notwithstanding any other provision of law, beginning in fiscal year 1989 the Government of the District of Columbia shall bill directly on a quarterly basis, in advance, and accept payments from, individual establishments of the Judicial, Legislative, and Executive branches of the Federal Government for the water and sewer services that they receive, pursuant to sections 106 and 212 of the District of Columbia Public Works Act of 1954. From funds available to such Federal establishments, each establishment shall pay quarterly and in advance, either directly to the District Government or indirectly through rental charges (as appropriate), for water and sewer services provided. After the end of each quarter, the District Government shall adjust its individual billings promptly to reflect actual usage of services.*

Sec. 620. Subsection (e)(1) of section 1105 of title 31, United States Code, is amended by deleting the material beginning “In addition, the analysis” through the end of subsection (e)(1). (*Treasury, Postal Service and General Government Appropriations Act, 1988.*)

【SEC. 109. (a)(1) None of the funds appropriated for fiscal year 1988 by this Resolution or any other law may be obligated or expended to enter into any contract for the construction, alteration, or repair of any public building or public work in the United States or any territory or possession of the United States with any contractor or subcontractor of a foreign country, or any supplier of products of a foreign country, during any period in which such foreign country is listed by the United States Trade Representative under subsection (c) of this section.】

【(2) The President or the head of a Federal Agency administering the funds for the construction, alteration, or repair may waive the restrictions of paragraph (1) of this subsection with respect to an individual contract if the President or the head of such agency determines that such action is necessary in the public interest. The authority of the President or the head of a Federal agency under this paragraph may not be delegated. The President or the head of a Federal agency waiving such restrictions shall, within 10 days, publish a notice thereof in the Federal Register describing in detail the contract involved and the reason for granting the waiver.】 (*Section 109, Public Law, 100-202.*)

## FUNDS APPROPRIATED TO THE PRESIDENT

### UNANTICIPATED NEEDS

#### Federal Funds

#### General and special funds:

#### UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; \$1,000,000. (*Executive Office Appropriations Act, 1988.*)

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

Identification code	11-0037-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	President's Special Review Board.....	242		
00.03	U.S. Secret Service.....	325		
00.04	White House Office.....	195		
00.05	Presidential Task Force on Market Mechanisms.....		150	
00.06	Reserved for future allocation.....		850	1,000
10.00	Total obligations.....	762	1,000	1,000
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	238		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	762	1,000	1,000
72.40	Obligated balance, start of year.....	38	199	199
74.40	Obligated balance, end of year.....	-199	-199	-199
77.00	Adjustments in expired accounts.....	-22		
90.00	Outlays.....	579	1,000	1,000

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

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

Identification code	11-0037-0-1-802	1987 actual	1988 est.	1989 est.
<b>ALLOCATION ACCOUNTS</b>				
11.1	Personnel compensation: Full-time permanent.....	21		
11.3	Other than full-time permanent.....	43		
11.8	Special personal services payments.....	19		
11.9	Total personnel compensation.....	83		
12.1	Civilian personnel benefits.....	5		
21.0	Travel and transportation of persons.....	33		
22.0	Transportation of things.....	1		
23.1	Rental payments to GSA.....	24		
23.3	Communications, utilities, and miscellaneous charges.....	53		
24.0	Printing and reproduction.....	72		
25.0	Other services.....	410	150	
26.0	Supplies and material.....	26		
31.0	Equipment.....	54		
92.0	Undistributed, reserved for future allocations.....		850	1,000
99.9	Total obligations.....	762	1,000	1,000

### EXPENSES OF MANAGEMENT IMPROVEMENT

#### Federal Funds

#### General and special funds:

#### EXPENSES OF MANAGEMENT IMPROVEMENT

For expenses necessary to improve the management of Executive agencies by providing a consolidated Federal budget and financial

information system, under the direction of the Office of Management and Budget, and to provide a comprehensive office automation system, including equipment and software, for the Office of Management and Budget, \$5,900,000, to remain available until expended.

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

Identification code	11-0061-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Budget and financial information systems.....			1,800
00.02	Office automation.....			2,400
10.00	Total obligations.....			4,200
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-228	-228	-228
24.40	Unobligated balance available, end of year.....	228	228	1,928
40.00	<b>Budget authority (appropriation).....</b>			<b>5,900</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			4,200
74.40	Obligated balance, end of year.....			-800
90.00	Outlays.....			3,400

These funds enable the President to develop and implement improvements in the management, organization, and operation of the agencies of the executive branch. The budget request will support a more integrated approach to the management of government-wide financial activities. These funds will be used to modernize existing financial and management information systems into a consolidated budget and financial information system housed in the Office of Management and Budget. Funds identified for office automation will be used to provide networked support facilities for the Office of Management and Budget.

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

Identification code	11-0061-0-1-802	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....			20
23.3	Communications, utilities, and miscellaneous charges.....			150
25.0	Other services.....			100
26.0	Supplies and materials.....			30
31.0	Equipment.....			3,900
99.9	Total obligations.....			4,200

## INTERNATIONAL SECURITY ASSISTANCE

#### Federal Funds

#### General and special funds:

#### FOREIGN MILITARY [CREDIT] SALES CREDIT

For expenses necessary to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, [\$4,049,000,000, of which not less than \$1,800,000,000 shall be available only for Israel, not less than \$1,300,000,000 shall be available only for Egypt, \$260,000,000 only shall be available for Pakistan, not less than \$12,000,000 shall be available only for Morocco, \$334,000,000 only shall be available for Turkey, and not less than \$313,000,000 shall be available only for Greece: *Provided*, That to the extent that the Government of Israel requests that funds be used for such purposes, credits made available for Israel under this heading shall, as agreed by Israel and the United States, be available for advanced

## General and special funds—Continued

## FOREIGN MILITARY [CREDIT] SALES CREDIT—Continued

fighter aircraft programs or for other advanced weapon systems, as follows: (1) up to \$150,000,000 shall be available for research and development in the United States; and (2) not less than \$400,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development.] \$4,460,000,000: *Provided further*, That [Israel and Egypt] all countries receiving funds under this heading shall be released from their contractual liability to repay the United States Government with respect to all credits provided under this heading[, and Pakistan shall be released from such liability with respect to \$30,000,000 of the credits provided under this heading, and Turkey shall be released from such liability with respect to \$156,000,000 of the credits provided under this heading]: *Provided further*, That during fiscal year [1988] 1989, gross obligations for the principal amount of direct loans, exclusive of loan guarantee defaults, shall not exceed [\$4,049,000,000: *Provided further*, That any funds made available under this heading, except as otherwise specified, may be made available at concessional rates of interest, notwithstanding section 31(b)(2) of the Arms Export Control Act: *Provided further*, That the concessional rate of interest on foreign military credit sales loans shall be not less than 5 percent per year: *Provided further*, That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services] \$4,460,000,000.

## [FOREIGN MILITARY CREDIT SALES]

## [(RESCISSION)]

[Of the funds made available in fiscal years 1985 and 1986 for expenses necessary to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$32,000,000 is rescinded.]

## [FOREIGN MILITARY SALES DEBT REFORM]

[(a) REFINANCING.—Notwithstanding any other provision of law, the President is authorized during fiscal years 1988 through 1991 to transfer existing United States guarantees of outstanding Foreign Military Sales (FMS) credit debt, or to issue new guaranties, either of which would be applied to loans, bonds, notes or other obligations made or issued (as the case may be) by private United States financial institutions (the private lender) to finance the prepayment at par of the principal amounts maturing after September 30, 1989 of existing FMS loans bearing interest rates of ten percent or higher, and arrearages thereon. The loans, bonds, notes or other obligations are hereinafter referred to as the "private loans": *Provided*, That such guaranties which are transferred or are made pursuant to paragraph (a) shall cover no more and no less than ninety percent of the private loan or any portion or derivative thereof plus unpaid accrued interest and arrearages, if any, outstanding at the time of guaranty transfer or extension: *Provided further*, That the total amount of the guaranty of the private loan cannot exceed ninety percent of the outstanding principal, unpaid accrued interest and arrearages, if any, at any time: *Provided further*, That of the total amount of the private loan, the ninety percent guaranteed portion of the private loan cannot be separated from the private loan at any time: *Provided further*, That no sums in addition to the payment of the outstanding principal amounts maturing after September 30, 1989 of the loan (or advance), plus unpaid accrued interest thereon, and arrearages, if any, shall be charged by the private lender or the Federal Financing Bank as a result of such prepayment against the borrower, the guarantor, or the Guaranty Reserve Fund (GRF), except that the private lender may include, in the interest rate charged, a standard fee to cover costs, such fee which will be set at prevailing market rates, and no guaranty fee shall be charged on guaranties transferred or issued pursuant to this provision: *Provided further*, That the terms of guaranties transferred or issued under this paragraph shall be exactly the same as the existing loans or guaranties, except as modified by this paragraph and including but not limited to the final maturity and principal and interest payment structure of the existing loans which shall not be altered, except that the repayments of the private loan issued debt may be consolidated into two payments per year: *Provided further*, That the private loan or guaranties transferred or issued pursuant to this paragraph shall be fully and freely transferable, except

that any guaranty transferred or extended shall cease to be effective if the private loan or any derivative thereof is to be used to provide significant support for any non-registered obligation: *Provided further*, That for purposes of sections 23 and 24 of the Arms Export Control Act (AECA), the term "defense services" shall be deemed to include the refinancing of FMS debt outstanding at the date of the enactment of this Act: *Provided further*, That not later than ninety days after the enactment of this Act, the Secretary of the Treasury (Secretary) shall issue regulations to carry out the purposes of this heading and that in issuing such regulations, the Secretary shall (1) facilitate the prepayment of loans and loan advances hereunder, (2) provide for full processing of each application within thirty days of its submission to the Secretary, and (3) except as provided in section 24(a) of the AECA, impose no restriction that increases the cost to borrowers of obtaining private financing for prepayment hereunder or that inhibits the ability of the borrower to enter into prepayment arrangements hereunder: *Provided further*, That the Secretary of State shall transmit to the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committees on Appropriations of the House of Representatives and Senate, a copy of the text of any agreement entered into pursuant to this section not more than thirty days after its entry into force, together with a description of the transaction.]

[(b) INTEREST RATE REDUCTION.—Notwithstanding any other provision of law, there is hereby appropriated such sums as may be necessary, but not more than \$270,000,000, to be made available after October 1, 1988 to the Secretary of Defense for the Defense Security Assistance Agency for deposit into a new account, to remain available until expended: *Provided*, That the funds shall be used solely for the purpose of lowering the interest rate on Foreign Military Sales (FMS) credits which were financed through the Federal Financing Bank (FFB) for countries which do not refinance one or more FFB loans pursuant to paragraph (a) of this heading, and which loans have interest rates exceeding ten percent, down to an interest rate of ten percent for the remaining life of such loans: *Provided further*, That these funds shall be available only subject to a Presidential budget request: *Provided further*, That it is the intent of the Congress that these funds shall be available to all countries having FMS credits from the FFB that carry interest rates in excess of ten percent.]

[(c) ARREARAGES.—(1) None of the funds provided pursuant to the Arms Export Control Act (relating to Foreign Military Sales credits) or pursuant to chapter 2 of part II of the Foreign Assistance Act (relating to the Military Assistance program) shall be made available to any country for which one or more loans is refinanced pursuant to paragraph (a) of this heading and which is in default for a period in excess of ninety days in payment of principal or interest on (A) any loan made to such country guaranteed by the United States pursuant to paragraph (a) of this heading, and (B) any other loan issued pursuant to the Arms Export Control Act outstanding on the date of enactment of this provision.

[(2) In conjunction with any interest rate reduction pursuant to the authority provided in paragraph (b) of this heading, the President shall require the country to commit in writing that within two years of the effective date of the interest rate reduction it will be no more than ninety days in arrears on the repayment of principal and interest on all loans for which the interest rate is thus reduced and will remain no more than ninety days in arrears for the remaining life of all such loans. None of the funds provided pursuant to the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act shall be made available to any country during any period in which it fails to comply with such commitment.]

[(d) PURPOSES AND REPORTS.—The authorities of paragraphs (a) and (b) of this heading may be utilized by the President in efforts to negotiate base rights and base access agreements, and for other bilateral foreign policy matters: *Provided further*, That the Secretaries of Defense, State, and Treasury shall transmit to the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committees on Appropriations of the House of Representatives and Senate a joint report detailing the United States financial and foreign policy purposes served by implementation of this authority on a country by country basis not later than March 1, 1989, and a second joint report not later than August 1, 1989.] (*Foreign Operations, Export Financing, and Related Program Appropriations Act, 1988; additional authorizing legislation to be proposed.*)



Program and Financing (in thousands of dollars)

Identification code	11-1082-0-1-152	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Credit and guarantees:				
00.01	Forgiven loans.....	3,100,000	3,286,000	4,460,000
00.02	Concessional loans.....	953,441	763,000	
10.00	Total obligations (object class 33.0).....	4,053,441	4,049,000	4,460,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-739,435	-6,614,409	-3,019,480
17.00	Recovery of prior year obligations.....		-32,000	
31.00	Redemption of debt.....	739,435	6,614,409	3,019,480
39.00	<b>Budget authority.....</b>	<b>4,053,441</b>	<b>4,017,000</b>	<b>4,460,000</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	4,053,441	4,049,000	4,460,000
40.00	Appropriation rescinded (unobligated balances) (P.L. 100-202).....		-32,000	
43.00	<b>Appropriation (adjusted).....</b>	<b>4,053,441</b>	<b>4,017,000</b>	<b>4,460,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	3,314,006	-2,565,409	1,440,520
72.40	Obligated balance, start of year.....	6,763,772	6,319,544	5,985,970
74.40	Obligated balance, end of year.....	-6,319,544	-5,985,970	-6,335,368
78.00	Adjustments in unexpired accounts.....		-32,000	
90.00	Outlays.....	3,758,234	-2,263,835	1,091,122

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....	4,053,441	4,017,000	4,460,000
Outlays.....	3,758,234	-2,263,835	1,091,122
<b>Credit reform:</b>			
Budget authority.....			155,250
Outlays.....			155,250
<b>Total:</b>			
Budget authority.....	4,053,441	4,017,000	4,615,250
Outlays.....	3,758,234	-2,263,835	1,246,372

Status of Direct Loans (in thousands of dollars)

Identification code	11-1082-0-1-152	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....	4,053,441	4,049,000	4,460,000
1150	Total direct loan obligations.....	4,053,441	4,049,000	4,460,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	23,868,437	24,934,897	19,864,881
1231	Disbursements: Direct loan disbursements.....	4,497,669	4,350,574	4,110,602
1251	Repayments: Repayments and prepayments.....	-1,203,874	-6,728,706	-3,151,521
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-2,227,335	-2,691,884	-2,530,568
1290	Outstanding, end of year.....	24,934,897	19,864,881	18,293,394

<sup>1</sup> Forgiven credits.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	11-1082-0-1-152	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....			
2131	Guaranteed loan commitments exempt from limitation.....		5,152,900	2,300,000
2150	Total guaranteed loan commitments.....		5,152,900	2,300,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	160,000	140,000	5,272,900
2231	Disbursements: Disbursements of new guaranteed loans.....		5,152,900	2,300,000
2251	Repayments: Repayments and prepayments.....	-20,000	-20,000	-20,000
2290	Outstanding, end of year.....	140,000	5,272,900	7,552,900

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	140,000	4,745,610	6,797,610
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			7.5
2330	Subsidy amount (in thousands of dollars).....			155,250

This account provides funds to finance credit sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. It includes asset sales authorized in the foreign military sales debt reform provisions of Public Law 100-202. The activities in this account reflect the issuance of new guarantees authorized in the foreign military sales debt reform provisions in the Foreign Operations, Export Financing, and Related Appropriations Act, 1988.

FOREIGN MILITARY [CREDIT] SALES CREDIT

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	11-1082-6-1-152	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.02	Loan guarantee subsidy.....			155,250
10.00	Total obligations (object class 41.0).....			155,250
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation).....</b>			<b>155,250</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			155,250
90.00	Outlays.....			155,250

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, [ \$3,188,320,000: *Provided*, That of the funds appropriated under this heading, not less than \$1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of enactment of this Act or by October 31, 1987, whichever is later: *Provided further*, That not less than \$815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, of which not more than \$115,000,000 may be provided as a cash transfer with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and not less than \$200,000,000 shall be provided as Commodity Import Program assistance: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to each such country: *Provided further*, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: *Provided further*, That of the funds appropriated under this heading \$220,000,000 only shall be available for Pakistan: *Provided further*, That not less than \$124,000,000 of the funds appropriated under this heading shall be available only for the Philippines: *Provided further*, That not less than an additional \$50,000,000 of the

## General and special funds—Continued

## ECONOMIC SUPPORT FUND—Continued

funds appropriated under this heading shall be available only for the Philippines to assist in the implementation of agrarian reform in the Philippines if (1) the Government of the Philippines initiates an effective agrarian reform program and requests assistance from the United States for that program, and (2) a substantial majority of the resources for the implementation of that program will be provided by the Government of the Philippines or other non-United States donors, or both: *Provided further*, That if the conditions on agrarian reform in the Philippines are not met by August 31, 1988, these funds may be made available for assistance under this heading for other countries or programs: *Provided further*, That not less than \$20,000,000 of the funds appropriated under this heading shall be available only for Morocco: *Provided further*, That not less than \$10,000,000 of the funds appropriated under this heading shall be available only for Tunisia: *Provided further*, That not less than \$15,000,000 of the funds appropriated under this heading shall be available only for Cyprus: *Provided further*, That of the funds appropriated under this heading \$35,000,000 only shall be available for Ireland: *Provided further*, That of the funds appropriated under this heading \$185,000,000 only shall be available for El Salvador, \$80,000,000 only shall be available for Guatemala, \$90,000,000 only shall be available for Costa Rica, and \$85,000,000 only shall be available for Honduras: *Provided further*, That of the funds appropriated under this heading for El Salvador, 10 percent of such funds may not be obligated until enactment of the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989", and may be obligated only if, by the date of enactment of such Act, the accused murderers of United States marines in El Salvador have not been released from prison as a result of an amnesty program: *Provided further*, That not less than \$18,000,000 of the funds appropriated under this heading shall be made available for Jordan, of which a substantial proportion of these funds shall be in support of the development program for the West Bank: *Provided further*, That of the funds appropriated under this heading, not less than \$90,000,000 shall be available for Sub-Saharan Africa: *Provided further*, That notwithstanding section 660 of the Foreign Assistance Act of 1961 up to \$1,000,000 of the funds appropriated under this heading may be made available to assist the Government of El Salvador's Special Investigative Unit for the purpose of bringing to justice those responsible for the murders of United States citizens in El Salvador: *Provided further*, That a report of the investigation shall be provided to the Congress: *Provided further*, That \$20,000,000 of the funds appropriated under this heading shall be made available to carry out the Administration of Justice program pursuant to section 534 of the Foreign Assistance Act of 1961, of which \$300,000 shall be made available for programs for Haiti and not less than \$2,000,000 shall be made available for programs for Guatemala: *Provided further*, That if funds made available under this heading are provided to a foreign country as cash transfer assistance, that country shall be required to maintain these funds in a separate account and not commingle them with any other funds: *Provided further*, That such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the cash transfer nature of this assistance or which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Rept. No. 98-1159): *Provided further*, That all local currencies that may be generated with such funds provided as a cash transfer shall be deposited in a special account to be used in accordance with section 609 of the Foreign Assistance Act of 1961: *Provided further*, That at least 15 days prior to obligating any such cash transfer assistance to a foreign country under this heading, the President shall submit a notification to the Committees on Appropriations, the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by the cash transfer assistance): *Provided further*, That not more than \$5,000,000 of the funds made available under this heading may be available to finance tied aid credits, unless the President determines it is in the national interest to provide in excess of \$5,000,000 and so notifies the Committees on Appropriations through the regular notification procedures: *Provided further*, That notwithstanding any other provision of law, none of the funds appropriated under this heading may be used for tied aid credits without the prior approval of the

Administrator of the Agency for International Development: *Provided further*, That \$25,000,000 of the funds appropriated under this heading shall be made available for earthquake relief, rehabilitation, and reconstruction assistance for El Salvador in accordance with section 491 of the Foreign Assistance Act of 1961, which amount shall be accounted for separately and, of which amount, not less than \$2,000,000 shall be available for reconstruction and rehabilitation of the National University of El Salvador and other institutions of higher education: *Provided further*, That the Office of the Inspector General of the Agency for International Development shall monitor the use of funds made available under this heading for earthquake relief, rehabilitation, and reconstruction assistance for El Salvador and shall provide, by April 15, 1988, a detailed accounting to the Committees on Appropriations of the uses of the funds made available for El Salvador during fiscal year 1987 for earthquake relief, rehabilitation, and reconstruction: *Provided further*, That \$1,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, only for the support of the independent Polish trade union "Solidarity": *Provided further*, That of the funds appropriated under this heading not less than \$1,000,000 shall be made available, notwithstanding any other provision of law, only for the promotion of democratic activities in Chile leading to a transition to democracy: *Provided further*, That funds made available under this heading shall remain available until September 30, 1989] \$3,268,500,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

## Program and Financing (in thousands of dollars)

Identification code	11-1037-0-1-152	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Country and regional programs.....	3,887,047	3,254,386	3,268,500
00.02	Reobligation of country programs.....	25,205	12,500	12,500
10.00	<b>Total obligations</b> .....	<b>3,912,251</b>	<b>3,266,886</b>	<b>3,281,000</b>
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-5,643		
21.40	Unobligated balance available, start of year.....	-96,470	-66,066	
22.40	Unobligated balance transferred, net.....	-300,000		
24.40	Unobligated balance available, end of year.....	66,066		
25.00	Unobligated balance lapsing.....	1		
39.00	<b>Budget authority</b> .....	<b>3,576,205</b>	<b>3,200,820</b>	<b>3,281,000</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	3,251,000	3,188,320	3,268,500
42.00	Transferred from other accounts.....	300,000		
43.00	<b>Appropriation (adjusted)</b> .....	<b>3,551,000</b>	<b>3,188,320</b>	<b>3,268,500</b>
50.00	<b>Reappropriation</b> .....	<b>25,205</b>	<b>12,500</b>	<b>12,500</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	3,912,251	3,266,886	3,281,000
72.40	Obligated balance, start of year.....	4,422,634	4,839,589	4,744,973
74.40	Obligated balance, end of year.....	-4,839,589	-4,744,973	-4,567,274
77.00	Adjustments in expired accounts.....	-23,921		
78.00	Adjustments in unexpired accounts.....	-5,643		
90.00	<b>Outlays</b> .....	<b>3,465,731</b>	<b>3,361,502</b>	<b>3,458,699</b>

Note.—Total obligations include local cost support charges of \$14,915 thousand in 1987.

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

Identification code	11-1037-0-1-152	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			
1131	Direct loan obligations exempt from limitation.....	109,231	25,000	
1150	<b>Total direct loan obligations</b> .....	<b>109,231</b>	<b>25,000</b>	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	6,304,579	6,309,566	6,266,783
1231	Disbursements: Direct loan disbursements.....	69,014	65,217	
1251	Repayments: Repayments and prepayments.....	-81,123	-108,000	-73,000
1261	Adjustments: Capitalized interest.....	17,096		
1290	<b>Outstanding, end of year</b> .....	<b>-6,309,566</b>	<b>6,266,783</b>	<b>6,193,783</b>

Estimate of direct loan subsidy:

1320	Subsidy amount (in percent)	46.2	44.7
1330	Subsidy amount (in thousands of dollars)	50,465	11,175

This account is used primarily to provide economic assistance to selected countries, in support of U.S. efforts to promote stability and U.S. security interests in strategic regions of the world.

Object Classification (in thousands of dollars)

Identification code	11-1037-0-1-152	1987 actual	1988 est.	1989 est.
INTERNATIONAL SECURITY ASSISTANCE				
25.0	Other services	23,294	19,452	19,536
26.0	Supplies and materials	4,000	3,340	3,354
33.0	Investments and loans	119,938	100,153	100,586
41.0	Grants, subsidies, and contributions	3,757,805	3,137,917	3,151,474
99.0	Subtotal, International Security Assistance	3,905,037	3,260,862	3,274,950
ALLOCATION ACCOUNTS				
41.0	Grants, subsidies, contributions	7,214	6,024	6,050
99.9	Total obligations	3,912,251	3,266,886	3,281,000

MILITARY ASSISTANCE

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, **[\$700,750,000: Provided, That of the funds appropriated under this heading not less than \$125,000,000 shall be made available only for the Philippines: Provided further, That \$40,000,000 shall be made available only for Morocco: Provided further, That up to \$30,000,000 shall be made available only for Tunisia: Provided further, That of the funds appropriated under this heading not less than \$7,000,000 shall be made available only for Guatemala: Provided further, That none of the funds appropriated or otherwise made available pursuant to this Act may be used for the procurement by Guatemala of any weapons or ammunition: Provided further, That \$156,000,000 only shall be available for Turkey, and \$30,000,000 only shall be available for Greece: Provided further, That of the funds appropriated under this heading not more than \$28,000,000 shall be used for general costs of administering the Military Assistance program: Provided further, That not more than \$2,400,000 of the funds appropriated under this heading shall be made available for Haiti; any material assistance provided from such funds shall be limited to nonlethal items such as transportation and communications equipment and uniforms: Provided further, That funds made available under this heading for Haiti shall be made available only through the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading \$10,000,000 shall be used for the purposes of section 506(c) of the Foreign Assistance Act of 1961 to make reimbursement for the cost of defense articles, defense services and/or defense training provided to the Philippines pursuant to the President's determination of September 16, 1986, or for an additional amount for use for the general costs of administering the Military Assistance program if the Secretary of Defense so directs in writing: Provided further, That, after September 30, 1989, none of the funds appropriated under this heading shall be made available for the purposes of section 503(a)(3) of the Foreign Assistance Act of 1961: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That section 514 of the Foreign Assistance Act of 1961 is amended (1) by amending subsection (b)(2) to read as follows: "(2) The value of such additions to stockpiles in foreign countries shall not exceed \$116,000,000 for fiscal year 1988.", and (2) by amending subsection (c) by inserting "Thailand," after "Korea": Provided further, That funds appropriated under this heading shall remain available until September 30, 1990] \$467,000,000: Provided, That the proviso under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, prohibiting the use of military assistance funds after September 30, 1989 for the purposes of Section 503(a)(3) of the**

Foreign Assistance Act of 1961, is repealed. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	11-1080-0-1-152	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Country programs	955,774	662,750	421,000
00.02	General costs	45,039	38,000	46,000
10.00	Total obligations	1,000,813	700,750	467,000
Financing:				
14.00	Offsetting collections from: Non-Federal sources	-1,073		
21.40	Unobligated balance available, start of year	-50,000		
25.00	Unobligated balance lapsing	260		
40.00	Budget authority (appropriation)	950,000	700,750	467,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	999,740	700,750	467,000
72.40	Obligated balance, start of year	23,684	665,998	733,853
74.40	Obligated balance, end of year	-665,998	-733,853	-577,057
77.00	Adjustments in expired accounts	-1,721		
90.00	Outlays	355,705	632,895	623,796

This account provides grants to cover the cost of administering the military assistance programs and to finance the provision of defense articles, defense services, and design and construction services to selected countries to improve their military capabilities.

Object Classification (in thousands of dollars)

Identification code	11-1080-0-1-152	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	5,117	4,783	4,927
11.3	Other than full-time permanent	128	103	106
11.5	Other personnel compensation	21	22	23
11.8	Special personal services payments	17,207	16,018	16,499
11.9	Total personnel compensation	22,473	20,926	21,555
12.1	Civilian personnel benefits	1,237	1,118	1,152
21.0	Travel and transportation of persons	2,719	2,304	2,419
22.0	Transportation of things	434	440	462
23.1	Rental payments to GSA	236	219	230
23.2	Rental payments to others	2,514	2,048	2,150
23.3	Communications, utilities, and miscellaneous charges	1,417	1,230	1,292
24.0	Printing and reproduction	51	44	48
25.0	Other services	963,642	667,760	432,429
26.0	Supplies and materials	966	702	790
31.0	Equipment	1,878	925	1,350
99.0	Subtotal, direct obligations	997,567	697,716	463,877
99.0	Reimbursable obligations	3,246	3,034	3,123
99.9	Total obligations	1,000,813	700,750	467,000

Personnel Summary

Direct:			
Total number of full-time permanent positions	235	221	214
Total compensable workyears:			
Full-time equivalent employment	230	216	213
Full-time equivalent of overtime and holiday hours	4	5	5
Reimbursable:			
Total compensable workyears:			
Full-time equivalent employment	118	106	98
Full-time equivalent of overtime and holiday hours	2	2	2

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, **[\$47,400,000] \$52,500,000. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

## General and special funds—Continued

## INTERNATIONAL MILITARY EDUCATION AND TRAINING—Continued

## Program and Financing (in thousands of dollars)

Identification code	11-1081-0-1-152	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	55,763	47,400	52,500
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	237		
40.00	<b>Budget authority (appropriation).....</b>	<b>56,000</b>	<b>47,400</b>	<b>52,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	55,763	47,400	52,500
72.40	Obligated balance, start of year.....	36,773	39,889	39,730
74.40	Obligated balance, end of year.....	-39,889	-39,730	-45,224
77.00	Adjustments in expired accounts.....	-1,560		
90.00	Outlays.....	51,087	47,559	47,005

This program provides grants for training foreign military personnel in the United States and abroad.

## Object Classification (in thousands of dollars)

Identification code	11-1081-0-1-152	1987 actual	1988 est.	1989 est.
25.0	Other services.....	48,968	44,275	46,150
26.0	Supplies and materials.....	5,965	2,295	5,500
31.0	Equipment.....	830	830	850
99.9	Total obligations.....	55,763	47,400	52,500

## PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$31,689,000: *Provided*, That, notwithstanding sections 451, 492(b), or 614 of the Foreign Assistance Act of 1961, or any other provision of law, these funds may be used only as justified in the Congressional Presentation Document for fiscal year 1988: *Provided further*, That, to the extent that these funds cannot be used to provide for such assistance, they will revert to the Treasury as miscellaneous receipts. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

## Program and Financing (in thousands of dollars)

Identification code	11-1032-0-1-152	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	37,314	31,689	31,689
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-5,625		
40.00	<b>Budget authority (appropriation).....</b>	<b>31,689</b>	<b>31,689</b>	<b>31,689</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	37,314	31,689	31,689
72.40	Obligated balance, start of year.....	23,836	15,628	14,668
74.40	Obligated balance, end of year.....	-15,628	-14,668	-9,823
90.00	Outlays.....	45,522	32,649	36,534

This account funds U.S. assistance to international efforts to monitor and maintain the peace in areas of special concern to the United States. In 1989, contributions will be made to the Multinational Force and Observers in the Sinai and to the United Nations Force in Cyprus.

## ASSISTANCE FOR RELOCATION OF FACILITIES IN ISRAEL

## Program and Financing (in thousands of dollars)

Identification code	11-1088-0-1-152	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....		-5,419	
17.00	Recovery from prior year obligations.....	-400		
32.49	Balance of contract authority withdrawn.....	400	5,419	
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		-5,419	
Obligated balance, start of year:				
72.40	Appropriation.....	347	158	
72.49	Contract authority.....	5,818	5,419	
Obligated balance, end of year:				
74.40	Appropriation.....	-158		
74.49	Contract authority.....	-5,419		
78.00	Adjustments in unexpired accounts.....	-400		
90.00	Outlays.....	188	158	

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

Unfunded balance, start of year.....	5,819	5,419	
Collections applied to liquidate contract authority.....	-400	-5,419	
Unfunded balance, end of year.....	5,419		

This account shows funds available to pay potential court claims related to the construction of two airfields in Israel.

## Public enterprise funds:

## GUARANTEE RESERVE FUND

There are hereby appropriated \$532,000,000 to be made available to the Guaranty Reserve Fund for payment to the Federal Financing Bank subject to claims under guarantees issued under the Arms Export Control Act: *Provided*, That if during fiscal year 1989: *If, during any fiscal year*, the funds available in the [Guaranty] Guaranty Reserve Fund (Fund) are insufficient to enable the Secretary of Defense (Secretary) to discharge his responsibilities, as guarantor of loans guaranteed pursuant to section 24 of the Arms Export Control Act (AECA) or pursuant to [this Act] the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, under the heading "Foreign Military Sales Debt Reform," the Secretary shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Such notes or obligations may be redeemed by the Secretary from appropriations and other funds available, including repayments by the borrowers of amounts paid pursuant to guarantees issued under section 24 of the AECA. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this heading. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)			
Identification code	11-4121-0-3-152	1987 actual	1988 est. 1989 est.
<b>Program by activities:</b>			
10.00	Total obligations	826,946	1,229,814 737,838
<b>Financing:</b>			
14.00	Offsetting collections from: Non-Federal sources	-826,946	-697,814 -94,642
39.00	Budget authority		532,000 643,196
<b>Budget authority:</b>			
40.00	Appropriation (current)		532,000
67.10	Authority to borrow (permanent, indefinite) (P.L. 100-202)		643,196
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net		532,000 643,196
72.40	Obligated balance, start of year	15,656	248,936 57,918
74.40	Obligated balance, end of year	-248,936	-57,918
77.00	Adjustments in expired accounts	116,471	
90.00	Outlays	-116,809	723,019 701,114

Status of Direct Loans (in thousands of dollars)			
Identification code	11-4121-0-3-152	1987 actual	1988 est. 1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210	Outstanding, start of year	1,420,206	1,324,909 1,884,381
1232	Disbursements: Disbursements for guaranteed loan claims	710,136	1,257,286 737,838
1251	Repayments: Repayments and prepayments	-826,946	-697,814 -94,642
1264	Adjustments: Other adjustments, net	21,513	
1290	Outstanding, end of year	1,324,909	1,884,381 2,527,577

This fund was established to make payments to lenders of foreign military sales credit guaranteed loans for late payments and rescheduled loans. Estimated activities in the account are shown below (in thousands of dollars).

	1987 actual	1988 est.	1989 est.
Fund balance, start of year	15,656	248,936	57,918
New FFB claims	1,072,570	894,852	710,366
Prior year claims		362,434	27,473
Total claims	1,072,570	1,257,286	737,839
<b>FFB payments:</b>			
Delinquent payments	697,885	337,353	116,211
Accrued interest and rescheduled loans	12,251	557,499	594,155
Prior year claims		362,434	27,472
Total FFB claims	710,136	1,257,286	737,838
<b>Other disbursements:</b>			
Egypt payment credited to receipt account	91,390		
From Egypt escrow		53,034	57,918
Total other disbursements	91,390	53,034	57,918
<b>Collections:</b>			
Regular repayments	-826,946	-697,814	-94,642
Egypt payment deposited to receipt account	-91,390		
Erroneous transfer from FFB	-116,471		
Total GRF collections	-1,034,807	-697,814	-94,642
<b>Replenishment:</b>			
Appropriation		532,000	
Borrowing authority			643,196
Total replenishment		532,000	643,196
Egypt escrow	-110,952	-57,918	
Erroneous transfer to GRF by FFB	-116,471		
Collection not reported to Treasury by FFB	-21,513		
Fund balance, end of year	-248,936	-57,918	
Amount claimed by FFB but not paid (non-add)	362,434	27,472	
FFB adjustment (non-add)		137,984	

Object Classification (in thousands of dollars)			
Identification code	11-4121-0-3-152	1987 actual	1988 est. 1989 est.
33.0	Investments and loans	578,010	1,229,814 737,838
44.0	Refunds	248,936	
99.9	Total obligations	826,946	1,229,814 737,838

INTERNATIONAL DEVELOPMENT ASSISTANCE

MULTILATERAL ASSISTANCE

Federal Funds

General and special funds:

MULTILATERAL DEVELOPMENT BANKS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in [share] portion of the increases in capital stock, [\$40,176,393 for the General and Selective Capital Increases,] \$70,915,000, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed [\$437,320,185] \$2,292,928,000. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code	11-0077-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	55,806	40,176	70,915
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Appropriation	-1,948,350	-1,948,349	-1,948,350
21.47	Authority to borrow	-5,715,000	-5,715,000	-5,715,000
Unobligated balance available, end of year:				
24.40	Appropriation	1,948,349	1,948,350	1,948,350
24.47	Authority to borrow	5,715,000	5,715,000	5,715,000
40.00	Budget authority (appropriation)	55,805	40,176	70,915
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	55,806	40,176	70,915
72.40	Obligated balance, start of year	226,163	276,388	86,383
74.40	Obligated balance, end of year	-276,388	-86,383	-63,822
90.00	Outlays	5,581	230,181	93,475

The International Bank for Reconstruction and Development (World Bank) finances development projects in less developed countries. By applying banking principles to the achievement of development goals, it promotes increased economic productivity and helps developing economies meet more of the basic needs of their people. Since its founding in 1945, the Bank has made loan commitments of approximately \$146 billion.

The Bank's 1987 lending program included 127 loan commitments to 41 countries for a total of \$13.2 billion.

## MULTILATERAL ASSISTANCE—Continued

## General and special funds—Continued

## MULTILATERAL DEVELOPMENT BANKS—Continued

## LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS—Continued

More than twice this amount was contributed to these projects by recipient countries, commercial lenders, and other multilateral or bilateral agencies.

The Administration's request for 1989 consists of: \$70.9 million in budget authority for paid-in capital subscriptions and \$2.3 billion in program limitations for callable capital subscriptions to pay the first installment on the U.S. share of a \$75 billion general capital increase.

## CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, **[\$915,000,000]** *\$958,333,000*, for the United States contribution to the replenishments, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the International Bank for Reconstruction and Development is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)

## Program and Financing (in thousands of dollars)

Identification code 11-0073-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	830,100	915,000	958,333
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	<b>830,100</b>	<b>915,000</b>	<b>958,333</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	830,100	915,000	958,333
72.40 Obligated balance, start of year.....	2,242,016	2,526,416	2,873,416
74.40 Obligated balance, end of year.....	-2,526,416	-2,873,416	-3,016,749
90.00 Outlays.....	545,700	568,000	815,000

The International Development Association (IDA), a member of the World Bank Group, provides development financing on highly concessional terms to the world's poorest nations. IDA is the largest source of multilateral lending extended on concessional terms to developing countries. Projects have to meet the same economic and financial standards as other World Bank projects and there has never been a default on an IDA loan by any borrower.

By June 30, 1987, IDA had extended credits totaling \$43.3 billion for development projects in 85 countries. IDA assistance is concentrated overwhelmingly in the poorest countries—mainly those with an annual per capita gross national product of less than \$400 in 1985 dollars. In 1987, IDA's lending program included 108 credits to 38 countries for a total of \$3.1 billion.

The Eighth Replenishment of IDA will provide resources of nearly \$12.5 billion. The United States has pledged \$2.875 billion to the replenishment and the \$958.3 million requested in 1989 is for payment toward the second installment on that contribution.

## CONTRIBUTION TO THE SPECIAL FACILITY FOR SUB-SAHARAN AFRICA

## Program and Financing (in thousands of dollars)

Identification code 11-0086-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	64,805		
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	<b>64,805</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	64,805		
72.40 Obligated balance, start of year.....	47,762	47,980	15,020
74.40 Obligated balance, end of year.....	-47,980	-15,020	
90.00 Outlays.....	64,587	32,960	15,020

Public Laws 99-500 and 99-591 provided the authorization and an appropriation for a \$64.8 million payment to the Special Facility for Sub-Saharan Africa administered by the International Development Association.

## CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, **[\$20,300,000]** *\$35,032,000*, for the United States share of the increase in subscriptions to capital stock, to remain available until expended. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)

## Program and Financing (in thousands of dollars)

Identification code 11-0078-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	7,206	20,300	35,032
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	<b>7,206</b>	<b>20,300</b>	<b>35,032</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	7,206	20,300	35,032
90.00 Outlays.....	7,206	20,300	35,032

The International Finance Corporation (IFC), a member of the World Bank Group, was established in 1956 to further economic development by encouraging the growth of private enterprise in developing countries. IFC provides and mobilizes loans and equity investments for promising ventures, and provides technical assistance. During 1987 the Corporation approved 92 loans and investments in 41 countries totaling \$919.9 million. An increase in the IFC's capital of \$650 million was agreed to in 1985. The 1989 request of \$35 million is for payment toward the U.S. share of \$175 million for the increase in IFC resources.

## 【CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK】

【For payment to the Inter-American Development Bank by the Secretary of the Treasury for the United States share of the increase in the resources of the Fund for Special Operations, \$25,732,371, to remain available until expended; and \$31,600,000, for the United States share of the increases in paid-in capital stock to remain available until expended; and \$1,303,000 for the United States share of the capital stock of the Inter-American Investment Corporation, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director for the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director for the Bank is compensated by the Bank at a rate in excess of the rate provided

for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code: *Provided further*, That the United States Governor of the Inter-American Development Bank is hereby authorized to agree to, and to accept, the amendments to the Articles of Agreement in the proposed resolution entitled "Merger of Inter-regional and Ordinary Capital Resources". ]

**[LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS]**

[The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such increase in capital stock in an amount not to exceed \$119,403,576.] (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)

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

Identification code 11-0072-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	46,497	58,635	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-3,984,778	-3,971,961	-3,971,961
24.40 Unobligated balance available, end of year .....	3,971,961	3,971,961	3,971,961
40.00 <b>Budget authority (appropriation) .....</b>	<b>33,680</b>	<b>58,635</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	46,497	58,635	
72.40 Obligated balance, start of year .....	766,315	591,381	468,584
74.40 Obligated balance, end of year .....	-591,381	-468,584	-323,786
90.00 Outlays .....	221,432	181,432	144,798

The Inter-American Development Bank (IDB) promotes the economic and social development of Latin America and the Caribbean through loans and technical assistance. In its 26 years of operation, the Bank has lent over \$36 billion for projects that represent a total investment of more than \$116 billion.

The Bank lends money through: (1) the ordinary capital window that lends at near-market rates; (2) the Fund for Special Operations (FSO) which makes loans on concessional terms to the region's poorest nations; and (3) the Inter-American Investment Corporation (IIC), which will make loans and equity investments for small and medium sized private enterprises.

No funds are requested for the IDB for 1989.

**CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK**

For payment to the Asian Development Bank by the Secretary of the Treasury, [for the paid-in share portion of the United States share of the increase in capital stock, \$15,057,220, to remain available until expended; and] for the United States contribution to the increases in resources of the Asian Development Fund, [as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), \$28,000,000] \$146,070,000, to remain available until expended: *Provided*, That no such payment may be made while the United States Director of the Bank is compensated by the Bank at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to the Bank is compensated by the Bank in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

**[LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS]**

[The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such increase in capital stock in an amount not to exceed \$276,503,941.] (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)

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

Identification code 11-0076-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	104,639	43,057	146,070
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-748,104	-748,104	-748,104
24.40 Unobligated balance available, end of year .....	748,104	748,104	748,104
40.00 <b>Budget authority (appropriation) .....</b>	<b>104,639</b>	<b>43,057</b>	<b>146,070</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	104,639	43,057	146,070
72.40 Obligated balance, start of year .....	640,497	653,906	578,133
74.40 Obligated balance, end of year .....	-653,906	-578,133	-604,202
90.00 Outlays .....	91,230	118,830	120,001

The Asian Development Bank fosters economic growth and cooperation in the Asian and Pacific region. The Bank lends at near-market rates through its ordinary capital window, and on highly concessional terms to the region's poorer nations through the Asian Development Fund (ADF). Since its founding in 1966, the Bank has made loans totaling more than \$19 billion, contributing to a total investment of more than \$47 billion.

The 1989 request includes: (1) budget authority of \$44.9 million of the U.S. share of the third replenishment of the ADF; and (2) budget authority of \$101.2 million for the first installment of the U.S. share of the fourth replenishment of ADF resources.

**CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND**

For payment to the African Development Fund by the Secretary of the Treasury, [\$75,000,000] \$105,000,000, for the United States contribution to the [fourth] replenishment of the African Development Fund, to remain available until expended. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

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

Identification code 11-0079-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	90,427	75,000	105,000
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation) .....</b>	<b>90,427</b>	<b>75,000</b>	<b>105,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	90,427	75,000	105,000
72.40 Obligated balance, start of year .....	259,573	263,127	273,171
74.40 Obligated balance, end of year .....	-263,127	-273,171	-312,521
90.00 Outlays .....	86,873	64,956	65,650

The African Development Fund (AFDF), the concessional lending affiliate of the African Development Bank, makes loans to the poorest African nations. More than 80 percent of its lending goes to countries with per capita GNP of \$510 or less. During 1987, AFDF lending amounted to \$500 million to 27 countries.

The 1989 request for the AFDF is \$105 million—the first installment of the U.S. share of the Fund's fifth replenishment.

## MULTILATERAL ASSISTANCE—Continued

## General and special funds—Continued

## MULTILATERAL DEVELOPMENT BANKS—Continued

## CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, \$8,999,371, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

## LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed **[\$134,918,184] \$135,063,000.** (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)

## Program and Financing (in thousands of dollars)

Identification code 11-0082-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	20,484	8,999	8,999
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-5	-1	-1
24.40 Unobligated balance available, end of year .....	1	1	1
40.00 <b>Budget authority (appropriation) .....</b>	<b>20,480</b>	<b>8,999</b>	<b>8,999</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	20,484	8,999	8,999
90.00 Outlays .....	20,484	8,999	8,999

The African Development Bank (AFDB) makes loans at near-market rates for the economic and social development of its African members. Membership in the Bank was restricted to African nations until 1982 when non-regional countries were allowed to join. The U.S. became a member of the Bank in 1983 with an initial subscription of \$360 million of AFDB capital.

In 1987, the AFDB lent \$1.0 billion for development projects in 13 countries. The Bank expects to lend about \$1.3 billion in 1988.

The 1989 request of \$9 million of paid-in capital and \$135 million of program limitations for callable capital subscriptions is for the second installment on the \$719 million U.S. share of the \$13 billion increase in AFDB capital.

**CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, for the paid-in share of the capital stock, \$44,403,116, to remain available until expended: *Provided*, That no such payment may be made prior to April 30, 1988: *Provided further*, That no such payment may be made on or after April 30, 1988, unless the Secretary of the Treasury certifies and reports to the Congress that the United States Director of the Agency has proposed and actively sought the adoption by the Agency of the policies and procedures specified in section 405 of H.R. 3750, as enacted herein: *Provided further*, That no such payment may be made on or after April 30, 1988, unless the Secretary of the Treasury certifies and reports to the Congress that the Board has adopted those policies and procedures, or substantially similar policies and procedures, or that the United States Director of the Agency will continue to propose and**

actively seek the adoption by the Agency of those policies and procedures until those policies and procedures, or substantially similar policies and procedures, have been adopted by the Board and that the failure to make such payment is likely to make the adoption of those policies and procedures more difficult to achieve.]

## LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

**For payment to the Secretary of the Treasury may subscribe without fiscal year limitation to the callable portion of the shares of capital stock in an amount not to exceed \$177,612,464.] (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)**

## Program and Financing (in thousands of dollars)

Identification code 11-0084-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....		44,403	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation) .....</b>		<b>44,403</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		44,403	
72.40 Obligated balance, start of year .....			22,201
74.40 Obligated balance, end of year .....		-22,201	-22,201
90.00 Outlays .....		22,202	

The Multilateral Investment Guarantee Agency (MIGA) is an international development institution designed to encourage the flow of investment to and among developing countries by: (1) issuing guarantees against noncommercial risks; (2) carrying out a wide range of investment promotion activities; and (3) encouraging sound investment policies in member countries. Authorization and full funding of U.S. membership was provided in 1988. The U.S. share of the capital stock of the MIGA will be \$222 million or 20.5 percent of the total.

## INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, **[\$244,648,000: *Provided*, That no funds shall be available for the United Nations Fund for Science and Technology: *Provided further*, That the total amount of funds appropriated under this heading shall be made available only as follows: \$110,000,000 for the United Nations Development Program; \$54,400,000 for the United Nations Children's Fund, which amount shall be obligated and expended no later than 30 days from the date of enactment of this Act; \$980,000 for the World Food Program; \$980,000 for the United Nations Capital Development Fund; \$220,000 for the United Nations Voluntary Fund for the Decade for Women; \$2,000,000 for the International Convention and Scientific Organization Contributions; \$1,960,000 for the World Meteorological Organization Voluntary Cooperation Program; \$21,854,000 for the International Atomic Energy Agency; \$7,840,000 for the United Nations Environment Program; \$784,000 for the United Nations Educational and Training Program for Southern Africa; \$245,000 for the United Nations Trust Fund for South Africa; \$110,000 for the United Nations Institute for Namibia; \$170,000 for the Convention on International Trade in Endangered Species; \$220,000 for the World Heritage Fund; \$90,000 for the United Nations Voluntary Fund for Victims of Torture; \$245,000 for the United Nations Fellowship Program; \$400,000 for the United Nations Center on Human Settlements; \$150,000 for the UNIDO Investment Promotion Service; \$12,000,000 for the Organization of American States; and \$30,000,000 for the International Fund for Agricultural Development, of which up to \$10,000,000 may be made available for the Special Program for Sub-Saharan African Countries Affected by Drought and Desertification: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in**



the activities of that Agency] \$200,000,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 11-1005-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 U.N. Development Program .....	107,500	110,000	110,000
00.02 U.N. Children's Fund .....	51,080	54,400	31,000
00.03 Organization of American States .....	13,500	12,000	15,000
00.04 International Atomic Energy Agency .....	20,500	21,854	24,000
00.05 International Fund for Agricultural Development .....	28,710	30,000	5,800
00.06 Other organizations and programs .....	15,894	16,394	14,200
10.00 Total obligations (object class 41.0) .....	237,184	244,648	200,000
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	80		
40.00 Budget authority (appropriation) .....	237,264	244,648	200,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	237,184	244,648	200,000
72.40 Obligated balance, start of year .....	299,602	273,674	260,832
74.40 Obligated balance, end of year .....	-273,674	-260,832	-221,387
77.00 Adjustments in expired accounts .....	-54		
90.00 Outlays .....	263,057	257,490	239,445

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

Identification code 11-1005-0-1-151	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	49,404	48,189	46,934
1251 Repayments: Repayments and prepayments .....	-1,215	-1,255	-1,292
1290 Outstanding, end of year .....	48,189	46,934	45,642

In addition to its assessed payments, the United States contributes to voluntary funds of 16 international organizations and programs involved in a wide range of development assistance, humanitarian, and scientific activities.

**AGENCY FOR INTERNATIONAL DEVELOPMENT**  
*Federal Funds*

**General and special funds:**

**FUNCTIONAL DEVELOPMENT ASSISTANCE PROGRAM**

**[FUNDS APPROPRIATED TO THE PRESIDENT]**

[For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1988, unless otherwise specified herein, as follows:]

**[AGENCY FOR INTERNATIONAL DEVELOPMENT]**

**[AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE]**

[For necessary expenses to carry out the provisions of section 103, \$488,715,000: *Provided*, That up to \$5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: *Provided further*, That not less than \$8,000,000 shall be provided for the Vitamin A Deficiency Program: *Provided further*, That, notwithstanding any other provision of law, up to \$10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations: *Provided further*, That not less than \$2,000,000 of the funds appropriated under this heading shall be made available only for the North American Waterfowl Plan, which shall not be included in determining compliance with section 119(c) of the Foreign Assistance Act of 1961.]

**[POPULATION, DEVELOPMENT ASSISTANCE]**

[For necessary expenses to carry out the provisions of section 104(b), \$197,940,000: *Provided*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization. *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act.]

**[HEALTH, DEVELOPMENT ASSISTANCE]**

[For necessary expenses to carry out the provisions of section 104(c), \$119,000,000.]

**[INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAM]**

[For necessary expenses to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, \$30,000,000, which shall be made available only for activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome (AIDS) in developing countries: *Provided*, That of the funds made available under this heading \$15,000,000 shall be made available to the World Health Organization for the Special Program on AIDS, including activities implemented by the Pan American Health Organization.]

**[CHILD SURVIVAL FUND]**

[For necessary expenses to carry out the provisions of section 104(c), \$66,000,000.]

**[EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE]**

[For necessary expenses to carry out the provisions of section 105, \$117,000,000: *Provided*, That not less than \$42,000,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: *Provided further*, That \$1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute: *Provided further*, That not less than \$1,250,000 of the funds appropriated under this heading shall be made available for the Center for Inter-American Leadership: *Provided further*, That not less than \$10,000,000 of the funds appropriated under this heading shall be available only for the International Student Exchange Program.]

**[PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE]**

[For necessary expenses to carry out the provisions of section 106, \$120,709,000: *Provided*, That not less than \$5,000,000 shall be made available only for cooperative projects among the United States, Israel and developing countries: *Provided further*, That not less than \$5,000,000 shall be made available only for the Central American Rural Electrification Support project: *Provided further*, That not less than \$1,500,000 shall be made available only for rural electrification activities for the Caribbean.]

**[SCIENCE AND TECHNOLOGY, DEVELOPMENT ASSISTANCE]**

[For necessary expenses to carry out the provisions of section 106, \$8,662,270.]

**[MICRO-ENTERPRISE DEVELOPMENT]**

[Of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than \$50,000,000 shall be made available for programs of credit and other assistance for micro-enterprises in developing countries: *Provid-*

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
General and special funds—Continued

FUNCTIONAL DEVELOPMENT ASSISTANCE PROGRAM—Continued

【MICRO-ENTERPRISE DEVELOPMENT】—Continued

ed, That local currencies which accrue as a result of assistance provided to carry out the provisions of the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954 may be used for assistance for micro-enterprises: *Provided further*, That such local currencies which are used for this purpose shall be in lieu of funds reserved under this heading and shall reduce the amount reserved for assistance for micro-enterprises by an equal amount.】

【PHILIPPINES, DEVELOPMENT ASSISTANCE】

【Of the aggregate of the funds appropriated by this Act to carry out sections 103 through 106 of the Foreign Assistance Act of 1961, not less than \$40,000,000 shall be made available only for the Philippines for project and sector assistance primarily in support of the Government of the Philippines' efforts to promote economic recovery and attain sustained growth through increased rural productivity in both farm and off-farm enterprises, and other activities consistent with the purposes of chapter 1 of part I of the Foreign Assistance Act of 1961: *Provided*, That of the funds made available for the Philippines under section 103 of the Foreign Assistance Act of 1961, as amended, not less than \$1,000,000 shall be made available to fund technical assistance to strengthen nonprofit private organizations and cooperatives in conjunction with projects using local currencies generated by sale of Public Law 480 and section 416 commodities.】

【PRIVATE AND VOLUNTARY ORGANIZATIONS】

【None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section.】

【LOAN ALLOCATION, DEVELOPMENT ASSISTANCE】

【In order to carry out the provisions of part I, the Administrator of the agency responsible for administering such part may furnish loan assistance pursuant to existing law and on such terms and conditions as he may determine: *Provided*, That to the maximum extent practicable, loans to private sector institutions, from funds made available to carry out the provisions of sections 103 through 106, shall be provided at or near the prevailing interest rate paid on Treasury obligations of similar maturity at the time of obligating such funds: *Provided further*, That amounts appropriated to carry out the provisions of chapter 1 of part I which are provided in the form of loans shall remain available until September 30, 1989.】

*For necessary expenses to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, as amended, \$1,127,500,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)*

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01			1,119,000
00.02			
00.03			
00.04			
00.05			
00.06			
00.07			
00.08			
00.09			
00.10			
10.00	1,571,141	1,164,716	1,131,500
<b>Financing:</b>			
11.00	— 897		

17.00	Recovery of prior year obligations .....	— 5,571		
21.40	Unobligated balance available, start of year .....	— 8,810	— 11,190	
24.40	Unobligated balance available, end of year .....	11,190		
25.00	Unobligated balance lapsing .....	294		
39.00	<b>Budget authority</b> .....	<b>1,567,347</b>	<b>1,153,526</b>	<b>1,131,500</b>
Budget authority:				
40.00	Appropriation .....	1,473,991	1,148,026	1,127,500
41.00	Transferred to other accounts .....	— 15,500	— 7,000	— 8,500
43.00	<b>Appropriation (adjusted)</b> .....	<b>1,458,491</b>	<b>1,141,026</b>	<b>1,119,000</b>
50.00	<b>Reappropriation</b> .....	<b>108,856</b>	<b>12,500</b>	<b>12,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,570,244	1,164,716	1,131,500
72.40	Obligated balance, start of year .....	3,679,063	3,736,822	3,508,332
74.40	Obligated balance, end of year .....	— 3,736,822	— 3,508,332	— 3,329,189
77.00	Adjustments in expired accounts .....	— 116,132		
78.00	Adjustments in unexpired accounts .....	— 5,571		
90.00	<b>Outlays</b> .....	<b>1,390,784</b>	<b>1,393,204</b>	<b>1,310,643</b>
Distribution of budget authority by account:				
	Functional development assistance .....			1,131,500
	Agriculture, rural development, and nutrition .....	680,083	490,722	
	Population planning .....	266,545	197,170	
	Health .....	168,151	119,841	
	Child survival fund .....	75,000	66,744	
	Education and human resources .....	161,916	118,318	
	Private sector, environment and energy .....	201,030	122,069	
	Science and technology .....	14,662	8,662	
	AIDS .....		30,000	
Distribution of outlays by account:				
	Functional development assistance .....			139,175
	Agriculture, rural development, and nutrition .....	630,856	624,609	529,187
	Population planning .....	223,598	221,422	187,595
	Health .....	204,105	202,006	171,146
	Child survival fund .....	15,983	15,836	13,417
	Education and human resources .....	152,332	150,782	127,747
	Private sector, environment and energy .....	156,549	155,051	131,363
	Science and technology .....	7,361	7,298	6,183
	AIDS .....		16,200	4,830

Note.—Total obligations include local cost support charges of \$22,439 thousand in fiscal year 1987.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

Enacted/requested:	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Budget authority .....	1,567,347	1,153,526	1,131,500
Outlays .....	1,390,784	1,393,204	1,310,643
Credit reform:			
Budget authority .....			2,435
Outlays .....			300
Total:			
Budget authority .....	1,567,347	1,153,526	1,133,935
Outlays .....	1,390,784	1,393,204	1,310,943

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
11-1021-0-1-151			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	Limitation on direct loans .....		
1131	Direct loan obligations exempt from limitation .....	124,336	65,000
1150	Total direct loan obligations .....	124,336	65,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210	Outstanding, start of year .....	3,425,495	3,654,257
1231	Disbursements: Direct loan disbursements .....	262,670	260,000
1251	Repayments: Repayments and prepayments .....	— 38,577	— 40,000
1261	Adjustments: Capitalized interest .....	4,669	
1290	Outstanding, end of year .....	3,654,257	3,874,257

**Functional development assistance.**—Program provides economic resources to developing countries with the aim of bringing the benefits of development to the poor. Loans and grants under this program are concen-

trated in those areas in which the United States has special expertise and which promise the greatest opportunity for the poor to better their lives.

Funds are provided under eight separate activities:

**Agriculture, rural development, and nutrition.**—Supports efforts to increase food production in the developing countries by improving the productivity and income of small farmers, creating greater rural employment opportunities, enhancing rural infrastructure and the environment, improving nutrition and removing impediments to equitable economic growth.

**Population planning.**—Supports efforts to reduce population growth rates in developing countries and to provide families with effective options in choosing the number and spacing of their children.

**Health.**—Assists developing countries to increase access to health care, family planning and nutrition services, to make safe water and adequate sanitation more widely available, to reduce the incidence of debilitating tropical diseases, malnutrition, diarrheal infections, measles and other preventable diseases, and to increase governmental capacity to plan and manage their health resources.

**Child survival fund.**—Provides funds for programs designed to deal directly with the special health needs of children and mothers. Includes oral rehydration therapy to combat diarrheal diseases, immunization and other primary health care efforts aimed at cutting in half infant and child mortality rates in developing countries.

**Education and human resources.**—Supports the efforts of developing countries to provide basic education for children, improve the fundamental life skills of adults, and improve the management skills and performance of managers of development programs.

**Private sector, environment and energy.**—Provides assistance to developing countries to better contend with national energy problems, to cope with employment and income problems in urban areas, to mitigate the problems of rapid urban migration, and to improve environmental management and resource planning. This activity also facilitates the involvement of U.S. private voluntary organizations in development and helps improve access by developing countries to U.S. scientific and technical expertise.

**Science and technology.**—Supports new and innovative research on problems of development and assists developing countries in improving their scientific and technological capacities.

**AIDS.**—Provide assistance for the prevention and control of AIDS through the World Health Organization (WHO) Special Programme on AIDS and through bilateral activities in AID-assisted countries in support of country programs designed in conjunction with WHO.

Object Classification (in thousands of dollars)

Identification code	11-1021-0-1-151	1987 actual	1988 est.	1989 est.
AGENCY FOR INTERNATIONAL DEVELOPMENT				
Personnel compensation:				
11.1	Full-time permanent.....	4,127		
11.5	Other personnel compensation.....	259		
11.8	Special personal services payments.....	838		
11.9	Total personnel compensation.....	5,224		

12.1	Civilian personnel benefits.....	507		
13.0	Benefits for former personnel.....	52		
21.0	Travel and transportation of persons.....	5,085	142	138
22.0	Transportation of things.....	604	87	85
23.2	Rental payments to others.....	7,472		
23.3	Communications, utilities, and miscellaneous charges.....	2,043		
24.0	Printing and reproduction.....	191		
25.0	Other services.....	153,178	113,554	110,315
26.0	Supplies and materials.....	19,362	14,353	13,944
31.0	Equipment.....	5,732		
33.0	Investments and loans.....	110,635	82,016	79,677
41.0	Grants, subsidies, and contributions.....	1,260,536	954,179	926,967
39.0	Subtotal, functional development assistance program.....	1,570,621	1,164,331	1,131,126
ALLOCATION TO THE DEPARTMENT OF STATE				
41.0	Grants, subsidies, and contributions (I.C.A.).....	507	375	364
41.0	Grants, subsidies, and contributions (O.P.I.C.).....	13	10	10
99.0	Subtotal, allocation accounts.....	520	385	374
99.9	Total obligations.....	1,571,141	1,164,716	1,131,500

FUNCTIONAL DEVELOPMENT ASSISTANCE PROGRAM  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	11-1021-6-1-151	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations.....			2,435
Financing:				
39.00	Budget authority.....			2,435
Budget authority:				
41.00	Transferred to other accounts.....			2,435
43.00	Appropriation (adjusted).....			2,435
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			2,435
74.40	Obligated balance, end of year.....			-2,135
90.00	Outlays.....			300

This schedule shows the effects of the Administration's credit reform proposal on the transfer of budget authority between the Functional Development Assistance Program and the Private Sector Revolving Fund in 1989. Because of the grant nature of the Functional Development Assistance Program, it is not included in the credit reform proposal. An explanation of the credit reform proposal is included in Part 6b of the Budget.

SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of sections 103 through 106 and section 121 of the Foreign Assistance Act of 1961, **[\$500,000,000] \$510,000,000, to remain available until expended,** for assistance only for Sub-Saharan Africa, which shall be in addition to any amounts otherwise made available for such purposes: *Provided*, That any of the funds which are appropriated under this heading may be used for assistance for Sub-Saharan Africa to carry out any economic development assistance activities under the Foreign Assistance Act of 1961: *Provided further*, That assistance made available under this heading shall be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant: *Provided further*, That these objectives may, in part, be achieved through the integration of women in the development process, appropriate consultation with private voluntary organizations, African and other organizations with a local perspective on the development process, and inclusion of the perspectives and par-

## AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued

## General and special funds—Continued

## SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE—Continued

participation of those affected by the provision of assistance: *Provided further*, That assistance made available under this heading shall be provided in accordance with the policies contained in section 102 of the Foreign Assistance Act of 1961: *Provided further*, That assistance made available under this heading should be provided, when consistent with the objectives of such assistance, through African, United States and other private and voluntary organizations which have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa: *Provided further*, That assistance made available under this heading should be used to help overcome shorter-term constraints to long-term development; to promote reform of sectoral economic policies to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities; to bring about appropriate sectoral restructuring of the Sub-Saharan African economies; to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development: *Provided further*, That assisted policy reforms should take into account the need to protect vulnerable groups: *Provided further*, That assistance made available under this heading shall be used to increase agricultural production in ways which protect and restore the natural resource base, especially food production; to maintain and improve basic transportation and communication networks; to maintain and restore the renewable natural resource base in ways which increase agricultural production; to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care; to provide increased access to voluntary family planning services; to improve basic literacy and mathematics especially to those outside the formal educational system and to improve primary education; and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas: *Provided further*, That the Administrator of the Agency for International Development should target the equivalent of 10 percent of the funds appropriated under this heading for each of the following: (1) maintaining and restoring the renewable natural resource base in ways which increase agricultural production, including components of agriculture activities which are consistent with this objective, (2) health activities, and (3) voluntary family planning: *Provided further*, That assistance for Southern Africa may be used to assist sector projects supported by the Southern Africa Development Coordination Conference to enhance the economic development of the nine member states forming that institution: *Provided further*, That local currencies generated by the sale of imports or foreign exchange by the government of a country in Sub-Saharan Africa from funds appropriated under this heading shall be deposited in a special account established by that government: *Provided further*, That these local currencies shall be available only for use, in accordance with an agreement with the United States, for development activities which are consistent with the policy directions of section 102 of the Foreign Assistance Act of 1961 and for necessary administrative requirements of the United States Government: *Provided further*, That in order to carry out the purposes of this heading, section 604(a) of the Foreign Assistance Act of 1961, and similar provisions of law, shall not apply with respect to the implementation of assistance activities consistent with the purposes of this heading: *Provided further*, That the funds made available under this heading shall be provided only on a grant basis.

## [SOUTHERN AFRICA, DEVELOPMENT ASSISTANCE]

[For necessary expenses to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961, \$50,000,000, which shall be made available, without regard to section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961, only to assist sector projects supported by the Southern Africa Development Coordination Conference (SADCC) to enhance the economic development of the nine member states forming that regional institution: *Provided*, That at least 50 percent of that amount shall be made available for the transportation sector and the remaining amount shall be made available for one or more of the following sectors: manpower development; agriculture and natural resources; energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the de-

pendence of those states on South Africa for electricity); and industrial development and trade (including private sector initiatives): *Provided further*, That amounts made available under this heading shall be in addition to any amounts otherwise made available for such purposes and shall be in addition to amounts made available for Africa under the heading "Sub-Saharan Africa, Development Assistance": *Provided further*, That none of the funds appropriated under this heading may be made available for activities in Angola: *Provided further*, That none of the funds appropriated under this heading may be made available for activities in Mozambique unless the President certifies that it is in the national interest of the United States to do so.] (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

## Program and Financing (in thousands of dollars)

Identification code	11-1014-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		550,000	510,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)		550,000	510,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net		550,000	510,000
72.40	Obligated balance, start of year			482,350
74.40	Obligated balance, end of year		-482,350	-759,120
90.00	Outlays		67,650	233,230
Distribution of budget authority by account:				
	Sub-Saharan Africa, Development Assistance		500,000	510,000
	Southern Africa, Development Assistance		50,000	
Distribution of outlays by account:				
	Sub-Saharan Africa, Development Assistance		61,500	217,730
	Southern Africa, Development Assistance		6,150	15,500

The Sub-Saharan Africa account is a new single account resource designed to allow AID greater effectiveness in meeting Africa's development requirements. Resources are used in both project and non-project modes to address shared development program and policy commitments of reform-minded African leaders. The account assures availability of resources for Africa and provides greater flexibility in supporting the objective of growth with equity in Africa. This development program should be composed of no-year funding.

## SAHEL DEVELOPMENT PROGRAM

## Program and Financing (in thousands of dollars)

Identification code	11-1012-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	80,559	5,180	
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-11,156		
21.40	Unobligated balance available, start of year	-4,583	-5,180	
24.40	Unobligated balance available, end of year	5,180		
40.00	Budget authority (appropriation)	70,000		
Relation of obligations to outlays:				
71.00	Obligations incurred, net	80,559	5,180	
72.40	Obligated balance, start of year	250,150	238,212	169,813
74.40	Obligated balance, end of year	-238,212	-169,813	-115,904
78.00	Adjustments in unexpired accounts	-11,156		
90.00	Outlays	81,341	73,579	53,909

Note.—Total obligations include local cost support charges of \$1,961 thousand in 1987.

The Sahel development program helps promote food self-sufficiency and self-sustaining economic growth in

the Sahel region of Africa. Assistance is furnished in accordance with a long-term, multidonor development plan based on equitable burden sharing with other donors and the assisted African countries.

In 1988, the Administration placed all new funding for Africa in the Sub-Saharan Africa, Development Assistance account.

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

Identification code	11-1012-0-1-151	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	9	1	
25.0	Other services.....	2,790	179	
41.0	Grants, subsidies, and contributions.....	77,760	5,000	
99.9	Total obligations.....	80,559	5,180	

**AMERICAN SCHOOLS AND HOSPITALS ABROAD**

For necessary expenses to carry out the provisions of section 214, **[\$40,000,000]** \$30,000,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	11-1013-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	35,000	40,000	30,000
<b>Financing:</b>				
40.00	Budget authority (appropriation).....	35,000	40,000	30,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	35,000	40,000	30,000
72.40	Obligated balance, start of year.....	35,712	36,869	43,405
74.40	Obligated balance, end of year.....	-36,869	-43,405	-39,410
90.00	Outlays.....	33,843	33,464	33,995

These funds provide assistance to schools, libraries and hospitals abroad founded or sponsored by U.S. citizens which serve as demonstration centers for American ideas and practices in education and medicine. Emphasis is given to geographic dispersion of the program, with special priority to institutions in less developed countries. Grants generally finance new physical facilities, special medical and training programs, and the procurement of equipment.

**INTERNATIONAL DISASTER ASSISTANCE**

For necessary expenses to carry out the provisions of section 491, \$25,000,000, to remain available until expended; *Provided*, That not less than \$1,000,000 shall be made available only for assistance for children who have become orphans as a result of drought and famine in Sub-Saharan Africa. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	11-1035-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	International disaster assistance.....	30,528	30,972	25,000
00.02	African refugees.....	5,329		
00.03	El Salvador earthquake.....	50,000		
00.04	Cambodian refugees.....	500		
00.05	Other.....		1,813	
10.00	Total obligations.....	86,357	32,785	25,000

<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-469		
21.40	Unobligated balance available, start of year.....	-15,363	-4,785	
24.40	Unobligated balance available, end of year.....	4,785		
25.00	Unobligated balance lapsing.....	1		
39.00	Budget authority.....	75,311	28,000	25,000
<b>Budget authority:</b>				
40.00	Appropriation.....	70,000	25,000	25,000
42.00	Transferred from other accounts.....	2,500	3,000	
43.00	Appropriation (adjusted).....	72,500	28,000	25,000
50.00	Reappropriation.....	2,811		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	86,357	32,785	25,000
72.40	Obligated balance, start of year.....	102,940	66,192	51,624
74.40	Obligated balance, end of year.....	-66,192	-51,624	-44,828
77.00	Adjustments in expired accounts.....	-3,892		
78.00	Adjustments in unexpired accounts.....	-469		
90.00	Outlays.....	118,744	47,353	31,796

The international disaster assistance program provides relief to foreign countries struck by disasters such as famines, floods, hurricanes, and earthquakes, and supports assistance in disaster preparedness and contingency planning.

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

Identification code	11-1035-0-1-151	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	235	81	68
22.0	Transportation of things.....	382	132	111
25.0	Other services.....	12,430	4,287	3,598
26.0	Supplies and materials.....	146	50	42
41.0	Grants, subsidies, and contributions.....	73,164	28,235	21,181
99.9	Total obligations.....	86,357	32,785	25,000
<b>Obligations are distributed as follows:</b>				
	International disaster assistance.....	30,528	13,529	8,838
	Agency for International Development.....	55,829	19,256	16,162

**OPERATING EXPENSES, AGENCY FOR INTERNATIONAL DEVELOPMENT**

For necessary expenses to carry out the provisions of section 667, **[\$406,000,000: Provided**, That not more than \$15,000,000 of this amount shall be for Foreign Affairs Administrative Support: *Provided further*, That except to the extent that the Administrator of the Agency for International Development determines otherwise, not less than 10 per centum of the aggregate of the funds made available for the fiscal year 1988 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be made available only for activities of economically and socially disadvantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977), historically black colleges and universities, colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically and socially disadvantaged (within the meaning of section 133(c)(5) (B) and (C) of the International Development and Food Assistance Act of 1977). For purposes of this proviso, economically and socially disadvantaged individuals shall be deemed to include women: *Provided further*, That the Administrator of the Agency for International Development shall submit to the Committees on Appropriations reports assessing the management and performance of the following offices within the Agency: (1) Bureau for Science and Technology, Directorate for Human Resources, (2) Bureau for Science and Technology, Directorate for Health, (3) Bureau for Food for Peace and Voluntary Assistance, Office of Private and Voluntary Cooperation, (4) Office of the Science Advisor, (5) Bureau for Program and Policy Coordination, Office of Economic Affairs, (6) Bureau for Program and Policy Coordination, Center for Development Information and Evaluation, (7) Bureau for Asia and Near East, Office of Project Development, (8) Bureau for Private Enterprise, and (9) Bureau for Africa,

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued

General and special funds—Continued

OPERATING EXPENSES, AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued

Office of Development Planning: *Provided further*, That such reports shall assess, among other things, the validity of the goals and objectives of the office or directorate, how well these goals and objectives are being achieved, the performance of the office or directorate in providing services, as appropriate, to other bureau offices and/or to the Agency's overseas missions, and, given competing demands being placed on overall Agency resources, whether appropriate personnel and funding resources are being made available for the office or directorate: *Provided further*, That such reports shall be submitted to the Committees on Appropriations by April 15, 1988: *Provided further*, That section 636(c) of the Foreign Assistance Act of 1961 is amended by striking out "\$3,000,000" and inserting in lieu thereof "\$6,000,000": *Provided further*, That notwithstanding any other provision of law, none of the funds appropriated under this heading or under the heading "Operating Expenses of the Agency for International Development Office of the Inspector General" shall lapse as a result of such funds not being used for contributions prescribed by the Federal Employees Retirement System Act of 1986, and such funds shall be made available for other purposes consistent with the purposes of such headings. **\$414,000,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 11-1000-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	344,188	406,000	414,000
00.02 Reimbursable program.....	6,274	5,500	5,500
10.00 Total obligations.....	350,462	411,500	419,500
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-6,274	-5,500	-5,500
21.40 Unobligated balance available, start of year.....	-31		
25.00 Unobligated balance lapsing.....	4,106		
40.00 Budget authority (appropriation).....	348,263	406,000	414,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	344,188	406,000	414,000
72.40 Obligated balance, start of year.....	118,065	115,716	137,402
74.40 Obligated balance, end of year.....	-115,716	-137,402	-149,084
77.00 Adjustments in expired accounts.....	-9,786		
90.00 Outlays.....	336,752	384,313	402,318

These funds cover the appropriated dollar costs of managing Agency for International Development (AID) programs, including salaries and other expenses of direct hire personnel. AID currently maintains resident staff in more than 70 foreign countries as well as a headquarters staff in Washington which supports field programs and manages regional and worldwide activities.

In 1987 Congress authorized the Agency to fund selected overseas Operating Expense costs from other accounts. Shown below are total Operating Expense costs by year and funding source (dollars in thousands):

FUNDING SOURCE

	1987 actual	1988 est.	1989 est.
Operating expenses, AID.....	348,263	406,000	414,000
Functional development assistance.....	21,689		
Economic support fund.....	14,838		
Sahel development program.....	1,961		
Reimbursements.....	6,274	5,500	5,500
Total funding.....	393,025	411,500	419,500

Object Classification (in thousands of dollars)

Identification code 11-1000-0-1-151	1987 actual	1988 est.	1989 est.
<b>Direct obligation:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	143,534	159,116	160,497
11.3 Other than full-time permanent.....	8,591	8,850	8,496
11.5 Other personnel compensation.....	12,665	13,916	14,043
11.8 Special personal services payments.....	23,589	24,161	24,903
11.9 Total personnel compensation.....	188,379	206,043	207,939
12.1 Civilian personnel benefits.....	27,025	32,353	35,697
13.0 Benefits for former personnel.....	241	306	308
21.0 Travel and transportation of persons.....	13,979	18,602	19,243
22.0 Transportation of things.....	10,019	10,633	11,319
23.1 Rental payments to GSA.....	12,689	15,771	15,923
23.2 Rental payments to others.....	10,927	18,858	19,423
23.3 Communications, utilities, and miscellaneous charges.....	6,743	8,713	9,197
24.0 Printing and reproduction.....	1,440	1,506	1,588
25.0 Other services.....	59,066	66,306	69,792
26.0 Supplies and materials.....	3,161	7,847	7,932
31.0 Equipment.....	7,729	12,262	14,451
32.0 Land and structures.....	144	4,121	
41.0 Grants, subsidies, and contributions.....	2,505	2,506	1,006
42.0 Insurance claims and indemnities.....	141	173	183
99.0 Subtotal, direct obligations.....	344,188	406,000	414,000
99.0 Reimbursable obligations.....	6,274	5,500	5,500
99.9 Total obligations.....	350,462	411,500	419,500

Personnel Summary

Total number of full-time permanent positions.....	4,327	4,488	4,488
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	4,569	4,725	4,725
Full-time equivalent of overtime and holiday hours.....	68	68	68

Note.—Personnel Summary data relates to total AID direct hire employment, whether funded from the Operating Expense appropriation or from other funding sources such as the Housing Investment Guaranty program, Inspector General, Operating Expense Account, or overseas trust funds, etc.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, **[\$35,132,000] \$40,532,000. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code 11-1036-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (Government contributions to the fund) (object class 13.0).....	45,492	35,132	40,532
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	45,492	35,132	40,532
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	45,492	35,132	40,532
90.00 Outlays.....	45,492	35,132	40,532

The appropriation requested is to finance the 1989 installment of the unfunded liability created by the addition of AID Foreign Service personnel to the foreign service retirement system and by subsequent salary increases and changes in legislation affecting benefits.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, **[\$23,970,000, which sum shall be available only for the operating expenses of the Office of the Inspector General notwithstanding sections 451 or 614 of the Foreign Assistance Act of 1961 or any other**

provision of law: *Provided*, That up to three percent of the amount made available under the heading "Operating Expenses of the Agency for International Development" may be transferred to and merged and consolidated with amounts made available under this heading: *Provided further*, That except as may be required by an emergency evacuation affecting the United States diplomatic missions of which they are a component element, none of the funds in this Act, or any other Act, may be used to relocate the overseas Regional Offices of the Inspector General to another country: *Provided further*, That section 103(b) of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 is amended (1) by striking "; and" at the end of the first paragraph, (2) by striking the period at the end of the second paragraph and inserting in lieu thereof "; and", and (3) by inserting the following paragraph at the end thereof:

"(3) establish, notwithstanding any other provision of law, appropriate overseas staffing levels of the Regional Offices of the Inspector General of the Agency for International Development in effective consultation with the Inspector General of the Agency: *Provided*, That the authority of the Secretary of State shall be exercised only by the Secretary and shall not be delegated to a subordinate officer of the Department of State: *Provided further*, That the Inspector General must report to the appropriate committees of both Houses of the Congress within thirty days the denial by the Secretary of State of a request by the Inspector General to increase or reduce an existing position level of a regional office: *Provided further*, That the total number of positions authorized for the Office of the Inspector General in Washington and overseas shall be determined by the Inspector General within the limitation of the appropriations level provided." ] \$23,119,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 11-1007-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	20,937	23,970	23,119
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	384		
40.00 Budget authority (appropriation) .....	21,321	23,970	23,119
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	20,937	23,970	23,119
72.40 Obligated balance, start of year .....	6,074	8,533	9,743
74.40 Obligated balance, end of year .....	-8,533	-9,743	-10,082
77.00 Adjustments in expired accounts .....	-124		
90.00 Outlays .....	18,354	22,760	22,781

The funds cover the costs of operations of the Office of the Inspector General, Agency for International Development, and include salaries, expenses, and support costs of the Inspector General's personnel as well as costs associated with providing for the physical security of agency personnel at overseas missions.

In 1987 Congress authorized the Agency to fund selected costs of Operating Expenses of the Office of the Inspector General from other accounts. Shown below are the total Inspector General Operating Expense costs by year and funding source (dollars in thousands):

**FUNDING SOURCE**

	1987 actual	1988 est.	1989 est.
Operating expenses of the Inspector General .....	20,937	23,970	23,119
Functional development assistance .....	745		
Total funding .....	21,682	23,970	23,119

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

Identification code 11-1007-0-1-151	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	7,858	8,327	8,450

11.3 Other than full-time permanent .....	292	350	360
11.5 Other personnel compensation .....	448	500	510
11.8 Special personal services payments .....	908	950	960
11.9 Total personnel compensation .....	9,506	10,127	10,280
12.1 Civilian personnel benefits .....	1,517	2,100	2,150
21.0 Travel and transportation of persons .....	1,712	2,685	2,700
22.0 Transportation of things .....	447	562	675
23.1 Rental payments to GSA .....	467	625	630
23.2 Rental payments to others .....	1,072	1,250	1,250
23.3 Communications, utilities, and miscellaneous charges .....	311	414	415
24.0 Printing and reproduction .....	20	80	85
25.0 Other services .....	5,104	5,300	4,534
26.0 Supplies and materials .....	118	144	150
31.0 Equipment .....	663	683	250
99.9 Total obligations .....	20,937	23,970	23,119

**Personnel Summary**

Total number of full-time permanent positions .....	183	200	195
Total compensable workyears: Full-time equivalent employment .....	183	205	200

**HOUSING GUARANTEE LOAN SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

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

Identification code 72-0401-6-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....			15,700
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			15,700
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			15,700
74.40 Obligated balance, end of year .....			-15,700
90.00 Outlays .....			

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

Identification code 72-0401-6-1-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			100,000
2150 Total guaranteed loan commitments .....			100,000
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent) .....			15.7
2330 Subsidy amount (in thousands of dollars) .....			15,700

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

**PRIVATE SECTOR REVOLVING FUND LOAN SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

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

Identification code 72-0400-6-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct loan subsidy .....			415
00.02 Guaranteed loan subsidy .....			5,650
10.00 Total obligations (object class 41.0) .....			6,065
<b>Financing:</b>			
39.00 Budget authority .....			6,065

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
General and special funds—Continued  
PRIVATE SECTOR REVOLVING FUND LOAN SUBSIDIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
72-0400-6-1-151			
Budget authority:			
42.00	Transferred from other accounts		6,065
43.00	Appropriation (adjusted)		6,065
Relation of obligations to outlays:			
71.00	Obligations incurred, net		6,065
74.40	Obligated balance, end of year		-6,065
90.00	Outlays		

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
72-0400-6-1-151			
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans		5,000
1150	Total direct loan obligations		5,000
Estimate of direct loan subsidy:			
1320	Subsidy amount (in percent)		8.3
1330	Subsidy amount (in thousands of dollars)		415

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
72-0400-6-1-151			
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		100,000
2150	Total guaranteed loan commitments		100,000
Estimate of guaranteed loan subsidy:			
2320	Subsidy amount (in percent)		11.3
2330	Subsidy amount (in thousands of dollars)		5,650

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
11-9911-0-1-151			
Financing:			
21.40	Unobligated balance available, start of year	-142	-142
24.40	Unobligated balance available, end of year	142	142
39.00	Budget authority		
Relation of obligations to outlays:			
71.00	Obligations incurred, net		
72.40	Obligated balance, start of year	4,466	2,455
74.40	Obligated balance, end of year	-2,455	-1,674
77.00	Adjustments in expired accounts	-2,000	-1,099
90.00	Outlays	12	781

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
11-9911-0-1-151			
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	324,394	317,655
1251	Repayments: Repayments and prepayments	-5,673	-6,000
1264	Adjustments: Other adjustments, net	-1,066	
1290	Outstanding, end of year	317,655	311,655

This consolidated account includes outlays from several bilateral development assistance accounts, most of which no longer have active programs. Included are disaster relief assistance programs, a prototype desalting plant operated by the Israelis, the foreign assistance contingency fund and Africa bilateral grant programs which are now carried out under the Sahel development program.

TRADE CREDIT INSURANCE PROGRAM

During fiscal year [1988, total] 1989, commitments to guarantee or insure loans for the "Trade Credit Insurance Program" may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$200,000,000 [of contingent liability for loan principal]. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

The Trade Credit Insurance Program is a secondary guarantee program designed to promote recovery of the private export sector in Central America. Given the continuation of the weak financial position of the Central American economies, which limits their access to the Export-Import Bank's regular credit programs, new authority of \$200 million to commit to guarantee or insure loans is sought for 1989.

Public enterprise funds:

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

During the fiscal year [1988, total] 1989, commitments to guarantee loans [shall not exceed \$125,000,000 of contingent liability for loan principal] may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$100,000,000. Provided, That [the President shall enter into commitments to guarantee such loans in the full amount provided under this heading, subject only to the availability of qualified applicants for such guarantees: Provided further, That section 223(e)(2) of the Foreign Assistance Act of 1961 is amended by striking out "\$40,000,000" and inserting in lieu thereof "\$100,000,000", and] pursuant to [such] section 223(e)(2) of the Foreign Assistance Act of 1961, as amended, borrowing authority provided therein may be exercised in such amounts as may be necessary to retain an adequate level of contingency reserves for the fiscal year [1988: Provided further, That section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "1988" and inserting in lieu thereof "1990"] 1989. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
72-4340-0-3-151			
Program by activities:			
00.01	Administrative expenses	6,247	6,330
00.02	Contractual services	544	300
00.03	Claim payments	1,702	2,063
00.04	Acquired security on collateral	44,956	50,566
00.05	Interest on borrowing	270	2,480
10.00	Total obligations	53,719	61,739



Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-175	-195	-215
14.00	Non-Federal sources.....	-36,703	-38,720	-42,950
17.00	Recovery of prior year obligations.....	-26	-310	-210
21.98	Unobligated balance available, start of year: Fund balance.....	-24,607	-27,793	-27,278
24.98	Unobligated balance available, end of year: Fund balance.....	27,793	27,278	28,880
67.10	<b>Budget authority (authority to borrow) (98 Stat. 1884, 1903) (permanent, indefinite) .....</b>	<b>20,000</b>	<b>22,000</b>	<b>22,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	16,841	22,824	20,608
72.98	Obligated balance, start of year: Fund balance.....	-8,262	-11,849	-10,878
74.98	Obligated balance, end of year: Fund balance.....	11,849	10,878	15,480
78.00	Adjustments in unexpired accounts.....	-26	-310	-210
90.00	Outlays.....	20,402	21,543	25,000

Status of Direct Loans (in thousands of dollars)

Identification code 72-4340-0-3-151	1987 actual	1988 est.	1989 est.	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	69,275	92,348	111,648
1232	Disbursements: Disbursements for guarantee loan claims.....	44,956	50,566	50,820
1251	Repayments: Repayments and prepayments.....	-21,883	-31,266	-30,720
1290	Outstanding, end of year.....	92,348	111,648	131,748

Status of Guaranteed Loans (in thousands of dollars)

Identification code 72-4340-0-3-151	1987 actual	1988 est.	1989 est.	
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....	145,464	125,000	100,000
2150	Total guaranteed loan commitments.....	145,464	125,000	100,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	1,215,893	1,328,052	1,423,052
2231	Disbursements: Disbursements of new guaranteed loans.....	139,840	125,000	145,000
2251	Repayments: Repayments and prepayments.....	-21,314	-23,000	-25,000
2261	Adjustments: Terminations for default that result in direct loans.....	-6,367	-7,000	-8,000
2290	Outstanding, end of year.....	1,328,052	1,423,052	1,535,052

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	1,328,052	1,423,052	1,535,052
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....	15.0	14.2	15.7
2330	Subsidy amount (in thousands of dollars).....	21,800	17,800	15,700

The Housing guaranty program extends guaranties to assist developing countries in formulating and executing sound housing and community development policies that meet the needs of lower income groups. Activities to be carried out will emphasize: (1) sites and services and core housing projects providing homesites and shelter for poor families; (2) slum upgrading projects designed to conserve and improve existing shelter; (3) low-income shelter projects designed for demonstration or institution building purposes; and (4) project-related community facilities and services. A new sector policy is being adopted in 1988 to encourage more rapid utilization of funds. A program level of \$100 million is adequate in 1989 given the need to implement the large pipeline of authorized but uncontracted commitments. The borrowing authority in 1989 is to replenish the Housing Guaranty reserve, depleted as a result of increased loan reschedulings.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
Revenue: Fee income.....	15,318	15,800	16,100
<b>Expense:</b>			
General administrative expenses.....	5,851	5,900	6,200
Contractual services.....	277	300	300
Interest on borrowing.....	267	2,480	4,165
Total expenses.....	6,395	8,680	10,665
Total operating income.....	8,923	7,120	5,435
Nonoperating loss: Net loss from subrogated claims payment.....	-1,561	-2,063	-2,028
Non-receipt fee losses.....	-7	-6	-5
Net gain or loss (-) for year.....	7,355	5,051	3,402

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury.....	13,345	12,743	13,000	13,000
U.S. securities (par): Public debt securities.....	3,000	3,200	3,400	3,700
Accounts receivable (net).....	11,786	17,388	18,480	21,800
Other assets (net).....	69,780	92,823	112,100	132,140
Total assets.....	97,911	126,154	146,980	170,640
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accounts payable and funded accrued liabilities.....	2,764	3,587	3,900	4,300
Interest payable.....		267	2,250	3,085
Debt issued under borrowing authority from Treasury.....		20,000	42,000	64,000
Total liabilities.....	2,764	23,854	48,150	71,385
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended balances:</b>				
Unobligated balance.....	24,607	27,792	27,278	28,880
Undisbursed obligations.....	760	1,685	1,452	2,235
Invested capital.....	69,780	72,823	70,100	68,140
Total Government equity.....	95,147	102,300	98,830	99,255

Object Classification (in thousands of dollars)

Identification code: 72-4340-0-3-151	1987 actual	1988 est.	1989 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,163	2,241	2,367
11.3	Other than full-time permanent.....	11	32	33
11.5	Other personnel compensation.....	107	17	21
11.8	Special personal services payments.....	490	128	134
11.9	Total personnel compensation.....	2,771	2,418	2,555
12.1	Civilian personnel benefits.....	416	516	530
21.0	Travel and transportation of persons.....	495	664	657
22.0	Transportation of things.....	105	372	367
23.1	Rental payments to GSA.....	133	145	151
23.2	Rental payments to others.....	286	377	349
23.3	Communications, utilities, and miscellaneous charges.....	287	320	332
24.0	Printing and reproduction.....	27	62	65
25.0	Other services.....	1,969	1,621	1,624
26.0	Supplies and materials.....	36	61	64
31.0	Equipment.....	266	74	66
33.0	Investments and loans.....	44,956	50,566	50,820
42.0	Insurance claims and indemnities.....	1,701	2,063	2,028
43.0	Interest on borrowing.....	270	2,480	4,165
99.9	Total obligations.....	53,719	61,739	63,773

Personnel Summary

Total number of full-time permanent positions.....	50	50	52
Total compensable workyears: Full-time equivalent employment.....	50	50	52

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
Public enterprise funds—Continued

## HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

(Proposed for later transmittal, proposed legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
72-4340-6-3-151			
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111			—100,000
Limitation on guaranteed loans made by private lenders...			
2150			—100,000
Total guaranteed loan commitments.....			
<b>Estimate of guaranteed loan subsidy:</b>			
2320			—15.7
Subsidy amount (in percent).....			
2330			—15,700
Subsidy amount (in thousands of dollars).....			

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new guaranteed loan activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

PRIVATE SECTOR REVOLVING FUND  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the provisions of section 108 of the Foreign Assistance Act of 1961, not to exceed **[\$9,000,000]** \$8,500,000 to be derived by transfer from funds appropriated to carry out the provisions of chapter 1 of part I of such Act, to remain available until expended. During fiscal year **[1988]**, obligations for assistance from amounts in the revolving fund account under section 108 shall not exceed \$12,000,000. **[1989 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$5,000,000: Provided, That during fiscal year 1989, commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$100,000,000. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)**

## Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
72-4341-0-3-151			
<b>Program by activities:</b>			
10.00	15,150	12,000	5,000
Total obligations (object class 33.0).....			
<b>Financing:</b>			
14.00	—3,066	—2,950	—4,600
Offsetting collections from: Non-Federal sources.....			
21.98	—1,123	—4,539	—3,089
Unobligated balance available, start of year: Fund balance.....			
Unobligated balance available, end of year: Fund balance:			
24.98	4,539	7,489	3,089
Unreserved.....			
24.98			12,500
Reserved.....			
39.00	15,500	12,000	8,500
<b>Budget authority</b> .....			
<b>Budget authority:</b>			
42.00	15,500	7,000	8,500
Transferred from other accounts.....			
43.00	15,500	7,000	8,500
<b>Appropriation (adjusted)</b> .....			
50.00		5,000	
<b>Reappropriation</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00	12,084	9,050	400
Obligations incurred, net.....			
72.98	33,689	41,118	44,118
Obligated balance, start of year: Fund balance.....			
74.98	—41,118	—44,118	—38,118
Obligated balance, end of year: Fund balance.....			
90.00	4,655	6,050	6,400
<b>Outlays</b> .....			

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority.....	15,500	12,000	8,500
Outlays.....	4,655	6,050	6,400
<b>Credit reform:</b>			
Budget authority.....			—8,500
Outlays.....			
<b>Total:</b>			
Budget authority.....	15,500	12,000	
Outlays.....	4,655	6,050	6,400

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

Identification code	1987 actual	1988 est.	1989 est.
72-4341-0-3-151			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	15,150	12,000	5,000
Limitation on direct loans.....			
1150	15,150	12,000	5,000
Total direct loan obligations.....			
<b>Cumulative balance of direct loans outstanding:</b>			
1210	11,346	17,143	24,243
Outstanding, start of year.....			
1231	7,825	9,000	11,000
Disbursements: Direct loan disbursements.....			
1251	—2,028	—1,900	—3,200
Repayments: Repayments and prepayments.....			
1290	17,143	24,243	32,043
Outstanding, end of year.....			
<b>Estimate of direct loan subsidy:</b>			
1320	8.2	8.0	8.3
Subsidy amount (in percent).....			
1330	1,246	960	415
Subsidy amount (in thousands of dollars).....			

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

Identification code	1987 actual	1988 est.	1989 est.
72-4341-0-3-151			
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111			100,000
Limitation on guaranteed loans made by private lenders.....			
2150			100,000
Total guaranteed loan commitments.....			
<b>Estimate of guaranteed loan subsidy:</b>			
2320			11.3
Subsidy amount (in percent).....			
2330			5,650
Subsidy amount (in thousands of dollars).....			

The private sector revolving fund, capitalized by transfers from development assistance accounts, expands the AID private sector initiative through new financing mechanisms and support of business activities. Loans are made to local private sector firms and credit institutions in developing countries. Beginning in 1989, the Administration proposes to provide loan guarantees in addition to direct loans in order to expand the program's impact.

## Revenue and Expenses (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (—):</b>			
Revenue.....	1,027	1,107	1,158
Expense.....			
Net operating income.....	1,027	1,107	1,158

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury.....	34,261	41,118	44,115	38,118
U.S. securities (par): Public debt securities...	552	2,553	4,782	5,040
Loans receivable (net).....	11,346	17,143	24,243	32,043
Total assets.....	46,159	60,814	73,140	75,201

**Government equity:**

<b>Unexpended balances:</b>				
Unobligated balance.....	1,123	4,539	7,489	3,089
Undelivered orders.....	33,689	41,118	44,115	38,118
Invested capital.....	11,347	15,157	21,536	33,994
<b>Total Government equity.....</b>	<b>46,159</b>	<b>63,814</b>	<b>73,140</b>	<b>75,201</b>

**PRIVATE SECTOR REVOLVING FUND**

(Proposed for later transmittal, proposed legislation)

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

Identification code	72-4341-6-3-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0).....			-5,000
<b>Financing:</b>				
Unobligated balance available, end of year: Fund balance:				
24.98	Unreserved.....			9,000
24.98	Reserved.....			-12,500
39.00	<b>Budget authority.....</b>			<b>-8,500</b>
Budget authority:				
42.00	Transferred from other accounts.....			-8,500
43.00	<b>Appropriation (adjusted).....</b>			<b>-8,500</b>
50.00	<b>Reappropriation.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			-5,000
74.98	Obligated balance, end of year: Fund balance.....			5,000
90.00	Outlays.....			

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

Identification code	72-4341-6-3-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			-5,000
1150	Total direct loan obligations.....			-5,000
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			-8.3
1330	Subsidy amount (in thousands of dollars).....			-415

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

Identification code	72-4341-6-3-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....			-100,000
2150	Total guaranteed loan commitments.....			-100,000
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			-11.3
2330	Subsidy amount (in thousands of dollars).....			-5,650

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new credit activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

**DEVELOPMENT LOANS—REVOLVING FUND**

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

Identification code	11-4103-0-3-151	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
72.98	Obligated balance, start of year: Fund balance.....	85		
77.00	Adjustments in expired accounts.....	3		
90.00	Outlays.....	87		

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

Identification code	11-4103-0-3-151	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	8,307,890	8,052,300	7,773,300
1251	Repayments: Repayments and prepayments.....	-266,761	-279,000	-295,000
1264	Adjustments: Other adjustments, net.....	11,171		
1290	Outstanding, end of year.....	8,052,300	7,773,300	7,478,300

Under this revolving fund, development loans were made to friendly developing countries to promote their economic growth and development. Since 1974, budget authority for both loans and grants for development assistance has been provided under the functional development assistance program.

**Intragovernmental funds:**

**ADVANCE ACQUISITION OF PROPERTY—REVOLVING FUND**

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

Identification code	72-4590-0-4-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Wages and salaries.....	126	36	36
00.02	Other administrative expenses.....	25	20	20
00.03	Other operating expenses.....	368	585	585
10.00	Total obligations.....	519	641	641
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-311	-641	-641
17.00	Recovery of prior year obligations.....	-786		
21.98	Unobligated balance available, start of year: Fund balance.....	-6,286	-6,864	-6,864
24.98	Unobligated balance available, end of year: Fund balance.....	6,864	6,864	6,864
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	208		
72.98	Obligated balance, start of year: Fund balance.....	598	209	209
74.98	Obligated balance, end of year: Fund balance.....	-209	-209	-209
78.00	Adjustments in unexpired accounts.....	-786		
90.00	Outlays.....	-188		

Section 608 of the Foreign Assistance Act of 1961 created a revolving fund to finance the acquisition and rehabilitation at minimal cost of U.S. Government-owned excess property for purchase by friendly countries and eligible organizations, for use in conjunction with economic development programs. Excess property includes heavy construction equipment, vehicles, heavy machinery, electrical generating equipment, and medical equipment and supplies. The program is self-financed from service fees and reimbursements by equipment purchasers ultimately funded from development assistance appropriations to the Agency for International Development.

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
Intragovernmental funds—Continued  
ADVANCE ACQUISITION OF PROPERTY—REVOLVING FUND—Continued

## Object Classification (in thousands of dollars)

Identification code 72-4590-0-4-151	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent.....	124	30	30
12.1 Civilian personnel benefits.....	2	6	6
21.0 Travel and transportation of persons.....	9	1	1
22.0 Transportation of things.....	120	400	400
23.3 Communications, utilities, and miscellaneous charges.....	3	3	3
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	54	100	100
26.0 Supplies and materials.....	207	100	100
99.9 Total obligations.....	519	641	641

## Personnel Summary

Total number of full-time permanent positions.....	1	1	1
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## Trust Funds

## MISCELLANEOUS TRUST FUNDS

## Program and Financing (in thousands of dollars)

Identification code 72-9971-0-7-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	13,257	8,354	5,000
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	-1,276		
21.40 Unobligated balance available, start of year.....	-6,354	-3,354	
24.40 Unobligated balance available, end of year.....	3,354		
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>8,981</b>	<b>5,000</b>	<b>5,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	11,981	8,354	5,000
72.40 Obligated balance, start of year.....	8,882	14,047	17,401
74.40 Obligated balance, end of year.....	-14,047	-17,401	-17,401
90.00 Outlays.....	6,817	5,000	5,000
Distribution of budget authority by account:			
Technical assistance.....	9,717	5,000	5,000
Gifts and donations.....	-735		
Distribution of outlays by account:			
Technical assistance.....	6,813	4,997	4,997
Gifts and donations.....	4	3	3

Funds advanced by foreign countries are used to pay for procurement in the United States of nonmilitary materials or services for programs in those countries in accordance with bilateral agreements.

## Object Classification (in thousands of dollars)

Identification code 72-9971-0-7-151	1987 actual	1988 est.	1989 est.
25.0 Other services.....	7,287	4,177	2,500
31.0 Equipment.....	5,970	4,177	2,500
99.9 Total obligations.....	13,257	8,354	5,000

## Federal Funds

## General and special funds:

## TRADE AND DEVELOPMENT PROGRAM

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, [ \$25,000,000: Provided, That of this amount up to \$5,000,000 may be used for joint financing with

individual State trade promotion organizations of activities directed at the expansion of trade with developing and middle income countries, including such activities as trade fairs, seminars, targeting and feasibility studies, and activities directed at enhancing the use of exports from the United States in bilateral and multilateral projects] \$20,400,000, to remain available until expended. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

## Program and Financing (in thousands of dollars)

Identification code 11-1001-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	21,017	25,820	20,400
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-1,120	-100	
21.40 Unobligated balance available, start of year.....	-620	-720	
24.40 Unobligated balance available, end of year.....	720		
25.00 Unobligated balance lapsing.....	3		
40.00 <b>Budget authority (appropriation).....</b>	<b>20,000</b>	<b>25,000</b>	<b>20,400</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	21,017	25,820	20,400
72.40 Obligated balance, start of year.....	28,288	30,411	36,683
74.40 Obligated balance, end of year.....	-30,411	-36,683	-36,643
77.00 Adjustments in expired accounts.....	-31	-80	-50
78.00 Adjustments in unexpired accounts.....	-1,120	-100	
90.00 Outlays.....	17,744	19,368	20,390

These funds cover the costs of the U.S. Trade and Development Program (TDP), including program costs of grants for feasibility studies and other project planning services, and those of managing the TDP programs, such as salaries and expenses of direct hire personnel and obtaining the services of consultants. TDP finances such planning services for major development projects in the developing world to foster economic development and enhance the use of U.S. technology, goods, and services in project implementation. TDP activities also help to assure access to natural resources of interest to the United States.

## Object Classification (in thousands of dollars)

Identification code 11-1001-0-1-151	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	544	567	629
11.3 Other than full-time permanent.....	33	36	36
11.5 Other personnel compensation.....	9	21	16
11.8 Special personal services payments.....	476	636	634
11.9 Total personnel compensation.....	1,062	1,260	1,315
12.1 Civilian personnel benefits.....	72	78	85
21.0 Travel and transportation of persons.....	145	160	175
22.0 Transportation of things.....	8		
23.1 Rental payments to GSA.....	80	100	115
23.2 Rental payments to others.....	78	80	80
23.3 Communications, utilities, and miscellaneous charges.....	27	30	31
24.0 Printing and reproduction.....	4	6	6
25.0 Other services.....	600	487	550
26.0 Supplies and materials.....	6	7	8
31.0 Equipment.....	26	24	25
41.0 Grants, subsidies, and contributions.....	18,917	23,580	18,010
99.9 Total obligations.....	21,017	25,820	20,400

## Personnel Summary

Total number of full-time permanent positions.....	12	14	14
Total compensable workyears: Full-time equivalent employment.....	13	14	15

PEACE CORPS  
Federal Funds

General and special funds:

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), **[\$146,200,000]** \$150,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions[: *Provided further*, That section 15(d)(4) of the Peace Corps Act is amended (1) by striking out "\$2,500" and inserting in lieu thereof "the applicable cost limitation described in section 636(a)(5) of the Foreign Assistance Act of 1961"; and (2) by inserting "*Provided further*, That the provisions of section 1343 of title 31, United States Code, shall not apply to the purchase of vehicles for the transportation, maintenance, or direct support of volunteers overseas:" after "section 7(c):" *Provided further*, That notwithstanding the provisions of section 7(a)(2)(A) of the Peace Corps Act (22 U.S.C. 2506(a)(2)(A)), the time-limited appointment as a member of the Foreign Service of an individual (1) who on April 1, 1987, held such appointment pursuant to section 601(c) of the International Security and Development Cooperation Act of 1981 (Public Law 97-113; 95 Stat. 1540), and (2) who previously held an appointment for the duration of operations under the Peace Corps Act pursuant to section 5(b) of Public Law 89-134 (79 Stat. 551), shall, effective on the date of the enactment of this Act, be deemed to be an appointment for the duration of operations under the Peace Corps Act: *Provided further*, That the Peace Corps Act is amended by inserting after section 17 (22 U.S.C. 2516) the following new section:

"ACTIVITIES PROMOTING AMERICANS' UNDERSTANDING OF OTHER PEOPLES

"SEC. 18. In order to further the goal of the Peace Corps, as set forth in section 2 of this Act, relating to the promotion of a better understanding of other peoples on the part of the American people, the Director, utilizing the authorities under section 10(a)(1) and other provisions of law, shall, as appropriate encourage, facilitate, and assist activities carried out by former volunteers in furtherance of such goal and the efforts of agencies, organizations, and other individuals to support or assist in former volunteers' carrying out such activities." (Foreign Operations, Export Financing, and Related Program Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	11-0100-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Volunteer operations .....	78,581	90,163	90,500
00.02	Recruitment and development education .....	10,131	12,260	11,250
00.03	Program development and support .....	42,111	50,566	48,250
00.91	Total direct program .....	130,823	152,989	150,000
01.01	Reimbursable program .....	2,596	3,300	3,300
10.00	Total obligations .....	133,419	156,289	153,300
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-2,308	-3,100	-3,100
14.00	Non-Federal sources .....	-288	-200	-200
21.40	Unobligated balance available, start of year .....		-6,789	
24.40	Unobligated balance available, end of year .....	6,789		
25.00	Unobligated balance lapsing .....	348		
40.00	Budget authority (appropriation) .....	137,960	146,200	150,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	130,823	152,989	150,000
72.40	Obligated balance, start of year .....	30,198	35,339	41,875
74.40	Obligated balance, end of year .....	-35,339	-41,875	-43,920
77.00	Adjustments in expired accounts .....	-1,575		
90.00	Outlays .....	124,107	146,453	147,955

Peace Corps operating expenses provide direct and indirect support for nearly 6,000 Americans engaged in voluntary services in over 60 countries worldwide. The

volunteers help fill the trained manpower needs of developing countries and encourage self-sustaining development of skilled manpower. The Peace Corps promotes mutual understanding between the peoples of the developing world and the United States and focuses the attention of the American people on the concepts of voluntarism and self-help at the grassroots level.

**Volunteer operations.**—The financial resources associated with this budget activity provide for the placement, training and direct support of Peace Corps Volunteers overseas. These resources will fund approximately 5,200 volunteer years of service worldwide in 1989.

**Recruitment and development education.**—This activity provides for volunteer recruitment and selection, development education, and related activities of the Peace Corps. In 1989, approximately 3,600 trainees qualified to enter Peace Corps service will be selected.

**Program development and support.**—This activity funds the administrative expenses and general overhead costs associated with the Peace Corps program, including reimbursements to the Department of State for administrative support overseas.

Object Classification (in thousands of dollars)

Identification code	11-0100-0-1-151	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	24,223	27,942	28,400
11.3	Other than full-time permanent .....	2,365	2,500	2,500
11.5	Other personnel compensation .....	246	250	250
11.8	Special personal services payments .....	484	500	500
11.8	Trainees and volunteers .....	13,564	14,735	15,800
11.9	Total personnel compensation .....	40,882	45,927	47,450
12.1	Civilian personnel benefits .....	22,440	25,700	27,800
13.0	Benefits for former personnel .....	214	310	350
21.0	Travel and transportation of persons .....	15,806	18,170	17,000
22.0	Transportation of things .....	1,125	1,420	1,300
23.1	Rental payments to GSA .....	2,744	3,456	3,873
23.2	Rental payments to others .....	3,631	4,210	4,000
23.3	Communications, utilities, and miscellaneous charges .....	3,910	4,350	4,200
24.0	Printing and reproduction .....	896	950	850
25.0	Other services .....	29,512	37,311	34,060
26.0	Supplies and materials .....	6,143	6,400	6,200
31.0	Equipment .....	3,467	4,725	2,858
42.0	Insurance claims and indemnities .....	53	60	60
99.0	Subtotal, direct obligations .....	130,823	152,989	150,000
99.0	Reimbursable obligations .....	2,596	3,300	3,300
99.9	Total obligations .....	133,419	156,289	153,300

Personnel Summary

Total number of full-time permanent positions .....	1,049	1,065	1,070
Total compensable workyears:			
Full-time equivalent employment .....	1,022	1,079	1,090
Full-time equivalent of overtime and holiday hours .....	8	10	10

Trust Funds

PEACE CORPS MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	11-9972-0-7-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	547	500	334
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-482	-234	-34

PEACE CORPS—Continued

PEACE CORPS MISCELLANEOUS TRUST FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	11-9972-0-7-151	1987 actual	1988 est.	1989 est.
24.00	Unobligated balance available, end of year.....	234	34	
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite).....	<b>298</b>	<b>300</b>	<b>300</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	547	500	334
72.40	Obligated balance, start of year.....	-260	-258	-258
74.40	Obligated balance, end of year.....	258	258	224
90.00	Outlays.....	545	500	300
Distribution of outlays by account:				
	Gifts and donations.....	337	406	300
	U.S. dollars advanced from foreign governments.....	209	94	

Note.—Budget authority is provided from gifts and donations.

Miscellaneous contributions received by gift, devise, bequest, or from foreign governments are used in furtherance of the program, as authorized by 22 U.S.C. 2509(a)(3) (75 Stat. 612, as amended).

Object Classification (in thousands of dollars)

Identification code	11-9972-0-7-151	1987 actual	1988 est.	1989 est.
25.0	Other services.....	82	75	50
26.0	Supplies and materials.....	465	425	284
99.9	Total obligations.....	547	500	334

OVERSEAS PRIVATE INVESTMENT CORPORATION

Federal Funds

General and special funds:

OVERSEAS PRIVATE INVESTMENT CORPORATION LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	71-0100-6-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct loan subsidy.....			2,501
00.02	Guaranteed loan subsidy.....			22,925
10.00	Total obligations (object class 41.0).....			25,426
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b> .....			<b>25,426</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			25,426
74.40	Obligated balance, end of year.....			-24,507
90.00	Outlays.....			919

Status of Direct Loans (in thousands of dollars)

Identification code	71-0100-6-1-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			17,250
1150	Total direct loan obligations.....			17,250
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			
1231	Disbursements: Direct loan disbursements.....			1,200

1251	Repayments: Repayments and prepayments.....			
1290	Outstanding, end of year.....			1,200

Estimate of direct loan subsidy:

1320	Subsidy amount (in percent).....			14.5
1330	Subsidy amount (in thousands of dollars).....			2,501

Status of Guaranteed Loans (in thousands of dollars)

Identification code	71-0100-6-1-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....			175,000
2150	Total guaranteed loan commitments.....			175,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans.....			11,400
2290	Outstanding, end of year.....			11,400

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			11,400
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Estimate of guaranteed loan subsidy:

2320	Subsidy amount (in percent).....			13.1
2330	Subsidy amount (in thousands of dollars).....			22,925

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Public enterprise fund:

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed \$35,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104 of Title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year.

During the fiscal year [1988] 1989 and within the resources and authority available, gross obligations for the amount of direct loans shall not exceed [ \$23,000,000 ] \$17,250,000.

During the fiscal year [1988] 1989 total commitments to guarantee loans [shall not exceed \$200,000,000 of contingent liability for loan principal] may be made only to the extent that the total loan principal subject to an OPIC guarantee, any part of which is to be guaranteed, shall not exceed \$175,000,000. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	71-4030-0-3-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
<b>Insurance program:</b>				
00.01	Personnel costs.....	1,002	1,284	1,290
00.02	Other administrative costs.....	119	209	209
00.03	Insurance reserves (payments of claims) ..	458	4,000	4,000
<b>Finance program:</b>				
00.10	Personnel costs.....	1,114	1,454	1,468
00.11	Other administrative costs.....	249	307	355
00.12	Guaranty reserves.....	50,000	56,000	49,750
<b>Program support:</b>				
00.20	Personnel costs.....	3,818	3,762	3,785
00.21	Other administrative costs.....	3,924	4,670	4,340
00.91	Total operating expenses.....	60,684	71,686	65,197

Capital investment:				
01.01	Finance program: Direct investment fund (loans).....	23,000	23,000	17,250
01.02	Program support: Purchases of equipment and realty.....	361	304	301
01.91	Total capital investment.....	23,361	23,304	17,551
10.00	Total obligations.....	84,045	94,990	82,748
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-72,251	-84,439	-86,761
14.00	Non-Federal sources.....	-50,310	-51,152	-55,573
17.00	Recovery of prior year obligations.....	-20,747	-17,500	-17,500
Unobligated balance available, start of year:				
21.98	Treasury balance.....	136,046	157,513	203,405
21.98	U.S. securities (par).....	-1,029,235	-1,109,365	-1,212,705
Unobligated balance available, end of year:				
24.98	Treasury balance.....	-157,513	-203,405	-233,614
24.98	U.S. securities (par).....	1,109,365	1,212,705	1,320,000
31.00	Redemption of debt.....	600	653	
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-38,516	-40,601	-59,586
72.98	Obligated balance, start of year: Fund balance....	138,238	164,709	207,651
74.98	Obligated balance, end of year: Fund balance....	-164,709	-207,651	-236,601
78.00	Adjustments in unexpired accounts.....	-20,747	-17,500	-17,500
90.00	Outlays.....	-85,734	-101,043	-106,036

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)			
Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....			
Outlays.....	-85,734	-101,043	-106,036
Credit reform:			
Budget authority.....			
Outlays.....			2,573
Total:			
Budget authority.....			
Outlays.....	-85,734	-101,043	-103,463

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

Identification code	71-4030-0-3-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....	23,000	23,000	17,250
1150	Total direct loan obligations.....	23,000	23,000	17,250
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	40,906	49,062	53,455
1231	Disbursements: Direct loan disbursements.....	12,849	12,558	14,550
1251	Repayments: Repayments and prepayments.....	-2,791	-6,265	-9,341
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-1,902	-1,900	-1,900
1290	Outstanding, end of year.....	49,062	53,455	56,764
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....	14.4	14.1	14.5
1330	Subsidy amount (in thousands of dollars).....	3,312	3,243	2,501

<sup>1</sup> Write-offs of direct loan balances.

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

Identification code	71-4030-0-3-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders...	200,000	200,000	175,000
2150	Total guaranteed loan commitments.....	200,000	200,000	175,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	268,214	307,924	337,924
2231	Disbursements: Disbursements of new guaranteed loans...	85,323	80,000	80,000
2251	Repayments: Repayments and prepayments.....	-45,613	-50,000	-50,000
2290	Outstanding, end of year.....	307,924	337,924	367,924

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	307,924	337,924	367,924
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....	12.9	12.6	13.4
2330	Subsidy amount (in thousands of dollars).....	25,800	25,200	22,925

The Overseas Private Investment Corporation encourages the participation of United States private capital and skills in the economic and social development of less developed friendly countries. Its primary programs are: (1) political risk insurance against losses due to expropriation, inconvertibility, and war damage; and (2) investment financing through loans and guaranteed loans. The Corporation operates on a self-sustaining basis. The budget for fiscal years 1988 and 1989 includes funds to support the administration's initiatives in two new areas—encouraging investment policy reform in less developed countries and promotion of the private political risk insurance industry.

**INSURANCE PROGRAM ACTIVITY**

(In millions of dollars)			
1. Face amount of contracts outstanding, start of year:	1987 actual	1988 est.	1989 est.
Old authorities.....	819	566	326
New authority.....	8,759	8,857	9,347
Total.....	9,578	9,423	9,673
2. Face amount of contracts issued during year:			
New authority.....	1,763	2,250	2,470
3. Face amount of contracts canceled or reduced:			
Old authorities.....	-253	-240	-240
New authority.....	-1,665	-1,760	-1,760
Total.....	-1,918	-2,000	-2,000
4. Face amount of contracts outstanding, end of year:			
Old authorities.....	566	326	86
New authority.....	8,857	9,347	10,057
Total.....	9,423	9,673	10,143

**STATUS OF INSURANCE AUTHORITY**

(In millions of dollars)			
Contingent liabilities:	1987 actual	1988 est.	1989 est.
1. Authority available for issuance, start of year.....	3,213	2,977	2,741
2. Authority used for issuance.....	-824	-876	-900
3. Authority recovered from terminations/reductions.....	588	640	640
4. Authority available for issuance, end of year.....	2,977	2,741	2,481

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

(In thousands of dollars)			
	1987 actual	1988 est.	1989 est.
Operating income:			
Insurance program:			
Revenue.....	32,903	31,632	32,000
Expense.....	-1,579	-5,493	-5,499
Net operating income of insurance program.....	31,324	26,139	26,501
Finance program:			
Revenue.....	12,352	13,255	14,232
Expense.....	-4,763	-5,161	-6,223
Net operating income of finance program.....	7,589	8,094	8,009
Program support: Expense.....	-8,573	-8,736	-8,426
Net operating income, total.....	30,340	25,497	26,084

OVERSEAS PRIVATE INVESTMENT CORPORATION LOAN SUBSIDIES—  
Continued

## Public enterprise fund—Continued

## OVERSEAS PRIVATE INVESTMENT CORPORATION—Continued

## Revenue and Expense (in thousands of dollars)—Continued

	1987 actual	1988 est.	1989 est.
Nonoperating income:			
Interest income on U.S. Treasury securities .....	71,651	83,785	86,761
Net income for the year .....	101,991	109,282	112,845

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	2,190	5,341	2,393	1,134
U.S. securities (par): Public debt securities ..	1,029,235	1,109,365	1,212,705	1,320,000
Accounts receivable (net) .....	10,501	18,373	19,000	20,000
Advances made .....	37	23	30	30
Loans receivable (net) .....	33,215	39,717	42,610	44,419
Realty and equipment (net) .....	2,114	1,996	1,996	1,996
Assets acquired in claims settlements .....	42,146	74,949	72,513	70,008
Total assets .....	1,119,438	1,249,764	1,351,247	1,457,587
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued li-				
abilities .....	16,690	45,393	44,000	43,000
Advances received .....	17,675	17,410	17,000	16,500
Other liabilities .....	7	34	35	30
Total liabilities .....	34,372	62,837	61,035	59,530
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	893,189	949,996	1,012,711	1,084,533
Undelivered orders .....	156,548	195,217	238,159	267,109
Invested capital .....	35,329	41,713	44,606	46,415
Total Government equity .....	1,085,066	1,186,926	1,295,476	1,398,057

## Object Classification (in thousands of dollars)

Identification code 71-4030-0-3-151	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent .....	4,596	4,944	4,950
11.3 Other than full-time permanent .....	414	448	451
11.5 Other personnel compensation .....	194	208	209
11.9 Total personnel compensation .....	5,204	5,600	5,610
12.1 Civilian personnel benefits .....	730	900	933
21.0 Travel and transportation of persons .....	457	641	648
23.2 Rental payments to others .....	1,617	1,801	1,810
23.3 Communications, utilities, and miscellaneous charges .....	158	305	305
24.0 Printing and reproduction .....	126	160	161
25.0 Other services .....	1,735	2,077	1,779
26.0 Supplies and materials .....	199	202	201
31.0 Equipment .....	361	304	301
33.0 Investments and loans .....	23,000	23,000	17,250
42.0 Insurance claims and indemnities .....	458	4,000	4,000
43.0 Guarantee reserve .....	50,000	56,000	49,750
99.9 Total obligations .....	84,045	94,990	82,748

## Personnel Summary

Total number of full-time permanent positions .....	130	135	135
Total compensable workyears:			
Full-time equivalent employment .....	128	135	135
Full-time equivalent of overtime and holiday hours .....	1	1	1

OVERSEAS PRIVATE INVESTMENT CORPORATION  
(Proposed for later transmittal, proposed legislation)

## Program and Financing (in thousands of dollars)

Identification code 71-4030-6-3-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.13 Guaranty reserves .....			-2,850
01.01 Finance program: Direct investment fund (loans) .....			-17,250
10.00 Total obligations .....			-20,100
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....			147
14.00 Non-Federal sources .....			3,547
24.98 Unobligated balance available, end of year: Fund balance .....			16,406
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-16,406
74.98 Obligated balance, end of year: Fund balance .....			18,979
90.00 Outlays .....			2,573

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

Identification code 71-4030-6-3-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			-17,250
1150 Total direct loan obligations .....			-17,250
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....			
1231 Disbursements: Direct loan disbursements .....			-1,200
1290 Outstanding, end of year .....			-1,200
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....			-14.5
1330 Subsidy amount (in thousands of dollars) .....			-2,501

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

Identification code 71-4030-6-3-151	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			-175,000
2150 Total guaranteed loan commitments .....			-175,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....			
2231 Disbursements: Disbursements of new guaranteed loans .....			-11,400
2290 Outstanding, end of year .....			-11,400
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....			-11,400
<b>Estimate of direct loan subsidy:</b>			
2320 Subsidy amount (in percent) .....			-13.1
2330 Subsidy amount (in thousands of dollars) .....			-22,925

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new loan activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.



Object Classification (in thousands of dollars)			
Identification code	71-4030-6-3-151	1987 actual	1988 est. 1989 est.
33.0	Investments and loans.....		-17,250
43.0	Guarantee reserve .....		-2,850
99.9	Total obligations.....		-20,100

**INTER-AMERICAN FOUNDATION**  
*Federal Funds*

**Public enterprise funds:**

**INTER-AMERICAN FOUNDATION**

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, Title 31, United States Code, [ "\$13,000,000" ] \$13,900,000. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

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

Identification code	11-4031-0-3-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Social and economic development programs.....	22,254	25,191	25,091
00.02	Program support services.....	4,406	5,000	5,159
10.00	Total obligations (object class 41.0).....	26,660	30,191	30,250
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-1,700		
14.00	Non-Federal sources.....	-15,695	-14,888	-9,083
17.00	Recovery of prior year obligations.....	-595	-800	-700
21.98	Unobligated balance available, start of year: Fund balance.....	-8,149	-11,279	-9,776
24.98	Unobligated balance available, end of year: Fund balance.....	11,279	9,776	3,209
40.00	<b>Budget authority (appropriation).....</b>	<b>11,800</b>	<b>13,000</b>	<b>13,900</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	9,265	15,303	21,167
72.98	Obligated balance, start of year: Fund balance.....	28,243	26,838	29,387
74.98	Obligated balance, end of year: Fund balance.....	-26,838	-29,387	-29,246
78.00	Adjustments in unexpired accounts.....	-595	-800	-700
90.00	Outlays.....	10,075	11,954	20,608

Established by the 1969 Foreign Assistance Act, the Inter-American Foundation supports social processes in Latin America and the Caribbean with a direct impact on the lives of people at the lowest economic levels. In addition to appropriations and private gifts, the Foundation is funded by annual transfers from the Social Progress Trust Fund administered by the Inter-American Development Bank.

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

	1987 actual	1988 est.	1989 est.
Social and economic development programs:			
Revenue.....	17,395	14,888	9,083
Expense.....	-23,023	-21,932	-24,556
Net operating profit or loss, social and economic development programs.....	-5,628	-7,044	-15,473
Program support services: Expense.....	-4,447	-4,910	-5,135
Net operating loss, program support services.....	-4,447	-4,910	-5,135
Net operating loss for the year.....	-10,075	-11,954	-20,608

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets: Fund balance with Treasury	36,392	38,117	39,163	27,296
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Undisbursed obligations.....	28,243	26,838	29,387	24,087
Unobligated loan balance.....	8,149	11,279	9,776	3,209
Total Government equity.....	36,392	38,117	39,163	27,296

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

Identification code	11-4031-0-3-151	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,327	2,690	2,690
11.3	Other than full-time permanent.....	312	45	45
11.5	Other personnel compensation.....	37	50	50
11.9	Total personnel compensation.....	2,676	2,785	2,785
12.1	Civilian personnel benefits.....	345	456	456
21.0	Travel and transportation of persons.....	401	533	555
23.2	Rental payments to others.....	402	427	448
23.3	Communications, utilities, and miscellaneous charges.....	212	290	305
24.0	Printing and reproduction.....	173	183	190
25.0	Other services.....	2,361	2,810	3,100
26.0	Supplies and materials.....	57	90	97
31.0	Equipment.....	55	83	80
41.0	Grants, subsidies, and contributions.....	19,978	22,534	22,234
99.9	Total obligations.....	26,660	30,191	30,250

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	67	67	67
Total compensable workyears:			
Full-time equivalent employment.....	69	67	67
Full-time equivalent of overtime and holiday hours.....	1	1	1

**Trust Funds**

**GIFTS AND CONTRIBUTIONS, INTER-AMERICAN FOUNDATION**

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

Identification code	11-8243-0-7-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (Social and economic development programs) (object class 41.0).....		6	
<b>Financing:</b>				
21.40	Unobligated balance, available start of year.....	-5	-6	
24.40	Unobligated balance, available end of year.....	6		
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>1</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		6	
90.00	Outlays.....		6	

Miscellaneous contributed funds received by gift, devise, bequest, grant, or otherwise are used in furtherance of the Foundation's program (22 U.S.C. 290f(e)(9)).

**AFRICAN DEVELOPMENT FOUNDATION**

*Federal Funds*

**General and special funds:**

**AFRICAN DEVELOPMENT FOUNDATION**

For necessary expenses to carry out the provisions of Title V of the International Security and Development Cooperation Act of 1980,

## AFRICAN DEVELOPMENT FOUNDATION—Continued

## General and special funds—Continued

## AFRICAN DEVELOPMENT FOUNDATION—Continued

Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, Title 31, United States Code, [ \$7,000,000 ] \$7,140,000. (Foreign Operations, Export Financing, and Related Program Appropriations Act, 1988; additional authorizing legislation to be proposed.)

## Program and Financing (in thousands of dollars)

Identification code 11-0700-0-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Development programs .....	4,291	4,862	4,914
00.02 Project support .....	2,274	2,175	2,226
10.00 Total obligations .....	6,565	7,037	7,140
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-37		
21.40 Unobligated balance available, start of year .....		-37	
24.40 Unobligated balance available, end of year .....	37		
25.00 Unobligated balance lapsing .....	49		
40.00 Budget authority (appropriation) .....	6,614	7,000	7,140
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	6,565	7,037	7,140
72.40 Obligated balance, start of year .....	4,744	5,182	5,838
74.40 Obligated balance, end of year .....	-5,182	-5,838	-6,189
77.00 Adjustments in expired accounts .....	-13		
78.00 Adjustments in unexpired accounts .....	-37		
90.00 Outlays .....	6,076	6,381	6,789

Established by the U.S. Congress in 1980 to provide direct assistance to Africa's disadvantaged populations, the African Development Foundation (ADF) became operational in 1984. The Foundation is authorized to provide grants, loans and loan guarantees directly to self-help development initiatives with evident potential for expanding development opportunities and generating a positive impact on the living standards and conditions of the people. Organizations receiving support from the Foundation must, therefore, demonstrate their commitment to this approach by encouraging the substantive participation of the poor in all phases of the development process, particularly in the design, implementation and management of projects.

ADF is currently funding development projects and research in 23 African countries in the regions of the Sahel/North Africa; West Africa; West/Central Africa; East Africa; and, Southern Africa.

## Object Classification (in thousands of dollars)

Identification code 11-0700-0-1-151	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent positions .....	672	836	975
11.3 Other than full-time permanent .....	327	235	145
11.5 Other personnel compensation .....	36	35	35
11.9 Total personnel compensation .....	1,036	1,106	1,155
12.1 Civilian personnel benefits .....	158	168	176
21.0 Travel and transportation of persons .....	354	315	335
22.0 Transportation of things .....	17	17	17
23.2 Rental payments to others .....	238	250	250
23.3 Communications, utilities, and miscellaneous charges .....	82	86	88
24.0 Printing and reproduction .....	23	35	45
25.0 Other services .....	576	471	421
26.0 Supplies and materials .....	57	60	60
31.0 Equipment .....	123	10	25
41.0 Grants, subsidies and contributions .....	3,902	4,519	4,568
99.9 Total obligations .....	6,565	7,037	7,140

## Personnel Summary

Total number of full-time permanent positions .....	27	30	30
Total compensable workyears: Full-time equivalent employment .....	26	29	30

## INTERNATIONAL COMMODITY AGREEMENTS

## Federal Funds

## General and special funds:

## CONTRIBUTIONS TO INTERNATIONAL BUFFER STOCKS

## Program and Financing (in thousands of dollars)

Identification code 11-0043-0-1-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	2,916		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-37,586	-34,671	
24.40 Unobligated balance available, end of year .....	34,671		
25.00 Unobligated balance lapsing .....		34,671	
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,916		
90.00 Outlays .....	2,916		

The U.S. participated in the International Natural Rubber Agreement, which provided for the operation of a natural rubber buffer stock. The Agreement expired on October 22, 1987. Liquidation of the remaining rubber stocks is expected to occur over the next three years. The U.S. share of the receipts from the sale of the remaining stocks will be returned to the U.S. when the liquidation is completed.

## INTERNATIONAL MONETARY PROGRAMS

## Federal Funds

## General and special funds:

## UNITED STATES QUOTA, INTERNATIONAL MONETARY FUND

## Program and Financing (in thousands of dollars)

Identification code 11-0003-0-1-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (Valuation adjustment on IMF quota) (object class 33.0) .....	1,186,492		
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources:			
Increase in reserve position .....	-577,961		
21.40 Unobligated balance available, start of year .....	-9,681,542	-10,861,160	-10,861,160
24.40 Unobligated balance available, end of year .....	10,861,160	10,861,160	10,861,160
25.00 Unobligated balance restored .....	-1,788,149		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	608,531		
72.40 Obligated balance, start of year .....	10,873,521	12,920,244	12,920,244
73.40 Obligated balance transferred, net .....	1,196,424		
74.40 Obligated balance, end of year .....	-12,920,244	-12,920,244	-12,920,244
78.00 Adjustments in unexpired accounts .....	-336,193		
90.00 Outlays .....	-577,961		

As of September 30, 1987, the current dollar value of the U.S. quota denominated in Special Drawing Rights (SDR), the IMF's unit of account, was \$22,929 million.

Use by the IMF of the quota commitment does not result in net budget outlays because the United States receives an increase in its international monetary reserves corresponding to any transfer of dollars to the IMF under the U.S. quota subscription. The United States can use these reserves automatically to meet a balance of payments financing need.

\$10.0 billion at the September 30, 1987 exchange rate) of which the U.S. commitment was 1,450 million SDR (but not to exceed \$1,831 million appropriated). As of September 30, 1987, U.S. claims on the IMF under the Supplementary Financing Facility had declined to SDR 505 million (\$647 million) as a consequence of repayments by the IMF.

**MAINTENANCE OF VALUE ADJUSTMENT, INTERNATIONAL MONETARY FUND**

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

Identification code	11-0004-0-1-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (Valuation adjustment on IMF quota) (object class 33.0)	1,196,424		
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite)	1,196,424		
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,196,424		
73.40	Obligated balance transferred, net	-1,196,424		
90.00	Outlays			

Members of the IMF are obligated to maintain the value of their currency, held by the IMF, in terms of the SDR—the unit of account of the IMF. When the dollar appreciates (depreciates) against the SDR, the cost of maintaining these holdings decreases (increases), and an appropriate adjustment is made in the U.S. account with the IMF. In fiscal year 1987, the maintenance of value adjustment resulted in an increase in the dollar value of IMF dollars holdings equivalent to \$1,196 million. Budget authority is provided for the maintenance of value adjustment, but this adjustment does not result in any immediate cash transfers to the IMF.

**SUPPLEMENTARY FINANCING FACILITY, INTERNATIONAL MONETARY FUND**

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

Identification code	11-0002-0-1-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	2,964		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-1,749,077	-1,746,113	-1,746,113
24.40	Unobligated balance available, end of year	1,746,113	1,746,113	1,746,113
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	2,964		
90.00	Outlays	2,964		

The Supplementary Financing Facility was created to augment temporarily the ability of the IMF to assist member countries with serious balance of payments problems, thereby allowing these countries time to implement required policy measures without resorting to abrupt and harmful restrictions on trade and payments. The United States and other countries agreed to finance the facility by making available to the IMF lines of credit totaling 7,784 Special Drawing Rights (about

**GENERAL ARRANGEMENTS TO BORROW, LOANS TO INTERNATIONAL MONETARY FUND**

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

Identification code	11-0074-0-1-155	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-2,000,000	-2,000,000	-2,000,000
24.40	Unobligated balance available, end of year	2,000,000	2,000,000	2,000,000
39.00	Budget authority			
Relation of applications to outlays:				
71.00	Obligations incurred, net			
90.00	Outlays			

The General Arrangements to Borrow (GAB) were established in 1962 by 10 industrial countries, including the United States, as a means of supplementing the IMF's resources when needed to forestall or cope with an impairment of the international monetary system. Each participant agreed to provide specific amounts of its currency to help finance drawings from the IMF by another GAB participant. GAB members agreed in early 1983 to increase their financial commitments to the GAB and to allow the IMF, in certain strictly defined circumstances, to activate the GAB to provide financing for any IMF member. Total GAB commitments were increased from SDR 6.3 billion to SDR 17 billion, with the U.S. share rising from \$2.0 billion to SDR 4.250 billion, approximately \$5.4 billion at the September 30, 1987 exchange rate. Financing extended by the United States under the GAB does not result in any net budget outlays because the United States receives an increase in its international reserve assets corresponding to any transfer to the IMF under the U.S. credit line.

During 1987, no calls were made on the U.S. commitment under the GAB, and no U.S. loans were outstanding at the end of the fiscal year.

**MILITARY SALES PROGRAMS**

*Federal Funds*

**Public enterprise funds:**

**SPECIAL DEFENSE ACQUISITION FUND**

(LIMITATION ON OBLIGATIONS)

Not to exceed **[\$236,865,000]** \$350,000,000 may be obligated pursuant to section 51(c)(2) of the Arms Export Control Act for the purposes of the Special Defense Acquisition Fund [during fiscal year 1988], to remain available for obligation until September 30, 1990. Provided, That section 632(d) of the Foreign Assistance Act of 1961 shall be applicable to the transfer to countries pursuant to chapter 2 of part II of that Act of defense articles and defense services acquired under chapter 5 of the Arms Export Control Act. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

Public enterprise funds—Continued

SPECIAL DEFENSE ACQUISITION FUND—Continued  
(LIMITATION ON OBLIGATIONS)—Continued

Program and Financing (in thousands of dollars)

Identification code	11-4116-0-3-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (Purchases of defense items) (object class 31.0)	282,801	236,865	350,000
<b>Financing:</b>				
Offsetting collections from: Trust funds:				
13.00	Collections credited under Public Law 97-113	-70,000		
13.00	Collections from foreign military sales trust fund	-217,341	-244,000	-270,000
17.00	Recovery of prior year obligations	-24,559	-10,659	-10,748
21.98	Unobligated balance available, start of year: Fund balance	-240,363	-269,462	-287,256
24.98	Unobligated balance available, end of year: Fund balance	269,462	287,256	218,004
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-4,540	-7,135	80,000
72.98	Obligated balance, start of year: Fund balance	566,157	557,711	508,789
74.98	Obligated balance, end of year: Fund balance	-557,711	-508,789	-615,962
78.00	Adjustments in unexpired accounts	-24,559	-10,659	-10,748
90.00	Outlays	-20,653	31,128	-37,921

This revolving fund finances the acquisition of defense articles and defense services in anticipation of their transfer to foreign countries and international organizations. The fund enhances the ability of the United States to respond to urgent requirements of allied and friendly governments for military equipment while minimizing the adverse impact on U.S. forces due to diversions from production or U.S. military stocks. The account was capitalized by foreign military sales receipts. Estimates of sales used in this budget are (in millions of dollars):

	1987 actual	1988 est.	1989 est.
Estimates of new orders (sales)	198.3	275.0	267.0

Trust Funds

FOREIGN MILITARY SALES TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	11-8242-0-7-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Orders to DOD accounts:				
00.01	Military personnel	113,517	93,000	82,000
00.02	Operations and maintenance	255,434	209,000	186,000
Procurement:				
00.03	Army	-44,789		
00.04	Navy	24,519	20,000	18,000
00.05	Air Force	122,550	100,000	89,000
00.06	Research, development, test, and evaluation	22,782	18,000	18,000
00.07	Special defense acquisition fund	287,341	244,000	270,000
00.08	Other	493,121	403,000	359,000
Orders by the fund (direct citation):				
00.20	Procurement	7,411,926	5,975,000	5,253,000
00.21	Construction	34,358	2,000	1,000
00.22	Other	594,304	562,000	572,000
10.00	Total obligations	9,315,063	7,626,000	6,848,000
<b>Financing:</b>				
39.00	<b>Budget authority</b>	<b>9,315,063</b>	<b>7,626,000</b>	<b>6,848,000</b>
Budget authority:				
60.00	Appropriation (receipts from foreign governments) (permanent, indefinite)	8,503,911	8,417,000	8,062,000

60.49	Portion applied to liquidate contract authority	-8,503,911	-8,417,000	-8,062,000
69.10	Contract authority (82 Stat. 1323) (permanent, indefinite)	9,315,063	7,626,000	6,848,000

Relation of obligations to outlays:				
71.00	Obligations incurred, net	9,315,063	7,626,000	6,848,000
Obligated balance, start of year:				
72.40	Appropriation	6,506,916	5,100,338	4,945,338
72.49	Contract authority	11,553,616	12,364,768	11,573,768
Obligated balance, end of year:				
74.40	Appropriation	-5,100,338	-4,945,338	-4,803,338
74.49	Contract authority	-12,364,768	-11,573,768	-10,359,768
90.00	Outlays	9,910,489	8,572,000	8,204,000

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year	11,553,616	12,364,768	11,573,768
Contract authority	9,315,063	7,626,000	6,848,000
Appropriation to liquidate contract authority	-8,503,911	-8,417,000	-8,062,000
Unfunded balance, end of year	12,364,768	11,573,768	10,359,768

This trust fund facilitates government-to-government sales of defense articles, defense services, and design and construction services. Estimates of sales used in this budget are (in millions of dollars):

	1987 actual	1988 est.	1989 est.
Estimates of new orders (sales)	7,135.3	8,000.0	7,500.0

Orders placed through this trust fund can be combined with procurement for U.S. military departments. The savings are shared by the United States and foreign governments. The net impact of foreign military sales on the budget is (in millions of dollars):

	1987 actual	1988 est.	1989 est.
Obligations of the fund	9,315.1	7,626.0	-6,848.0
Receipts from foreign governments (appropriation)	-8,503.9	-8,417.0	-8,062.0
Net budget authority	811.2	-791.0	-1,214.0
Payments from the fund (outlays)	9,910.5	8,572.0	8,204.0
Receipts from foreign governments (appropriation)	-8,503.9	-8,417.0	-8,062.0
Net outlays	1,406.6	155.0	142.0

Object Classification (in thousands of dollars)

Identification code	11-8242-0-7-155	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons	4,937	4,000	4,000
23.2	Rental payments to others	7,089	6,000	5,000
24.0	Printing and reproduction	4,741	4,000	3,000
25.0	Other services	5,626,063	4,631,000	4,159,000
26.0	Supplies and materials	931,506	763,000	685,000
31.0	Equipment	2,701,369	2,211,000	1,986,000
32.0	Land and structures	39,358	7,000	6,000
99.9	Total obligations	9,315,063	7,626,000	6,848,000

SPECIAL ASSISTANCE FOR CENTRAL AMERICA

Federal Funds

General and special funds:

ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

【SEC. 111. (a) There are hereby transferred to the President \$3,600,000 of unobligated funds, from such accounts for which appropriations were made by Department of Defense appropriations acts for the fiscal year 1987 or prior years, as the President shall designate, to provide humanitarian assistance to the Nicaraguan democratic resistance consistent with this section, to remain available through February 29, 1988.】

【(b)(1) The President is authorized to transfer or reprogram \$4,500,000 of unobligated funds from such accounts for which appropriations were made by Department of Defense appropriations acts

for the fiscal year 1987 or prior fiscal years, as the President shall designate, to provide transportation of humanitarian and other assistance previously, specifically authorized by law to the Nicaraguan democratic resistance, to remain available through February 29, 1988.

(2)(A) Transportation under paragraph (1) for lethal assistance previously authorized by law shall be suspended on January 12, 1988 and shall resume thereafter only if, after January 18, 1988, the President determines and certifies to the Congress that:

(i) at the time of such certification no cease-fire is in place that was agreed to by the Government of Nicaragua and the Nicaraguan democratic resistance;

(ii) the failure to achieve the cease-fire described in subparagraph (A)(i) results from the lack of good faith efforts by the Government of Nicaragua to achieve such a cease-fire; and

(iii) the Nicaraguan democratic resistance has engaged in good faith efforts to achieve the cease-fire described in subparagraph (A)(i).

(B) Transportation under paragraph (1) for lethal assistance previously authorized by law shall be suspended during any period in which there is in place a cease-fire described in subparagraph (A)(i), except to the extent, if any, permitted by the agreement governing such cease-fire.]

[(c)(1) The Department of Defense shall, through February 29, 1988, make available to the department or agency administering this section passive air defense equipment to ensure the safety of transportation provided pursuant to this section.

(2) The Department of Defense shall not charge the department or agency receiving equipment under paragraph (1) for such equipment, and shall bear the risk of loss, damage or deterioration of such equipment during the period of its use under the authority of paragraph (1).]

[(d)(1) The President is authorized to transfer unobligated funds from such accounts for which appropriations were made by Department of Defense appropriations acts for the fiscal year 1987 or prior fiscal years, as the President shall designate, solely for the indemnification through February 29, 1988 of aircraft leased after the date of enactment of this joint resolution to carry out subsection (b).

(2) On March 1, 1988, the President shall transfer the balance, if any, remaining of funds transferred under paragraph (1) to the accounts from which such funds were transferred under paragraph (1).]

[(e) As used in this section, the term "humanitarian assistance" means only food, clothing, shelter, medical services, medical supplies, and payment for such items.]

[(f) The requirements, terms and conditions of section 104 of the Intelligence Authorization Act, Fiscal Year 1988 (Public Law 100-178), section 8144 of the Department of Defense Appropriations Act, 1988 as contained in section 101(b) of this joint resolution, section 10 of Public Law 91-672, section 502 of the National Security Act of 1947, section 15(a) of the State Department Basic Authorities Act of 1956, and any other provision of law shall be deemed to have been met for the transfer and use consistent with this section of the funds made available by subsections (a), (b), and (d), and the transfer and use of equipment as provided in subsection (c).]

[(g) The authority to support, monitor, and manage the activities for which this section provides funds shall continue until February 29, 1988.]

[(h) Sections 203(e), 204(b), 207, 209(b), 209(c) and 216, and the first sentence of section 203(d), in "TITLE II—CENTRAL AMERICA" in section 101(k) of the continuing appropriations resolution for the fiscal year 1987 (Public Laws 99-500 and 99-591) shall apply with respect to funds made available by this section.]

[(i) If, on January 17, 1988, a cease-fire agreed to by the Government of Nicaragua and the Nicaraguan democratic resistance is in place and the Government of Nicaragua is in compliance with the Guatemala Peace Accord of August 7, 1987, then the President shall, to the maximum extent practicable, make the unobligated balance of funds transferred by subsection (a) available for administration consistent with this section by nonpolitical humanitarian international organizations.]

[(m)(1) Section 215 in "TITLE II—CENTRAL AMERICA" in section 101(k) of the continuing appropriations resolution for the fiscal year 1987 (Public Laws 99-500 and 99-591), and subsections (p), (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 are hereby repealed, and the provisions of section 8066 of the Department of Defense Appropriations Act, 1985, as contained in Public Law 98-473, shall not apply to any request for assistance to the Nicaraguan democratic resistance.] (Section 111, Public Law 100-202.)

Program and Financing (in thousands of dollars)

Identification code	11-1090-0-1-054	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	99,933	18,028	
<b>Financing:</b>				
22.40	Unobligated balance transferred, net	-100,000	-10,900	
25.00	Unobligated balance lapsing	67		
40.00	<b>Budget authority (appropriation)</b>		<b>7,128</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	99,933	18,028	
72.40	Obligated balance, start of year		1,715	
74.40	Obligated balance, end of year	-1,715		
90.00	Outlays	98,218	19,743	

In accordance with section 111 of Public Law 100-202 and under the general direction of the Secretary of State, these funds currently provide transportation support and humanitarian assistance to the Nicaraguan democratic resistance. Further assistance will be requested as required.

PROMOTION OF SECURITY AND STABILITY IN CENTRAL AMERICA

Program and Financing (in thousands of dollars)

Identification code	11-1091-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations		2,000	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year		-2,000	
22.40	Unobligated balance transferred, net	-2,000		
24.40	Unobligated balance available, end of year	2,000		
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		2,000	
90.00	Outlays		2,000	

These funds were transferred to the President from the old account "Assistance for Implementation of a Contadora Agreement." These funds are now intended to facilitate the regional peace initiative signed in Guatemala City on August 7, 1987.

HUMANITARIAN ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

Program and Financing (in thousands of dollars)

Identification code	11-0062-0-1-151	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	179	6	
74.40	Obligated balance, end of year	-6		
90.00	Outlays	173	6	

In accordance with the Foreign Assistance Act of 1961 as amended and under the general direction of the Secretary of State, these funds provided food, clothing, and medicine to the Nicaraguan democratic resistance.

## TITLE V—GENERAL PROVISIONS

### COST BENEFIT STUDIES

SEC. 501. None of the funds appropriated in this Act (other than funds appropriated for "International Organizations and Programs") shall be used to finance the construction of any new flood control, reclamation, or other water or related land resource project or program which has not met the standards and criteria used in determining the feasibility of flood control, reclamation, and other water and related land resource programs and projects proposed for construction within the United States of America under the principles, standards and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.) or Acts amendatory or supplementary thereto.

### [OBLIGATIONS DURING LAST MONTH OF AVAILABILITY]

[SEC. 502. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.]

### PROHIBITION AGAINST PAY TO FOREIGN ARMED SERVICE MEMBER

SEC. [503] 502. None of the funds appropriated in this Act nor any of the counterpart funds generated as a result of assistance hereunder or any prior Act shall be used to pay pensions, annuities, retirement pay, or adjusted service compensation for any person heretofore or hereafter serving in the armed forces of any recipient country.

### TERMINATION FOR CONVENIENCE

SEC. [504] 503. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used for making payments on any contract for procurement to which the United States is a party entered into after the date of enactment of this Act which does not contain a provision authorizing the termination of such contract for the convenience of the United States.

### PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. [505] 504. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

### PROHIBITION OF BILATERAL FUNDING FOR MULTILATERAL PROGRAMS

SEC. [506] 505. None of the funds contained in Title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

### AID RESIDENCE EXPENSES

SEC. [507] 506. Of the funds appropriated or made available pursuant to this Act, not to exceed \$126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

### AID ENTERTAINMENT EXPENSES

SEC. [508] 507. Of the funds appropriated or made available pursuant to this Act, not to exceed \$11,500 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

### REPRESENTATIONAL ALLOWANCES

SEC. [509] 508. Of the funds appropriated or made available pursuant to this Act, not to exceed \$115,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the total funds made available by this Act under the headings "Military Assistance" and "Foreign Military Credit Sales", not to exceed \$2,875 shall be available for entertainment expenses and not to exceed \$75,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$125,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed \$2,875 shall

be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,600 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Program", not to exceed \$2,300 shall be available for representation and entertainment allowances.

### PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. [510] 509. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used to finance the export of nuclear equipment, fuel, or technology.

### HUMAN RIGHTS

SEC. [511] 510. Funds appropriated by this Act may not be obligated or expended to provide assistance to any country for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights.

### PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. [512] 511. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, Iran, or Syria.

### [MILITARY COUPS]

[SEC. 513. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.]

### [TRANSFERS BETWEEN ACCOUNTS]

[SEC. 514. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated without the prior written approval of the Committees on Appropriations.]

### DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. [515] 512. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under the "Agency for International Development" are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, [1988] 1989, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds.

### [PROHIBITION ON PUBLICITY OR PROPAGANDA]

[SEC. 516. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress.]

### AVAILABILITY OF FUNDS

SEC. [517] 513. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act.

### LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. [518] 514. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default

during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act.

#### FINANCIAL INSTITUTIONS—NAMES OF BORROWERS

SEC. [519] 515. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States governor or representative cannot upon request obtain the amounts and the names of borrowers for all loans of the international financial institution, including loans to employees of the institution, or the compensation and related benefits of employees of the institution.

#### FINANCIAL INSTITUTIONS—DOCUMENTATION

SEC. [520] 516. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States governor or representative cannot upon request obtain any document developed by or in the possession of the management of the international financial institution, unless the United States governor or representative of the institution certifies to the Committees on Appropriations that the confidentiality of the information is essential to the operation of the institution.

#### COMMERCE AND TRADE

SEC. [521] 517. None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

#### [SURPLUS COMMODITIES]

[SEC. 522. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.]

#### NOTIFICATION REQUIREMENTS

SEC. [523] 518. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Agriculture, rural development, and nutrition, Development Assistance", "Population, Development Assistance", "Child Survival Fund", "Health, Development Assistance", "International AIDS Prevention and Control Program", "Education and human resources development, Development Assistance", "Private Sector, Environment, and Energy, Development Assistance", "Science and technology, Development Assistance", "Sub-Saharan Africa, Development Assistance", ["Southern Africa, Development Assistance"], "International organizations and programs", "American schools and hospitals abroad", "Trade and development program", "International narcotics control", "Economic support fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Antiterrorism assistance", "Military Assistance", "Foreign Military Credit Sales", "International military education and training", "Inter-American Foundation", "African Development Foundation", "Peace Corps", or "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance,

countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings for the current fiscal year unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated *under this Act* for the purposes of chapter 2 of part II of the Foreign Assistance Act of 1961 or of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 20 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year.

#### CONSULTING SERVICES

SEC. [524] 519. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

#### PROHIBITION ON ABORTION LOBBYING

SEC. [525] 520. None of the funds appropriated under this Act may be used to lobby for abortion.

#### [NARCOTICS CONTROL REPORTING]

[SEC. 526. None of the funds appropriated or otherwise made available under this Act may be available for any country during any three-month period beginning on or after October 1, 1987, immediately following a certification by the President to the Congress that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse and Prevention Control Act of 1971 (21 U.S.C. 812)) which are cultivated, produced, or processed illicitly, in whole or in part, in such country, or transported through such country from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully.]

#### LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. [527] 521. Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share for any programs for the Palestine Liberation Organization, the Southwest African Peoples Organization, Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended.

#### [UNITED NATIONS VOTING RECORD]

[SEC. 528. (a) Not later than January 31 of each year, or at the time of the transmittal by the President to the Congress of the annual presentation materials on foreign assistance, whichever is earlier, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report which assesses, with respect to each foreign country, the degree of support by the government of each such country during the preceding twelve-month period for the foreign policy of the United States. Such report shall include, with respect to each such country which is a member of the United Nations, information to be compiled and supplied by the Permanent Representative of the United States to the United Nations, consisting of a comparison of the overall voting practices in the principal bodies of the United Nations during the preceding twelve-month period of such country and the United States, with special note of the voting and speaking records of such country on issues of major importance to the United States in the General Assembly and the Security Council, and shall also include a report on actions with regard to the United States in important related documents such as the Non-Aligned Communiqué. A full compilation of the information supplied by the Permanent Representative

**【UNITED NATIONS VOTING RECORD】—Continued**

of the United States to the United Nations for inclusion in such report shall be provided as an addendum to such report.】

【(b) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to a country which the President finds, based on the contents of the report required to be transmitted under subsection (a), is engaged in a consistent pattern of opposition to the foreign policy of the United States.】

【(c) The report required by subsection (a) of this section shall be in the identical format as the “Report to Congress on Voting Practices in the United Nations” which was submitted pursuant to Public Law 99-190 and Public Law 98-164 on June 6, 1986.】

**LOANS TO ISRAEL UNDER ARMS EXPORT CONTROL ACT**

SEC. 【529】 522. Notwithstanding any other provision of law, Israel may utilize any loan which is or was made available under the Arms Export Control Act and for which repayment is or was forgiven before utilizing any other loan made available under the Arms Export Control Act.

**【PROHIBITION AGAINST UNITED STATES EMPLOYEES RECOGNIZING OR NEGOTIATING WITH PLO】**

【SEC. 530. In reaffirmation of the 1975 memorandum of agreement between the United States and Israel, and in accordance with section 1302 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), no employee of or individual acting on behalf of the United States Government shall recognize or negotiate with the Palestine Liberation Organization or representatives thereof, so long as the Palestine Liberation Organization does not recognize Israel's right to exist, does not accept Security Council Resolutions 242 and 338, and does not renounce the use of terrorism.】

**【ECONOMIC SUPPORT FUNDS FOR ISRAEL】**

【SEC. 531. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.】

**CEILINGS AND EARMARKS**

SEC. 【532】 523. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

**【NOTIFICATION REQUIREMENT ON FUNDING FOR LEBANON】**

【SEC. 533. None of the funds appropriated or otherwise made available pursuant to this Act for the “Economic Support Fund” or for “Foreign Military Credit Sales” shall be obligated or expended for Lebanon except as provided through the regular notification procedures of the Committees on Appropriations.】

**【LIMITATIONS RELATED TO DRUG CONTROL IN JAMAICA, PERU, AND BOLIVIA】**

【SEC. 534. (a) In making determinations with respect to Peru and Jamaica pursuant to section 481(h)(2)(A)(i)(I) of the Foreign Assistance Act of 1961, the President shall take into account the extent to which the Government of each country is sufficiently responsive to United States Government concerns on drug control and whether the added provision of assistance for that country is in the national interest of the United States.】

【(b) In making determinations with respect to Bolivia pursuant to section 481(h)(2)(A)(i)(I) of the Foreign Assistance Act of 1961, the President shall take into account (1) the extent to which the Government of Bolivia has engaged in narcotics interdiction operations which have significantly disrupted the illicit coca industry in Bolivia

or has continued to cooperate with the United States in such operations; and (2) whether Bolivia has either met the eradication targets for the calendar year 1985 contained in its 1983 narcotics agreements with the United States or has adopted a plan to eliminate illicit narcotics cultivation, production, and trafficking countrywide, and has entered into an agreement of cooperation with the United States for implementing that plan for 1988 and beyond and is making substantial progress toward the plan's objectives, including substantial eradication of illicit coca crops and effective use of United States assistance.】

**【NOTIFICATION CONCERNING AIRCRAFT IN CENTRAL AMERICA】**

【SEC. 535. (a) During the fiscal year 1988, the authorities of part II of the Foreign Assistance Act of 1961 and the Arms Export Control Act may not be used to make available any helicopters or other aircraft for military use, and licenses may not be issued under section 38 of the Arms Export Control Act for the export of any such aircraft, to any country in Central America unless the Committees on Appropriations, the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified in writing at least 15 days in advance.】

【(b) During the fiscal year 1988, the Secretary of State shall promptly notify the committees designated in subsection (a) whenever any helicopters or other aircraft for military use are provided to any country in Central America by any foreign country.】

**【GUATEMALA—RESETTLEMENT PROGRAM】**

【SEC. 536. Funds provided in this Act for Guatemala may not be provided to the Government of Guatemala for use in its rural resettlement program, except through the regular notification procedures of the Committees on Appropriations.】

**【ENVIRONMENTAL CONCERNS】**

【SEC. 537. (a) It is the policy of the United States that participation in international financial institutions is predicated on the implementation of programs to promote environmentally sustainable economic growth and sustainable management of natural resources. The Secretary of the Treasury shall instruct the United States Executive Directors of the Multilateral Development Banks (MDB's) to continue to vigorously promote a commitment of these institutions to—

(1) add appropriately trained professional staff with expertise, and rigorously strengthen existing staffs' training in ecology and related areas;

(2) develop and implement management plans to ensure systematic environmental review of all projects;

(3) fully inform and involve host country environmental and health officials (Federal and local) and nongovernmental environmental and indigenous peoples organizations at all stages of the project cycle in environmentally sensitive projects as well as in policy based lending to ensure the active participation of local communities and non-governmental organizations in the planning of projects that may adversely affect them;

(4) substantially increase the proportion of lending supporting environmentally beneficial projects and project components, including but not limited to technical assistance for environmental ministries and institutions, resource rehabilitation projects and project components, protection of indigenous peoples, and appropriate light capital technology projects. Other examples of such projects include small scale mixed farming and multiple cropping, agroforestry, programs to promote kitchen gardens, watershed management and rehabilitation, high yield wood lots, integrated pest management systems, dune stabilization programs, programs to improve energy efficiency, energy efficient technologies such as small scale hydro projects, solar, wind and biomass energy systems, rural and mobile telecommunications systems, and improved efficiency and management of irrigation systems; and

(5) conduct analyses of the comparative costs of new generating facilities with the cost of increasing energy efficiency in the project service area.】

【(b) The Secretary of the Treasury shall instruct the United States Executive Directors of the MDB's and, where appropriate, the International Monetary Fund (IMF) to—

(1) promote the requirement that all country lending strategies, policy based loans and adjustment programs contain analyses of the impact of such activities on the natural resources, potential for sustainable development, and legal protections for the land rights of indigenous peoples;



(2) promote the establishment of programs of policy-based lending in order to improve natural resource management, environmental quality, and protection of biological diversity;

(3) seek a commitment of these institutions to promote the conservation of wetlands, tropical forests, and other unique biological and highly productive ecosystems.】

【(c) The Secretary of the Treasury shall undertake an analysis of potential initiatives, to be implemented through the MDB's, the IMF and other existing or newly created institutions, to enable developing countries to repay portions of their outstanding debt through investments in conservation of tropical forests, wetlands and other conservation activities. The Secretary of the Treasury shall report his findings and implementation plan (including projected timetable) for such "debt for conservation" initiatives including, but not limited to conservation exchanges, to the Committees on Appropriations by April 1, 1988. Initiatives to be considered shall include, but not be limited to—

(1) the operation of mechanisms to purchase, at market discounts, developing country debt in exchange for domestic currency investments in conservation at the full par value of the purchased debt;

(2) the operation of mechanisms to reschedule substantial amounts of developing country debt to longer term maturities with reduced interest rates in exchange for borrower country conservation investment in local currencies; and

(3) the establishment of programs by the World Bank and IMF to encourage the private purchase of developing country debt at discount rates in exchange for local currency conservation investments at the full par value of such debt.】

【(d) In order to promote sustainable and non-chemical dependent agriculture, the Secretary of the Treasury shall instruct the United States Executive Directors of the MDB's to initiate discussions with other directors of the MDB's to propose that policies be established that integrated pest management and biological control of pests be a preferential and priority approach to pest management on all bank sponsored agricultural projects.】

【(e) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund to promote the requirement that the IMF conduct an in-depth analysis of the impact of its adjustment policies and conditionality of its lending facilities on the environment, public health, natural resources and indigenous people.】

【(f) No later than March 30, 1988, the Secretary of State and the Administrator of the Agency for International Development shall initiate discussions with other donor nations, to explore ways in which said donor nations can support the addition of professionals trained in environmental and socio-cultural impact analysis to the Inter-American Development Bank, Asian Development Bank and African Development Bank. On the basis of such discussions the Secretary of State and the Administrator of the Agency for International Development shall provide resources, including professional staff on loan, and/or financial support, to ensure with other donor nations the addition of sufficient staff trained in environmental and socio-cultural impact analysis to each of the above named regional development banks.】

【(g) The Secretary of the Treasury and the Secretary of State, in cooperation with the Administrator of the Agency for International Development, shall conduct bilateral and multilateral discussions with other members of the MDB's to further strengthen the environmental performance of each bank. These discussions shall include, but not be limited to organizational, administrative and procedural arrangements to remove impediments to the efficient and effective management of assistance programs necessary to protect and ensure the sustainable use of natural resources and to carry out such assistance programs in consultation with affected local communities.】

【(h) The Administrator of the Agency for International Development, in consultation with the Secretaries of Treasury and State, shall continue, and work to enhance, the operation of the "early warning system", by—

(1) instructing overseas missions of the Agency for International Development and embassies of the United States to analyze the impacts of Multilateral Development Bank loans well in advance of a loan's approval. Such reviews shall address the economic viability of the project; adverse impacts on the environment, natural resources, public health, and indigenous peoples; and recommendations as to measures, including alternatives, that could eliminate or mitigate adverse impacts. If not classified under the national security system of classification, such information shall be made available to the public;

(2) compiling a list of proposed Multilateral Development Bank loans likely to have adverse impacts on the environment, natural resources, public health, or indigenous peoples. The list shall contain the information identified in paragraph (1), shall be updated in consultation with interested members of the public, and shall be made available to the Committees on Appropriations by April 1, 1988, and semiannually thereafter; and

(3) creating a cooperative mechanism for sharing information collected through the "early warning system" with interested donor and borrowing nations and encouraging the Multilateral Development Banks to institute a similar system.】

【(i) If a review required by subsection (h) identifies adverse impacts to the environment, natural resources, or indigenous peoples, the Secretary of the Treasury shall instruct the United States Executive Director of the appropriate MDB to seek changes to the project necessary to eliminate or mitigate those impacts.】

【(j) The Committee on Health and Environment of the Agency for International Development, called for in section 539(i) of the Foreign Assistance and Related Programs Appropriations Act, 1987, shall report its findings to the Committees on Appropriations by February 1, 1988.】

【(k) The Secretary of State, in consultation with the Secretary of the Treasury, the Administrator of the Agency for International Development, other appropriate Federal agencies, and interested members of the public, shall prepare and submit to the Committees on Appropriations and the appropriate authorizing committees by August 1, 1988, a report on a comprehensive strategy for maximizing the use of foreign assistance provided by the United States through multilateral and bilateral development agencies to address natural resources problems, such as desertification, tropical deforestation, the loss of wetlands, soil conservation, preservation of wildlife and biological diversity, estuaries and fisheries, croplands and grasslands. The report shall include, but not be limited to—

(1) an identification of the multilateral and bilateral agencies funded in part or in whole by the United States Government, whose activities have, or could have, a significant impact on sustainable natural resource use, and the rights and welfare of indigenous people, in the developing countries;

(2) a description of the internal policies and procedures by which each of these agencies addresses these issues, as well as a description of their own organizational structures for doing so;

(3) an assessment of how the funds contributed by the United States to these agencies can best be used in the future to address these issues.】

#### PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. [538] 524. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations. The Congress reaffirms its commitments to Population, Development Assistance and to the need for informed voluntary family planning.

#### AFGHANISTAN—HUMANITARIAN ASSISTANCE

SEC. [539] 525. 【Not less than \$45,000,000 of the aggregate amount of funds appropriated by this Act, to be derived in equal parts from the funds】 Funds appropriated to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, and chapter 4 of part II of that Act, 【shall be】 may be made available for the provision of food, medicine, or other humanitarian assistance to the Afghan people, notwithstanding any other provision of law.

## CAMBODIAN NON-COMMUNIST RESISTANCE FORCES

SEC. [540] 526. The President [shall] may make available to the Cambodian non-Communist resistance forces not more than \$5,000,000 of the funds appropriated by this Act for "Military Assistance" and for the "Economic Support Fund", notwithstanding any other provision of law: *Provided*, That funds appropriated by this Act for this purpose shall be obligated in accordance with the provisions of section 906 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83).

## PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. [541] 527. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development [ , nor shall any of the funds appropriated by this Act be made available to any private voluntary organization which is not registered with the Agency for International Development ].

## [EL SALVADOR—INVESTIGATION OF MURDERS]

[SEC. 542. Of the amounts made available by this Act for military assistance and financing for El Salvador under chapters 2 and 5 of part II of the Foreign Assistance Act of 1961 and under the Arms Export Control Act, \$5,000,000 may not be expended until the President reports, following the conclusion of the Appeals process in the case of Captain Avila, to the Committees on Appropriations that the Government of El Salvador has (1) substantially concluded all investigative action with respect to those responsible for the January, 1981, deaths of the two United States land reform consultants Michael Hammer and Mark Pearlman and the Salvadoran Land Reform Institute Director Jose Rodolfo Viera, and (2) pursued all legal avenues to bring to trial and obtain a verdict of those who ordered and carried out the January, 1981, murders.]

## [REFUGEE RESETTLEMENT]

[SEC. 543. It is the sense of the Congress that all countries receiving United States foreign assistance under the "Economic Support Fund", "Foreign Military Credit Sales", "Military Assistance", "International Military Education and Training", the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), development assistance programs, or trade promotion programs should fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations. Further, where resettlement to other countries is the appropriate solution, such resettlement should be expedited in cooperation with the country of asylum without respect to race, sex, religion, or national origin.]

## [IMMUNIZATIONS FOR CHILDREN]

[SEC. 544. (a) The Congress finds that—

(1) the United Nations Children's Fund (UNICEF) reports that four million children die annually because they have not been immunized against the six major childhood diseases: polio, measles, whooping cough, diphtheria, tetanus, and tuberculosis;

(2) at present less than 20 percent of children in the developing world are fully immunized against these diseases;

(3) each year more than five million additional children are permanently disabled and suffer diminished capacities to contribute to the economic, social and political development of their countries because they have not been immunized;

(4) ten million additional childhood deaths from immunizable and potentially immunizable diseases could be averted annually by the development of techniques in biotechnology for new and cost-effective vaccines;

(5) the World Health Assembly, the Executive Board of the United Nations Children's Fund, and the United Nations General Assembly are calling upon the nations of the world to commit the resources necessary to meet the challenge of universal access to childhood immunization by 1990;

(6) the United States, through the Centers for Disease Control and the Agency for International Development, joined in a global effort by providing political and technical leadership that made possible the eradication of smallpox during the 1970's;

(7) the development of national immunization systems that can both be sustained and also serve as a model for a wide range of primary health care actions is a desired outcome of our foreign assistance policy;

(8) the United States Centers for Disease Control headquartered in Atlanta is uniquely qualified to provide technical assistance for a worldwide immunization and eradication effort and is universally respected;

(9) at the 1984 Bellagio Conference it was determined that the goal of universal childhood immunization by 1990 is indeed achievable;

(10) the Congress, through authorizations and appropriations for international health research and primary health care activities and the establishment of the Child Survival Fund, has played a vital role in providing for the well-being of the world's children;

(11) the Congress has expressed its expectation that the Agency for International Development will set as a goal the immunization by 1990 of at least 80 percent of all the children in those countries in which the Agency has a program; and

(12) the United States private sector and public at large have responded generously to appeals for support for national immunization campaigns in developing countries.]

[(b)(1) The Congress calls upon the President to direct the Agency for International Development, working through the Centers for Disease Control and other appropriate Federal agencies, to work in a global effort to provide enhanced support toward achieving the goal of universal access to childhood immunization by 1990 by—

(A) assisting in the delivery, distribution, and use of vaccines, including—

(i) the building of locally sustainable systems and technical capacities in developing countries to reach, by the appropriate age, not less than 80 per centum of their annually projected target population with the full schedule of required immunizations, and

(ii) the development of a sufficient network of indigenous professionals and institutions with responsibility for developing, monitoring, and assessing immunization programs and continually adapting strategies to reach the goal of preventing immunizable diseases; and

(B) performing, supporting, and encouraging research and development activities, both in the public and private sector, that will be targeted at developing new vaccines and at modifying and improving existing vaccines to make them more appropriate for use in developing countries.

[(2) In support of this global effort, the President should appeal to the people of the United States and the United States private sector to support public and private efforts to provide the resources necessary to achieve universal access to childhood immunization by 1990.]

## ETHIOPIA—FORCED RESETTLEMENT, VILLAGIZATION

SEC. [545] 528. None of the funds appropriated in this Act shall be made available for any costs associated with the Government of Ethiopia's forced resettlement or villagization programs.

## [SUDAN, ECUADOR AND JAMAICA NOTIFICATION REQUIREMENTS]

[SEC. 546. None of the funds appropriated in this Act shall be obligated or expended for Sudan, Jamaica or for Ecuador except as provided through the regular notification procedures of the Committees on Appropriations.]

## DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. [547] 529. For the purpose of this Act, "program, project, and activity" shall be defined [at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund; Military Assistance; and Foreign Military Credit Sales, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the functional development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961, as amended] as the aggregate of funds made available for each title of this Act.

## CHILD SURVIVAL ACTIVITIES

SEC. [548] 530. Of the funds made available by this Act and appropriated for the "Child Survival Fund" and "Health, Development Assistance", up to an additional \$5,000,000 may be used to

reimburse United States Government agencies, agencies of State governments, and institutions of higher learning for the full cost of up to thirty employees detailed or assigned, as the case may be, to the Agency for International Development for the purpose of carrying out child survival activities: *Provided*, That personnel which are detailed or assigned for the purposes of this section shall not be included within any personnel ceiling applicable to any United States Government agency during the period of detail or assignment.

**COUNTRIES WITH ILLICIT DRUG PRODUCTION—TRANSFER OF FUNDING**

**SEC. [549] 531.** If any funds appropriated by this Act for "Economic Support Fund", "Military Assistance", "International Military Education and Training", or "Foreign Military Credit Sales" are not used for assistance for the country for which those funds were allocated because that country has not taken adequate steps to halt illicit drug production or trafficking, those funds shall be reprogrammed for additional assistance for those countries which have met their illicit drug eradication targets or have otherwise taken significant steps to halt illicit drug production or trafficking.

**[INTER-AMERICAN DEVELOPMENT BANK—COORDINATION OF PROJECTS]**

**[SEC. 550.** The Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to work with the representatives, and with the ministries from which they receive their instructions, of other donor nations to the Inter-American Development Bank, to develop a coordinated economic development program for the assistance activities of the Bank. Such program should be developed in cooperation with the Department of State and the Agency for International Development to ensure that the bilateral economic assistance programs of the United States are effectively coordinated with the activities of the Inter-American Development Bank.]

**[CHILE—LOANS FROM MULTILATERAL DEVELOPMENT INSTITUTIONS]**

**[SEC. 551.** (a) It is the sense of Congress that pursuant to section 701 of the International Institutions Act of 1977, the United States Government should oppose all loans to Chile from multilateral development institutions, except for those for basic human needs, until—

- (1) the Government of Chile has ended its practice and pattern of gross abuse of internationally recognized human rights;
- (2) significant steps have been taken by the Government of Chile to restore democracy, including—

(A) the implementation of political reforms which are essential to the development of democracy, such as the legalization of political parties, the enactment of election laws, the establishment of freedom of speech and the press, and the fair and prompt administration of justice; and

(B) a precise and reasonable timetable has been established for the transition to democracy.]

**[(b)** Except as otherwise specified in this Act, none of the funds made available by this Act for the "Economic Support Fund" or for title III shall be obligated or expended for Chile.]

**[COMMODITY COMPETITION]**

**[SEC. 552.** None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this section shall not prohibit:

- (1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or
- (2) research activities intended primarily to benefit American producers.]

**[PROHIBITION OF FUNDING RELATED TO COMPETITION WITH UNITED STATES EXPORTS]**

**[SEC. 553.** None of the funds provided in this Act to the Agency for International Development, other than funds made available to carry out Caribbean Basin Initiative programs under the Tariff Schedules of the United States, 19 U.S.C. 1202, schedule 8, part I, subpart B, item 807.00, shall be obligated or expended—

- (1) to procure directly feasibility studies or prefeasibility studies for, or project profiles of potential investment in, the manufacture, for export to the United States or to third country markets

in direct competition with United States exports, of import-sensitive articles as defined by section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)); or

(2) to assist directly in the establishment of facilities specifically designed for the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined in section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)).]

**[PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES]**

**[SEC. 554.** None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, or Syria unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.]

**[ASSISTANCE FOR LIBERIA]**

**[SEC. 555.** (a) Funds appropriated by this Act under the heading "Military Assistance" or "Economic Support Fund" may be made available for assistance for Liberia only if—

(1) the Administrator of the Agency for International Development certifies to the Congress that the Government of Liberia—

(A) has taken significant steps to: reduce extra-budgetary expenditures; reduce borrowing from any source (whether local or foreign) in anticipation of future tax receipts, profit sharing, maritime revenues, or other revenues; reduce the use of off-shore funds for the financing of domestic expenditures; and reduce the extent to which public expenditures exceed allocations; and

(B) has ceased diverting and misusing United States assistance, and has paid all amounts owed to the local currency accounts (established pursuant to the Agricultural Trade Development and Assistance Act of 1954) for the shortfalls in its payments for the fiscal years 1983 and 1984; and

(2) the Secretary of State certifies to the Congress that the Government of Liberia is making significant progress toward—

(A) permitting all political parties to freely organize, assemble, and disseminate their views as provided for by the Liberian constitution;

(B) respecting constitutional guarantees of freedom of the press and freedom of speech;

(C) maintaining the independence of the legislative branch in accordance with the Liberian constitution;

(D) establishing and maintaining an independent judiciary;

(E) providing full access to all political prisoners by internationally respected human rights organizations for the purpose of investigating human rights abuses; and

(F) improving the human rights situation.]

**[(b)** None of the funds appropriated in this Act shall be obligated or expended for Liberia except as provided through the regular notification procedures of the Committees on Appropriations.]

**[(c)** The requirements of this section are in addition to any other statutory requirements applicable to assistance for Liberia.]

**RECIPROCAL LEASING**

**SEC. [556] 532.** Section 61(a) of the Arms Export Control Act is amended by striking out ["1987"] "1988" and inserting in lieu thereof ["1988"] "1989".

**[ASSISTANCE FOR PAKISTAN]**

**[SEC. 557.** Section 620E(d) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1987" and inserting in lieu thereof "April 1, 1990".]

**[LIMITATION ON DEFENSE EQUIPMENT DRAWDOWN]**

**[SEC. 558.** Defense articles, services and training drawn down under the authority of section 506(a) of the Foreign Assistance Act of 1961, shall not be furnished to a recipient unless such articles are delivered to, and such services and training initiated for, the recipient country or international organization not more than one hundred and twenty days from the date on which Congress received notification of the intention to exercise the authority of that section: *Provided*, That if defense articles have not been delivered or services and training initiated by the period specified in this section, a new notification pursuant to section 506(b) of such Act shall be provided, which shall include an explanation for the delay in furnishing such articles, serv-

ices, and training, before such articles, services, or training may be furnished.]

#### NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. [559] 533. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section.

#### [AUTHORIZATION REQUIREMENT]

[SEC. 560. Funds appropriated or otherwise made available by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: *Provided*, That of the funds appropriated by this Act under the headings "Military Assistance", "Economic Support Fund", and "Foreign Military Credit Sales" (excluding loans for which liability for repayment is released pursuant to this Act), not more than 33½ percent of amounts remaining unobligated for each respective account on the date of enactment of this Act may be obligated prior to April 1, 1988, unless an Act authorizing appropriations for such account has been enacted.]

#### [NOTIFICATION CONCERNING EL SALVADOR]

[SEC. 561. (a) The Congress expects that—

(1) the Government of El Salvador and the armed opposition forces and their political representatives will be willing to pursue a dialogue for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections;

(2) the elected civilian government will be in control of the Salvadoran military and security forces, and those forces will comply with applicable rules of international law and with Presidential directives pertaining to the protection of civilians during combat operations, including Presidential directive C-111-03-984 (relating to aerial fire support);

(3) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (b), in ending the activities of the death squads;

(4) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (b), in establishing an effective judicial system; and

(5) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (b), in implementing the land reform program.]

[(b) REPORTS.—On April 1, 1988, and September 30, 1988, the President shall report to the Speaker of the House of Representatives, the Committees on Appropriations and the chairman of the Committee on Foreign Relations of the Senate on the extent to which the objectives described in subsection (a) are being met. With respect to the objective described in paragraph (4) of that subsection, each report shall specify the status of all cases presented to the Salvadoran courts involving human rights violations against civilians by members of the Salvadoran security forces, including military officers and other military personnel and civil patrolmen.]

#### [TURKISH AND GREEK MILITARY FORCES ON CYPRUS]

[SEC. 562. Section 620C of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

"(e)(1) Any agreement for the sale or provision of any article on the United States Munitions List (established pursuant to section 38 of the Arms Export Control Act) entered into by the United States after the enactment of this provision shall expressly state that the article is being provided by the United States only with the understanding that it will not be transferred to Cyprus or otherwise used to further the severance or division of Cyprus.]

["(2) The President shall report to Congress any substantial evidence that equipment provided under any such agreement has been used in a manner inconsistent with the purposes of this subsection.".]

#### [NOTIFICATION TO CONGRESS ON DEBT RELIEF AGREEMENTS]

[SEC. 563. The Secretary of State shall transmit to the Appropriations Committees of the Congress and to such other Committees as appropriate, a copy of the text of any agreement with any foreign government which would result in any debt relief no less than thirty days prior to its entry into force, other than one entered into pursuant to this Act, together with a detailed justification of the interest of

the United States in the proposed debt relief: *Provided*, That the term "debt relief" shall include any and all debt prepayment, debt rescheduling, and debt restructuring proposals and agreements.]

#### [MIDDLE EAST REGIONAL COOPERATION]

[SEC. 564. Middle East regional cooperative programs which have been carried out in accordance with section 202(c) of the International Security and Development Cooperation Act of 1985 shall continue to be funded at a level of not less than \$5,000,000 from funds appropriated under the heading "Economic Support Fund": *Provided*, That of this amount not less than \$500,000 shall be made available for scholarships for support of Israeli students studying in institutions of higher education in Arab countries and not less than \$500,000 shall be made available for scholarships for support of Arab students studying in institutions of higher education in Israel: *Provided further*, That such scholarships shall be called "Arab-Israeli Peace Scholarships".]

#### [ASSISTANCE FOR THE PEOPLE OF LEBANON]

[SEC. 565. The Congress recognizes that the people of Lebanon have suffered greatly during much of the past two decades from the effects of natural disasters and civil strife. The Congress further recognizes that assistance provided through nongovernmental organizations has had a significant impact in mitigating the adverse consequences of these unfortunate events on the Lebanese people. Therefore, up to \$5,000,000 of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 shall be made available to provide assistance for the people of Lebanon. Such assistance shall be made available only through the United Nations Children's Fund, indigenous nongovernmental organizations, or international organizations, and shall be provided in accordance with the general authorities contained in section 491 of the Foreign Assistance Act of 1961.]

#### [MEMBERSHIP DESIGNATION IN ASIAN DEVELOPMENT BANK]

[SEC. 566. It is the Sense of the Congress that the United States Government should use its influence in the Asian Development Bank to secure reconsideration of that institution's decision to designate Taiwan (the Republic of China) as "Taipei, China". It is further the Sense of the Congress, that the Asian Development Bank should resolve this dispute in a fashion that is acceptable to Taiwan (the Republic of China).]

#### [DEPLETED URANIUM]

[SEC. 567. None of the funds provided in this or any other Act may be made available to facilitate in any way the sale of M-333 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than (1) countries which are members of NATO, or (2) countries which have been designated as a major non-NATO ally for purposes of section 1105 of the National Defense Authorization Act for Fiscal Year 1987.]

#### earmarks

SEC. [568] 534. Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations.

#### [HAITI]

[SEC. 569. (a) SUSPENSION OF ASSISTANCE.—During fiscal year 1988, none of the funds made available by this Act or by any other Act or joint resolution may be obligated or expended to provide United States assistance (including any such assistance appropriated and previously obligated) for Haiti (other than the assistance described in subsection (b) of this section) unless the democratic process set forth in the Haitian Constitution approved by the Haitian people on March 29, 1987, especially those provisions relating to the provisional Electoral Council, is being fully and faithfully adhered to by the Government of Haiti.]

[(b) EXCEPTIONS.—The term "United States assistance" does not include—

(1) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 insofar as such assistance is provided through private and voluntary organizations or other nongovernmental agencies;

(2) assistance which involves the donations of food or medicine;

(3) disaster relief assistance (including any assistance under chapter 9 of part I of the Foreign Assistance Act of 1961);

(4) assistance for refugees;

(5) assistance under the Inter-American Foundation Act;

(6) assistance necessary for the continued financing of education for Haitians in the United States; or

(7) assistance provided in order to enable the continuation of migrant and narcotics interdiction operations.】

【(c) OTHER SANCTIONS.—It is the sense of the Congress that, in order to further encourage the Government of Haiti to adhere to the constitutionally mandated transition to democracy, the President should—

(1) suspend Haiti's eligibility for benefits under the Caribbean Basin Economic Recovery Act; and

(2) seek international cooperation to encourage such adherence by the Government of Haiti through the imposition of an international arms embargo and comprehensive trade and financial sanctions.】

#### 【ASSISTANCE FOR PANAMA】

【SEC. 570. (a) Unless the President certifies to Congress that—

(1) the Government of Panama has demonstrated substantial progress in assuring civilian control of the armed forces and that the Panama Defense Forces and its leaders have been removed from non-military activities and institutions;

(2) the Government of Panama is conducting an impartial investigation into allegations of illegal actions by members of the Panama Defense Forces;

(3) a satisfactory agreement has been reached between the governing authorities and representatives of the opposition forces on conditions for free and fair elections; and

(4) freedom of the press and other constitutional guarantees, including due process of law, are restored to the Panamanian people;

then no United States assistance (including any such assistance appropriated and previously obligated) shall be obligated or expended for Panama in this fiscal year and any fiscal year thereafter, and none of the funds appropriated or otherwise made available in this Act, or any other Act, shall be used to finance any participation of the United States in joint military exercises conducted in Panama during the period January 1, 1988, through December 31, 1988.】

【(b) It is the sense of the Congress that if the conditions described in paragraphs (1) through (4) of subsection (a) have been certified as having been met, then not only will United States assistance be restored, but increased levels of such assistance should be considered for Panama.】

【(c) For purposes of this section, the term "United States assistance" means assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government, including—

(1) assistance under the Foreign Assistance Act of 1961 (including programs under Title IV of chapter 2 of part I of such Act);

(2) sales, credits, and guarantees under the Arms Export Control Act;

(3) sales under Title I or III and donations under Title II of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities;

(4) other financing programs of the Commodity Credit Corporation for export sales of nonfood commodities;

(5) financing under the Export-Import Bank Act of 1945; and

(6) assistance provided by the Central Intelligence Agency or assistance provided by any other entity or component of the United States Government if such assistance is carried out in connection with, or for purposes of conducting, intelligence or intelligence-related activities except that this shall not include activities undertaken solely to collect necessary intelligence; except that the term "United States assistance" does not include (A) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 insofar as such assistance is provided through private and voluntary organizations or other nongovernmental agencies, (B) assistance which involves the donations of food or medicine, (C) disaster relief assistance (including any assistance under chapter 9 of part I of the Foreign Assistance Act of 1961), (D) assistance for refugees, (E) assistance under the Inter-American Foundation Act, (F) assistance necessary for the continued financing of education for Panamanians in the United States, or (G) assistance made available for termination costs arising from the requirements of this section.】

【(d) The Secretary of Treasury shall instruct the United States Executive Directors to the Multilateral Development Banks (the International Bank for Reconstruction and Development, the International Finance Corporation, and the Inter-American Development Bank) to vote against any loan to Panama, unless the President has certified in advance that the conditions set forth in subsection (a) of this section have been met.】

#### 【ELIMINATION OF THE SUGAR QUOTA ALLOCATION OF PANAMA】

【SEC. 571. (a) IN GENERAL.—Notwithstanding any other provision of law, no sugars, sirups, or molasses that are products of Panama may be imported into the United States after the date of enactment of this Act during any period for which a limitation is imposed by authorities provided under any other law on the total quantity of sugars, sirups, and molasses that may be imported into the United States: *Provided*, That such products may be imported after the beginning of the last week of any quota year if the President certifies that for the entire duration of the quota year, freedom of the press and other constitutional guarantees, including due process of law, have been restored to the Panamanian people.】

【(b) REALLOCATION OF QUOTA AMOUNTS.—For any quota year for which the President does not certify for the entire duration of the quota year, freedom of the press and all other constitutional guarantees, including due process of law, have been restored to the Panamanian people, no later than the last week of such quota year, the United States Trade Representative shall reallocate among other foreign countries the quantity of sugar, sirup, and molasses products of Panama that could have been imported into the United States before the date of enactment of this Act under any limitation imposed by other law on the total quantity of sugars, sirups, and molasses that may be imported into the United States during any period.】

#### 【(c) CONFORMING AMENDMENTS TO TARIFF SCHEDULES.—

(1) Paragraph (c)(i) of headnote 3 of subpart A of part 10 of schedule 1 of the Tariff Schedules of the United States is amended by striking out the item relating to Panama in the table.

(2) Paragraph (c) of headnote 3 of subpart A of part 10 of schedule 1 of the Tariff Schedules of the United States is amended by adding at the end thereof the following new subparagraph:

“(iii) Notwithstanding any authority given to the United States Trade Representative under paragraphs (e) and (g) of this headnote, no allocation may be made to Panama of any portion of any limitation imposed under any paragraph of this headnote on the quantity of sugars, sirups, and molasses described in items 155.20 and 155.30 which may be entered.”.】

【(d) CERTIFICATION.—The provisions of subsections (a) and (b), and the amendments made by subsection (c) of this section, shall cease to apply if the President certifies to Congress pursuant to section 569(a) of this Act.】

#### 【COMMERCIAL LEASING OF DEFENSE ARTICLES】

【SEC. 572. Section 23(a) of the Arms Export Control Act is amended by adding at the end the following: “Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on Appropriations, the authority of this section may be used to provide financing to Israel and Egypt for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under this Act.”.】

#### 【STINGERS IN THE PERSIAN GULF REGION】

【SEC. 573. (a) PROHIBITION.—Except as provided in subsection (b), no Stinger antiaircraft missiles may be provided, directly or indirectly, by sale, lease, grant or otherwise, during fiscal year 1988 to any country in the Persian Gulf region.】

【(b) EXCEPTION.—Notwithstanding the prohibition in subsection (a), such missiles may be provided to Bahrain if the President certifies to Congress that—

(1) such missiles are needed by the recipient country to counter an immediate air threat and/or to contribute to the protection of United States personnel, facilities or operations;

(2) no other appropriate system is available from the United States;

(3) the recipient agrees to safeguards as required in the Letter of Offer and Acceptance by the United States Government to protect against diversion; and

(4) the recipient country has agreed to a United States buyback of all the remaining missiles and components which have not been destroyed or fired in order to return them to the possession and control of the United States when another United States air defense system which meets the military requirements can be made available or not more than 18 months from the enactment of this legislation.]

[(c) REPORT.—Not later than 3 months after the date of enactment of this Act, the President shall submit to the Congress a report which assesses the global threat caused by the proliferation of man-portable ground-to-air missiles with advanced technology comparable to that of the Stinger missile, without regard to the country of origin of those missiles. This report shall give special emphasis to the danger of such missiles being used in acts of terrorism. Further, that the President review and report every 3 months on the conditions and timing under which the appropriate system may be delivered and the means for subsequent recovery of any Stinger missiles sold under the authority of this provision.]

[(d) NOTIFICATION.—Before issuing any letter of offer to sell or provide Stinger missiles (without regard to the amount of the sale or transfer) the President shall notify the Speaker of the House of Representatives and the Majority Leader of the Senate. Any such notification shall contain the information required in a certification under section 36(b) of the Arms Export Control Act.]

#### 【HUMAN RIGHTS IN CUBA】

【SEC. 574. (a) The Congress finds that—

(1) the United Nations was established in 1945 for, among other purposes, the promotion and encouragement of respect for human rights and fundamental freedoms for all;

(2) the United Nations Human Rights Commission was established by the Economic and Social Council in 1946 to investigate and make recommendations concerning the violation of human rights and fundamental freedoms;

(3) the Government of Cuba has engaged in systematic and flagrant abuses of basic human rights and freedoms so offensive that they demand universal condemnation, including—

(A) the arbitrary arrest and prolonged imprisonment of individuals accused of political opposition to the Government of Cuba for engaging in such activities as the open or private expression of political opinions or religious beliefs, the attempt to form independent labor unions, the possession, reproduction, or intended distribution of religious or political literature, including the Universal Declaration of Human Rights, or even the professional representation by legal counsel of those so accused;

(B) the murder of political prisoners while in custody or the execution of individuals sentenced to death for political offenses;

(C) the reported systematic use of physical and psychological torture and the degrading and abusive treatment of political prisoners, especially the plantados—those who refuse out of conscience to participate in so-called political rehabilitation programs;

(D) the institutionalized use of a network of neighborhood informants organized by political “block committees” or so-called “Committees for the Defense of the Revolution” to repress the exercise of any freedom of expression and to otherwise control the behavior of citizens through intimidation;

(E) the repression of the independent Committee for Human Rights in Cuba for its attempt to register as a legal organization under the laws of the State, and the reported arrest, disappearance, or death of members of the Committee, and the continuing persecution of its president who has had to seek the safety of a foreign embassy out of fear for his life and continues to be deprived of the right to leave Cuba or to be reunited with his family; and

(F) the expulsion from Cuba of foreign journalists for having attempted to interview Cuban citizens and report objectively on the human rights situation in that country; and

(4) the Congress further recognizes that the United Nations has consistently failed to address the violation of fundamental human rights and freedoms in Cuba.]

[(b) It is the sense of Congress that—

(1) the United Nations and the United Nations Human Rights Commission have acted selectively and inconsistently in addressing violations of basic human rights in various countries;

(2) the United Nations General Assembly and the United Nations Human Rights Commission have failed to responsibly address the deplorable human rights situation in Cuba despite overwhelming evidence of the continuing disregard and systematic abuse of the most basic human rights by the Government of Cuba;

(3) the President, the Secretary of State, and the Permanent Representative of the United States to the United Nations are to be commended for their efforts to place Cuba on the human rights agenda of the United Nations and are strongly encouraged to continue in their efforts to bring this issue to the attention of the United Nations;

(4) the following countries are to be commended for their courageous vote in favor of considering human rights violations in Cuba, particularly in light of the thinly veiled threats of the Cuban delegation: Austria, Australia, Belgium, Costa Rica, France, Gambia, the Federal Republic of Germany, Iceland, Italy, Japan, Lesotho, Liberia, Norway, the Philippines, Somalia, Togo, and the United Kingdom;

(5) member states of the United Nations Human Rights Commission interested in democracy in the region, particularly Mexico, Spain, Peru, Venezuela, Argentina, and Colombia, should support the United States resolution on Cuban human rights at the next session of the United Nations Human Rights Commission, and that the United States should take into account this vote in determining United States bilateral and other assistance to all countries which are members of the Commission;

(6) the United States should continue to emphasize how other countries vote on fundamental issues such as human rights when determining financial support for the United Nations, including the contribution to the Human Rights Commission; and

(7) the United Nations Human Rights Commission, which will hold its forty-fourth session in Geneva, Switzerland, in 1988 should include among the highest priorities of its human rights agenda consideration of human rights violations in Cuba.]

#### 【OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS】

【SEC. 575. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.]

[(b) DEFINITION.—For purposes of this section, the term “international financial institution” includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund.]

#### 【PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES】

【SEC. 576 Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to fiscal year 1988—

(1) shall not be obligated or expended for assistance to a country listed in section 6(j) of the Export Administration Act of 1979 on the date of enactment of this Act or placed on that list thereafter,

(2) if obligated before such date as assistance for such country, shall not be disbursed, and

(3) if expended before such date for assistance to be delivered to such country from the United States or by United States nationals, then no such delivery shall be made, unless such assistance is for humanitarian purposes.]

#### 【UNITED STATES POLICY TOWARD CHILE】

【SEC. 577. (a) The Congress finds that—

(1) genuine democracy and internal stability best guarantee the long-term security and economic well-being of Chile;

(2) the 14-year period of military rule under General Augusto Pinochet has been a deviation from the traditional, apolitical role of the Chilean Armed Forces which had proudly carried out its security responsibilities as an arm of democratic governments for approximately 150 years, thus fundamentally assisting Chile to be a Latin American model of democracy;

(3) continued rule by a military leader after 1989 will be likely to bolster the position of the Communists, enhance the appeal of the Communist opposition's more radical and violent approach to political activity, and further the growing political polarization in Chile;

(4) the United States Government has actively supported a democratic transition in Chile, condemned violence from all sides, urged dialog between the government and democratic opposition leaders leading to a broad consensus on a transition to full democracy, and has also promoted increased respect for human rights in Chile;

(5) the United States has voiced legitimate concern regarding the failure of the Chilean Government to cooperate with the prosecution of those indicted for the 1976 assassination of former Chilean diplomat Orlando Letelier and American citizen Ronni Moffitt, and to bring to justice those members of government security forces reported to have beaten and set fire on Carmen Gloria Quintana and Rodrigo Rojas de Negri;

(6) on August 1, 1978, a United States Federal grand jury indicted three members of the Chilean intelligence service, General Manuel Contreras, Captain Armando Fernandez Larios, and Colonel Pedro Espinoza, for conspiracy in the September 21, 1976, murders of Orlando Letelier and Ronni Karpen Moffitt; Armando Fernandez Larios affirmed the grand jury indictment in his February 4, 1987, testimony before the United States District Court in Washington, District of Columbia;

(7) free elections and democratic government are conditions which lead to public accountability and thus to observance of human rights in Chile and all other countries;

(8) the Universal Declaration of Human Rights determines free elections to be a basic human right and states that the "will of the people shall be the basis of government; this will shall be expressed in equal suffrage and shall be held by secret vote or by equivalent voting procedures";

(9) the United States believes that a free, fair and open election which offers a clear choice of candidates and political views is the best formula for choosing democratic leaders and insuring a peaceful transition to democracy in Chile; and

(10) the United States, in view of longstanding friendly ties between the American and Chilean people, recognizes that only the Chilean people can bring about a transition to democracy but wishes to encourage a situation in which a return to fully functioning democracy will occur in the near future and in which the Chilean people will have the opportunity to elect democratically their own leaders.】

【(b) The Congress hereby—

(1) looks forward to the early return of the Chilean Armed Forces to its traditional role as a pillar of strength in the support of democracy in Chile; and

(2) calls upon the Government of Chile to make appropriate compensation to the members of the Letelier and Moffitt families and urges the Chilean Government to make available for trial in the United States or bring to justice in Chile Manuel Contreras and Pedro Espinoza for their involvement in the assassination and subsequent coverup of their role in the 1976 car bombing of Orlando Letelier and Ronni Karpen Moffitt; and

(3) strongly urges that the Government of Chile takes steps to—

(A) assure that military rule in Chile ends at least by 1989;

(B) ensure that the next democratically elected president of Chile is chosen from civilian candidates who offer a clear choice of political views;

(C) facilitate and assure voting procedures for the electoral process which are genuinely fair and based upon universal and equal suffrage with broad participation and which ensure that the vote will be accurately counted and subject to independent verification;

(D) in accord with past Chilean traditions, such clear and agreed upon procedures should be established well in advance of any electoral act so that all Chileans can be confident that the vote will be accurately counted and subject to independent verification; and

(E) ensure that prior to any electoral process, freedom of assembly and expression are fully restored and nonviolent government opponents are given early and fair access to every means of communication, including television.】

#### 【ASSISTANCE FOR IMPLEMENTATION OF REGIONAL PEACE AGREEMENT】

【SEC. 578. Notwithstanding any other provision of law, unobligated balances of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88) under the heading "Assistance for Implementation of a Contadora Agreement" shall be used only to facilitate, through support for such activities as verification and monitoring, the regional peace initiative signed in Guatemala City on August 7, 1987.】

#### 【ADMINISTRATION OF JUSTICE】

【SEC. 579. (a) Section 534(b)(3) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(3) notwithstanding section 660 of this Act—

"(A) programs to enhance professional capabilities to carry out investigative and forensic functions conducted under judicial or prosecutorial control;

"(B) programs to assist in the development of academic instruction and curricula for training law enforcement personnel;

"(C) programs to improve the administrative and management capabilities of law enforcement agencies, especially their capabilities relating to career development, personnel evaluation, and internal discipline procedures; and

"(D) programs, conducted through multilateral or regional institutions, to improve penal institutions and the rehabilitation of offenders;"]

【(b) Section 534(e) of such Act is amended to read as follows:

"(e) Personnel of the Department of Defense and members of the United States Armed Forces may not participate in the provision of training under this section. Of the funds made available to carry out this section, not more than \$7,000,000 may be made available in each of fiscal years 1988 and 1989 to carry out the provisions of subsection (b)(3) of this section. The authority of this section shall expire on September 30, 1989."】

#### 【COOPERATIVE TRAINING AGREEMENTS WITH MAJOR NON-NATO ALLIES】

【SEC. 580. Section 21(g) of the Arms Export Control Act is amended—

(1) by inserting "and with other countries which are major non-NATO allies," after "New Zealand,"; and

(2) by adding at the end the following: "As used in this subsection, the term 'major non-NATO allies' means those countries designated as major non-NATO allies for purposes of section 1105 of the National Defense Authorization Act of Fiscal Year 1987."】

#### 【ASSISTANCE FOR POLAND】

【SEC. 581. Up to the equivalent of \$500,000 of the nonconvertible Polish currencies (after satisfaction of preexisting commitments to use such currencies for other purposes specified by law) held by the United States which have been generated by the sale to Poland of surplus United States dairy products may be made available for the reconstruction, renovation, and maintenance of the Research Center on Jewish History and Culture of the Jagiellonian University of Krakow, Poland, established for the study of events related to the Holocaust in Poland.】

#### 【MAINTENANCE OF MILITARY BALANCE OF EASTERN MEDITERRANEAN】

【SEC. 582. (a) UNITED STATES POLICY.—The Congress intends that excess defense articles be made available under this section consistent with the United States policy, established by section 620C of the Foreign Assistance Act of 1961, of maintaining the military balance in the eastern Mediterranean.】

【(b) MAINTENANCE OF BALANCE.—Accordingly, the President shall ensure that, for each fiscal year, the ratio of—

(1) the value of excess defense articles made available for Turkey under this section, to

(2) the value of excess defense articles made available for Greece under this section, closely approximates the ratio of—

(A) the amount of military assistance and financing provided for Turkey, to

(B) the amount of military assistance and financing provided for Greece.】

【(c) EXCEPTION TO REQUIREMENT.—Subsection (b) shall not apply if either Greece or Turkey ceases to be eligible to receive excess defense articles.】

【IMPORT ASSISTANCE FOR CBI BENEFICIARY COUNTRIES AND THE PHILIPPINES】

【SEC. 583. (a) For the purpose of this Act Congress finds that the cultivation and processing of sugar cane is a significant part of the economy of a number of friendly foreign nations that have traditionally exported raw sugar to the United States for refining and marketing. The sugar production and marketing policies of sugar exporting countries, other than the CBI and the Philippines, notably the EEC, has resulted in the surplus production of sugar and the dumping of sugar on world markets, thereby depressing prices to levels below the cost of production. Because of the changes occurring in the United States market for sweeteners, the export market for raw sugar produced in the CBI and Philippines has been severely restricted. In accordance with the purposes of this Act, efforts shall be made by the United States to provide assistance that helps to maintain a viable sugar industry in these countries. By conducting a special reexport program for sugar, effectively utilizing CCC-owned commodities, the friendly sugar-producing nations of the Caribbean Basin and the Philippines are helped more effectively than they are through section 416 commodity program assistance, and the sugar refining industry in the United States is able to retain a viable level of productive capacity.】

【(b) The Secretary of Agriculture shall issue regulations for fiscal year 1988 that set forth the terms and conditions of a special export enhancement program for a quantity of refined sugar produced in the United States equal to the quantity of raw sugar imported from beneficiary countries as defined in the Caribbean Basin Initiative (19 U.S.C. 2702) and the Republic of the Philippines. This will enable United States refiners, processors or operators to purchase raw sugar from CBI beneficiary countries and the Republic of the Philippines at United States domestic prices for export of an equivalent quantity of refined sugar into world markets within 60 days. The tonnage for fiscal year 1988 for this purpose shall be no less than 290,000 short tons, raw value, for the CBI nations and 110,000 short tons, raw value, for the Philippines. This amount shall be in addition to the sugar quota level established for the CBI and Philippines pursuant to the tariff schedules (19 U.S.C. 1202), for calendar year 1988 and shall not be held as violating the no cost provision contained in the sugar title of the Food Security Act of 1985. In order to maximize the number of competing bidders, the Secretary shall, in determining the low bidders in the special export enhancement program established under this section, make appropriate adjustments in bids received from sugar refiners and processors to reflect differing transportation costs based on refinery and factory location.】

【(c) The Secretary of Agriculture shall estimate the dollar amount of section 416 commodities which would be made available to compensate eligible CBI countries and the Philippines for the 1988 sugar quota year and operate the special sugar export enhancement program by adjusting the quantities of sugar shipped and imported under this program so as to insure that the cost of \$12,000,000 below the outlay costs for fiscal year 1988 of the section 416 commodities that would otherwise have been made available, including any costs in shipping the minimum amount of section 416 commodities as required in the Food Security Act of 1985. To estimate dollar values, the Secretary of Agriculture shall estimate the cost of the certificates to be 13 percent above their face value.】

【AMERASIAN IMMIGRATION】

【SEC. 584. (a)(1) Notwithstanding any numerical limitations specified in the Immigration and Nationality Act, the Attorney General may admit aliens described in subsection (b) to the United States as immigrants if—

(A) they are admissible (except as otherwise provided in paragraph (2)) as immigrants, and

(B) they are issued an immigrant visa and depart from Vietnam during the 2-year period beginning 90 days after the date of the enactment of this Act.】

【(2) The provisions of paragraphs (14), (15), (20), (21), (25), and (32) of section 212(a) of the Immigration and Nationality Act shall not be

applicable to any alien seeking admission to the United States under this section, and the Attorney General on the recommendation of a consular officer may waive any other provision of such section (other than paragraph (27), (29), or (33) and other than so much of paragraph (23) as relates to trafficking in narcotics) with respect to such an alien for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest. Any such waiver by the Attorney General shall be in writing and shall be granted only on an individual basis following an investigation by a consular officer.】

【(3) Notwithstanding section 221(c) of the Immigration and Nationality Act, immigrant visas issued to aliens under this section shall be valid for a period of 8 months.】

【(b)(1) An alien described in this section is an alien who, as of the date of the enactment of this Act, is residing in Vietnam and who establishes to the satisfaction of a consular officer or an officer of the Immigration and Naturalization Service after a face-to-face interview, that the alien—

(A)(i) was born in Vietnam after January 1, 1962, and before January 1, 1976, and (ii) was fathered by a citizen of the United States (such an alien in this section referred to as a “principal alien”);

(B) is the spouse or child of a principal alien and is accompanying, or following to join, the principal alien; or

(C) subject to paragraph (2), either (i) is the principal alien's natural mother (or is the spouse or child of such mother), or (ii) has acted in effect as the principal alien's mother, father, or next-of-kin (or is the spouse or child of such an alien), and is accompanying, or following to join, the principal alien.】

【(2) An immigrant visa may not be issued to an alien under paragraph (1)(C) unless the principal alien involved is unmarried and the officer referred to in paragraph (1) has determined, in the officer's discretion, that (A) such an alien has a bona fide relationship with the principal alien similar to that which exists between close family members and (B) the admission of such an alien is necessary for humanitarian purposes or to assure family unity. If an alien described in paragraph (1)(C)(ii) is admitted to the United States, the natural mother of the principal alien involved shall not, thereafter, be accorded any right, privilege, or status under the Immigration and Nationality Act by virtue of such parentage.】

【(3) For purposes of this section, the term “child” has the meaning given such term in section 101(b)(1) (A), (B), (C), (D), and (E) of the Immigration and Nationality Act.】

【(c) Any alien admitted (or awaiting admission) to the United States under this section shall be eligible for benefits under chapter 2 of Title IV of the Immigration and Nationality Act to the same extent as individuals admitted (or awaiting admission) to the United States under section 207 of such Act are eligible for benefits under such chapter.】

【(d) The Attorney General, in cooperation with the Secretary of State, shall report to Congress 1 year, 2 years, and 3 years, after the date of the enactment of this Act on the implementation of this section. Each such report shall include the number of aliens who are issued immigrant visas and who are admitted to the United States under this section and number of waivers granted under subsection (a)(2) and the reasons for granting such waivers.】

【(e) Except as otherwise specifically provided in this section, the definitions contained in the Immigration and Nationality Act shall apply in the administration of this section and nothing contained in this section shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this section shall not preclude the alien from seeking such status under any other provision of law for which the alien may be eligible.】

【NARCOTICS AGREEMENTS】

【SEC. 585. (a) Section 481(h)(2)(A) of the Foreign Assistance Act of 1961 is amended—

(1) in clause (i), by inserting “in satisfying the goals agreed to in an applicable bilateral narcotics agreement with the United States, (as described in (ii) and,” after “on its own,”;

(2) by redesignating clauses (i) and (ii) as clauses (I) and (II), respectively;

(3) by inserting “(i)” immediately after “(2)(A)”;

(4) by adding at the end thereof the following:



“(ii) A bilateral narcotics agreement referred to in clause (i)(I) is an agreement between the United States and a foreign country whereby the foreign country agrees to take specific activities including but not limited to, efforts to reduce drug production, drug consumption, and drug trafficking within its territory, including activities to address illicit crop eradication and crop substitution; drug interdiction and enforcement; drug consumption and treatment; identification of and elimination of illicit drug laboratories; identification and elimination of the trafficking of precursor chemicals for the use in production of illegal drugs; cooperation with United States drug enforcement officials; and, where applicable, participation in extradition treaties, mutual legal assistance provisions directed at money laundering, sharing of evidence, and other initiatives for cooperative drug enforcement.”.]

[(b) The amendments made by paragraph (1) shall apply with respect to any certification of the President under section 481(h)(2)(A) of the Foreign Assistance Act of 1961 made on or after March 1, 1989.]

[(c) Beginning with certifications with respect to fiscal year 1989 and each subsequent year, a country which in the previous year was designated a major drug producing or drug-transit country may not be deemed as cooperating fully unless it has in place a bilateral narcotics agreement with the United States.]

**[SPECIAL AMBASSADORIAL COMMISSION FOR CYPRUS AND THE AEGEAN]**

**[SEC. 586. (a) FINDINGS.—**The Congress finds that—

(1) the inability to achieve a just and lasting Cyprus settlement will continue to affect relations among the United States and its close NATO allies, Greece and Turkey, to the detriment of larger, mutually shared, security interests in the Eastern Mediterranean region;

(2) it is of paramount importance that Cyprus, Greece, and Turkey resolve their differences through negotiations and otherwise peaceful procedures, and that the United States should support the resolution of these differences through all the diplomatic means at its disposal;

(3) it is in the national interest of the United States that the President make a significant new diplomatic demarche towards bringing this dispute to a resolution; and

(4) it is also in the national interest of the United States to undertake a diplomatic initiative to promote the peaceful and equitable resolution of differences between Greece and Turkey in the Aegean by fostering a renewed and sustained bilateral dialogue between those countries on such issues as: the delineation of the continental shelf, the definition of the territorial seas, air traffic control over the Aegean, NATO command and control arrangements in the Aegean, and the status of Lemnos and NATO exercises in the Aegean.]

[(b) **APPOINTMENT OF SPECIAL AMBASSADOR.—**The President is authorized to appoint a special ambassadorial level envoy who shall be responsible for representing the United States in direct negotiations with the parties to the Cyprus dispute, for representing the United States in negotiations through international intermediaries and, generally, lending the good offices of the United States to the parties in this dispute in order to facilitate a peaceful settlement on Cyprus. As agreed to by Greece and Turkey, the special envoy shall also represent the United States in promoting mutual discussions between those countries concerning their differences on Aegean issues. The special ambassador appointed under this section shall have available the services of two deputies (one to specialize on the Cyprus question, the other on general Aegean issues) and such senior level Department

of State personnel as may be required by the special ambassador in order to carry out his responsibilities.]

[(c) **REPORT.—**Not later than June 1, 1988, the President shall submit a report to the Congress describing in detail the activities being undertaken by the special ambassador, the progress being made toward achievement of a peaceful resolution of the Cyprus dispute, an assessment of the obstacles to achievement of such a resolution and of the future role of the United States in achieving a settlement on Cyprus, and an assessment of the progress being made toward resolution of issues affecting the Aegean region.]

[(d) **FUNDING.—**Up to \$500,000 of the funds appropriated under any heading of this Act which are allocated for Greece and up to \$500,000 of the funds appropriated under any heading of this Act which are allocated for Turkey, may be used by the Department of State for any administrative costs associated with the activities of the special ambassador and supporting personnel, including transportation, salaries and per diem.]

**[DETENTION OF CHILDREN]**

**[SEC. 587.** It is the sense of the Congress that the practice of detaining children without charge or trial is unjust, inhumane, and is an affront to civilized principles. The Congress further believes that it should be the policy of the United States to make the ending of the practice of detaining children without charge or trial a matter of the highest priority. Therefore, the Congress believes the Secretary of State should convey to all international organizations that ending the practice of detaining children without charge or trial should be a policy of the highest priority for those organizations.]

**TRAINING ASSISTANCE [FOR ARGENTINA AND BRAZIL]**

**SEC. [588] 535. (a) EXEMPTION FROM CERTAIN PROHIBITIONS.—**Section 638b of the Foreign Assistance Act of 1961 is amended to read:—

[(1) by inserting “(a)” before “No”; and]

[(2) by adding at the end the following:]

“(b) No provision of this Act or any other provision of law shall be construed to prohibit assistance for any training activity which is funded under this Act [for Brazil or Argentina] as long as [such] the recipient country continues to have a democratically elected government and the assistance is otherwise consistent with sections 116, 502B, 620(f), 620A, and 660 of this Act.”

(b) **EFFECTIVE DATE.—**The amendment made by subsection [(a)(2)] of this section does not apply with respect to funds appropriated prior to the date of enactment of this Act.

**[PROHIBITION ON MILITARY ASSISTANCE TO MOZAMBIQUE]**

**[SEC. 589.** Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available pursuant to this Act may be used to provide military assistance to Mozambique.]

**[RESTRICTIONS ON ASSISTANCE TO MOZAMBIQUE]**

**[SEC. 590.** Notwithstanding any other provision of law or this Act, none of the funds appropriated or otherwise made available by this Act may be made available to the Government of Mozambique unless the President reports to Congress on the extent to which:

(1) the Government of Mozambique has entered into a dialogue with the Catholic Church regarding the return of church property;

(2) the Government of Mozambique has taken steps to assure against future expropriation of private property without due process and just compensation;

(3) the number of Soviet and Eastern bloc military and security personnel are being reduced.] (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)



# DEPARTMENT OF AGRICULTURE

## OFFICE OF THE SECRETARY

### *Federal Funds*

#### General and special funds:

#### PRODUCTION, PROCESSING AND MARKETING

##### OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, [including the direct supervision of the Soil Conservation Service and the Forest Service,] and not to exceed [ \$50,000 ] \$75,000 for employment under 5 U.S.C. 3109, [ \$1,466,000 ] \$5,998,000: *Provided*, That not to exceed [ \$8,000 ] \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

##### [ INVESTIGATION OF LARGE PAYMENTS ]

[To enable the Secretary of Agriculture to investigate large payments made under the provisions of the Food Security Act of 1985, and other laws, as to accuracy and legality and to submit a detailed report on such payments to the appropriate committees of the Congress, \$100,000.]

##### [ OFFICE OF THE DEPUTY SECRETARY ]

[For necessary expenses of the Office of the Deputy Secretary of Agriculture, including not to exceed \$25,000 for employment under 5 U.S.C. 3109 \$321,000: *Provided*, That not to exceed \$3,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Deputy Secretary.]

##### [ OFFICE OF THE ASSISTANT SECRETARY FOR SPECIAL SERVICES ]

[For necessary salaries and expenses to continue the Office of the Assistant Secretary for purposes of providing special services to the Department, \$416,000: *Provided*, That none of these funds shall be available for the supervision of Natural Resources and Environmental activities, the Soil Conservation Service, or the Forest Service.]

##### [ OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION ]

[For necessary expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, \$498,000.]

##### [ OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AND PUBLIC AFFAIRS ]

[For necessary expenses of the Office of the Assistant Secretary for Governmental and Public Affairs to carry out the programs funded in this Act, \$347,000.]

##### [ OFFICE OF THE ASSISTANT SECRETARY FOR ECONOMICS ]

[For necessary expenses of the Office of the Assistant Secretary for Economics to carry out the programs funded in this Act, \$484,000.]

##### [ OFFICE OF THE ASSISTANT SECRETARY FOR SCIENCE AND EDUCATION ]

[For necessary salaries and expenses of the Office of the Assistant Secretary for Science and Education to administer the laws enacted by the Congress for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and National Agricultural Library, \$386,000.]

##### [ OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND INSPECTION SERVICES ]

[For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Inspection Services to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Federal Grain Inspection Service, Agricultural Cooperative Service, Agricultural Marketing Service (including Office of Transportation) and Packers and Stockyards Administration, \$363,000.]

#### [ OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS ]

[For necessary salaries and expenses of the Office of the Under Secretary for International Affairs and Commodity Programs to administer the laws enacted by Congress for the Agricultural Stabilization and Conservation Service, Office of International Cooperation and Development, Foreign Agricultural Service, and the Commodity Credit Corporation, \$524,000.]

#### [ OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT ]

[For necessary salaries and expenses of the Office of the Under Secretary for Small Community and Rural Development to administer programs under the laws enacted by the Congress for the Farmers Home Administration, Rural Electrification Administration, Federal Crop Insurance Corporation, and rural development activities of the Department of Agriculture \$440,000.]

#### [ OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES ]

[For necessary salaries and expenses of the Office of the Assistant Secretary for Food and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service and the Human Nutrition Information Service, \$365,000.] (*7 U.S.C. 2201-2202; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-0115-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Office of the Secretary .....	1,986	1,466	1,762
00.02	Investigations .....		100	
00.03	Special services .....		416	
00.04	Office of the Deputy Secretary .....		321	363
00.05	Administration .....	443	498	467
00.06	Governmental and public affairs .....	318	347	408
00.07	Economics .....	310	484	447
00.08	Science and education .....	346	386	432
00.09	Marketing and inspection service .....	323	363	421
00.10	International affairs and commodity programs .....	350	524	413
00.11	Small community and rural development .....	314	440	418
00.12	Natural resources and environment .....	321		461
00.13	Food and consumer services .....	300	365	406
00.91	Total direct program .....	5,011	5,710	5,998
01.01	Reimbursable program .....	968	856	929
10.00	Total obligations .....	5,979	6,566	6,927
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	- 968	- 856	- 929
25.00	Unobligated balance lapsing .....	10,255		
40.00	<b>Budget authority (appropriation) .....</b>	<b>15,266</b>	<b>5,710</b>	<b>5,998</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,011	5,710	5,998
72.10	Receivables in excess of obligations, start of year .....	- 906	- 368	96
74.10	Receivables in excess of obligations, end of year .....	368	- 96	- 111
77.00	Adjustments in expired accounts .....	- 159		
90.00	Outlays .....	4,314	5,246	5,983

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

General and special funds—Continued

OFFICE OF THE SECRETARY—Continued

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 thousands of dollars)

Identification code	12-0115-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	3,035	3,852	4,010
11.5	Other personnel compensation.....		40	40
11.9	Total personnel compensation.....	3,035	3,892	4,050
12.1	Civilian personnel benefits.....	394	624	578
21.0	Travel and transportation of persons.....	147	70	137
22.0	Transportation of things.....	15	1	1
23.3	Communications, utilities, and miscellaneous charges.....	470	521	563
24.0	Printing and reproduction.....	201	147	143
25.0	Other services.....	659	329	355
26.0	Supplies and materials.....	76	108	120
31.0	Equipment.....	14	18	51
99.0	Subtotal, direct obligations.....	5,011	5,710	5,998
99.0	Reimbursable obligations.....	968	856	929
99.9	Total obligations.....	5,979	6,566	6,927

Personnel Summary

Total number of full-time permanent positions.....	69	75	85
Total compensable workyears:			
Full-time equivalent employment.....	75	75	85
Full-time equivalent of overtime and holiday hours.....	1	4	4

Trust Funds

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code	12-8203-0-7-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	50	50	50
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-109	-109	-109
24.40	Unobligated balance available, end of year.....	109	109	109
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>50</b>	<b>50</b>	<b>50</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	50	50	50
72.40	Obligated balance, start of year.....	86	95	95
74.40	Obligated balance, end of year.....	-95	-95	-95
90.00	Outlays.....	41	50	50

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).

Object Classification (in thousands of dollars)

Identification code	12-8203-0-7-352	1987 actual	1988 est.	1989 est.
25.0	Other services.....	20	50	50
26.0	Supplies and materials.....	5		
41.0	Grants, subsidies, and contributions.....	25		
99.0	Total obligations.....	50	50	50

DEPARTMENTAL ADMINISTRATION

Federal Funds

General and special funds:

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Budget and Program Analysis, **[\$4,252,000]** \$4,339,000; for Personnel, Finance and Management, Operations, Information Resources Management, Advocacy and Enterprise, and Administrative Law Judges and Judicial Officer, **[\$20,642,000]** \$21,941,000 and in addition, for payment of the USDA share of the National Communications System, **[\$110,000]** \$262,000; making a total of **[\$25,004,000]** \$26,542,000 for Departmental Administration to provide for necessary expenses for management support services to offices of the Department of Agriculture and for general administration and emergency preparedness of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558. (5 U.S.C. 5901; 7 U.S.C. 2201, 2202, 2231, 2235; 42 U.S.C. 200d; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-0120-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Budget and program analysis.....	3,613	4,252	4,339
00.02	Personnel.....	4,792	5,655	5,982
00.03	Finance and management.....	3,358	3,768	4,038
00.04	Operations.....	2,495	2,628	2,895
00.05	Information resources management.....	3,598	4,547	4,863
00.06	Advocacy and enterprise.....	2,679	3,014	3,088
00.07	Administrative law judges and judicial officer.....	918	942	1,075
00.08	National communications system.....		110	262
00.91	Total direct program.....	21,453	24,916	26,542
01.01	Reimbursable program.....	4,262	3,698	3,768
10.00	Total obligations.....	25,715	28,614	30,310
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-4,262	-3,698	-3,768
25.00	Unobligated balance lapsing.....	566		
39.00	<b>Budget authority.....</b>	<b>22,019</b>	<b>24,916</b>	<b>26,542</b>
Budget authority:				
40.00	Appropriation.....	21,996	25,004	26,542
41.00	Transferred to other accounts.....		-88	
42.00	Transferred from other accounts.....	23		
43.00	<b>Appropriation (adjusted).....</b>	<b>22,019</b>	<b>24,916</b>	<b>26,542</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	21,453	24,916	26,542
72.40	Obligated balance, start of year.....	7,900	7,682	9,162
74.40	Obligated balance, end of year.....	-7,682	-9,162	-9,333
77.00	Adjustments in expired accounts.....	34		
90.00	Outlays.....	21,706	23,436	26,371

**Budget and program analysis.**—This activity provides direction and administration of the Department's budgetary functions including development, presentation, execution, control, reporting and adjusting fund and manpower resources; evaluates program and legislative proposals for program, budget and related resource implications; develops and maintains a mission-oriented program structure which defines Department missions, goals and objectives for the purpose of establishing

long-range and short-range program planning and to aid the Secretary and other departmental and agency officials in making management decisions regarding the Department's programs and resources. The office analyzes program and resource issues and alternatives, and prepares summaries of pertinent data to aid Departmental policy officials and agency program managers in the decisionmaking process.

**Personnel.**—This activity provides general liaison, direction, leadership coordination and monitoring of the personnel management program in the Department. Department policies and procedures relating to all personnel functions are promulgated, and operational services are provided to the Office of the Secretary, Office of the General Counsel, Office of Governmental and Public Affairs, Office of Budget and Program Analysis, and those staff offices under Departmental Administration reporting to the Assistant Secretary for Administration.

**Finance and management.**—This activity provides Departmental leadership, development and evaluation of programs in finance, accounting, Federal assistance, occupational safety and health, productivity and management improvements. The Director serves as the Department's chief financial officer, management improvement officer and comptroller of the Working Capital Fund. Finance and Management also provides budget, accounting and fiscal services for the Departmental staff offices, Office of the General Counsel, Office of Governmental and Public Affairs, and the Office of the Secretary.

**Operations.**—This activity provides staff and support services in the management of real and personal property, procurement, contracts, supplies, motor vehicles and internal energy conservation to the USDA agencies, including those in the Washington, D.C., complex.

**Information resources management.**—This activity designs, implements and revises systems, processes, work methods and techniques to improve the management of information resources and the operational effectiveness of USDA. The Director serves as the Department's clearance officer for statistical reporting and information collection. This activity also provides telecommunications and ADP services to USDA agencies and staff offices, including the Washington Service Center, Fort Collins Computer Center, and Kansas City Computer Center.

**Advocacy and enterprise.**—This activity provides leadership, direction and coordination for the Department's programs for civil rights, which include program delivery, compliance and equal employment opportunity, and for efforts to further participation of minority colleges and universities in Departmental programs. It provides oversight of all procurement activities to assure maximum participation of small and disadvantaged business in the process and directs and monitors agency compliance in promoting full and open competition in procurement.

**Administrative law judges and judicial officer.**—The administrative law judges hold hearings on new regulations and orders and on disciplinary complaints filed by the Department or on some petitions filed by private parties. Final administrative decisions in regulatory proceedings are rendered by the Judicial Officer.

**National communications system.**—This item provides funding for USDA's proportional share of the communications system being developed as part of the National Security and Emergency Preparedness Program. Participation in the NCS is required under National Security Directive 201 of December 1985.

Object Classification (in thousands of dollars)

Identification code 12-0120-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	15,191	17,354	18,263
11.3 Other than full-time permanent .....	221	384	384
11.5 Other personnel compensation .....	390	400	400
11.9 Total personnel compensation .....	15,802	18,138	19,047
12.1 Civilian personnel benefits .....	1,790	2,298	2,535
13.0 Benefits for former personnel .....	5	19	19
21.0 Travel and transportation of persons .....	378	411	430
22.0 Transportation of things .....	10	7	7
23.2 Rental payments to others .....	20	58	58
23.3 Communications, utilities, and miscellaneous charges .....	892	1,028	1,089
24.0 Printing and reproduction .....	405	366	373
25.0 Other services .....	1,160	1,863	2,203
26.0 Supplies and materials .....	457	375	396
31.0 Equipment .....	460	253	285
41.0 Grants, subsidies, and contributions .....	74	100	100
99.0 Subtotal, direct obligations .....	21,453	24,916	26,542
99.0 Reimbursable obligations .....	4,262	3,698	3,768
99.9 Total obligations .....	25,715	28,614	30,310

Personnel Summary

Total number of full-time permanent positions .....	462	538	553
Total compensable workyears:			
Full-time equivalent employment .....	479	533	547
Full-time equivalent of overtime and holiday hours .....	2	6	6

HAZARDOUS WASTE MANAGEMENT  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, except for expenses of the Commodity Credit Corporation, to comply with the requirement of section 107g of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607g, and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961, **[\$2,000,000] \$10,000,000**, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department of Agriculture for hazardous waste 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.; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-0500-0-1-304	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations (object class 25.0) .....		2,000	10,000
Financing:			
40.00 Budget authority (appropriation) .....		2,000	10,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		2,000	10,000
72.40 Obligated balance, start of year .....			1,000
74.40 Obligated balance, end of year .....		-1,000	-5,000
90.00 Outlays .....		1,000	6,000

Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act, the Department has the

General and special funds—Continued

HAZARDOUS WASTE MANAGEMENT—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

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

RENTAL PAYMENTS (USDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Department of Agriculture which are included in this Act, **[\$49,665,000] \$56,407,000**, of which \$3,000,000 shall be retained by the Department of Agriculture for non-recurring repairs as determined by the Department of Agriculture: *Provided*, That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for space rental and related costs to or from this account.

BUILDING OPERATIONS AND MAINTENANCE

For the operation, maintenance, and repair of Agriculture buildings pursuant to the delegation of authority from the Administrator of General Services authorized by 40 U.S.C. 486, **[\$20,024,000 of which \$3,245,000 is for one-time purchase of systems furniture] \$22,429,000**. (*7 U.S.C. 2201, 2202, 2208; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0117-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Rental payments to GSA.....	48,728	49,665	56,407
00.02	Building operations and maintenance.....	18,121	20,112	22,429
00.91	Total direct program.....	66,849	69,777	78,836
01.01	Reimbursable program.....	1,685	1,686	1,065
10.00	Total obligations.....	68,534	71,463	79,901
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,685	-1,686	-1,065
25.00	Unobligated balance lapsing.....	163		
39.00	<b>Budget authority.....</b>	<b>67,011</b>	<b>69,777</b>	<b>78,836</b>
Budget authority:				
40.00	Appropriation.....	66,967	69,689	78,836
42.00	Transferred from other accounts.....	44	88	
43.00	<b>Appropriation (adjusted).....</b>	<b>67,011</b>	<b>69,777</b>	<b>78,836</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	66,848	69,777	78,836
72.10	Receivables in excess of obligations, start of year.....	1,751	8,864	9,139
74.10	Receivables in excess of obligations, end of year.....	-8,864	-9,139	-9,724
77.00	Adjustments in expired accounts.....	-423		
90.00	Outlays.....	59,312	69,502	78,251
Distribution of budget authority by account:				
	Building operations and maintenance.....	18,283	20,112	22,429
	Rental payments and building operations.....	48,728	49,665	56,407
Distribution of outlays by account:				
	Building operations and maintenance.....	19,925	19,837	21,844
	Rental payments and building operations.....	39,387	49,665	56,407

This annual account finances the General Services Administration's fees for rental of space and related services. The appropriation covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service.

This account also finances the operation and maintenance of seven buildings in the Headquarters area. In fiscal year 1985, GSA delegated responsibility for operating and maintaining five office buildings to USDA. The delegation was expanded to include two warehouses in fiscal year 1987.

Object Classification (in thousands of dollars)

Identification code	12-0117-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	1,702	1,523	2,056
11.5	Other personnel compensation.....	220	300	300
11.9	Total personnel compensation.....	1,922	1,823	2,356
12.1	Civilian personnel benefits.....	243	408	425
13.0	Benefits for former personnel.....	1	1	1
21.0	Travel and transportation of persons.....	6	4	4
22.0	Transportation of things.....	2	4	4
23.1	Rental payments to GSA.....	48,728	46,665	53,407
23.3	Communications, utilities, and miscellaneous charges.....	1,468	5,414	6,377
24.0	Printing and reproduction.....	12	17	18
25.0	Other services.....	13,816	11,592	15,619
26.0	Supplies and materials.....	187	208	215
31.0	Equipment.....	253	3,398	158
32.0	Land and structures.....	206	243	252
43.0	Interest and dividends.....	5		
99.0	Total, direct obligations.....	66,849	69,777	78,836
99.0	Reimbursable obligations.....	1,685	1,686	1,065
99.9	Total obligations.....	68,534	71,463	79,901

Personnel Summary

Total number of full-time permanent positions.....	59	66	67
Total compensable workyears:			
Full-time equivalent employment.....	57	63	64
Full-time equivalent of overtime and holiday hours.....	5	5	5

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of Advisory Committees of the Department of Agriculture which are included in this Act, **[\$1,308,000] \$2,294,000**: *Provided*, That no other funds appropriated to the Department of Agriculture in this Act shall be available to the Department of Agriculture for support of activities of Advisory Committees. (*7 U.S.C. 2233; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0118-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	USDA advisory committees.....	1,181	1,308	1,294
00.02	National Commission on Agricultural and Rural Development.....		100	1,000
10.00	Total obligations.....	1,181	1,408	2,294
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....		-100	
24.40	Unobligated balance available, end of year.....	100		
25.00	Unobligated balance lapsing.....	127		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,408</b>	<b>1,308</b>	<b>2,294</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,181	1,408	2,294
72.40	Obligated balance, start of year.....	404	472	572
74.40	Obligated balance, end of year.....	-472	-572	-913

77.00	Adjustments in expired accounts.....	- 343		
90.00	Outlays.....	770	1,308	1,953
Distribution of budget authority by account:				
	USDA advisory committees.....	1,308	1,308	2,294
	National commission on agriculture and rural development.....	100		
Distribution of outlays by account:				
	USDA advisory committees.....	770	1,208	1,953
	National commission on agriculture and rural development.....		100	

The Federal Advisory Committee Act (Public Law 92-463) was passed in 1972 to recognize a means by which committees and similar groups provide expert advice to officers of the Federal Government. This account provides for direction and financial support of all authorized Department of Agriculture advisory committee activities other than those included in the Forest Service or financed by other than appropriated funds.

Object Classification (in thousands of dollars)

Identification code	12-0118-0-1-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent.....	477	459	424
12.1	Civilian personnel benefits.....	53	53	51
21.0	Travel and transportation of persons.....	399	622	543
22.0	Transportation of things.....	1	5	4
23.3	Communications, utilities, and miscellaneous charges.....	3	15	13
24.0	Printing and reproduction.....	10	39	39
25.0	Other services.....	228	193	1,201
26.0	Supplies and materials.....	6	14	12
31.0	Equipment.....	4	8	7
99.9	Total obligations.....	1,181	1,408	2,294

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	14	14	14
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Intragovernmental funds:

WORKING CAPITAL FUND

An amount of [\$5,708,000] \$6,000,000 is hereby appropriated to the Departmental Working Capital Fund to increase the Government's equity in this fund and to provide for the purchase of automated data processing, data communication, and other related equipment necessary for the provision of Departmental centralized services to the agencies. (7 U.S.C. 2235; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-4609-0-4-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Supply and other central services.....	10,491	12,630	13,341
00.02	Video and film and other visual information services....	2,919	2,943	3,041
00.03	National Finance Center.....	52,888	59,123	62,746
00.04	ADP systems.....	43,985	56,469	49,342
00.91	Total operating expenses.....	110,283	131,165	128,470
Purchase of equipment:				
01.01	Supply and other central services.....	139	448	45
01.02	Video and film and other visual information services....	159	78	63
01.03	National Finance Center.....	6,254	7,682	5,872
01.04	ADP systems.....	7,915	9,043	13,523
01.91	Total purchase of equipment.....	14,467	17,251	19,503
10.00	Total obligations.....	124,750	148,416	147,973
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-113,675	-142,562	-141,827
14.00	Non-Federal sources.....	-112	-146	-146

17.00	Recovery of prior year obligations.....	-3,673		
21.98	Unobligated balance available, start of year: Fund balance.....	-5,246	-3,665	-3,665
24.98	Unobligated balance available, end of year: Fund balance.....	3,665	3,665	3,665
40.00	<b>Budget authority (appropriation).....</b>	<b>5,708</b>	<b>5,708</b>	<b>6,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,964	5,708	6,000
72.98	Obligated balance, start of year: Fund balance.....	6,558	8,034	8,034
74.98	Obligated balance, end of year: Fund balance.....	-8,034	-8,034	-8,038
77.00	Adjustments in expired accounts.....	-35		
78.00	Adjustments in unexpired accounts.....	-3,673		
90.00	Outlays.....	5,779	5,708	5,996

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating and other visual information services, art and graphics, video and film services, supply, centralized accounting systems, centralized automated data processing systems for payroll, personnel, and related services, voucher payments services, and ADP systems. The capital consists of \$400 thousand appropriated (7 U.S.C. 2235), and accumulated earnings of \$2,629 thousand as of September 30, 1987. Earnings are kept at a low level through adjustments in rates charged for services to maintain as nearly as possible the nonprofit nature of the fund. The 1989 budget includes an appropriation request of \$6 million for the acquisition of computer equipment.

Object Classification (in thousands of dollars)

Identification code	12-4609-0-4-352	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	34,574	37,979	37,694
11.3	Other than full-time permanent.....	2,555	3,291	3,396
11.5	Other personnel compensation.....	2,223	2,567	2,585
11.9	Total personnel compensation.....	39,352	43,837	43,675
12.1	Civilian personnel benefits.....	4,630	5,594	7,770
13.0	Benefits for former personnel.....	43	83	85
21.0	Travel and transportation of persons.....	789	909	820
22.0	Transportation of things.....	166	286	505
23.1	Rental payments to GSA.....	2,826	3,744	3,920
23.2	Rental payments to others.....	23,471	23,226	22,377
23.3	Communications, utilities, and miscellaneous charges.....	3,383	4,477	4,646
24.0	Printing and reproduction.....	698	1,045	1,057
25.0	Other services.....	22,424	32,416	25,926
26.0	Supplies and materials.....	5,405	5,817	5,860
31.0	Equipment.....	14,881	17,574	19,779
43.0	Interest and dividends.....	7	1	1
92.0	Depreciation.....	6,675	9,407	11,552
99.9	Total obligations.....	124,750	148,416	147,973

Personnel Summary

Total number of full-time permanent positions.....	1,422	1,378	1,393
Total compensable workyears:			
Full-time equivalent employment.....	1,498	1,452	1,489
Full-time equivalent of overtime and holiday hours.....	66	69	69

OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS

Federal Funds

General and special funds:

[PUBLIC AFFAIRS] OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, and for the dissemination of agricultural information and the coordination of information, work and programs authorized by Congress in the Department,

General and special funds—Continued

**[PUBLIC AFFAIRS] OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS—Continued**

**[\$7,700,000]** \$7,940,000, 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 and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

**[CONGRESSIONAL RELATIONS]**

For necessary expenses for liaison with the Congress on legislative matters, **[\$497,000]** \$500,000.

**[INTERGOVERNMENTAL AFFAIRS]**

For necessary expenses for programs involving intergovernmental affairs and liaison within the executive branch, **[\$476,000]** \$479,000. (7 U.S.C. 2201, 2202, 2231, 2235; 42 U.S.C. 200d; Rural Development, Agriculture and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-0130-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Public affairs .....	7,267	7,700	7,940
00.02	Congressional relations .....	460	497	500
00.03	Intergovernmental affairs .....	434	476	479
00.91	Total direct program .....	8,161	8,673	8,919
01.01	Reimbursable program .....	189	686	63
10.00	Total obligations .....	8,350	9,359	8,982
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-181	-677	-54
14.00	Non-Federal sources .....	-8	-9	-9
25.00	Unobligated balance lapsing .....	225		
40.00	Budget authority (appropriation) .....	8,386	8,673	8,919
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	8,161	8,673	8,919
72.40	Obligated balance, start of year .....	1,195	2,130	2,229
74.40	Obligated balance, end of year .....	-2,130	-2,229	-2,281
77.00	Adjustments in expired accounts .....	502		
90.00	Outlays .....	7,728	8,574	8,867

**Public affairs.**—This activity provides general direction, leadership, and coordination of the Department's information program. The major objective is to provide a balanced and useful information program that reports on USDA's research, action, and regulatory activities using all communications media in order to enable the general public and the agricultural industry to have a better understanding of agriculture's services to farmers and to society.

**Congressional relations.**—This activity includes responsibility for maintaining liaison with the Congress and the White House on legislative matters of concern to the Department and for the coordination of all Congressional matters except Congressional appropriation.

**Intergovernmental affairs.**—This activity provides for overall direction and coordination in the development and implementation of policies and procedures applicable to the Department's intra- and intergovernmental relations.

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

Identification code	12-0130-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	4,727	5,380	5,425
11.3	Other than full-time permanent .....	81	92	80
11.5	Other personnel compensation .....	168	192	159
11.9	Total personnel compensation .....	4,976	5,664	5,664
12.1	Civilian personnel benefits .....	581	750	882
13.0	Benefits for former personnel .....	10		
21.0	Travel and transportation of persons .....	87	79	82
22.0	Transportation of things .....	5	7	8
23.3	Communications, utilities, and miscellaneous charges .....	570	482	496
24.0	Printing and reproduction .....	808	707	749
25.0	Other services .....	907	824	844
26.0	Supplies and materials .....	137	106	134
31.0	Equipment .....	80	54	60
99.0	Subtotal, direct obligations .....	8,161	8,673	8,919
99.0	Reimbursable obligations .....	189	686	63
99.9	Total obligations .....	8,350	9,359	8,982

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions .....	131	127	131
Total compensable workyears:			
Full-time equivalent employment .....	133	129	134
Full-time equivalent of overtime and holiday hours .....	3	3	3

**OFFICE OF THE INSPECTOR GENERAL**

**Federal Funds**

General and special funds:

**OFFICE OF THE INSPECTOR GENERAL**

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), **[\$48,795,000]** \$51,442,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(8) of the Inspector General Act of 1978 (Public Law 95-452), and including a sum not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed \$95,000 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; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-0900-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program .....	45,077	48,795	51,442
01.01	Reimbursable program .....	1,352		
10.00	Total obligations .....	46,429	48,795	51,442
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,352		
25.00	Unobligated balance lapsing .....	339		
39.00	Budget authority .....	45,416	48,795	51,442
Budget authority:				
40.00	Appropriation .....	45,483	48,795	51,442
41.00	Transferred to other accounts .....	-67		
43.00	Appropriation (adjusted) .....	45,416	48,795	51,442
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	45,077	48,795	51,442
72.40	Obligated balance, start of year .....	6,085	5,894	7,026
74.40	Obligated balance, end of year .....	-5,894	-7,026	-7,408
77.00	Adjustments in expired accounts .....	-688		
90.00	Outlays .....	44,579	47,663	51,060



The Office keeps the Secretary and the Congress informed about fraud, other serious problems, abuses, and deficiencies in Department programs and operations, recommends corrective action, and reports on the progress made in correcting the problems. It reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact these laws have on the Department's programs and the prevention and detection of fraud and abuse in such programs. The Office provides policy direction and conducts, supervises, and coordinates all audits and investigations. The office supervises and coordinates other activities in the Department and between the Department and other Federal, State and local government agencies whose purposes are to (a) promote economy and efficiency, (b) prevent and detect fraud and abuse, and (c) identify and prosecute people involved in fraud or abuse.

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

Identification code	12-0900-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	27,235	27,894	29,862
11.3	Other than full-time permanent .....	172	180	180
11.5	Other personnel compensation .....	1,215	1,100	1,200
11.9	Total personnel compensation .....	28,622	29,174	31,242
12.1	Civilian personnel benefits .....	4,964	6,036	6,615
13.0	Benefits for former personnel .....	10	44	44
21.0	Travel and transportation of persons .....	4,471	5,400	5,400
22.0	Transportation of things .....	182	243	243
23.2	Rental payments to others .....	91	95	95
23.3	Communications, utilities, and miscellaneous charges...	1,667	2,309	2,309
24.0	Printing and reproduction .....	78	158	158
25.0	Other services .....	3,400	3,716	3,716
26.0	Supplies and materials .....	536	650	650
31.0	Equipment .....	1,049	970	970
42.0	Insurance claims and indemnities .....	5		
43.0	Interest and dividends .....	2		
99.0	Subtotal, direct obligations .....	45,077	48,795	51,442
99.0	Reimbursable obligations .....	1,352		
99.9	Total obligations .....	46,429	48,795	51,442

**Personnel Summary**

Total number of full-time permanent positions .....	828	798	830
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	818	818	850
Full-time equivalent of overtime and holiday hours .....	33	30	30

**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, **[\$18,734,000]** \$23,064,000. (7 U.S.C. 2201; 2202, 2214a; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-2300-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program .....	17,606	18,734	23,064
01.01	Reimbursable program .....	212	60	
10.00	Total obligations .....	17,818	18,794	23,064

<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-212	-60	
25.00	Unobligated balance lapsing .....	64		
40.00	<b>Budget authority (appropriation) .....</b>	<b>17,670</b>	<b>18,734</b>	<b>23,064</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	17,606	18,734	23,064
72.40	Obligated balance, start of year .....	478	1,872	1,903
74.40	Obligated balance, end of year .....	-1,872	-1,903	-1,949
77.00	Adjustments in expired accounts .....	-348		
90.00	Outlays .....	15,864	18,703	23,018

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel and services to the Secretary and all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; nonlitigation debt collection proceedings; state water rights adjudications; proceedings before the Environmental Protection Agency, Interstate Commerce Commission, Federal Maritime Administration and International Trade Commission; and, in conjunction with the Department of Justice, in judicial proceedings and litigation. All attorneys and related support personnel of the Department are under the supervision of the General Counsel.

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

Identification code	12-2300-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
11.1	Personnel compensation: Full-time permanent .....	13,236	13,815	14,105
12.1	Civilian personnel benefits .....	1,707	2,771	2,806
13.0	Benefits for former employees .....	4	11	11
21.0	Travel and transportation of persons .....	233	297	327
22.0	Transportation of things .....	6	22	22
23.3	Communications, utilities, and miscellaneous charges...	803	938	1,683
24.0	Printing and reproduction .....	30	40	40
25.0	Other services .....	707	292	1,011
26.0	Supplies and materials .....	477	438	518
31.0	Equipment .....	403	110	2,541
99.0	Subtotal, direct obligations .....	17,606	18,734	23,064
99.0	Reimbursable obligations .....	212	60	
99.9	Total obligations .....	17,818	18,794	23,064

**Personnel Summary**

Total number of full-time permanent positions .....	327	385	385
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	327	360	360
Full-time equivalent of overtime and holiday hours .....	1	3	3

**AGRICULTURAL RESEARCH SERVICE**

*Federal Funds*

**General and special funds:**

**AGRICULTURAL RESEARCH SERVICE**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, **[\$538,884,000]** \$559,157,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

available for employment under 5 U.S.C. 3109: *Provided further*, That funds appropriated herein can be used to provide financial assistance to the organizers of national and international conferences, if such conferences are in support of agency programs: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That uniform allowances for each uniformed employee of the Agricultural Research Service shall not be in excess of \$400 annually: *Provided further*, That of the appropriations hereunder not less than \$10,526,600 shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed **[\$150,000]** \$175,000, except for greenhouses connecting greenhouses which shall each be limited to \$500,000, and except for ten buildings to be constructed or improved at a cost not to exceed **[\$275,000]** \$336,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building or **[\$150,000]** \$175,000 whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of **[\$250,000]** \$336,000 for facilities at Beltsville, Maryland: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That the limitation on purchase of land shall not apply to the purchase of land at Fresno, California, or to the purchase of land at the Mahantango Research Watershed, Pennsylvania: *Provided further*, That not to exceed \$190,000 of this appropriation may be transferred to and merged with the appropriation for the office of the Assistant Secretary for Science and Education for the scientific review of international issues involving agricultural chemicals and food additives].

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at Federal research installations in the field, \$1,800,000. (7 U.S.C. 328, 427, 427i, 1281 note, 1621, 2201, 2204, 2225, 2250, 3101 note; 10 U.S.C. 2306; 16 U.S.C. 590(a)-590(b), 590(k); 18 U.S.C. 1114; 19 U.S.C. 1306(a), 1306(c); 20 U.S.C. 191-194; 21 U.S.C. 113a, 114c, 114e-131; 42 U.S.C. 1476(e), 1483; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1400-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Research on soil and water conservation.....	59,302	60,848	66,587
00.02	Research on plant science.....	192,515	211,677	214,929
00.03	Research on animal science.....	89,774	93,531	95,741
00.04	Research on commodity conversion and delivery.....	101,007	105,345	110,111
00.05	Human nutrition research.....	40,395	44,359	44,530
00.06	Integration of agricultural systems.....	11,539	12,421	12,556
00.07	Repair and maintenance of facilities.....	11,218	11,552	15,552
00.08	Contingencies.....	932	951	951
00.09	Construction of facilities.....	26	11,044	.....
00.91	Total direct program.....	506,708	551,728	560,957
01.01	Reimbursable program.....	19,475	20,000	20,000
10.00	Total obligations.....	526,183	571,728	580,957
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-16,235	-16,650	-16,650
14.00	Non-Federal sources.....	-3,240	-3,350	-3,350
21.40	Unobligated balance available, start of year.....	-1,179	-11,044	.....
24.40	Unobligated balance available, end of year.....	11,044	.....	.....
25.00	Unobligated balance lapsing.....	1,664	.....	.....
40.00	Budget authority (appropriation).....	518,237	540,684	560,957
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	506,708	551,728	560,957
72.40	Obligated balance, start of year.....	110,843	126,992	144,687
74.40	Obligated balance, end of year.....	-126,992	-144,687	-155,030

77.00	Adjustments in expired accounts.....	641	.....	.....
90.00	Outlays.....	491,201	534,033	550,614

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. 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. The 1989 budget proposes increases to improve the quality of agricultural soil and water resources, enhance plant productivity, and improve food safety and quality.

*Research on soil and water conservation.*—Research is conducted to improve soil and water management, irrigation, and conservation practices; to protect natural resources from harmful effects of soil, air, and water pollutants and to minimize certain agricultural pollution problems; and to determine the relation of soil types and water to plant, animal, and human nutrition. Research increases in 1989 are proposed to improve groundwater quality and to determine the effects of the depletion of stratospheric ozone on major crops.

*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. The increase proposed for 1989 is to reduce the bacterial contamination and pesticide residues in foods and products of animal origin.

*Research on commodity conversion and delivery.*—Research is conducted to develop new and improved foods, feeds, products, and processes for agricultural commodities and to improve the processing, transportation, storage, wholesaling, and retailing of products. Research is also conducted on problems of human health and safety, including means to insure the safety of food and feed supplies, control insect pests of man and his belongings, and reduce the hazards to human life resulting from pesticide residues and other causes. The increase proposed in 1989 is to reduce bacterial contamination and residues in foods and products of animal origin.

*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.

**Repair and maintenance of facilities.**—Funds are used to restore, upgrade, and maintain Federal facilities to meet OSHA and EPA requirements, provide suitable workspace for in-house research programs, and to retrofit existing structures for better energy utilization. An increase is proposed in 1989 to meet the growing repair and maintenance needs of research facilities.

**Contingencies.**—Funds available to meet urgent needs that develop unexpectedly during the year when such needs cannot be met by redirection of resources from other projects.

**Construction of facilities.**—Unobligated balances are used for this purpose. No program is being proposed in fiscal year 1989.

**Reimbursements.**—Agricultural Research Service performs program research activities and services for other USDA, Federal, and non-Federal agencies. These activities and services are paid for on a reimbursable basis.

Object Classification (in thousands of dollars)			
Identification code 12-1400-0-1-352	1987 actual	1988 est.	1989 est.
<b>AGRICULTURAL RESEARCH SERVICE</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	223,010	232,480	236,300
11.3 Other than full-time permanent .....	17,026	17,590	17,690
11.5 Other personnel compensation .....	5,430	5,430	5,430
11.9 Total personnel compensation .....	245,466	255,500	259,420
12.1 Civilian personnel benefits .....	36,501	49,560	50,590
21.0 Travel and transportation of persons .....	7,796	8,110	8,450
22.0 Transportation of things .....	1,339	1,390	1,450
23.3 Communications, utilities, and miscellaneous charges .....	26,897	27,970	31,000
24.0 Printing and reproduction .....	1,344	1,400	1,450
25.0 Other services .....	97,490	101,389	105,538
26.0 Supplies and materials .....	37,111	38,590	43,290
31.0 Equipment .....	42,287	46,000	49,000
32.0 Land and structures .....	5,865	17,200	6,200
41.0 Grants, subsidies, and contributions .....	4,247	4,250	4,200
99.0 Subtotal, direct obligations .....	506,343	551,359	560,588
99.0 Reimbursable obligations .....	19,475	20,000	20,000
<b>ALLOCATION TO FOREST SERVICE</b>			
Personnel compensation:			
11.1 Full-time permanent .....	14	14	14
11.3 Other than full-time permanent .....	2	2	2
11.9 Total personnel compensation .....	16	16	16
12.1 Civilian personnel benefits .....	1	1	1
21.0 Travel and transportation of persons .....	2	2	2
25.0 Other services .....	334	338	338
26.0 Supplies and materials .....	9	9	9
31.0 Equipment .....	3	3	3
99.0 Subtotal obligations, Forest Service .....	365	369	369
99.9 Total obligations .....	526,183	571,728	580,957

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	6,891	6,896	6,896
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	8,054	8,059	8,059
Full-time equivalent of overtime and holiday hours .....	60	60	60
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	138	138	138
Total compensable workyears: Full-time equivalent employment .....	138	138	138

**BUILDINGS AND FACILITIES**

(INCLUDING TRANSFERS OF FUNDS)

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities and for grants to States and other eligible recipients for such purposes, as necessary to carry out the agricultural research, extension and teaching programs of the Department of Agriculture, where not otherwise provided, **[\$57,815,000 of which \$7,500,000 shall not be obligated prior to fiscal year 1989] \$11,000,000, to remain available until expended:** *Provided*, That these funds may be transferred to such other accounts in this Act as may be appropriate to carry out these purposes: *Provided further*, That facilities to house Bonsai collections at the National Arboretum may be constructed with funds accepted under the provisions of Public Law 94-129 (20 U.S.C. 195) and the limitation on construction contained in the Act of August 24, 1912 (40 U.S.C. 68) shall not apply to the construction of such facilities. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code 12-1401-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0) .....	12,855	44,670	47,136
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-34,846	-22,991	-36,136
24.40 Unobligated balance available, end of year .....	22,991	36,136	.....
39.00 <b>Budget authority</b> .....	<b>1,000</b>	<b>57,815</b>	<b>11,000</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	37,400	57,815	11,000
41.00 Transferred to other accounts .....	-36,400	.....	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,000</b>	<b>57,815</b>	<b>11,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	12,855	44,670	47,135
72.40 Obligated balance, start of year .....	53,638	34,183	37,301
74.40 Obligated balance, end of year .....	-34,183	-37,301	-48,394
90.00 Outlays .....	32,310	41,552	36,042

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 1989 request of \$11 million is for constructing the National seed storage laboratory, Fort Collins, Colorado.

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

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

Identification code 12-8214-0-7-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	2,878	5,000	5,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2,699	-2,860	-2,860
24.40 Unobligated balance available, end of year .....	2,860	2,860	2,860
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>3,039</b>	<b>5,000</b>	<b>5,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,878	5,000	5,000
72.40 Obligated balance, start of year .....	691	569	569
74.40 Obligated balance, end of year .....	-569	-569	-569
90.00 Outlays .....	3,000	5,000	5,000

Miscellaneous contributed funds received from States, local organizations, individuals, and others are avail-

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

able for work under cooperative agreements on research activities.

Object Classification (in thousands of dollars)

Identification code	12-8214-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	208	312	315
11.3	Other than full-time permanent.....	629	941	941
11.5	Other personnel compensation.....		1	1
11.9	Total personnel compensation.....	837	1,254	1,257
12.1	Civilian personnel benefits.....	134	201	201
21.0	Travel and transportation of persons.....	112	168	168
22.0	Transportation of things.....	9	16	16
23.3	Communications, utilities, and miscellaneous charges.....	8	14	14
24.0	Printing and reproduction.....	1	1	1
25.0	Other services.....	1,345	2,598	2,595
26.0	Supplies and materials.....	271	470	470
31.0	Equipment.....	160	278	278
32.0	Land and structures.....	1		
99.9	Total obligations.....	2,878	5,000	5,000

Personnel Summary

Total number of full-time permanent positions.....	27	40	40
Total compensable workyears: Full-time equivalent employment.....	27	40	40

COOPERATIVE STATE RESEARCH SERVICE

Federal Funds

General and special funds:

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including \$155,545,000 to carry into effect the provisions of the Hatch Act approved March 2, 1987, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), and further amended by Public Law 92-318 approved June 23, 1972, and further amended by Public Law 93-471 approved October 26, 1974, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); **[\$17,500,000] \$12,975,000** for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), as amended by Public Law 92-318 approved June 23, 1972, including administrative expenses, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); **[\$23,333,000] \$25,333,000** for payments to the 1890 land-grant colleges, including Tuskegee University, for research under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (Public Law 95-113), as amended, including administration by the United States Department of Agriculture, and penalty mail costs of the 1890 land-grant colleges, including Tuskegee University; **[\$31,185,000] \$4,977,000** for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i); **[\$42,372,000] \$54,500,000** for competitive research grants, including administrative expenses; **[\$5,476,000]** for the support of animal health and disease programs authorized by section 1433 of Public Law 95-113, including administrative expenses; **\$675,000] \$391,000** for supplemental and alternative crops and products as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d); **[\$4,918,000] \$668,000** for grants **[for research and construction of facilities]** to conduct research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178); **[and section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended; \$475,000 for rangeland research grants as authorized by subtitle M of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended; \$4,754,000] \$2,000,000** for higher education grants under section 1417(a) of Public Law 95-113, as amended (7 U.S.C. 3152(a)); **[\$3,500,000 for grants as authorized by section 1475 of**

the National Agricultural Research, Extension, and Teaching Policy Act of 1977 and other Acts; \$3,827,000 for grants to States for the establishment and operation of international trade development centers, as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3292); \$3,900,000 for low-input agriculture as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 4701-4710); \$2,100,000 for other grants as authorized by section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318); and \$4,094,000] and \$1,100,000 for necessary expenses of Cooperative State Research Service activities, including coordination and program leadership for higher education work of the Department, administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; in all, **[\$303,654,000] \$257,489,000: Provided, That no funds shall be available in fiscal year 1989 for payments under the Act of August 30, 1890 and the tenth and eleventh paragraphs under the heading "Emergency Appropriations" of the Act of March 4, 1907 (7 U.S.C. 321 et seq.) (7 U.S.C. 450b, 2201-02, 2220, 2250a; 39 U.S.C. 3202(a)(4), 3206(b); 42 U.S.C. 1891-1893; Public Law 95-113; Public Law 95-547; Public Law 95-592; Public Law 96-294; Public Law 97-98; Public Law 98-284; Public Law 99-198; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	12-1500-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Payments under the Hatch Act.....	146,629	155,545	155,545
00.02	Cooperative forestry research.....	12,412	17,500	12,975
00.03	Payments to 1890 colleges and Tuskegee University.....	22,320	23,333	25,333
00.04	Special research grants.....	54,030	51,780	6,036
00.05	Competitive research grants.....	40,651	42,372	54,500
00.06	Animal health and disease research.....	5,476	5,476	
00.07	Federal administration.....	2,930	4,094	1,100
00.08	1890 research facilities.....	9,508		
00.09	Higher education.....	7,554	7,354	2,000
00.10	Forestry competitive grants.....	6,000		
00.11	Research facilities.....	2,000		
00.12	Buildings and facilities.....	36,350	30,250	
00.91	Total direct program.....	345,860	337,704	257,489
01.01	Reimbursable program.....	4,800	4,800	4,800
10.00	Total obligations.....	350,660	342,504	262,289
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-4,800	-4,800	-4,800
21.40	Unobligated balance available, start of year.....		-31,450	
24.40	Unobligated balance available, end of year.....	31,450		
25.00	Unobligated balance lapsing.....	2,163		
39.00	<b>Budget authority.....</b>	<b>379,473</b>	<b>306,254</b>	<b>257,489</b>
Budget authority:				
Current:				
40.00	Appropriation.....	334,273	303,654	257,489
42.00	Transferred from other accounts.....	42,400		
43.00	<b>Appropriation (adjusted).....</b>	<b>376,673</b>	<b>303,654</b>	<b>257,489</b>
60.00	<b>Appropriation (permanent, indefinite).....</b>	<b>2,800</b>	<b>2,600</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	345,860	337,704	257,489
72.40	Obligated balance, start of year.....	189,766	253,083	286,682
74.40	Obligated balance, end of year.....	-253,083	-286,682	-268,534
77.00	Adjustments in expired accounts.....	-1,256		
90.00	Outlays.....	281,287	304,105	275,637
Distribution of budget authority by account:				
	Cooperative State Research Service.....	349,273	306,254	257,489
	Buildings and Facilities.....	30,200		
Distribution of outlays by account:				
	Cooperative State Research Service.....	281,287	300,314	270,207
	Buildings and Facilities.....		3,971	4,530

Cooperative State Research Service participates in a nationwide system of agricultural research program planning and coordination between the State institutions and the U.S. Department of Agriculture. It assists in maintaining cooperation among the State institutions, and between the State institutions and their Federal research partners. The Agency administers grants and payments to State institutions to supplement State and local funding for agricultural research and higher education.

*Payments under the Hatch Act.*—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern 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 support agricultural research at the 1890 land-grant colleges, including Tuskegee University.

*Special research grants.*—This program targets research to problems of national interest.

*Competitive research grants.*—Research scientists throughout the U.S. scientific community compete for funding under this program. These grants support basic research in biotechnology, plant and animal science, pest science, and human nutrition. For 1989, a new program of research is proposed to examine the effects of the depletion of stratospheric ozone on major crops.

*Animal health and disease research.*—Funds, distributed by formula, support livestock and poultry disease research in colleges of veterinary medicine and in eligible agricultural experiment stations. No funding is proposed in 1989.

*Federal administration.*—A coordinating and review staff assists in maintaining cooperation within and among the States, and between the States and their Federal research partners. This staff also administers research grants and payments to States. Federal administration is funded from a combination of program set-asides from formula and grant programs and from direct appropriation for administration.

*1890 research facilities.*—Funds support the purchase of land and the construction, alteration or renovation of buildings necessary for the conduct of food and agricultural research at colleges eligible to receive funds under the second Morrill Act of 1890, including Tuskegee University. No funding is proposed in 1989.

*Higher education.*—Funding is proposed for Strengthening Grants to support resident instruction at the 1890 colleges, the Tuskegee University, and the University of the District of Columbia. No funding is proposed in 1989 for the Morrill-Nelson and graduate training grants programs.

*Forestry competitive grants.*—This program emphasizes basic research in the areas of harvesting, wood utilization and forest biology. No funding is proposed in 1989.

*Research facilities.*—Funds support the construction, acquisition, equipping and remodeling of research facilities at the State agricultural experiment stations and other eligible institutions. No funding is proposed in 1989.

*Buildings and facilities.*—Funds support the planning, construction, acquisition, equipping and remodeling of research facilities at designated State Agricultural Experiment Stations and other eligible institutions. No funding is proposed in 1989.

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

Object Classification (in thousands of dollars)

Identification code 12-1500-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	5,407	5,413	5,440
11.3 Other than full-time permanent .....	163	279	280
11.5 Other personnel compensation .....	109	163	164
11.9 Total personnel compensation .....	5,679	5,855	5,884
12.1 Civilian personnel benefits .....	575	709	729
13.0 Benefits for former personnel .....	3	3	3
21.0 Travel and transportation of persons .....	619	924	942
22.0 Transportation of things .....	53	54	55
23.3 Communications, utilities, and miscellaneous charges .....	816	338	344
24.0 Printing and reproduction .....	144	147	150
25.0 Other services .....	1,886	3,549	813
26.0 Supplies and materials .....	109	111	114
31.0 Equipment .....	112	114	117
41.0 Grants, subsidies, and contributions .....	335,864	325,900	248,338
99.0 Subtotal, direct obligations .....	345,860	337,704	257,489
99.0 Reimbursable obligations .....	4,800	4,800	4,800
99.9 Total obligations .....	350,660	342,504	262,289

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	158	158	158
Total compensable workyears:			
Full-time equivalent employment .....	142	142	142
Full-time equivalent of overtime and holiday hours .....	1	1	1
Reimbursable:			
Total number of full-time permanent positions .....	8	8	8
Total compensable workyears: Full-time equivalent employment .....	8	8	8

EXTENSION SERVICE

Federal Funds

General and special funds:

EXTENSION SERVICE

(INCLUDING TRANSFERS OF FUNDS)

Payments to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341-349), section 506 of the Act of June 23, 1972, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), to be distributed under sections 3(b) and 3(c) of said Act, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, **[\$241,594,000] \$228,483,000; payments for priority initiatives under section 3(d) of the Act, \$10,000,000; payments for agriculture competitiveness and profitability under section 3(d) of the Act, \$10,000,000; payments for rural revitalization under section 3(d) of the Act, \$2,000,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act,**

General and special funds—Continued

EXTENSION SERVICE—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

[\$58,635,000, of which \$39,627,000 shall be derived by transfer from the appropriation "Food Stamp Program" and merged with this appropriation; payments for the urban gardening program under section 3(d) of the Act, \$3,329,000; payments for the pest management program under section 3(d) of the Act, \$7,164,000; payments for the farm safety program under section 3(d) of the Act, \$970,000] \$22,111,000; payments for the pesticide impact assessment program under section 3(d) of the Act, [\$1,633,000; grants to upgrade 1890 land-grant college extension facilities as authorized by section 1416 of Public Law 99-198, \$9,508,000, to remain available until expended; payments for an integrated reproductive management program under section 3(d) of the Act, \$47,000; payments for the rural development centers under section 3(d) of the Act, \$903,000] \$2,580,000; payments for extension work under section 209(c) of Public Law 93-471, [\$935,000; payments for a financial management assistance program under section 3(d) of the Act, \$1,427,000; payments for carrying out the provisions of the Renewable Resource Extension Act of 1978, \$2,765,000; for special grants for financially stressed farmers and dislocated farmers as authorized by section 1440 of Public Law 99-198, 3,350,000] \$970,000; and payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee University, \$18,291,000; in all, [\$350,551,000, of which not less than \$79,400,000 is for Home Economics] \$294,435,000; *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, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962, section 506 of the Act of June 23, 1972, section 209(d) of Public Law 93-471, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, [\$7,412,000, of which not less than \$2,300,000 is for Home Economics] \$5,107,000. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-0502-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Smith-Lever Act, 3(b) and 3(c).....	231,707	241,594	228,483
Smith-Lever Act, 3(d):			
00.02 Priority initiatives .....			10,000
00.03 Agriculture profitability .....			10,000
00.04 Rural revitalization .....			2,000
00.05 Food and nutrition education (EFNEP) .....	57,635	58,635	22,111
00.06 Pest management .....	7,164	7,164	
00.07 Farm safety .....	970	970	
00.08 Pesticide impact assessment .....	1,633	1,633	2,580
00.09 Urban gardening .....	3,329	3,329	
00.10 Financial management .....	1,427	1,427	
00.11 Integrated reproductive management .....	47	47	
00.12 Rural development centers .....	689	903	
00.13 Payments to the District of Columbia .....	935	935	970
00.14 Payments to 1890 colleges and Tuskegee University .....	16,877	18,291	18,291
00.15 1890 facilities .....			9,508
00.16 Section 1440 grants .....	3,350	3,350	
00.17 Renewable Resources Extension Act .....	2,378	2,765	
00.18 Federal administration .....	6,286	7,412	5,107
00.91 Total direct program .....	334,427	357,963	299,542
01.01 Reimbursable program .....	6,023	6,700	6,700
10.00 Total obligations .....	340,450	364,663	306,242
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-5,528	-6,205	-6,205
14.00 Non-Federal sources .....	-495	-495	-495
25.00 Unobligated balance lapsing .....	4,545		
39.00 Budget authority .....	338,972	357,963	299,542

Budget authority:			
40.00 Appropriation .....	300,345	318,336	299,542
42.00 Transferred from other accounts .....	38,627	39,627	
43.00 Appropriation (adjusted) .....	338,972	357,963	299,542
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	334,427	357,963	299,542
72.40 Obligated balance, start of year .....	57,349	72,466	77,604
74.40 Obligated balance, end of year .....	-72,466	-77,604	-65,298
77.00 Adjustments in expired accounts .....	-394		
90.00 Outlays .....	318,916	352,825	311,848

The Federal Extension Service, States, and localities comprise the Cooperative Extension System. This nationwide system provides out-of-school, applied education, information, and technology transfer to the public on national issues and concerns.

Federal funds are distributed primarily by formula to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa, primarily on the basis of population. Funds are used primarily for the employment of State, area, and county extension workers and paraprofessionals who work with individuals, families, community organizations, marketing concerns, and others by providing advice and assistance in the application of improved methods for production, marketing, nutrition, family living, and community development. Most of these funds are matched by the States and provide the Federal share of State retirement and penalty mail costs associated with program activities specifically undertaken with these matched funds.

In 1989, initiatives are proposed to address national concerns on agricultural competitiveness and profitability, rural revitalization and the newly established system-wide National Initiatives for Cooperative Extension. Funds are also proposed for low income nutrition education and an increase in the pesticide impact assessment program is proposed consistent with Federal pesticide regulatory activity levels. Maintenance of operations is proposed for the 1890 institutions and the District of Columbia.

The Extension Service provides leadership and assistance to States, Puerto Rico, Guam, the Virgin Islands, the District of Columbia, American Samoa, Northern Marianas and Micronesia, in developing extension programs, improving teaching methods, efficient use of available resources, evaluation of programs, and administrative services. These responsibilities are funded from a combination of program set-asides for administering payments to States and from direct appropriations for the Federal Extension Administration.

Object Classification (in thousands of dollars)

Identification code 12-0502-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	7,033	7,615	7,649
11.3 Other than full-time permanent .....	63	65	67
11.5 Other personnel compensation .....	30	35	36
11.9 Total personnel compensation .....	7,126	7,715	7,752
12.1 Civilian personnel benefits .....	827	925	930
21.0 Travel and transportation of persons .....	674	700	615
22.0 Transportation of things .....	99	100	85
23.3 Communications, utilities, and miscellaneous charges .....	603	600	525

24.0	Printing and reproduction .....	476	500	440
25.0	Other services.....	1,595	1,610	1,409
26.0	Supplies and materials.....	269	275	240
31.0	Equipment.....	248	250	220
41.0	Grants, subsidies, and contributions .....	322,510	345,288	287,326
99.0	Subtotal, direct obligations.....	334,427	357,963	299,542
99.0	Reimbursable obligations.....	6,023	6,700	6,700
99.9	Total obligations.....	340,450	364,663	306,242

**Personnel Summary**

Total number of full-time permanent positions.....	189	185	185
Total compensable workyears:			
Full-time equivalent employment.....	173	173	173
Full-time equivalent of overtime and holiday hours.....	1	1	1

**NATIONAL AGRICULTURAL LIBRARY**

*Federal Funds*

**General and special funds:**

**NATIONAL AGRICULTURAL LIBRARY**

For necessary expenses of the National Agricultural Library, **[\$12,194,000] \$13,599,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed **[\$575,000] \$775,000** shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements: *Provided further,* That \$370,000 shall be available for a grant pursuant to section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318). (5 U.S.C. 301, 552, 5946; 7 U.S.C. 450b, 450i, 2201, 2202, 2204, 2206, 2242, 2242a, 2244, 2264, 2265, 3318; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-0300-0-1-352	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Agricultural information and library services.....	10,471	11,894	13,299
00.02	Repairs and maintenance of facilities.....	300	300	300
00.91	Total direct program.....	10,771	12,194	13,599
01.01	Reimbursable program.....	2,017	2,100	1,350
10.00	Total obligations.....	12,788	14,294	14,949
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-2,017	-2,100	-1,350
21.40	Unobligated balance available, start of year.....	-291		
25.00	Unobligated balance lapsing.....	619		
40.00	<b>Budget authority (appropriation).....</b>	<b>11,098</b>	<b>12,194</b>	<b>13,599</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,771	12,194	13,599
72.40	Obligated balance, start of year.....	2,675	4,674	5,034
74.40	Obligated balance, end of year.....	-4,674	-5,034	-5,538
90.00	Outlays.....	8,771	11,834	13,095

The primary purpose of NAL is to acquire, preserve, and disseminate a comprehensive collection of reliable information in all phases of the agricultural and allied sciences.

*Agricultural information and library services.*—The National Agricultural Library provides a variety of information products and services through: (1) the administration of a unique collection of books, journals, and other information materials about food and agriculture to 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. The funds in 1988 will be used to continue NAL's services and cooperative efforts with other libraries.

*Repairs and maintenance of facilities.*—These funds are used for maintaining the library building.

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

Identification code 12-0300-0-1-352	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	4,596	5,055	5,088
11.3	Other than full-time permanent.....	275	280	285
11.5	Other personnel compensation.....	109	110	115
11.9	Total personnel compensation.....	4,980	5,445	5,488
12.1	Civilian personnel benefits.....	642	786	837
13.0	Benefits for former personnel.....	5		
21.0	Travel and transportation of persons.....	82	86	93
22.0	Transportation of things.....	9	15	18
23.3	Communications, utilities, and miscellaneous charges.....	665	700	840
24.0	Printing and reproduction.....	151	175	210
25.0	Other services.....	2,087	2,346	3,262
26.0	Supplies and materials.....	1,495	1,871	2,251
31.0	Equipment.....	651	400	600
41.0	Grants, subsidies, and contributions.....	3	370	
99.0	Subtotal, direct obligations.....	10,771	12,194	13,599
99.0	Reimbursable obligations.....	2,017	2,100	1,350
99.9	Total obligations.....	12,788	14,294	14,949

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	166	177	179
Total compensable workyears:			
Full-time equivalent employment.....	173	187	189
Full-time equivalent of overtime and holiday hours.....	5	5	5
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	7	9	7
Total compensable workyears: Full-time equivalent employment.....	7	9	7

**NATIONAL AGRICULTURAL STATISTICS SERVICE**

*Federal Funds*

**General and special funds:**

**NATIONAL AGRICULTURAL STATISTICS SERVICE**

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$61,176,000] \$64,086,000: 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 \$40,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 411, 411a, 411b, 427, 471, 475, 476, 501, 951, 953, 955-57, 2201, 2202, 2248, 3103, 3311, 3504; 18 U.S.C. 1902, 1905, 2072; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-1801-0-1-352	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Crop and livestock estimates.....	54,218	57,630	60,443
00.02	Statistical research and service.....	3,392	3,546	3,643
00.91	Total direct program.....	57,610	61,176	64,086

General and special funds—Continued

NATIONAL AGRICULTURAL STATISTICS SERVICE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1801-0-1-352	1987 actual	1988 est.	1989 est.
01.01	Reimbursable program.....	8,254	6,500	6,500
10.00	Total obligations.....	65,865	67,676	70,586
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-7,068	-5,493	-5,493
14.00	Non-Federal sources.....	-1,186	-1,007	-1,007
25.00	Unobligated balance lapsing.....	279		
40.00	<b>Budget authority (appropriation).....</b>	<b>57,889</b>	<b>61,176</b>	<b>64,086</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	57,610	61,176	64,086
72.40	Obligated balance, start of year.....	7,670	4,226	11,379
74.40	Obligated balance, end of year.....	-4,226	-11,379	-11,947
77.00	Adjustments in expired accounts.....	-791		
90.00	Outlays.....	60,263	54,024	63,518

*Crop and livestock estimates.*—The Service provides the official National and State estimates of acreage, yield, and production of crops, stocks and value of farm commodities, and numbers of inventory values of livestock items. Data on approximately 120 crops and 45 livestock products are covered in some 300 reports issued each year. Data collected and published on prices paid and received by farmers are basic to computation of parity prices.

The work under this activity is conducted through 44 State offices serving the 50 States; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. The major program modification in 1989 is an increase of \$1,200,000 to provide seasonal agricultural labor data to fulfill the requirements of the Immigration Reform and Control Act.

*Statistical research and service.*—This activity is designed to improve crop and livestock estimating techniques by improving sample survey designs and procedures and by testing new forecasting and estimating techniques, such as the use of satellite data.

Object Classification (in thousands of dollars)

Identification code	12-1801-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	26,828	27,703	28,020
11.3	Other than full-time permanent.....	858	886	896
11.5	Other personnel compensation.....	277	286	290
11.9	Total personnel compensation.....	27,963	28,875	29,206
12.1	Civilian personnel benefits.....	4,564	5,246	5,438
13.0	Benefits for former personnel.....	19	14	14
21.0	Travel and transportation of persons.....	951	1,058	1,150
22.0	Transportation of things.....	376	308	335
23.3	Communications, utilities, and miscellaneous charges.....	3,779	3,866	4,204
24.0	Printing and reproduction.....	352	391	425
25.0	Other services.....	17,735	18,516	20,165
26.0	Supplies and materials.....	678	760	825
31.0	Equipment.....	1,192	2,142	2,324
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	57,610	61,176	64,086
99.0	Reimbursable obligations.....	8,254	6,500	6,500
99.9	Total obligations.....	65,865	67,676	70,586

Personnel Summary

Total number of full-time permanent positions.....	980	977	967
Total compensable workyears:			
Full-time equivalent employment.....	1,059	1,057	1,047
Full-time equivalent of overtime and holiday hours.....	2	2	2

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8218-0-7-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	153	173	150
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-23	-23	
24.40	Unobligated balance available, end of year.....	23		
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>153</b>	<b>150</b>	<b>150</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	153	173	150
72.40	Obligated balance, start of year.....	77	126	149
74.40	Obligated balance, end of year.....	-126	-149	-149
90.00	Outlays.....	104	150	150

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

Object Classification (in thousands of dollars)

Identification code	12-8218-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	49	50	50
11.3	Other than full-time permanent.....	1	2	2
11.9	Total personnel compensation.....	50	52	52
12.1	Civilian personnel benefits.....	8	8	8
21.0	Travel and transportation of persons.....	1	1	1
23.3	Communications, utilities, and miscellaneous charges.....	35	29	27
24.0	Printing and reproduction.....	53	42	40
25.0	Other services.....	4	40	21
26.0	Supplies and materials.....	2	1	1
99.9	Total obligations.....	153	173	150

Personnel Summary

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	2	2	2

ECONOMIC RESEARCH SERVICE

Federal Funds

General and special funds:

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; research relating to the economic and marketing aspects of farmer cooperatives; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United



States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products, **[\$48,186,000] \$49,771,000**; of which not less than \$200,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said Administrator, other agencies or before the courts: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (7 U.S.C. 292, 411, 427, 1441a, 1704, 1761-68, 2201, 2202, 3103, 3291, 3311, 3504; 22 U.S.C. 3101; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-1701-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program	44,767	48,396	49,771
01.01	Reimbursable program	1,877	1,013	1,013
10.00	<b>Total obligations</b>	<b>46,644</b>	<b>49,409</b>	<b>50,784</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-1,877	-1,013	-1,013
21.40	Unobligated balance available, start of year	-47	-210	
24.40	Unobligated balance available, end of year	210		
25.00	Unobligated balance lapsing	47		
40.00	<b>Budget authority (appropriation)</b>	<b>44,977</b>	<b>48,186</b>	<b>49,771</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	44,767	48,396	49,771
72.40	Obligated balance, start of year	6,022	7,730	8,584
74.40	Obligated balance, end of year	-7,730	-8,584	-9,075
77.00	Adjustments in expired accounts	103		
90.00	<b>Outlays</b>	<b>43,162</b>	<b>47,542</b>	<b>49,280</b>

The Economic Research Service performs agricultural economic and other social science research, outlook forecasting, policy analysis, and data collection and management related to U.S. and international agriculture, food, natural resources, and rural America.

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

Identification code	12-1701-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	27,985	29,907	30,790
11.3	Other than full-time permanent	382	407	419
11.5	Other personnel compensation	342	366	377
11.9	<b>Total personnel compensation</b>	<b>28,709</b>	<b>30,680</b>	<b>31,586</b>
12.1	Civilian personnel benefits	3,850	4,403	4,534
13.0	Benefits for former personnel	199	26	26
21.0	Travel and transportation of persons	535	774	804
22.0	Transportation of things	44	43	45
23.3	Communications, utilities, and miscellaneous charges	863	872	906
24.0	Printing and reproduction	346	400	416
25.0	Other services	8,508	9,843	10,046
26.0	Supplies and materials	492	533	554
31.0	Equipment	1,221	822	854
99.0	<b>Subtotal, direct obligations</b>	<b>44,767</b>	<b>48,396</b>	<b>49,771</b>
99.0	Reimbursable obligations	1,877	1,013	1,013
99.9	<b>Total obligations</b>	<b>46,644</b>	<b>49,409</b>	<b>50,784</b>

**Personnel Summary**

Total number of full-time permanent positions	757	784	804
Total compensable workyears: Full-time equivalent employment	813	840	860

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

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

Identification code	12-8227-0-7-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	44	220	200
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-11	-20	
24.40	Unobligated balance available, end of year	20		
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>53</b>	<b>200</b>	<b>200</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	44	220	200
72.40	Obligated balance, start of year		-3	17
74.40	Obligated balance, end of year	3	-17	-17
90.00	<b>Outlays</b>	<b>47</b>	<b>200</b>	<b>200</b>

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

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

Identification code	12-8227-0-7-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	19	14	14
12.1	Civilian personnel benefits	4	2	2
23.3	Communications, utilities, and miscellaneous charges	2	33	33
24.0	Printing and reproduction	7	22	22
25.0	Other services	12	147	127
26.0	Supplies and materials		2	2
99.9	<b>Total obligations</b>	<b>44</b>	<b>220</b>	<b>200</b>

**Personnel Summary**

Total number of full-time positions	1	1	1
Total compensable work years: Full-time equivalent employment	1	1	1

**WORLD AGRICULTURAL OUTLOOK BOARD**

**Federal Funds**

**General and special funds:**

**WORLD AGRICULTURAL OUTLOOK BOARD**

For necessary expenses of the World Agricultural Outlook Board to coordinate and review all commodity and aggregate agricultural and food data used to develop outlook and situation material within the Department of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), **[\$1,730,000] \$1,906,000**: *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). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-2100-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program	1,628	1,730	1,906
01.01	Reimbursable program	25	29	29
10.00	<b>Total obligations</b>	<b>1,653</b>	<b>1,759</b>	<b>1,935</b>

General and special funds—Continued

WORLD AGRICULTURAL OUTLOOK BOARD—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-2100-0-1-352	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-25	-29	-29
25.00	Unobligated balance lapsing .....	16		
40.00	<b>Budget authority (appropriation) .....</b>	<b>1,644</b>	<b>1,730</b>	<b>1,906</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,628	1,730	1,906
72.40	Obligated balance, start of year .....	277	361	412
74.40	Obligated balance, end of year .....	-361	-412	-454
77.00	Adjustments in expired accounts .....	-14		
90.00	<b>Outlays .....</b>	<b>1,530</b>	<b>1,679</b>	<b>1,864</b>

The World Agricultural Outlook Board (WAOB) was established to provide a single focal point for the Nation's economic intelligence related to domestic and international food and agriculture.

The objectives of the WAOB are to improve the consistency, objectivity, and reliability of outlook and situation material being disseminated to the public and to integrate and coordinate USDA domestic and international economic information assistance.

The WAOB carries out these objectives through daily market surveillance and special analyses of international and domestic agricultural developments, direct participation in the planning of research programs supporting outlook and situation activities, and coordination of all departmental activities relating to weather and climate and remote sensing. The 1989 budget includes funds for economic analysis and coordination of supply/demand estimates, and meteorological data base expansion for improved crop forecasting.

Object Classification (in thousands of dollars)

Identification code	12-2100-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,096	1,195	1,283
11.3	Other than full-time permanent .....	40	14	15
11.9	<b>Total personnel compensation .....</b>	<b>1,136</b>	<b>1,209</b>	<b>1,298</b>
12.1	Civilian personnel benefits .....	127	146	160
21.0	Travel and transportation of persons .....	28	33	35
22.0	Transportation of things .....	3		
23.3	Communications, utilities, and miscellaneous charges .....	52	56	58
24.0	Printing and reproduction .....	21	22	23
25.0	Other services .....	135	165	229
26.0	Supplies and materials .....	32	37	33
31.0	Equipment .....	94	62	70
99.0	<b>Subtotal, direct obligations .....</b>	<b>1,628</b>	<b>1,730</b>	<b>1,906</b>
99.0	Reimbursable obligations .....	25	29	29
99.9	<b>Total obligations .....</b>	<b>1,653</b>	<b>1,759</b>	<b>1,935</b>

Personnel Summary

Total number of full-time permanent positions .....	30	30	31
Total compensable workyears: Full-time equivalent employment .....	26	30	31

FOREIGN AGRICULTURAL SERVICE

Federal Funds

General and special funds:

FOREIGN AGRICULTURAL SERVICE

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$110,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$92,017,000] \$89,057,000: Provided,** That not less than \$255,000 of this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further,* That, hereafter, notwithstanding any other provision of law, upon the request of the Secretary of Agriculture, the Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Foreign Agricultural Service Officer assigned to any United States mission abroad: *Provided further,* That the number of Agricultural Counselors accorded such diplomatic title at any time shall not exceed eight: *Provided further,* That funds available to the Foreign Agricultural Service under this and subsequent appropriations Acts shall be available to contract with individuals for services to be performed outside the United States as determined by the Service to be necessary or appropriate for carrying out programs and activities abroad. Such individuals shall not be regarded as officers or employees of the United States under any law, including any law administered by the Office of Personnel Management. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

[SEC. 6. AUTHORIZATION OF APPROPRIATIONS.]

[There are authorized to be appropriated such sums as may be necessary to carry out this chapter: *Provided,* That \$200,000 is appropriated to carry out this chapter for fiscal year 1988.] (*Section 157, Public Law 100-202.*)

GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

Not to exceed **[\$7,157,000] \$7,268,000** may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager, of which up to \$4,000,000 shall be available only for the purpose of selling surplus agricultural commodities from Commodity Credit Corporation inventory in world trade at competitive prices for the purpose of regaining and retaining our normal share of world markets. The General Sales Manager shall report directly to the Secretary of Agriculture. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including information relating to the effectiveness of greater reliance by the General Sales Manager upon loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit **[quarterly] annual** reports to the appropriate committees of Congress concerning such developments. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2900-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Foreign agricultural affairs .....	23,313	25,572	25,572
00.02	Foreign market information and access .....	11,776	14,145	14,145
00.03	Foreign market development .....	48,070	52,500	49,340
00.91	<b>Total direct program .....</b>	<b>83,159</b>	<b>92,217</b>	<b>89,057</b>
01.01	Reimbursable program .....	2,726	2,863	2,877
10.00	<b>Total obligations .....</b>	<b>85,885</b>	<b>95,080</b>	<b>91,934</b>

Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-2,233	-2,593	-2,607
14.00	Non-Federal sources.....	-493	-270	-270
25.00	Unobligated balance lapsing.....	624		
40.00	<b>Budget authority (appropriation).....</b>	<b>83,783</b>	<b>92,217</b>	<b>89,057</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	83,159	92,217	89,057
72.40	Obligated balance, start of year.....	49,765	53,771	58,147
74.40	Obligated balance, end of year.....	-53,771	-58,147	-57,852
77.00	Adjustments in expired accounts.....	-1,030		
90.00	<b>Outlays.....</b>	<b>78,122</b>	<b>87,841</b>	<b>89,352</b>

The Foreign Agricultural Service mission is to help American farmers and traders take maximum advantage of increased opportunities to sell U.S. agricultural commodities abroad and to help increase U.S. farm income.

Activities are conducted within three program areas:

**Foreign agricultural affairs.**—The Service maintains agricultural counselors, attachés or trade officers at 76 foreign posts to assist overseas development of markets for U.S. farm commodities. They work closely with numerous U.S. agricultural trade groups and maintain significant contacts with foreign governments and traders to promote market access for U.S. farm products. They also file annually about 4,500 comprehensive reports regarding foreign agricultural production, supply, demand, marketing and trade policy developments to keep U.S. agriculture, industry, and Government currently informed.

**PROGRAM STATISTICS**

	1987 actual	1988 est.	1989 est.
Number of countries covered.....	110	110	110
Number of trade and Government visitors.....	25,000	26,000	26,000
Number of posts accessible by telecommunications <sup>1</sup> .....	66	69	74

<sup>1</sup> Global Economic Data Exchange System.

**Foreign market information and access.**—Under this broad program heading, the Service 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. The Service is responsible for the development and maintenance of the USDA statistical data base encompassing foreign production estimates, trade data, export forecasts, economic indicators, price data and export sales reporting. These data are collected, analyzed, and disseminated to U.S. farm and trade groups providing ready access to reliable information to assess short-term changes in world agricultural supply and demand conditions by commodity.

The analyses of world commodity conditions provide the information necessary to develop export marketing strategies that can be used by the Department not only to gain market access but to enhance the long term market development plans for major U.S. commodities.

**Foreign market development.**—This program provides funding support to 47 commodity associations (cooperators), 9 contractors participating in the export incentive program, 4 regional groups (representing 47 State departments of agriculture) and the National Association of State Departments of Agriculture. Under FAS guidance and supervision, these organizations conduct an extensive worldwide market development program on behalf of the U.S. farm sector. In addition, the Service

develops and operates a worldwide system of multicommodity promotional programs utilizing product exhibits, trade teams, trade services, market information programs, and trade referral services to expand overseas markets. Historically, FAS contributes approximately 30 percent of the total annual cost of this program.

**PROGRAM STATISTICS**

	1987 actual	1988 est.	1989 est.
Number of commodity associations and firms actively working with FAS.....	69	81	81
Number of agricultural trade offices (ATO).....	15	15	15
Number of countries covered by ATO's.....	33	33	33
Number of visitors to ATO's.....	7,300	8,000	8,300

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

Identification code 12-2900-0-1-352	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	23,906	25,910	26,319
11.3	Other than full-time permanent.....	626	658	658
11.5	Other personnel compensation.....	305	317	317
11.9	Total personnel compensation.....	24,837	26,885	27,294
12.1	Civilian personnel benefits.....	3,960	5,638	5,972
13.0	Benefits for former personnel.....	96	99	100
21.0	Travel and transportation of persons.....	2,208	2,765	2,570
22.0	Transportation of things.....	901	914	915
23.2	Rental payments to others.....	3,681	4,159	4,450
23.3	Communications, utilities, and miscellaneous charges... ..	1,920	2,049	2,110
24.0	Printing and reproduction.....	561	558	560
25.0	Other services.....	42,187	46,826	43,081
26.0	Supplies and materials.....	1,354	1,154	1,000
31.0	Equipment.....	1,449	1,165	1,000
42.0	Insurance claims and indemnities.....	5	5	5
99.0	Subtotal, direct obligations.....	83,159	92,217	89,057
99.0	Reimbursable obligations.....	2,726	2,863	2,877
99.9	Total obligations.....	85,885	95,080	91,934

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	702	722	722
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	689	704	704
Full-time equivalent of overtime and holiday hours.....	2	2	2
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	2	3	3
Total compensable workyears: Full-time equivalent employment.....	2	3	3

**OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT**

**Federal Funds**

**General and special funds:**

**OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT  
(INCLUDING TRANSFERS OF FUNDS)**

For necessary expenses of the Office of International Cooperation and Development to coordinate, plan, and direct activities involving international development, technical assistance and training, and international scientific and technical cooperation in the Department of Agriculture, including those authorized by the Food and Agriculture Act of 1977 (7 U.S.C. 3291), **[\$5,295,000] \$3,972,000: Provided,** [That in addition, funds available to the Department of Agriculture shall be available to assist an international organization in meeting the costs, including salaries, fringe benefits and other associated costs, related to the employment by the organization of Federal personnel that may transfer to the organization under the provisions of 5 U.S.C. 3581-3584, or of other well-qualified United States citizens, for the performance of activities that contribute to increased understanding

General and special funds—Continued

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

of international agricultural issues, with transfer of funds for this purpose from one appropriation to another or to a single account authorized, such funds remaining available until expended: *Provided further,* That the Office may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3200-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	International agricultural development .....	1,990	1,792	300
00.02	International scientific and technical cooperation .....	3,159	3,503	3,672
00.91	Total direct program .....	5,149	5,295	3,972
Reimbursable program:				
01.01	Technical assistance and analyses to aid foreign development .....	21,897	22,000	22,000
01.02	Subsistence, tuitions, and training for foreign nationals in the United States .....	12,687	13,000	13,000
01.03	International research .....	1,142	1,000	1,000
01.91	Total reimbursable program .....	35,726	36,000	36,000
10.00	Total obligations .....	40,875	41,295	39,972
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-35,726	-36,000	-36,000
40.00	Budget authority (appropriation) .....	5,149	5,295	3,972
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,149	5,295	3,972
72.10	Receivables in excess of obligations, start of year .....	-23,851	-66,418	-66,372
74.10	Receivables in excess of obligations, end of year .....	66,418	66,372	66,609
77.00	Adjustments in expired accounts .....	-15,137		
90.00	Outlays .....	32,579	5,249	4,209

The mission of the Office of International Cooperation and Development (OICD) is to promote U.S. agriculture and to advance the agriculture of developing countries as parts of a complementary global agricultural system capable of providing ample food and fiber for all people.

*International agricultural development.*—OICD analyzes agricultural policy issues related to USDA's international agricultural development efforts, and supports the Cancun Presidential Agricultural Task Forces and the International Science and Education Council. The Agency also formulates and reviews food aid development activities supported by Public Law 480 Titles I and III agreements.

*International scientific and technical cooperation.*—OICD manages the Department's bilateral exchange and cooperative research programs with foreign governments and institutions in order to strengthen the role of science and technology in the ongoing effort to stabilize world food supplies and to increase the efficiency with which world resources are used. Priorities and criteria for these programs are based on domestic research priorities, potential benefits to U.S. agricultural production, and the availability of desired technologies.

OICD coordinates USDA's and the U.S. Government's participation in approximately 30 international organizations concerned with food, agriculture and rural development.

*Reimbursable program.*—OICD, utilizing USDA and university expertise, provides technical assistance and training to developing countries at the request of AID and international organizations. OICD manages technical assistance projects in over 50 countries, focusing on land and water management, crop and livestock production and marketing, forestry, pest control, resource conservation and other areas. OICD offers a technical and management training program in agriculture and rural development to participants from foreign countries and designees of international organizations.

Object Classification (in thousands of dollars)

Identification code	12-3200-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	2,144	2,099	2,123
11.3	Other than full-time permanent .....	44	43	43
11.9	Total personnel compensation .....	2,188	2,142	2,166
12.1	Civilian personnel benefits .....	329	343	368
21.0	Travel and transportation of persons .....	529	530	530
22.0	Transportation of things .....	25	26	26
23.2	Rental payments to others .....	3	4	4
23.3	Communications, utilities, and miscellaneous charges .....	90	95	95
24.0	Printing and reproduction .....	34	38	38
25.0	Other services .....	1,557	1,715	495
26.0	Supplies and materials .....	30	32	30
31.0	Equipment .....	67	70	70
41.0	Grants, subsidies, and contributions .....	297	300	150
99.0	Subtotal, direct obligations .....	5,149	5,295	3,972
99.0	Reimbursable obligations .....	35,726	36,000	36,000
99.9	Total obligations .....	40,875	41,295	39,972

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	62	62	62
Total compensable workyears: Full-time equivalent employment .....	57	57	57
Reimbursements:			
Total number of full-time permanent positions .....	137	138	138
Total compensable workyears:			
Full-time equivalent employment .....	143	131	130
Full-time equivalent of overtime and holiday hours .....	4	4	4

【SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)】

【For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(1), (3)), \$1,500,000: *Provided,* That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further,* That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further,* That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-1404-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Market development research (sec. 104(b)(1))	417	150	62
00.02	Agricultural and forestry research (sec. 104(b)(3))	3,750	1,350	553
10.00	Total obligations	4,167	1,500	615
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-4,366	-2,699	-2,699
24.40	Unobligated balance available, end of year	2,699	2,699	2,084
40.00	Budget authority (appropriation)	2,500	1,500	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	4,167	1,500	615
72.40	Obligated balance, start of year	11,199	11,698	11,225
74.40	Obligated balance, end of year	-11,698	-11,225	-11,106
90.00	Outlays	3,668	1,973	734

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 1988, special foreign currency programs will be discontinued.

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

Identification code	12-1404-0-1-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	26		
12.1	Civilian personnel benefits	2		
21.0	Travel and transportation of persons	85	85	85
22.0	Transportation of things	1	1	1
23.3	Communications, utilities, and miscellaneous charges	21	21	21
24.0	Printing and reproduction	1	1	1
25.0	Other services	225	200	100
26.0	Supplies and materials	9	10	10
41.0	Grants, subsidies, and contributions	3,797	1,182	397
99.9	Total obligations	4,167	1,500	615

**Personnel Summary**

Total number of full-time permanent positions	2	2	
Total compensable workyears: Full-time equivalent employment	2	2	

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

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

Identification code	12-8232-0-7-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	3,618	5,188	5,188
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-3,900	-2,946	-2,946
24.40	Unobligated balance available, end of year	2,946	2,946	2,946
60.00	Budget authority (appropriation) (permanent, indefinite)	2,664	5,188	5,188
Relation of obligations to outlays:				
71.00	Obligations incurred, net	3,618	5,188	5,188
72.40	Obligated balance, start of year	1,107	1,816	1,816
74.40	Obligated balance, end of year	-1,816	-1,816	-1,816
90.00	Outlays	2,909	5,188	5,188

Miscellaneous funds are received from the Department of State and from Saudi Arabia and other developing countries for USDA development assistance and international research projects (22 U.S.C. 2392).

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

Identification code	12-8232-0-7-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	904	922	922
12.1	Civilian personnel benefits	147	148	148
21.0	Travel and transportation of persons	158	160	160
22.0	Transportation of things	42	45	45
23.2	Rental payments to others	97	100	100
24.0	Printing and reproduction	1	5	5
25.0	Other services	1,566	2,483	2,483
26.0	Supplies and materials	50	165	165
31.0	Equipment	100	600	600
41.0	Grants, subsidies, and contributions	553	560	560
99.9	Total obligations	3,618	5,188	5,188

**Personnel Summary**

Total number of full-time permanent positions	16	16	16
Total compensable workyears: Full-time equivalent employment	16	16	16

**FOREIGN ASSISTANCE PROGRAMS**

Facilities and funds of the Commodity Credit Corporation may by law be used in carrying out programs for exporting agricultural commodities.

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended: Financing sales of agricultural commodities for dollars on credit terms, for convertible foreign currency on credit terms, or for convertible foreign currency for use under section 108 of the Act; furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III); and for dispositions abroad (title II).

No agreements to finance sales under the authority of title I or programs of assistance under title II may be entered into after December 31, 1990.

**Federal Funds**

**General and special funds:**

**PUBLIC LAW 480**

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691, 1701-1715, 1721-1726, 1727-1727f, 1731-1736g), as follows: (1) financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms pursuant to titles I and III of said Act, or for convertible foreign currency for use under 7 U.S.C. 1708, and for furnishing commodities to carry out the Food for Progress Act of 1985, not more than **[\$852,000,000]** **\$812,000,000**, of which **[\$429,596,000]** **\$428,200,000** is hereby appropriated and the balance derived from proceeds from sales of foreign currencies and dollar loan repayments, repayments on long-term credit sales, carryover balances and commodities made available from the inventories of the Commodity Credit Corporation by the Secretary of Agriculture pursuant to sections 102 and 403(b) of said Act, and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, not more than **[\$630,000,000]** **\$595,000,000**, of which **[\$630,000,000]** **\$595,000,000** is hereby appropriated: *Provided*, That not to exceed **[10]** 15 per centum of the funds made available to carry out any title of this paragraph may be used to carry out any other title of this paragraph. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

**General and special funds—Continued**  
**PUBLIC LAW 480—Continued**  
**(INCLUDING TRANSFERS OF FUNDS)—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
12-2274-0-1-151			
<b>Program by activities:</b>			
00.01 Financing the sale of agricultural commodities for foreign currencies and for dollars on credit terms (titles I and II).....	876,602	852,000	812,000
00.02 Commodities supplied in connection with dispositions abroad (title II).....	552,300	630,000	595,000
00.91 Total program level.....	1,428,902	1,482,000	1,407,000
01.01 Amount financed by balance in CCC and by receipts.....	-345,831	-422,404	-383,800
10.00 Total obligations (object class 25.0).....	1,083,071	1,059,596	1,023,200
<b>Financing:</b>			
39.00 Budget authority.....	1,083,071	1,059,596	1,023,200
Budget authority:			
40.00 Appropriation.....	1,383,071	1,059,596	1,023,200
41.00 Transferred to other accounts.....	-300,000		
43.00 Appropriation (adjusted).....	1,083,071	1,059,596	1,023,200
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,083,071	1,059,596	1,023,200
72.40 Obligated balance, start of year.....	710,809	823,942	728,904
74.40 Obligated balance, end of year.....	-823,942	-728,904	-670,354
90.00 Outlays.....	969,938	1,154,634	1,081,750

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	1,083,071	1,059,596	1,023,200
Outlays.....	969,938	1,154,634	1,081,750
Credit reform:			
Budget authority.....			-214,223
Outlays.....			-194,278
Total:			
Budget authority.....	1,083,071	1,059,596	808,977
Outlays.....	969,938	1,154,634	887,472

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

Identification code	1987 actual	1988 est.	1989 est.
12-2274-0-1-151			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Direct loan obligations exempt from limitation.....	803,662	777,200	738,700
1150 Total direct loan obligations.....	803,662	777,200	738,700
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	10,622,254	11,219,302	11,762,389
1231 Disbursements: Direct loan disbursements.....	740,203	779,582	742,165
1251 Repayments: Repayments and prepayments.....	-206,614	-236,495	-243,240
1261 Adjustments: Capitalized interest.....	63,459		
1290 Outstanding, end of year.....	11,219,302	11,762,389	12,261,314
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	70.2	70.3	70.0
1330 Subsidy amount (in thousands of dollars).....	564,171	546,372	517,090

**RECONCILIATION OF PROGRAM LEVEL TO PROGRAM COSTS FUNDED BY CCC**

	[In thousands of dollars]		
Titles I/III	1987 actual	1988 est.	1989 est.
Gross commodity costs.....	784,623	788,000	749,700
Ocean freight differential and ocean transportation.....	111,758	79,800	77,300
Subtotal.....	896,381	867,800	827,000
Initial payments to exporters.....	-19,779	-15,800	-15,000
Total program level, current year.....	876,602	852,000	812,000

Prior year obligations financed.....	210,541	210,972	210,972
Obligations financed in succeeding year.....	-210,972	-210,972	-210,972
Total program costs, funded.....	876,171	852,000	812,000
<b>Title II</b>			
Commodity costs.....	372,100	384,043	369,556
Ocean and inland transportation.....	180,200	245,957	225,444
Total program level, current year.....	552,300	630,000	595,000
Prior year obligations financed.....	367,358	446,329	446,329
Obligations financed in succeeding year.....	-446,329	-446,329	-446,329
Total program costs, funded.....	473,329	630,000	595,000

*Financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms; for convertible foreign currency for use under section 108; and furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III).—The Corporation finances all sales made pursuant to agreements concluded under the authority of title I, and may serve as the purchasing or shipping agent, or both, if the purchaser so requests. Sales are made to friendly countries—as defined in section 103(d) of the act—and must not displace expected commercial sales for cash dollars (secs. 103 (c) and (n)).*

Agreements may not be made under title I in any calendar year which call for an appropriation to reimburse the Corporation in excess of \$1.9 billion, plus unused prior years' authorizations.

Whenever practicable, terms of agreements must require payment at time of delivery of not less than 5% of the purchase price in dollars or in currencies convertible to dollars. These initial payments are applied against costs to reduce appropriation requests.

When U.S.-flag vessels are required to ship commodities under this title, the Corporation will pay the difference between U.S.-flag rates and foreign-flag rates. In limited cases, full transportation costs to port of entry or point of entry abroad may be included along with the cost of the commodity in the amount financed by CCC in order to ensure that U.S. food aid would reach the most needy recipients.

*Use of foreign currency (title I).—*Certain U.S. uses of foreign currencies are subject to the appropriation process. The Corporation is reimbursed for the dollar value of currencies so used. Proceeds from sales of foreign currencies and from dollar repayments of foreign currency loans are applied as a reduction in appropriation requests.

*Financing sales of agricultural commodities for dollars or convertible foreign currencies on credit terms (title I).—*Agreements are made with friendly countries for delivery in annual installments for not more than 10 years from the date of the agreement subject to the availability of the commodity.

Credit terms are to be no less favorable than those required by section 122 of the Foreign Assistance Act of 1961, as amended, for loans made under that section.

Repayments under dollar credit agreements are not more than 20 years with a grace period of not more than 2 years on repayment of principal. Convertible foreign currency terms permit repayment of up to 40 years with deferral of principal payments for up to 10 years. As payments are received each year, they are

applied against current costs to reduce appropriation requests.

*Financing sales of agricultural commodities for convertible foreign currencies to be used pursuant to section 108 (title I).*—Title I sales may be financed for convertible foreign currencies which are then loaned to financial intermediaries in the recipient country pursuant to agreements whereby the intermediaries would reloan the funds to promote private enterprise institutions. Funds repaid by the financial intermediaries may be used to finance additional private enterprise investment, develop new markets, pay U.S. obligations, or be converted to dollars.

*Furnishing commodities to carry out the Food for Progress Act of 1985 (title I).*—Funds appropriated to carry out title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such commodities may be furnished on credit terms or on a grant basis in order to assist countries that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

Total title I agreements made since inception to September 30, 1987, amount to \$16,844.0 million cost value, including ocean freight for shipment on U.S. ships. Major commodities are wheat, cotton, oils, rice, and feed grains. Payments received during the period amount to \$4,506.9 million, of which \$2,748.9 million was applied to principal and \$1,758.0 million to interest.

The following table reflects the composition of the combined appropriations (in thousands of dollars):

SALES FOR DOLLARS ON CREDIT TERMS			
Item:	1987 actual	1988 est.	1989 est.
Expenses of shipments:			
Commodity costs:			
Foreign currency.....	22,287	40,400	41,700
Long-term credit.....	730,908	731,800	693,000
Total commodity costs.....	753,195	772,200	734,700
Ocean freight and freight differential (support of U.S. Merchant Marine):			
Foreign currency.....	1,379	4,100	4,100
Long-term credit.....	121,597	75,700	73,200
Total ocean freight and freight differential.....	122,976	79,800	77,300
Total foreign currency.....	23,666	44,500	45,800
Total long-term credit.....	852,505	807,500	766,200
Total expenses of shipments.....	876,171	852,000	812,000
Deduct collections:			
Proceeds from sales and use of currencies and loan repayments (foreign currency).....	-72,746		
Payments from foreign governments, including interest, applied to reduce appropriation (long-term credit).....	-306,816	-321,000	-332,000
Total foreign currency.....	-49,080	44,500	45,800
Total long-term credit.....	545,689	486,500	434,200
Total.....	496,609	531,000	480,000
Prior years' costs or funds brought or carried forward:			
1986: Funds: Long-term credit.....	-344,014		
1987: Funds: Long-term credit.....	364,209	-364,209	
1988: Funds: Long-term credit.....		262,805	-262,805
1989: Funds: Long-term credit.....			211,005
Funds transferred for reimbursement of food security wheat reserve.....	13,922		
Foreign currency funds applied to long-term credit costs:			
Foreign currency.....	72,746		
Long-term credit.....	-72,746		
Appropriation or estimate: Long-term credit.....	530,726	429,596	428,200

*Commodities supplied in connection with dispositions abroad (title II).*—Under title II, agricultural commodities are furnished to developing countries to meet famine or other emergency relief needs and to combat malnutrition. They are furnished through friendly governments, private voluntary agencies, foreign nonprofit voluntary agencies if no such U.S. agency is available, and intergovernmental organizations such as the United Nations World Food Program.

The Corporation is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery to U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are unavailable, where ports cannot be used effectively, or where a substantial saving in costs or time can be obtained, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements.

Up to \$7.5 million each year may be used to buy foreign currencies accruing under title I of this act to meet costs directed to community and other self-help activities designed to alleviate the causes of the need for such aid. Such costs may not include personnel and administrative costs of cooperating sponsors, distributing agencies and recipient agencies.

Through September 30, 1987, appropriations totaling \$18,850 million were authorized. Beginning October 1, 1985, no programs of assistance shall be undertaken under this title during any fiscal year which call for an appropriation of more than \$1 billion to reimburse the Corporation. This limitation applies to costs incurred, including its investment in commodities (but only on the basis of a price not greater than the export market price of commodities acquired under a price support program), plus any amount by which programs of assistance undertaken under this title in the preceding fiscal year have called or will call for appropriations in amounts less than authorized during the preceding year. This limitation may be waived if the President determines that a waiver is necessary to undertake programs to meet urgent humanitarian needs. Any incidental sales proceeds and proceeds from loss, damage, and other claims are applied against costs to reflect a reduction in appropriation requests.

The following reflects the composition of the appropriations (in thousands of dollars):

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD			
Item:	1987 actual	1988 est.	1989 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied.....	282,565	384,043	369,556
Ocean transportation.....	190,764	245,957	225,444
Total program costs.....	473,329	630,000	595,000
Prior years' costs or funds brought or carried forward:			
1986: Funds.....	-366,795		
1987: Funds.....	414,732	-414,732	

General and special funds—Continued

PUBLIC LAW 480—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD—Continued

1988: Funds.....	414,732	—	414,732
1989: Funds.....			414,732
Funds transferred for reimbursement of Food Security Wheat Reserve.....	31,078		
Appropriation or estimate.....	552,344	630,000	595,000

PUBLIC LAW 480

(Proposed for latest transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-2274-6-1-151	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Financing the sale of agricultural commodities for foreign currencies and for dollars on credit terms (titles I and III).....			—738,700
00.03	Direct loan subsidy.....			517,090
00.91	Total program level funded.....			—221,610
01.01	Amount financed by balance in CCC and by receipts.....			7,387
10.00	Total obligations.....			—214,223
<b>Financing:</b>				
40.00	Budget authority (appropriation).....			—214,223
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			—214,223
74.40	Obligated balance, end of year.....			19,945
90.00	Outlays.....			—194,278

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-2274-6-1-151	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....			—731,313
42.0	Insurance claims and indemnities.....			517,090
99.9	Total obligations.....			—214,223

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.); sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q); sections 1001 to 1004, 1006 to 1008, and 1010 of the Agricultural Act of 1970 as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501 to 1504, 1506 to 1508, and 1510); the Water Bank Act, as amended (16 U.S.C. 1301-1311); the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101); sections 202(c) and 205 of title

II of the Colorado River Basin Salinity Control Act of 1974, as amended (43 U.S.C. 1592(c), 1595); sections 401, 402, and 404 to 406 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 to 2205); the United States Warehouse Act, as amended (7 U.S.C. 241-273); and laws pertaining to the Commodity Credit Corporation, not to exceed \$565,000,000 \$580,000,000, to be derived by transfer from the Commodity Credit Corporation fund: *Provided*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations. (7 U.S.C. 135b, 442-445, 447-449, 450j-1, 608c, 624, 1282, 1421-33, 1441-49, 1691-92, 1701-10, 1721-24, 1731-36f, 1781-87, 1838, 1851-54, 1856-57, 1859; 15 U.S.C. 712a, 713a-4-713a-13, 714-714p; 31 U.S.C. 9101, 9103-9109; 40 U.S.C. App. A203, A401-5; 50 U.S.C. App. 1917; Public Law 96-108; Public Law 96-528; Public Law 97-103; Public Law 97-370; Public Law 99-500; Public Law 99-591; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-3300-0-1-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Program formulation and appraisal.....	21,809	23,978	23,024
00.02	Operation of supply adjustment, conservation, and price support programs.....	506,935	557,331	535,160
00.03	Inventory management and merchandising.....	60,715	66,750	64,095
00.04	Warehouse examination.....	5,380	6,075	6,101
10.00	Total obligations.....	594,839	654,134	628,380
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Commodity Credit Corporation fund.....	—532,686	—565,000	—580,000
11.00	Other.....	—28,350	—28,371	—27,847
14.00	Non-Federal sources.....	—33,803	—60,763	—20,533
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			30,554
72.40	Obligated balance, start of year.....	44,651	30,678	30,554
74.40	Obligated balance, end of year.....	—30,678	—30,554	—30,554
77.00	Adjustments in expired accounts.....	1,662		
90.00	Outlays.....	15,635	124	

This account includes funds to cover expenses of programs administered by, and functions assigned to, the Service. The funds consist of transfers from the Commodity Credit Corporation (CCC), user fees, and miscellaneous advances from other sources. This is a consolidated account for administrative expenses of national, commodity, State, and county offices.

*Program formulation and appraisal.*—The supply adjustment, conservation, and commodity support programs, and the management and merchandising of commodities acquired under the support program, have a tremendous impact on the national and (to a lesser extent) the international economy. This activity provides for constant review of the effectiveness of these programs. It also provides for the analysis of data to formulate more effective programs.

*Operation of supply adjustment, conservation, and price support programs.*—This activity includes all func-



tions dealing with the administration of programs carried out through the farmer committee system, including: (a) developing program regulations and procedures; (b) holding meetings with employees and producers to discuss new programs or changes in existing programs; (c) collecting and compiling basic data for individual farms; (d) establishing individual farm allotments, bases, and yields; (e) notifying producers of established allotments, bases, and yields; (f) determining farm marketing quotas; (g) handling appeals; (h) conducting referendums and certifying results; (i) accepting farmer certifications and checking compliance; (j) accepting producer applications for participation in commodity price stabilizing programs; (k) issuing marketing cards so that production from the allotted acreage can be marketed without penalty; (l) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; (m) processing commodity loan and storage facility loan documents and issuing checks; (n) processing disaster, deficiency, and diversion payments and issuing checks and commodity certificates; and (o) monitoring payment limitations.

**Inventory management and merchandising.**—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) processing the redemption of commodity certificates for CCC inventory; and (f) accounting for loans and commodities.

**Warehouse examination.**—This activity provides for the examination of warehouses licensed under the U.S. Warehouse Act and non-licensed warehouses storing CCC-owned or pledged commodities. ASCS examiners perform periodic examinations of the facilities and the warehouse records to ensure protection of depositors against potential losses of the stored commodities and to ensure compliance with the U.S. Warehouse Act and any CCC storage agreements.

**Automated data processing.**—ADP in ASCS is integral to the agency's long range Information Resources Management Plan. The plan calls for the utilization of modern technology wherever it is feasible and cost-beneficial. ASCS recently implemented a national network of computer systems in support of CCC operations. All State and county ASCS offices now utilize computer-based procedures to conduct day-to-day support to producers. Most farm and producer data are currently maintained on the county office computers and are automatically accessed, used, and updated simultaneously while servicing the producers. Other facets of the plan include contractor assistance being utilized for developing and implementing a processed commodities inventory system and the proposed automation of tobacco marketing sites. Equipment purchases for these new systems represent a capital investment under the statutory authority of the Commodity Credit Corporation Charter Act.

The fiscal year 1989 budget for salaries and expenses reflects the continuing impact of the 1985 Farm Bill, and the impact of zero funding for all ASCS conservation programs, except for the Conservation Reserve Program.

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

Identification code	12-3300-0-1-351	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	78,329	84,012	84,403
11.3	Other than full-time permanent.....	8,883	9,956	8,149
11.5	Other personnel compensation.....	3,818	3,928	3,652
11.9	Total personnel compensation.....	91,030	97,896	96,204
12.1	Civilian personnel benefits.....	13,051	14,058	14,167
13.0	Benefits for former personnel.....	711	855	838
21.0	Travel and transportation of persons.....	5,027	5,512	5,537
22.0	Transportation of things.....	1,263	1,157	1,219
23.1	Rental payments to GSA.....	32	33	34
23.3	Communications, utilities, and miscellaneous charges.....	17,000	22,524	24,287
24.0	Printing and reproduction.....	3,643	3,875	3,848
25.0	Other services.....	21,284	26,564	26,284
26.0	Supplies and materials.....	3,850	4,602	5,134
31.0	Equipment.....	549	693	850
41.0	Grants, subsidies, and contributions.....	437,333	476,250	449,863
42.0	Insurance claims and indemnities.....	19	67	67
43.0	Interest and dividends.....	2	8	8
44.0	Refunds.....	45	40	40
99.9	Total obligations.....	594,839	654,134	628,380

**Personnel Summary**

Total number of full-time permanent positions.....	2,689	2,819	2,732
Total compensable workyears:			
Full-time equivalent employment.....	3,196	3,303	3,144
Full-time equivalent of overtime and holiday hours.....	89	84	74

**RURAL CLEAN WATER PROGRAM**

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

Identification code	12-3337-0-1-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....		416	
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-3,786		
21.40	Unobligated balance available, start of year.....	-2,630	-416	
24.40	Unobligated balance available, end of year.....	416		
40.00	<b>Appropriation, rescinded (unobligated balances)</b> (P.L. 100-71).....	-6,000		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		416	
72.40	Obligated balance, start of year.....	35,235	24,968	19,106
74.40	Obligated balance, end of year.....	-24,968	-19,106	-13,372
78.00	Adjustments in unexpired accounts.....	-3,786		
90.00	Outlays.....	6,481	6,278	5,734

This experimental Rural Clean Water Program (RCWP), authorized by the Appropriation Acts of 1980 (Public Law 96-108) and 1981 (Public Law 96-528), is a cooperative endeavor among farmers, various USDA agencies and other organizations to develop and test means of controlling agricultural nonpoint source water pollution in rural areas.

Recommended project areas were developed by local and State committees and approved by the Secretary of Agriculture in consultation with the Administrator of the Environmental Protection Agency. Full funding has been provided for all approved projects.

In fiscal year 1987, \$6 million in RCWP funds was rescinded.

The fiscal year 1989 Budget proposes no funding for this program.

General and special funds—Continued

**[AGRICULTURAL CONSERVATION PROGRAM]**

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

[For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q), and sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501-1504, 1506-1508, and 1510), and including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$176,935,000, to remain available until expended (16 U.S.C. 590o) for agreements, excluding administration but including technical assistance and related expenses, except that no participant in the Agricultural Conservation Program shall receive more than \$3,500 per year, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community, or where a participant has a long-term agreement, in which case the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement: *Provided*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further*, That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further*, That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities" approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18 U.S.C. 1913 to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988*).

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

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	181,894	249,331	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-77,355	-72,396	

24.40	Unobligated balance available, end of year	72,396		
40.00	<b>Budget authority (appropriation)</b>	<b>176,935</b>	<b>176,935</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	181,894	249,331	
72.40	Obligated balance, start of year	167,912	192,294	182,486
74.40	Obligated balance, end of year	-192,294	-182,486	-60,486
90.00	<b>Outlays</b>	<b>157,511</b>	<b>259,139</b>	<b>122,000</b>

The primary objectives of the program are to conserve soil and water resources. Along with annual agreements, cost sharing is authorized for long-term agreements of 3-10 years.

The program is administered by ASC county committees, with review and approval by State ASC committees and the Secretary. Technical assistance is provided by SCS and FS.

The 1988 program level of \$176,935 thousand will be allocated to States based on the highest priority soil and water resource problems, and is expected to serve 8.1 million acres. Practices are expected to prevent approximately 39.5 million tons of soil erosion and save 568,000 acre-feet of water.

The fiscal year 1989 Budget proposes no funding for this program.

**[COLORADO RIVER BASIN SALINITY CONTROL PROGRAM]**

[For necessary expenses for carrying out the purposes of section 202 of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592), to be used to reduce salinity in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, \$4,904,000, for investigations and surveys, for technical assistance in developing conservation practices and in the preparation of salinity control plans, for the establishment of on-farm irrigation management systems, including related lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and nongovernmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the county committees, approved by the State committees and the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation: *Provided*, That the Soil Conservation Service shall provide technical assistance and the Agricultural Stabilization and Conservation Service shall provide administrative services for the program, including but not limited to, the negotiation and administration of agreements and the disbursement of payments: *Provided further*, That such program shall be coordinated with the regular Agricultural Conservation Program and with research programs of other agencies.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988*).

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

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,174	6,534	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-1,630	
24.40 Unobligated balance available, end of year	1,630		
40.00	<b>Budget authority (appropriation)</b>	<b>3,804</b>	<b>4,904</b>
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	2,174	6,534
72.40	Obligated balance, start of year		890
74.40	Obligated balance, end of year	-890	-2,452
90.00	<b>Outlays</b>	<b>1,284</b>	<b>4,972</b>

This program carries out the purposes of section 202(c) of Title II of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592(c)), as amended, by providing cost-share assistance to landowners and others in the Colorado River Basin. The main objective is to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

Practices are recommended by the ASC county committees and approved by the State committees and the Secretary of Agriculture. Technical assistance is provided by the Soil Conservation Service. Education and information activities are provided by the Extension Service.

The 1988 program will focus on five projects in Colorado, Utah, and Wyoming. Under this program, 30 percent of ASCS cost-share funds will be reimbursed to the U.S. Treasury by the Colorado River Basin States.

The fiscal year 1989 Budget proposes no funding for this program.

**CONSERVATION RESERVE PROGRAM**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses due and payable in fiscal year 1989 to carry out the Conservation Reserve Program pursuant to the Food Security Act of 1985 (16 U.S.C. [3881] 3831-3845), [ \$1,131,000,000 ] \$1,864,000,000, to remain available until expended, to be used for Commodity Credit Corporation expenditures for cost-share assistance for the establishment of conservation practices provided for in approved conservation reserve program contracts, for annual rental payments provided for in such contracts, and for technical assistance: Provided, That [ 4 per centum of the funds available for the conservation reserve program in this Act shall be transferred to the conservation operations account of the Soil Conservation Service for services of its technicians in carrying out the conservation programs of the Food Security Act of 1985: Provided further, That ] none of the funds in this Act may be used to enter into new contracts that are in excess of the prevailing local rental rates for an acre of comparable land: Provided further, That funds appropriated by this Act for the Conservation Reserve Program shall be used to the extent necessary to reimburse fully the Commodity Credit Corporation for conservation reserve costs financed by the Corporation during the period of the Continuing Resolutions, Public Laws 100-120 and 100-162]. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-3319-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Cost-sharing assistance.....		1,066,000	660,000
00.02 Annual rental payments.....			1,196,000
00.03 Technical assistance.....		19,760	8,000
10.00 Total obligations.....		1,085,760	1,864,000
<b>Financing:</b>			
39.00 Budget authority.....		1,085,760	1,864,000
<b>Budget authority:</b>			
40.00 Appropriation.....		1,131,000	1,864,000
41.00 Transferred to other accounts.....		-45,240	
43.00 Appropriation (adjusted).....		1,085,760	1,864,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		1,085,760	1,864,000
72.40 Obligated balance, start of year.....			349,444
74.40 Obligated balance, end of year.....		-349,444	-372,800
90.00 Outlays.....		736,316	1,840,644

**NOTES**

Includes funds for reimbursement of CRP expenses incurred by the Commodity Credit Corporation during the period of the fiscal year 1988 four short-term continuing resolutions; Public Law 100-120, Public Law 100-162, Public Law 100-193, and Public Law 100-197

Includes funds for activities previously financed from:

	[In thousands of dollars]		
	1987	1988	1989
Commodity Credit Corporation Fund.....	\$267,024		

**RECONCILIATION OF PROGRAM LEVEL TO APPROPRIATION**

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
<b>Annual rental payments:</b>			
Cash.....			1,196,000
CCC commodity certificates.....		778,000	297,000
Total rental payments.....		778,000	1,493,000
Cost-sharing assistance.....		1,066,000	660,000
Technical assistance.....		19,760	8,000
Total program level, current year.....		1,863,760	2,161,000
<b>Deduct:</b>			
Financing by CCC commodity certificates.....		-778,000	-297,000
Appropriation.....		1,085,760	1,864,000

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

Identification code 12-3319-0-1-302	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
41.0 Grants, subsidies, and contributions.....		1,066,000	1,856,000
99.0 Reimbursable obligations.....		19,760	8,000
99.9 Total obligations.....		1,085,760	1,864,000

The Conservation Reserve Program (CRP) was mandated by sections 1231-1244 of the Food Security Act of 1985 (Public Law 99-198) to establish permanent cover on highly erodible cropland. The primary objectives of the CRP are to help farmers control critical soil erosion that occurs on about a third of America's cropland and to decrease production of some surplus agricultural commodities.

The CRP is authorized in all 50 States, Puerto Rico, and the Virgin Islands on all croplands meeting the eligibility criteria of eroding at three times the soil loss tolerance or higher, or twice the soil loss tolerance with serious gully erosion. Up to 45 million acres of highly erodible land may be entered into the reserve.

The program is administered through the Commodity Credit Corporation (CCC) by State and local ASC committees working under the general direction of ASCS. Technical assistance is provided by the Soil Conservation Service, the Forest Service, the Cooperative Extension Service, and others.

In exchange for entering land into the reserve, program participants receive annual rental payments in cash or commodities, based on their accepted bids per acre and the number of acres placed under 10-year contracts. In addition, farmers receive one-time payments of 50 percent of the eligible costs of establishing vegetative cover on the reserve acreage.

To facilitate program implementation, use of the funds and facilities of the Commodity Credit Corporation was authorized for fiscal years 1986 and 1987. Beginning in fiscal year 1988, the services and facilities of CCC will continue to be used, but appropriations were provided to CCC in advance to carry out the program. The 1988 appropriation also required that CCC be reimbursed for CRP expenditures made for the period of the fiscal year 1988 short-term continuing resolutions, ex-

General and special funds—Continued

CONSERVATION RESERVE PROGRAM—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

tending from October 1, 1987 through December 21, 1987. Under the Food Security Act, authority is provided to enter into CRP contracts through fiscal year 1990. Appropriations needed to make annual payments will be requested through fiscal year 2000.

During fiscal year 1988, two sign-up periods will be held to enroll acres. The first sign-up period will be held in February 1988 for crop year 1988 acres. A second sign-up, which will be for both crop year 1988 and 1989 acres, will be held later in 1988. These signups are expected to enroll 6 million acres for crop year 1988, bringing total participation through crop year 1988 up to 29 million acres.

The 1989 program is expected to enroll 12 million acres of highly erodible cropland. These 1989 crop acres would be enrolled during fiscal year 1989 or in advance during fiscal year 1988. Total participation through fiscal year 1989 is projected to be at least the 40 million acres established by the Act. The appropriation requested for fiscal year 1989 would be used for annual rental payments due on prior year contracts, for cost-sharing assistance on crop year 1989 contracts, and for fiscal year 1989 technical assistance payments.

**【WATER BANK PROGRAM】**

【For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), \$8,371,000, to remain available until expended.】 (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-3320-0-1-302			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	10,783	10,639	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-4,680	-2,268	
24.40 Unobligated balance available, end of year	2,268		
40.00 Budget authority (appropriation)	8,371	8,371	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	10,783	10,639	
72.40 Obligated balance, start of year	35,403	36,667	41,966
74.40 Obligated balance, end of year	-36,667	-41,966	-38,041
90.00 Outlays	9,519	5,340	3,925

The objectives of the Water Bank Program are to conserve water; preserve, maintain, and improve the Nation's wetlands; increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act, approved December 19, 1970, as amended by Public Law 96-182, approved January 2, 1980.

The Secretary of Agriculture, through designated ASCS county offices, uses program funds to enter into 10-year agreements with landowners and operators for the conservation of specified wetlands. Provisions exist to renew agreements for additional periods, to make annual payments on agreements, and under certain

conditions to increase payment rates in the fifth year of a contract or at the time of renewal.

The 1989 Budget proposes no funding for this program.

**【EMERGENCY CONSERVATION PROGRAM】**

【For necessary expenses to carry into effect the program authorized in sections 401, 402, and 404 of title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), \$1,000,000, to remain available until expended, as authorized by 16 U.S.C. 2204.】 (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-3316-0-1-453			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	5,400	13,949	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-8,349	-12,948	
24.40 Unobligated balance available, end of year	12,948		
40.00 Budget authority (appropriation)	10,000	1,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	5,400	13,949	
72.40 Obligated balance, start of year	1,858	2,602	8,256
74.40 Obligated balance, end of year	-2,602	-8,256	-5,378
90.00 Outlays	4,657	8,295	2,878

This program was authorized by the Agricultural Credit Act of 1978 (16 U.S.C. 2201-05). It provides funds for sharing the cost of emergency measures to deal with cases of severe damage to farms and rangelands resulting from natural disasters.

Under the 1987 program, cost-sharing assistance was provided in 26 States to treat farmlands damaged by floods, tornadoes, and drought. The 1988 program is expected to rehabilitate approximately 60,700 acres of farmland damaged by natural disaster.

The 1989 Budget proposes no funding for this program.

**【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, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$95,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: *Provided*, 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 disbursement.】 (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-3314-0-1-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	6,689	605	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-6,551	-510	
24.40 Unobligated balance available, end of year	510		
<b>40.00 Budget authority (appropriation)</b>	<b>648</b>	<b>95</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	6,689	605	
72.40 Obligated balance, start of year	2,546	1,001	1,511
74.40 Obligated balance, end of year	-1,001	-1,511	-1,511
<b>90.00 Outlays</b>	<b>8,234</b>	<b>95</b>	

Under this program indemnification payments are made to dairy farmers and manufacturers of dairy products.

The Dairy Indemnity Program was authorized under 78 Stat. 508 in 1964, and has been extended through September 30, 1990, by the Food Security Act of 1985 (Public Law 99-198). Payments are made to farmers and manufacturers who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals which have been registered and approved for use by the Federal Government, of other chemicals, of nuclear radiation, or of nuclear fallout. The authority also provides that indemnification may be paid for cows producing such milk.

In fiscal year 1988, an estimated \$1,606 thousand will complete payments to producers and manufacturers who have incurred losses due to contamination of milk, milk products, or cows by the pesticide heptachlor.

Due to the emergency nature of this program, funding is requested as needs arise. Therefore, the fiscal year 1989 budget proposes no funding for this program.

**[FORESTRY INCENTIVES PROGRAM]**

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$11,891,000, to remain available until expended, as authorized by that Act. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-3336-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	11,925	13,571	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,714	-1,680	
24.40 Unobligated balance available, end of year	1,680		
<b>40.00 Budget authority (appropriation)</b>	<b>11,891</b>	<b>11,891</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	11,925	13,571	
72.40 Obligated balance, start of year	16,330	19,172	18,707
74.40 Obligated balance, end of year	-19,172	-18,707	-10,366
<b>90.00 Outlays</b>	<b>9,083</b>	<b>14,036</b>	<b>8,341</b>

This program was authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101). The objectives of the program are to bring private, nonindustrial forest land under intensified management, to increase

timber production, to ensure adequate supplies of timber products, and to enhance other forest resources.

The Forestry Incentives Program shares up to 65 percent of the cost of tree planting and timberstand improvement. The percentage cost-shared depends on the rate set in a particular State and county by the Agricultural Stabilization and Conservation Committee, after consulting with the State forester. The program is available in designated counties based on a Forest Service survey of total eligible private timberland available for production of timber products. The program is administered by ASCS. Technical assistance is provided by Forest Service.

Under the 1988 program, cost-sharing will be provided to farmers for planting trees on 163,500 acres and improving the timberstand on 38,000 acres of forest.

The 1989 Budget proposes no funding for this program.

**CORPORATIONS**

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency except as hereinafter provided:

**FEDERAL CROP INSURANCE CORPORATION**

*Federal Funds*

**General and special funds:**

**ADMINISTRATIVE AND OPERATING EXPENSES**

For administrative and operating expenses, as authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. 1516, [\$200,000,000] \$217,970,000: Provided, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-2707-0-1-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Underwriting, actuarial, and program development	13,357	10,638	11,146
00.02 Reinsured companies	98,717	125,186	139,585
00.03 Agency sales and service agreements and loss adjustment contracts	42,495	46,792	48,952
00.04 Program administration	2,050	3,130	3,348
00.05 Program management and administrative support	13,275	14,254	14,939
<b>10.00 Total obligations</b>	<b>169,894</b>	<b>200,000</b>	<b>217,970</b>
<b>Financing:</b>			
25.00 Unobligated balance lapsing	39,674		
<b>40.00 Budget authority (appropriation)</b>	<b>209,568</b>	<b>200,000</b>	<b>217,970</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	169,894	200,000	217,970
72.10 Receivables in excess of obligations, start of year	437	2,674	2,674
72.40 Obligated balance, start of year	93,169	76,661	74,986
74.10 Receivables in excess of obligations, end of year	-2,674	-2,674	-2,674
74.40 Obligated balance, end of year	-76,661	-74,986	-82,431
77.00 Adjustments in expired accounts	-7,878		
<b>90.00 Outlays</b>	<b>176,288</b>	<b>201,675</b>	<b>210,525</b>

General and special funds—Continued

ADMINISTRATIVE AND OPERATING EXPENSES—Continued

This appropriation finances the administrative and operating expenses of the Corporation to provide funds to establish and maintain rates and coverages for 19,600 county programs in over 3,000 counties and to continue development of sales policies. Crop insurance in force is estimated to increase from \$7.2 billion in crop year 1988 to \$7.6 billion in crop year 1989, and the estimated insured acres are expected to increase from 57.8 million in crop year 1988 to 61.2 million in crop year 1989.

The Corporation's long-term objective is to oversee the private delivery of crop insurance on an actuarially sound basis, develop actuarial rates for use by private insurance companies, and perform compliance activities.

For fiscal year 1989, the appropriation for administrative and operating expenses will enable the Corporation to provide for growth in the expanded crop insurance program to an estimated 23.1 percent of farmers' participation, bringing the program closer to attaining its long-term objective.

The major portion of administrative and operating expenses is to support delivery systems which rely heavily on the private sector as provided by the Federal Crop Insurance Act of 1980 under section 507(c). The delivery systems are:

(a) Reinsured companies which enable insurance companies to provide the insurance marketing, distribution, servicing, training, quality control, and loss adjustment functions. The companies also share with Federal Crop Insurance Corporation, to a limited extent, in both profits and losses. It is estimated that reinsured companies will handle about 80 percent of the total premium during crop year 1989. For crop year 1988, 43 companies or groups will be writing crop insurance with reinsurance from FCIC; and

(b) Agency sales and service agreement, also known as the "master marketing agreement." Under this type of agreement, private insurance companies and associations are offered the opportunity to contract with FCIC to provide insurance sales and services. They are compensated on a commission basis. It is estimated that these agreements will account for 20 percent of the total premium for crop year 1989.

In addition, in areas where an adequate private sales and service force is not available, FCIC may ask other USDA agencies to sell and service all-risk crop insurance through existing county offices.

As the private sector becomes more involved in the all-risk crop insurance program, it is expected that the companies will be able to "risk" more of their funds thus reducing the cost to the Government and at the same time reach the Corporation's goal of having all-risk crop insurance available to as many farm producers as possible.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	20,760	21,175	21,599
11.3 Other than full-time permanent.....	5,219	2,996	1,685
11.5 Other personnel compensation.....	414	428	444
11.9 Total personnel compensation.....	26,393	24,599	23,728

12.1 Civilian personnel benefits.....	3,970	5,706	5,551
13.0 Benefits for former personnel.....	151	1,370	824
21.0 Travel and transportation of persons.....	3,252	4,978	5,842
22.0 Transportation of things.....	428	453	494
23.2 Rental payments to others.....	271	280	291
23.3 Communications, utilities, and miscellaneous charges.....	2,649	2,416	3,304
24.0 Printing and reproduction.....	729	769	899
25.0 Other services.....	128,932	156,670	174,522
26.0 Supplies and materials.....	740	769	1,078
31.0 Equipment.....	2,300	1,905	1,348
42.0 Insurance claims and indemnities.....	36	40	42
43.0 Interest and dividends.....	43	45	47
99.9 Total obligations.....	169,894	200,000	217,970

Personnel Summary

Total number of full-time permanent positions.....	760	760	760
Total compensable workyears:			
Full-time equivalent employment.....	974	905	865
Full-time equivalent of overtime and holiday hours.....	2	10	10

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 508(b) of the Federal Crop Insurance Act, as amended, **[\$228,523,000]** \$112,000,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
Identification code 12-4085-0-3-351			
<b>Program by activities:</b>			
Operating expenses:			
00.01 Indemnities.....	87,699	116,400	130,850
00.02 Interest.....			10,650
00.03 Other expenses.....	25,694	1,275	1,350
01.01 Reinsurance losses, net.....	461,282	489,975	523,400
10.00 Total obligations.....	574,675	607,650	666,250
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-331,797	-318,000	-336,000
21.98 Unobligated balance available, start of year: Fund balance.....	-178,932	-371,797	-310,670
22.98 Unobligated balance transferred, net: Fund balance.....	-300,000		-100,000
24.98 Unobligated balance available, end of year: Fund balance.....	371,797	310,670	192,420
40.00 Budget authority (appropriation).....	135,743	228,523	112,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	242,878	289,650	330,250
72.10 Receivables in excess of obligations, start of year.....	117,235	82,535	82,535
74.10 Receivables in excess of obligations, end of year.....	-82,535	-82,535	-82,535
90.00 Outlays.....	277,578	289,650	330,250

The Federal Crop Insurance Corporation, a wholly owned Government corporation, was created on February 16, 1938 (7 U.S.C. 1501-1520), to carry out the provisions of the Federal Crop Insurance Act, as amended. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance, and to provide the means for the research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The crop insurance programs are planned, developed, and monitored by the FCIC headquarters office located in Washington, DC and its national operations office located in Kansas City, MO. The program is administered in the field through 18 field operations offices and 11 field underwriting offices. Sales and servicing of contracts at the county level are performed primarily by agents operating under agency sales and service agreements (master marketing agreements) and agents of reinsured companies. In those areas where these delivery systems are not in place, other USDA agencies may be used to market and service the program. The adjustment of losses is performed by independent claims adjusters and reinsured companies under contract with FCIC. Also, as required, ASCS will perform some loss adjustment support on a reimbursable basis for the Corporation. Detailed administrative accounting is performed by the National Finance Center in New Orleans, LA, and program accounting and statistical functions, as well as the underwriting and actuarial analysis work, are performed in Kansas City, MO.

**Budget program.**—The program for crop year 1988 will provide crop insurance protection to farmers amounting to approximately \$7.2 billion on the following commodities: Almonds, apples, barley, beans (dry and C&P), citrus, citrus trees, corn, cotton, ELS cotton, cranberries, figs, flax, forage production, forage seeding, grain sorghum, grapes, table grapes, hybrid seeding, macadamia nuts, macadamia trees, nursery stock, oats, onions, peaches, peanuts, peas (dry and green), peppers, popcorn, potatoes, prevented planting, prunes, raisins, rice, rye, safflowers, soybeans, stonefruit (CA only—apricots, nectarines and peaches), sugar beets, sugarcane, sunflowers, C&P sweet corn, sweet corn (fresh), tobacco, tomatoes (fresh), C&P tomatoes, walnuts, and wheat.

The 1987 appropriation provided sufficient funding for crop year 1987 to insure 50 million acres with an estimated \$375 million in total premium income, including \$135.7 million in premium subsidy.

The following table compares the scope of the insurance operations planned for 1988 and 1989, as compared with 1987. Amounts in the 1987 column are as of September 30, 1987 and pertain to the 1987 crop year.

Beginning in fiscal year 1986 the FCIC followed requirements of the GAO that the Corporation conform to Financial Accounting Standards Board Transmittal No. 60 (FASB 60). Under FASB 60, the Corporation would match revenues and expenses in the period in which they are earned. For example, fiscal year 1987 would consist of mostly crop year 1987 income and expense but would include some crop year 1986 and adjustment in prior crop years. Therefore, for purposes of this presentation fiscal year 1987 will pertain to crop year 1987.

	1987 fiscal year (1987 crop year) actual	1988 fiscal year (1988 crop year) estimate	1989 fiscal year (1989 crop year) estimate
Number of States.....	49	50	50
Number of counties.....	3,014	3,018	3,018
Insurance in force (thousands).....	\$6,250,000	\$7,225,000	\$7,650,000
Insured acreage (thousands).....	50,000	57,800	61,200
Farmers premium (thousands) <sup>1</sup> .....	\$287,312	\$318,750	\$337,500
Premium subsidy (thousands) <sup>1</sup> .....	\$87,688	\$106,250	\$112,500
Total premium (thousands) <sup>1</sup> .....	375,000	\$425,000	\$450,000

Indemnities (thousands) <sup>1</sup> .....	\$487,500	\$646,000	\$657,000
Loss ratio.....	1.30	1.52	1.46

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

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

Receipts which are for deposit to this fund come mainly from premiums paid by farmers. The principal payments from this fund are for indemnities to insured farmers, the direct cost of adjusting crop losses and agents' commissions. However, an appropriation will be requested in subsequent years for payments made from premium income used for loss adjustment costs and/or agents' commissions as provided by section 516(a) of the Federal Crop Insurance Act, as amended.

Premium subsidies are authorized by section 508(b) of the Federal Crop Insurance Act, as amended. The purpose of the subsidy is to encourage the broadest possible participation of farm producers in the crop insurance program. Subsidies are paid by the Corporation based upon 30 percent of each producer's premium (reduced, where applicable, for hail and fire exclusion or State agency subsidy) on any coverage, under the Corporation's policy of insurance of up to a maximum of 65 percent of the recorded or appraised average yield, as adjusted.

In fiscal year 1987, the Corporation received a transfer of \$300 million from the Commodity Credit Corporation as a hedge against heavy crop years 1986 and 1987 losses.

PREMIUM AND SUBSIDY

[In thousands of dollars]

	1987 fiscal year (1987 crop year) actual	1988 fiscal year (1988 crop year) estimate	1989 fiscal year (1989 crop year) estimate
Premiums:			
Producer premium.....	287,312	318,750	337,500
(Government operations).....	46,251	63,750	67,500
(Reinsurance operations) <sup>1</sup> .....	241,061	255,000	270,000
Amount of subsidies.....	87,688	106,250	112,500
(Government operations).....	13,749	21,250	22,500
(Reinsurance operations) <sup>1</sup> .....	73,939	85,000	90,000
Total premiums.....	375,000	425,000	450,000
Indemnities.....	487,500	646,000	657,000
(Government operations).....	78,000	129,200	131,400
(Reinsurance operations) <sup>1</sup> .....	409,500	516,800	525,600

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

The annual appropriation for the administrative and operating expenses of the Corporation is presented earlier in the budget.

**Operating results and financial condition.**—As of September 30, 1987, the Corporation reflected a deficit of \$1,719.8 million. This compares with a deficit of \$1,476.9 million at September 30, 1986.

For crop years 1948 through 1986, indemnities (\$3,412.4 million) exceeded premium income (\$2,661.3 million) by \$710.1 million; the loss ratio for the period was 1.28. Indemnity costs exceeded premiums in 21 of the 39 years.

The following table summarizes the insurance operations for 1987, 1988, and 1989:

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

NET INCOME OR LOSS (—) ON INSURANCE OPERATIONS

[In thousands of dollars]

	1987 fiscal year actual	1988 fiscal year estimate	1989 fiscal year estimate
Premiums over indemnities .....	—29,656	—52,650	—63,350
(Premium subsidy expenses—non-add) .....	(13,749)	(21,250)	(22,500)
Interest expense .....	9,637	.....	—10,650
Other income or expense, net (—) .....	—21,587	—1,275	—1,350
Reinsurance underwriting gain (+) or loss (—) .....	—127,335	—151,865	—165,400
Premium subsidy expense—reinsurance .....	—73,939	—83,860	—89,500
Net income or loss (—) .....	—242,880	—289,650	—330,250

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue .....	331,797	318,000	336,000
Expense .....	—574,675	—607,650	—666,250
Net income or loss (—) for the year .....	—242,878	—289,650	—330,250

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Treasury balance .....	296,167	454,332	393,205	274,955
Accounts receivable, net .....	155,102	270,529	326,931	380,481
Deferred charges .....	192,681	14,127	30,319	32,713
Total assets .....	643,950	738,988	750,455	688,149
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued li- abilities .....	369,191	317,484	380,478	426,972
Deferred credits .....	95,752	48,094	57,694	67,144
Provisions for surety losses and other ..	75	1,613	1,613	1,613
Total liabilities .....	465,018	367,191	439,785	495,729
<b>Government equity:</b>				
Selected equities:				
Non-interest-bearing capital .....	500,000	500,000	500,000	500,000
Paid-in capital .....	37,978	37,978	37,978	37,978
Appropriation (Treasury borrowing)	113,000	113,000	113,000	113,000
Appropriation (premium subsidy) .....	502,338	638,081	866,604	978,608
Appropriation (agents' commis- sions) .....	47,909	47,909	47,909	47,909
Appropriation (loss adjustment) .....	4,632	4,632	4,632	4,632
Transfer from Commodity Credit Corp .....	450,000	750,000	750,000	850,000
Retained earnings .....	—1,476,925	—1,719,803	—2,009,453	—2,339,707
Total Government equity <sup>1</sup> .....	178,932	371,797	310,670	192,420

<sup>1</sup> Reflects long-term notes payable to Treasury for borrowing. Includes \$113 million Treasury borrowing in fiscal year 1985. Also includes \$100 million CCC borrowing in fiscal year 1989, which has been added to the unobligated balance.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-4085-0-3-351			
Insurance claims and indemnities:			
42.0 Government operations .....	87,699	116,400	130,850
42.0 Reinsurance .....	461,282	489,975	523,400
43.0 Interest and dividends .....	.....	.....	10,650
92.0 Undistributed .....	25,694	1,275	1,350
99.9 Total obligations .....	574,675	607,650	666,250

COMMODITY CREDIT CORPORATION

Federal Funds

General and special funds:

[OPERATING EXPENSES] REIMBURSEMENT FOR NET REALIZED LOSSES

[Notwithstanding any other provision of law, for operating expenses as authorized by the Charter of the Commodity Credit Corporation (15 U.S.C. 714) to be available for financing the Corporation's programs and activities only as follows:

- Deficiency payments, \$6,116,000,000;
- Export guarantee loan claims, \$711,386,000;
- Commodity purchases, \$1,150,875,000;
- Crop insurance, \$200,000,000;
- Storage and handling payments, \$1,343,166,000;
- Transportation of commodities, \$185,464,000;
- Processing and packaging of commodities, \$105,065,000;
- Producer storage payments, \$609,801,000;
- Loan collateral settlements, \$142,236,000;
- Whole herd buy out payments (dairy termination program), \$218,000,000;
- Interest payments to the United States Treasury, \$1,468,860,000;
- Working capital, \$1,500,000,000;
- Prior year losses, \$1,422,400,000;
- Other expenses, \$5,292,046,000;
- Operating expenses, \$541,691,000;
- Special activities (wool program), \$126,108,000;
- Support of advisory committees or commissions, including travel or per diem expenses, \$560,000;

Provided, That such provisions shall not interfere with the Commodity Credit Corporation's discharge of its corporate responsibilities: *Provided further*, That not to exceed 7 per centum of the funds made available for any program or activity may be transferred to another program or activity as provided by existing law: *Provided further*, That notwithstanding any other provision of law, the Commodity Credit Corporation shall pay an interest penalty, determined on the basis of the provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.), on the amount of all payments and price support loans which the Commodity Credit Corporation is obligated to make if payment is not made by the required payment date. This provision shall be applicable to all such payments for obligations incurred after January 1, 1988. For fiscal year 1989, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained or anticipated, but not previously reimbursed, pursuant to Section 2 of the Act of August 17, 1961, as amended (15 U.S.C. 713a-11), and in accordance with Section 1506(b) of Public Law 100-203.

[INCREASE IN BORROWING AUTHORITY]

[Section 4(i) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714(i)) is amended by striking out "\$25,000,000,000" and inserting in lieu thereof "\$30,000,000,000".

Section 4 of the Act of March 8, 1938 (15 U.S.C. 713a-4) is amended by striking out "\$25,000,000,000" and inserting in lieu thereof "\$30,000,000,000".]

SHORT-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not [less] more than \$5,000,000,000 in credit guarantees under its export credit guarantee program for short-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1125(b) of the Food Security Act of 1985 (Public Law 99-198).

INTERMEDIATE EXPORT CREDIT

The Commodity Credit Corporation shall make available not [less] more than \$500,000,000 in credit guarantees under its export guarantee program for intermediate-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1131(3)(B) of the Food Security Act of 1985 (Public Law 99-198). (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)



REIMBURSEMENT TO COMMODITY CREDIT CORPORATION, NATIONAL  
WOOL ACT

Public enterprise funds:

COMMODITY CREDIT CORPORATION FUND

Program and Financing (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Support and related programs:				
Operating expenses:				
00.01	Commodity purchases and related inventory acquisitions.....	11,549,939	11,518,595	6,952,833
00.02	Storage, transportation, and other obligations not included above.....	2,301,354	1,835,112	1,131,528
00.03	Producer storage payments.....	628,118	1,048,313	521,541
Direct producer payments:				
00.05	Feed grains.....	2,096,615	2,911,648	4,008,000
00.06	Wheat.....	541,212	361,000	1,245,000
00.07	Rice.....	272,587	-78,471	301,000
00.08	Cotton.....	607,409	157,412	207,500
00.09	Dairy.....	638,706	218,087	189,000
Conservation reserve program:				
00.11	Cost-share payments.....	245,589		
00.12	Annual rent payments.....	132		
00.13	Technical Assistance.....	20,439		
00.14	Operating expense.....	540,637	577,742	592,869
Interest:				
00.15	Treasury.....	1,221,676	1,596,807	1,167,153
00.16	Other.....	1,016		
00.91	Total operating expenses.....	20,665,429	20,146,245	16,316,424
Capital investment:				
Direct loans:				
01.01	Storage facility.....	236		
01.02	Commodity.....	16,566,050	14,315,972	10,745,851
01.03	Guarantee claims.....	478,108	707,726	705,536
01.04	Purchase of administrative equipment.....	36,970	52,750	14,500
01.91	Total capital investment.....	17,081,364	15,076,448	11,465,887
01.92	Total support and related programs..	37,746,793	35,222,693	27,782,311
Special activities:				
Operating expenses:				
02.01	Commodities transferred from support program and commodities procured.....	282,565	358,203	376,306
02.02	Interest.....	4,371	3,462	3,026
02.03	Conservation reserve program payments.....		1,085,760	1,864,000
02.04	Other program and operating expenses.....	1,214,694	1,238,894	1,160,943
02.91	Total special activities.....	1,501,630	2,686,319	3,404,275
10.00	Total obligations.....	39,248,423	37,909,012	31,186,586
<b>Financing:</b>				
Offsetting collections from: Support and related programs:				
Federal funds:				
11.00	Sales to special activities.....	-282,565	-358,203	-376,306
11.00	Interest revenue.....	-4,371	-3,462	-3,026
11.00	Other revenue.....	-3,063	-2,574	-2,510
Non-Federal sources (62 Stat. 1070):				
14.00	Sales and other proceeds.....	-2,979,504	-1,778,370	-335,448
14.00	Interest revenue.....	-385,284	-208,857	-138,394
14.00	Other revenue.....	-2,355	-400	-400
14.00	Realization of assets.....	-52	-250	-250
14.00	Loans repaid.....	-13,906,237	-16,297,604	-11,089,569
Repayments by importers:				
14.00	Short-term export credit sales program.....	-91,574	-115,960	-32,352
14.00	Intermediate export credit sales program.....	-11,360		
14.00	Export guarantee program.....	-84,050	-107,347	-132,857
14.00	Interest revenue.....	-270,800	-275,378	-297,924
Special activities:				
Federal funds:				
11.00	Reimbursements received.....	-72,746		
11.00	Advance from foreign assistance programs.....	-1,083,071	-1,059,596	-1,023,200
11.00	Advance from conservation reserve program.....		-1,085,760	-1,864,000
14.00	Non-Federal sources (62 Stat. 1070).....	-306,816	-321,000	-332,000

22.98	Unobligated balance transferred, net: Fund balance.....	300,000		100,000
39.00	<b>Budget authority.....</b>	<b>20,064,575</b>	<b>16,294,251</b>	<b>15,658,350</b>
Budget authority:				
Current: Support and related programs:				
40.00	Appropriation.....	25,361,995	21,133,658	9,828,286
40.47	Portion applied to debt reduction.....	-23,190,218	-13,812,046	-9,828,286
40.49	Portion applied to liquidate contract authority.....	-2,551,777	-7,333,612	
41.00	Transferred to other accounts.....	-20,000		
42.00	Transferred from other accounts.....	400,000	12,000	
43.00	<b>Appropriation (adjusted).....</b>			
Permanent:				
60.00	<b>Appropriation: Reimbursement to Commodity Credit Corporation, National Wool Act (permanent, indefinite, special fund).....</b>	<b>122,689</b>	<b>152,130</b>	<b>124,925</b>
67.10	<b>Authority to borrow (15 U.S.C. 713a-4) ...</b>	<b>19,941,886</b>	<b>16,142,121</b>	<b>15,533,425</b>
Relation of obligations to outlays:				
Support and related programs:				
71.00	Obligations incurred, net.....	19,725,578	16,074,288	15,373,275
Obligated balance, start of year:				
72.47	Authority to borrow.....	128,048	3,730,732	9,426,920
72.49	Contract authority.....	9,636,262	7,154,295	
72.98	Fund balance.....	-419,710	-282,447	-282,447
Obligated balance, end of year:				
74.47	Authority to borrow.....	-3,730,732	-9,426,920	-7,793,741
74.49	Contract authority.....	-7,154,295		
74.98	Fund balance.....	282,447	282,447	282,447
77.00	Adjustments.....	3,788,142		
Special activities:				
71.00	Obligations incurred, net.....	38,997	219,963	185,075
72.49	Obligated balance, start of year: Contract authority.....	249,127	179,317	274,355
74.49	Obligated balance, end of year: Contract authority.....	-179,317	-274,355	-332,905
77.00	Adjustments.....	43,323		
90.00	Total outlays.....	22,407,870	17,657,320	17,132,979

Note.—Contingent liabilities, commitments and other obligations do not become charges against the statutory borrowing authority until they result in borrowing from Treasury. Only that portion of borrowing authority is available which has not been charged by actual borrowing.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	20,064,575	16,294,251	15,658,350
Outlays.....	22,407,870	17,657,320	17,132,979
Proposed for later transmittal under proposed legislation:			
Budget authority.....			6,524
Outlays.....			6,524
Credit reform:			
Budget authority.....			11,284
Outlays.....			11,284
Total:			
Budget authority.....	20,064,575	16,294,251	15,676,158
Outlays.....	22,407,870	17,657,320	17,150,787

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....		9,885,389	7,333,612	
Contract authority.....				
Appropriation to liquidate contract authority.....		-2,551,777	-7,333,612	
Unfunded balance, end of year.....		-7,333,612		

Status of Direct Loans (in thousands of dollars)

SHORT AND MEDIUM TERM LOANS

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	826,569	777,949	693,863
1251	Repayments: Repayments and prepayments.....	-102,934	-115,960	-32,252
1261	Adjustments: Capitalized interest.....	54,314	31,874	22,006
1290	Outstanding, end of year.....	777,949	693,863	683,617

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

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

COMMODITY LOANS			
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans.....		
1131	Direct loan obligations exempt from limitation....	16,566,050	15,023,698
1150	Total direct loan obligations.....	16,566,050	15,023,698
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	18,494,205	15,108,432
1231	Disbursements: Direct loan disbursements.....	16,566,050	14,315,972
1251	Repayments: Repayments and prepayments.....	-13,222,716	-15,987,623
Adjustments:			
1262	Write-offs for default.....	-918	-63,291
1264	Other adjustments, net <sup>1</sup> .....	-6,728,189	-2,999,937
1290	Outstanding, end of year.....	15,108,432	10,373,553
STORAGE FACILITY LOANS			
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans.....		
1131	Direct loan obligations exempt from limitation....	236	
1150	Total direct loan obligations.....	236	
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	174,228	65,179
1231	Disbursements: Direct loan disbursements.....	236	
1251	Repayments: Repayments and prepayments.....	-109,285	-55,212
1290	Outstanding, end of year.....	65,179	9,967
EXPORT GUARANTEE CLAIMS			
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	2,113,096	2,625,958
1232	Disbursements: Disbursements for guaranteed loan claims.....	478,108	707,726
Repayments:			
1251	Repayments and prepayments.....	-50,685	-107,347
1252	Repayments of defaulted guaranteed loans....	-33,365	
1261	Adjustments: Capitalized interest.....	118,804	89,359
1290	Outstanding, end of year.....	2,625,958	3,315,696

<sup>1</sup> This entry includes commodities received as the result of loan forfeitures valued at \$6.1, \$2.7, and \$9 billion for fiscal years 1987 through 1989, respectively. It also includes non-receipt of loan repayments for marketing loans and adjustments for loans to peanut associations.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
CCC EXPORT GUARANTEE PROGRAM				
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....			
2131	Guaranteed loan commitments exempt from limitation.....	2,998,011	5,500,000	5,500,000
2150	Total guaranteed loan commitments.....	2,998,011	5,500,000	5,500,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	3,609,378	3,732,055	7,224,483
2231	Disbursements: Disbursements of new guaranteed loans.....	2,447,423	5,500,000	5,500,000
2251	Repayments: Repayments and prepayments.....	-1,868,962	-1,365,141	-2,261,864
2261	Adjustments: Terminations for default that result in direct loans.....	-455,784	-642,431	-616,698
2290	Outstanding, end of year.....	3,732,055	7,224,483	9,845,921

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	3,634,245	7,079,993	9,649,003
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent).....	13.7	13.7	13.7
2330	Subsidy amount (in thousands of dollars).....	411,000	828,000	828,000

The Corporation was created to stabilize, support, and protect farm income and prices, to help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers, and to help in their orderly distribution (15 U.S.C. 714-714p). It may make available materials and facilities required in connection with the production and marketing of agricultural commodities and may be used to administer and to temporarily finance numerous special activities.

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

The 1989 estimate includes savings from improving the control and timing of disbursements and handling of cash collections as part of continuing budget management reforms. 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.

**Budget assumptions.**—The following general assumptions form the basis for the Corporation's 1988 and 1989 budget estimates: (a) National income will rise both in 1988 and 1989 from the present level; (b) 1988 crop production will rise from 1987 crop levels; (c) generally, exports of agricultural commodities in 1989 are expected to be slightly higher than 1988 levels; (d) yields for the 1988 crops are based on recent averages adjusted for trend; (e) acreage allotments and marketing quotas will be in effect for the 1988 crops of certain kinds of tobacco; (f) poundage quotas will be in effect for the 1988 crop of peanuts.

It is difficult to forecast with accuracy requirements for the year ending September 30, 1989, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed and food needs here and overseas, and available dollar exchange.

PROGRAMS OF THE CORPORATION

The basic functions of the Corporation include the following programs for which appropriations are made for net realized losses sustained:

Program	1989 Estimate (In thousands of dollars)		
	Gross obligations	Net outlays 1989	Net realized loss for year
Short-term and intermediate export credit sales.....		-32,252	
Export Guarantee Program.....	705,536	530,269	-42,410
Commodity loans.....	10,745,851	5,450,054	78,419
Storage facilities.....		-9,721	
Supply.....	310	35	52
Feed grain payments.....	4,008,000	4,111,500	8,023,000
Wheat payments.....	1,245,000	1,233,000	2,530,000
Rice payments.....	301,000	207,200	602,000
Cotton payments.....	207,500	281,900	415,000
Dairy.....	189,000	189,000	189,000
Other support and related.....	8,573,091	2,212,818	4,574,449
Other items not distributed by program:			
Interest.....	1,167,153	1,195,941	727,809

All other.....	639,870	1,636,710	653,173
Total.....	27,782,311	17,006,454	17,750,492

*Price support and related stabilization programs.*—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to producers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended (15 U.S.C. 714 et seq.), the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.), and the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.).

Price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco. The Agricultural Act of 1949, as amended, also requires support of the following nonbasic commodities: honey, milk, barley, oats, rye, grain sorghum, sugar and soybeans. The National Wool Act of 1954, as amended (7 U.S.C. 1781–87), requires support for wool and mohair. Support for other nonbasic commodities is discretionary. The support program may also include operations to remove and dispose of surplus agricultural commodities in order to stabilize prices at levels not in excess of those permissible by law.

The principal methods of providing support are loans to and purchases from producers. With limited exceptions, loans made on commodities are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy the loan obligation without further payment.

Direct purchases are also made from processors as well as producers, depending on the commodity involved. Also, special purchases are made under various laws for the removal of surpluses; for example, the Act of August 19, 1958, as amended (7 U.S.C. 1431 note), and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431).

*Set-aside program and acreage limitation program.*—The Agricultural Act of 1949, as amended, authorizes the Secretary to establish, through the Corporation, acreage limitation programs for the 1986 through 1990 crops of upland cotton, rice, and ELS cotton. In addition, the Secretary is authorized to implement a set-aside or acreage limitation program for the 1986 through 1990 crops of wheat and feed grains.

*Land diversion payments.*—The Agricultural Act of 1949, as amended, provides that, to assist in adjusting the acreage of commodities to desirable goals, the Secretary is required, with respect to the 1986 crops of wheat and feed grains if certain stock levels exist on the first day of the marketing years for such crop, to make land diversion payments in the form of an “in-kind” payment; and is required to make land diversion payments with respect to the 1988 crops of corn, grain sorghum, and barley. With respect to the 1987, 1989, and 1990 crops of feed grains, the 1987 and subsequent crops of wheat and the 1986 through 1990 crops of upland cotton, ELS cotton, and rice, the Corporation may make land diversion payments to producers who devote to approved conservation uses acreages of cropland in addition to those required to be so devoted under the

acreage limitation or set-aside programs. For the 1987 and subsequent crops, diversion payments may be paid in cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by the Corporation.

*Producer eligibility.*—Producers of feed grains and wheat must comply with acreage limitation provisions or acreage set-aside provisions, and normal crop acreage (NCA) requirements, if in effect, in order to be eligible for price support loans and purchases and deficiency payments. Producers of rice must comply with acreage limitation provisions, if in effect, in order to be eligible for price support loans and purchases and deficiency payments. Producers of cotton must comply with acreage limitation provisions, if in effect, in order to be eligible for price support loans and deficiency payments.

*Deficiency payments.*—The Agricultural Act of 1949, as amended, establishes: (1) minimum established “target” prices for the 1986 through 1990 crops of the following commodities—wheat, corn, upland cotton, rice, and ELS cotton; (2) minimum price support loan and purchase levels for wheat, feed grains, and rice; and (3) minimum price support loan levels for upland cotton and ELS cotton. Deficiency payments for each of the commodities are required when the target price for the commodity exceeds the national average market price or the price support loan level, whichever is higher. The target prices for grain sorghum and oats and, if designated by the Secretary, barley, are established at a level which is fair and reasonable in relation to the target prices established for corn. These payments may be paid by cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by CCC.

*Disaster Assistance.*—Section 633(B) of the Agriculture, Rural Development and Related Agencies Appropriations Act, 1987, as included in Public Laws 99–500 and 99–591, provided that certain producers who experienced 1986 crop losses from natural disasters were eligible to receive disaster payments in the form of commodity certificates in a total amount not to exceed \$400 million. The Farm Disaster Assistance Act of 1987, Public Law 100–45, amended Section 633(B) to expand the eligibility requirements to other producers, subject to an appropriation for such losses. The Supplemental Appropriations Act, 1987, Public Law 100–71, provided an additional \$135 million for payments to the producers who were eligible to receive the initial \$400 million, and \$25 million for producers who became eligible to receive payments as the result of the amendments made by Public Law 100–45. Public Law 100–202 provided an additional \$12 million to producers who were eligible to receive payments under Public Law 100–45.

*Marketing loan and certificate programs.*—The Agricultural Act of 1949, as amended, authorizes a mandatory marketing loan program for each of the 1986 through 1990 crops of rice and upland cotton and a discretionary marketing loan program for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans. Under a marketing loan program, a producer

## Public enterprise funds—Continued

## COMMODITY CREDIT CORPORATION FUND—Continued

may repay a price support loan at a level which is lower than the original loan rate. The Agricultural Act of 1949, as amended, also provides that the Secretary may allow honey producers to repay price support loans at a level which is lower than the original loan rate. The Agricultural Act of 1949, as amended, provided for payments, in the form of negotiable marketing certificates, to persons holding free stocks of upland cotton as of August 1, 1986, and to first handlers of upland cotton (persons regularly engaged in buying or selling upland cotton). The Food Security Act of 1985, as amended, provides for a marketing certificate program for rice producers and sellers.

The following table itemizes CCC certificate payments by program:

## VALUE OF CCC CERTIFICATES ISSUED

Item	(In thousands of dollars)			
	1986 actual	1987 actual	1988 est.	1989 est.
Deficiency payments.....	1,993,265	4,468,281	7,660,273	5,545,100
Diversion payments.....	342,234	1,208,823	741,587	338,500
Upland cotton loan deficiency.....		63,755		
Upland cotton inventory protection.....	388,939	229,894		
Upland cotton first handler.....	14,020	94,257		
Rice marketing.....	540	18,211		
Disaster certificates.....		556,469	12,000	
Export enhancement program.....	9,743	642,981	1,200,000	900,000
Targeted export assistance.....	16,144	68,187	110,000	110,000
Ethanol plant assistance.....	25,177	29,270		
Conservation Reserve Program.....		409,969	778,000	297,000
Emergency Feed Program.....	962	85,488		
Distress Commodity Program.....		769		
Total.....	2,791,024	7,876,354	10,501,860	7,190,600

**Grain reserves.**—The Agricultural Act of 1949, as amended, authorizes a producer-owned grain reserve program for wheat and feed grains that provides 3-year extended loans to producers. Producers receive annual storage payments under the contract. Program provisions establish when interest is charged. Storage payments cease and producers may repay their loans when market prices reach the higher of 140 percent of the nonrecourse loan rate for the commodity or the established price for the commodity. Under section 5 of the Commodity Credit Corporation Charter Act, as amended, a Special Producer Storage Loan Program is conducted which allows producers with maturing producer-owned grain reserve loans to pledge the collateral securing such loans as collateral for extended storage loans for a period determined by the Secretary.

**Dairy.**—The Agricultural Act of 1949, as amended, provides for a revised dairy price support program. The support price was \$11.35 per hundredweight for the period January 1, 1987 through September 30, 1987. During the period October 1, 1987 through December 31, 1990, the support price will be \$11.10 per hundredweight. The Secretary will, on January 1 of calendar years 1988, 1989, and 1990, reduce the support price in effect by 50 cents per hundredweight if estimates of CCC purchases of milk or milk products for the twelve-month period beginning on such date is in excess of five billion pounds milk equivalent. However, the price support level may not be reduced unless the milk production termination program implemented for the 18-month period of April 1, 1986 through September 30,

1987 achieved a reduction in production of at least 12 billion pounds by program participants, or the Secretary certifies to Congress that reasonable contract offers were extended but that such offers were not accepted by a sufficient number of producers to achieve the 12 billion pound reduction. In addition, if the Secretary estimates on January 1 in any of the calendar years 1988, 1989, and 1990 that the level of purchases of milk and milk products by CCC for such calendar year will not exceed 2.5 billion pounds, the Secretary shall increase the support price in effect on such date by 50 cents per hundredweight. The support price was reduced from \$11.10 to \$10.60 per hundredweight on January 1, 1988. Under the production termination program, producers submitted bids for payments by CCC in return for the full termination of production by such producers. To encourage the adjustment of milk production to levels consistent with national demand, and finance the production termination program, the Secretary was required to provide for a reduction of 40 cents per hundredweight in the support price received on all milk marketed for commercial use by producers to be made during the period April 1, 1986 through December 31, 1986 and 25 cents per hundredweight for the period January 1, 1987 through September 30, 1987.

**Storage facilities.**—Pursuant to sections 4(h) and 5(b) of the Commodity Credit Corporation Charter Act, as amended, the Corporation has authority to make secured loans for the purchase, construction, or remodeling of facilities for storage and care of commodities on the farm.

**Conservation Reserve Program.**—The Food Security Act of 1985, as amended, provides that the Secretary shall carry out a Conservation Reserve Program by entering into 10- to 15-year contracts with owners or operators of highly erodible cropland to assist them in conserving and using the soil and water resources of their farms. Non-erodible lands which pose an off-farm environmental threat or cause productivity degradation due to soil salinity may also be included. In return for placing land in the reserve, farmers receive cost-share and rental payments, as well as technical assistance from USDA agencies. Annual rental payments may be paid in cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by the Corporation. Total acres to be included in the reserve by the end of fiscal year 1989 are 40 million. The facilities, services and funds of CCC were used to carry out the program in fiscal years 1986 and 1987. The services and facilities of the Corporation may be used in subsequent years, but appropriations must be provided in advance to carry out the program. Beginning in fiscal year 1988, a separate appropriation for advance to CCC was provided to carry out the program. See "Special Activities" section.

**Payment limitations.**—The Food Security Act of 1985, as amended, provides that the total amount of deficiency and land diversion payments, excluding any deficiency payment received as the result of a reduction of the wheat or feed grain price support loan level, which a person is entitled to receive under one or more of the annual programs for feed grains, wheat, upland cotton,

ELS cotton, and rice for each of the 1987 through 1990 crops of these commodities shall not exceed \$50 thousand. For each of the 1987 through 1990 crops, the total amount of: (1) with respect to wheat, feed grains, upland cotton, ELS cotton, rice, and honey, deficiency payments; land diversion payments; disaster payments; loan deficiency payments; inventory reduction payments; and gains realized from a marketing loan repayment; and (2) with respect to other commodities, gains realized by a producer from repaying a loan at less than the original loan level that a person shall be entitled to receive under one or more of the annual programs for such commodities shall not exceed \$250 thousand, except as otherwise may be authorized by the Secretary. Annual rental payments made under the Conservation Reserve Program are limited to \$50,000 per person.

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

**Commodity export.**—The Corporation promotes the export of agricultural commodities and products through sales for dollars or foreign currency, payments, extension of credit, assumption of certain risks, and conduct of other operations with respect to the exportation of commodities. Such commodities and products may be those held in private trade channels as well as those acquired by the Corporation. These programs are carried out under the Corporation's charter and other specific legislation.

**Foreign donations.**—Under the authority of section 416(b) of the Agricultural Act of 1949, as amended, the Corporation may furnish eligible commodities for carrying out programs of assistance in developing and friendly countries and may pay costs associated with making the commodities available. Such commodities may also be used to carry out the Food for Progress Act of 1985 or furnished in connection with (1) sales under title I of the Agricultural Trade Development Act of 1954, as amended; (2) agricultural export bonus or promotion programs; or (3) agreements by recipient countries to acquire additional agricultural commodities from the United States through commercial arrangements.

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

[In thousands of dollars]				
Item	1987 actual	1988 est.	1989 est.	
Loans outstanding, gross, start of year:				
Commodity Credit Corporation .....	18,668,433	15,173,611	10,383,520	
Additional loans made .....	16,566,286	14,315,972	10,745,851	
Deduct:				
Loans repaid .....	13,906,237	16,297,604	11,089,569	
Acquisition of loan collateral .....	6,144,312	2,745,168	904,644	
Write-offs .....	10,559	63,291	78,419	
Total loans outstanding, gross, end of year .....	15,173,611	10,383,520	9,056,739	
Loans outstanding, gross, end of year:				
Commodity Credit Corporation .....	15,173,611	10,383,520	9,056,739	
Allowance for losses .....	-441,858	-302,908	-264,450	
Loans receivable, net (support and storage facilities) .....	14,731,753	10,080,612	8,792,289	

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

AGRICULTURAL COMMODITIES				
[In thousands of dollars]				
Item	1987 actual	1988 est.	1989 est.	
On hand, start of year: gross .....	11,049,610	11,734,890	7,442,622	
Acquisitions:				
Forfeiture of loan collateral .....	6,144,312	2,745,168	904,644	
Excess of collateral acquired over loans canceled .....	260,295	138,045	46,149	
Purchases .....	11,211,860	11,300,649	6,843,638	
Transfers and exchanges, net .....	-20,655	24		
Carrying charges:				
Charges to inventory .....	98,439	79,877	63,046	
Storage and handling (non-add) .....	(1,375,772)	(1,278,785)	(917,636)	
Transportation (non-add) .....	(184,836)	(135,016)	(77,553)	
Total acquisitions .....	17,694,251	14,263,763	7,857,477	
Dispositions:				
Domestic donations to:				
Families .....	808,668	511,612	179,358	
Institutions .....	242,394	167,165	154,065	
School lunch .....	438,877	394,148	348,891	
Total domestic donations .....	1,489,939	1,072,925	682,314	
Export donations .....	365,819	381,691	51,675	
Sales and transfers:				
Special programs: Title II, Public Law 480 .....	282,565	358,203	376,306	
Other sales .....	11,711,665	14,040,411	7,502,225	
Net loss or gain (-) on sales and transfers .....	3,158,983	2,702,801	661,474	
Total sales and transfers .....	15,153,213	17,101,415	8,540,005	
Total dispositions .....	17,008,971	18,556,031	9,273,994	
On hand, end of year, gross .....	11,734,890	7,442,622	6,026,105	
Allowance for losses .....	-2,946,675	-1,868,842	-1,513,155	
On hand, end of year, net .....	8,788,215	5,573,780	4,512,950	

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

DATA ON SUPPORT AND RELATED PROGRAMS				
[In thousands of dollars]				
Item	1987 actual	1988 est.	1989 est.	
Loans made .....	16,566,286	14,315,972	10,745,851	
Loans repaid .....	13,906,237	16,297,604	11,089,569	
Loan collateral forfeited .....	6,144,312	2,745,168	904,644	
Loans outstanding, end of year .....	15,173,611	10,383,520	9,056,739	
Acquisitions .....	17,694,251	14,263,763	7,857,477	
Cost of commodities sold .....	15,153,213	17,101,415	8,540,005	
Cost of commodities donated .....	1,855,758	1,454,616	733,989	
Inventory, end of year .....	11,734,890	7,442,622	6,026,105	
Investment in loans and inventory, end of year .....	26,908,501	17,826,142	15,082,844	
Direct producer payments .....	5,862,244	3,983,500	6,022,600	
Net expenditures .....	22,255,740	17,532,395	17,006,454	
Realized losses .....	26,133,774	22,256,884	17,750,492	

**Operating expenses.**—The Corporation carries out its functions through utilization of employees and facilities of other Government agencies. Administrative expenses are incurred for the services of: the Agricultural Stabilization and Conservation Service, General Sales Manager, and other agencies of the Department engaged in the Corporation's activities; and the General Accounting Office for audit. Additional expenses are incurred for ASCS county offices for work related to programs of the Corporation, other ASCS expenses offset by revenue, custodian, and agency expenses of the Federal Reserve banks and lending agencies, and miscellaneous costs.

Expenses are incurred for acquisition, operation, maintenance, improvement, or disposition of property

## Public enterprise funds—Continued

## COMMODITY CREDIT CORPORATION FUND—Continued

which the Corporation owns or in which it has an interest. These expenses are treated as program expenses. Such program expenses include inspection, classing and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; work relating to Commodity Credit Corporation programs performed on a contract or fee basis by Agricultural Stabilization and Conservation Service; and special services performed by other Federal agencies within and outside this Department. Most of these general expenses, including storage and handling, transportation, inspection, classing and grading, and producer storage payments, are included in program costs. They are shown in the program and financing schedule in the entries entitled "Storage, transportation, and other obligations not included above," and "Producer storage payments."

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 (7 U.S.C. 447-449) by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however.

## SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's charter act and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted.

A summary of such current activities not included under other designated activities is as follows:

Item	1989 estimate (In thousands of dollars)	
	Gross obligations	Outlays (reimbursable)
(1) Sale of agricultural commodities for foreign currencies.....	45,800	45,800
(2) Financing sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms.....	766,200	434,200
(3) Commodities supplied in connection with dispositions abroad.....	601,750	601,750
(4) National Wool Act.....	126,525	126,525
(5) Conservation Reserve Program.....	1,864,000	1,864,000
Total.....	3,404,275	3,072,275

The Corporation receives appropriations or reimbursement for cost of these activities as described under each.

Activities currently being carried out are as follows (see Foreign Assistance programs for details of items (1), (2), (3) and (4) and see Conservation Reserve Program for details of item (5)):

(1) Sale of agricultural commodities for foreign currencies.

(2) Financing sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms (*titles I and III, Public Law 480*).

(3) Commodities supplied in connection with dispositions abroad (*title II, Public Law 480*).

(4) *National Wool Act*.—Under the National Wool Act of 1954, as amended, support of prices of wool and mohair is mandatory. The Corporation makes payments to producers in order to bring the national average

price received by all producers up to the support price required under the act.

(5) *Conservation Reserve Program*.—The Food Security Act of 1985, as amended, provides that the Secretary shall carry out a Conservation Reserve Program by entering into 10- to 15-year contracts with owners and operators of highly erodible cropland to assist them in conserving and using the soil and water resources of their farms. In return for placing land in the reserve, farmers receive cost-share and rental payments, as well as technical assistance from USDA agencies. Beginning in fiscal year 1988, a separate appropriation for advance to CCC was provided to carry out the program.

## COST OF THE NATIONAL WOOL ACT

Item	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Marketings on which payments made:			
Shorn wool (thousand pounds).....	79,022	82,560	88,200
Unshorn lambs (thousands cwts).....	4,227	4,000	4,100
Mohair (thousand pounds).....	17,794	13,600	14,200
Amount of payments:			
Shorn wool.....	83,137	75,100	77,600
Unshorn lambs.....	19,323	14,600	14,400
Mohair.....	42,947	29,900	29,700
Promotional and advertising program <sup>1</sup> (non-add).....	(5,761)	(6,764)	(7,162)
Total payments.....	145,407	119,600	121,700
Administrative expense.....	2,352	1,863	1,799
Interest expense.....	4,371	3,462	3,026
Total.....	152,130	124,925	126,525

<sup>1</sup> Deductions from producer payments for promotional advertising and selected marketing development activities.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70 percent of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual or estimated payments compared with this limitation are as follows:

Item	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
70% of customs receipts on wool and wool manufactures, cumulative from Jan. 1, 1953, to end of preceding calendar year.....	3,770,682	4,073,082	4,378,982
Cumulative incentive payments on marketings to end of preceding calendar year.....	1,798,563	1,918,163	2,039,863
Balance of limitation available for payments in succeeding marketing years.....	1,972,119	2,154,919	2,339,119

Funds of the Corporation are used to carry on this program. For the purpose of reimbursing the Corporation, section 705 of the act appropriates each fiscal year an amount equal to amounts expended by the Corporation during the preceding year and to amounts expended in prior fiscal years not previously reimbursed, but not to exceed an amount equal to 70 percent of the gross receipts from duties collected on wool and wool manufactures during the calendar year preceding the fiscal year.

Estimated costs and appropriations to the Corporation are indicated in the following table:

Item	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Due start of year.....	122,689	152,130	124,925

Costs for year:			
Program.....	147,759	121,463	123,499
Interest.....	4,371	3,462	3,026
Subtotal.....	152,130	124,925	126,525
Total due.....	274,819	277,055	251,450
Appropriations to Commodity Credit Corporation for the year.....	122,689	152,130	124,925
Due end of year.....	152,130	124,925	126,525

**FINANCING**

**Borrowing authority.**—The Corporation has an authorized capital stock of \$100 million held by the United States and, effective in fiscal year 1988, authority to borrow up to \$30 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies and others. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938 (15 U.S.C. 713a-4).

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of Treasury.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating interest after June 30, 1964 on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after the end of the fiscal year in which such losses are realized.

**POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR**

(In thousands of dollars)

Item	1987 actual	1988 est.	1989 est.
Statutory borrowing authority.....	25,000,000	30,000,000	30,000,000
Deduct: Borrowings from Treasury.....	20,969,268	17,435,838	24,674,156
Total statutory borrowing authority in use.....	20,969,268	17,435,838	24,674,156
Net statutory borrowing authority available.....	4,030,732	12,564,162	5,325,844

Note.—Accounts payable, accrued liabilities and other outstanding obligations not reflected on this table do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

**Contract authority.**—Price support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds which may become available to the Corporation. Any increase in obligations in excess of available fund resources is reported as contract authority in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authority.

**Appropriations.**—Under section 2 of Public Law 87-155 (15 U.S.C. 713a-11), annual appropriations are authorized for each fiscal year to reimburse the Corporation for net realized losses incurred as of the close of each year. However, for fiscal year 1988, Congress appropriated specified amounts for various activities of the Corporation in lieu of providing reimbursement for the Corporation's losses.

The special activities are financed as indicated in the program descriptions above. In addition to certain reimbursements from other agencies, appropriations are made for the National Wool Act (see above), foreign assistance programs, and the Conservation Reserve Program.

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

**SUPPORT AND RELATED PROGRAMS**

(In thousands of dollars)

Realized losses, 1933 to 1987, inclusive.....	166,010,433
Reimbursements by the Treasury:	
Reimbursements of realized losses:	
Appropriations (48 times).....	159,675,845
Note cancellations (6 times).....	2,697,807
Less dividends paid to Treasury (4 times).....	— 138,209
Total reimbursements for net realized losses.....	162,235,443
Other reimbursements:	
Appropriations (2 times).....	541,916
Note cancellation (1 time).....	56,239
Total other reimbursements.....	598,155
Total.....	162,833,598
Realized deficit as of September 30, 1987, support and related programs.....	3,176,835

**SPECIAL ACTIVITIES**

Realized losses, 1948 to 1987, inclusive.....	43,177,758
Excess amounts appropriated to reimburse cost of special activities.....	778,941
Reimbursements by the Treasury:	
Appropriations (41 times).....	43,234,446
Note cancellations (4 times).....	536,518
Other reimbursements: Sale proceeds (5 times).....	33,605
Total reimbursements.....	43,804,569
Realized deficit as of September 30, 1987, special activities.....	152,130

**Capital and deficit, special activities.**—Advances to the Corporation in excess of costs incurred, and costs incurred in excess of advances received are shown in the following table:

	Excess of funds held by CCC (In thousands of dollars)			
	1986 actual	1987 actual	1988 est.	1989 est.
Foreign assistance programs: Public Law 480:				
Titles I and III: Sale of agricultural commodities for foreign currencies and for dollars on credit terms.....	344,014	364,209	262,805	211,005
Title II: Commodities supplied in connection with dispositions abroad.....	366,795	414,732	414,732	414,732
Total.....	710,809	778,941	677,537	625,737
<i>Deficit requiring subsequent funds</i>				
Deficit financed by CCC or excess funds held (—) (nonadd).....	— 710,809	— 778,941	— 677,537	— 625,737
Increase or decrease (—) in amount owed by general fund for foreign assistance programs (nonadd).....	— 147,970	— 68,132	101,404	51,800
Other programs: National Wool Act.....	122,689	152,130	124,925	126,525
Total.....	122,689	152,130	124,925	126,525

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

	1987 actual	1988 est.	1989 est.
Support and related programs:			
Revenue.....	13,518,609	14,997,695	8,379,195
Expense.....	39,652,383	37,254,579	26,129,687
Net realized losses.....	— 26,133,774	— 22,256,884	— 17,750,492

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Revenue and Expense (in thousands of dollars)—Continued

	1987 actual	1988 est.	1989 est.
Increase (—) or decrease in provisions for losses (unrealized):			
On commodities for sale.....	1,161,649	1,077,833	355,687
On loans receivable.....	—79,907	138,950	38,459
On accounts receivable.....	—25,695	—2	
Net loss for the year, support and related programs.....	—25,077,727	—21,040,103	—17,356,346
Special activities:			
Revenue.....	379,562	321,000	332,000
Received from appropriations: Decrease in unearned receipts.....	—68,132	101,404	51,800
Earned revenue.....	311,430	422,404	383,800
Expense.....	1,546,630	1,600,559	1,540,275
Net realized loss, special activities.....	—1,235,200	—1,178,155	—1,156,475
Net loss for the year.....	—26,312,927	—22,218,258	—18,512,821

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Drawing account with Treasury.....	—419,710	—282,447	—282,447	—282,447
Accounts receivable: Support and related programs (net of provisions for losses).....	1,234,247	1,610,860	2,682,095	2,552,421
Selected assets: Support and related programs:				
Agricultural commodities for sale, net of provision for losses.....	6,941,286	8,788,215	5,573,780	4,512,950
Advances to producers.....	279,138	483,385		
Deferred and undistributed charges.....	250,021	990,889	2,605,377	3,605,377
Loans receivable, guarantee claims re-scheduled.....	1,950,897	2,356,962	3,315,696	3,959,709
Interest in amounts due from foreign governments and private trade entities under Public Law 480.....	10,917,794	11,560,205	12,148,031	12,692,883
Loans receivable, net of provision for losses:				
Commodity and storage facility loans (held by Commodity Credit Corporation).....	18,306,482	14,731,753	10,080,612	8,792,289
Export credit sales programs.....	826,569	777,949	693,863	683,617
Loans to government agencies.....	450,000			
Fixed assets, net.....	76,315	89,694	113,526	97,063
Total assets.....	40,813,039	41,107,465	36,930,533	36,613,862
<b>Liabilities:</b>				
Current liabilities:				
Support and related programs.....	11,364,469	14,596,208	13,339,159	12,833,894
Deferred interest in amounts due from foreign governments and private trade entities under Public Law 480.....	10,917,794	11,560,205	12,148,031	12,692,883
Debt issued under borrowing authority: Borrowing from Treasury.....	24,871,952	20,969,268	17,435,838	24,674,156
Total liabilities.....	47,154,215	47,125,681	42,923,028	50,200,933
<b>Government equity:</b>				
Obligations other than liabilities:				
Support and related programs: Other commitments.....	240,006	161,474	78,580	80,209
Special activities: Letters of commitment for Public Law 480.....	249,127	179,317	169,817	161,132
Total obligations other than liabilities.....	489,133	340,791	248,397	241,341
Unfinanced budget authority.....	—6,830,309	—6,359,007	—6,240,892	—13,828,412
Total Government equity.....	—6,341,176	—6,018,216	—5,992,495	—13,587,071

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 thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	537,730	600,247	420,297
25.0	Other services.....	1,265,020	880,916	690,737
25.0	Other services (storage and handling).....	2,003,890	2,327,098	1,439,177
	Supplies and materials: Cost of commodities sold or donated:			
26.0	Foreign assistance programs.....	1,035,760	1,130,403	1,111,006
26.0	Other.....	11,549,939	12,604,355	8,817,103
31.0	Equipment.....	36,970	52,750	14,500
33.0	Investments and loans.....	17,044,394	15,023,698	11,451,387
41.0	Grants, subsidies, and contributions.....	4,547,657	3,689,276	6,072,200
43.0	Interest and dividends.....	1,227,063	1,600,269	1,170,179
99.9	Total obligations.....	39,248,423	37,909,012	31,186,586

COMMODITY CREDIT CORPORATION FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.14	Operating expenses: Interest: Treasury.....			—161
01.03	Capital investment: Guarantee claims.....			—5,279
10.00	Total obligations.....			—5,440
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources: Sales and other proceeds.....			11,964
39.00	Budget authority.....			6,524
<b>Budget authority:</b>				
47.10	Authority to borrow.....			6,524
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			6,524
<b>Obligated balance, end of year:</b>				
74.47	Authority to borrow.....			6,524
74.49	Contract authority.....			—6,524
90.00	Outlays.....			6,524

Status of Direct Loans (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
<b>CCC GUARANTEE CLAIMS</b>				
<b>Cumulative balance of direct loans outstanding:</b>				
1232	Disbursements: Disbursements for guaranteed loan claims.....			—5,279
1290	Outstanding, end of year.....			—5,279

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
<b>EXPORT GUARANTEE PROGRAMS</b>				
<b>GUARANTEED LOANS</b>				
<b>Position with respect to appropriation act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....			—2,000,000
2150	Total guaranteed loan commitments.....			—2,000,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans.....			—2,000,000
2290	Outstanding, end of year.....			—2,000,000



**MEMORANDUM**

2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year .....	-1,960,000
<b>Estimate of guaranteed loan subsidy:</b>		
2320	Subsidy amount (in percent) .....	-13.7
2330	Subsidy amount (in thousands of dollars) .....	-275,000

Legislation will be developed to modify the current domestic sugar program to implement fair treatment for taxpayers, consumers, and farmers.

Legislation will be proposed to reduce the floor, or minimum annual levels, for short-term export credit loan guarantees from \$5 billion to \$3 billion.

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

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
33.0	Investments and loans .....			-5,279
43.0	Interest and dividends .....			-161
99.9	Total obligations .....			-5,440

**COMMODITY CREDIT CORPORATION LOAN SUBSIDIES**  
(Proposed for later transmittal, proposed legislation)

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

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Support and related programs:				
Operating expenses: programs:				
00.14	Interest: Treasury .....			-570
01.03	Capital investment: Guarantee claims .....			-18,592
10.00	Total obligations .....			-19,162
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal funds .....			30,446
39.00	Budget authority (appropriation) .....			11,284
Budget authority:				
47.10	Authority to borrow (substantive law) .....			11,284
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			11,284
74.47	Obligated balance, end of year .....			11,284
74.49	Obligated balance, end of year .....			-11,284
90.00	Outlays .....			11,284

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

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1232	Disbursements: Disbursements for guaranteed loan claims .....			-18,592
1290	Outstanding, end of year .....			-18,592

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

<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders .....			
2131	Guaranteed loan commitments exempt from limitation .....			-3,500,000
2150	Total guaranteed loan commitments .....			-3,500,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans .....			-3,500,000
2290	Outstanding, end of year .....			-3,500,000

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	-3,430,000
<b>Estimate of guaranteed loan subsidy:</b>		
2320	Subsidy amount (in percent) .....	-13.7
2330	Subsidy amount (in thousands of dollars) .....	-554,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

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

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
33.0	Investments and loans .....			-18,592
43.0	Interest and dividends .....			-570
99.9	Total obligations .....			-19,162

**General and special funds:**

**[TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM]**

For necessary expenses to carry out the Temporary Emergency Food Assistance Act of 1983, as amended, \$50,000,000: *Provided, That, in accordance with section 202 of Public Law 98-92, these funds shall be available only if the Secretary determines the existence of excess commodities.* (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-3635-0-1-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	50,000	50,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	50,000	50,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	50,000	50,000	
72.40	Obligated balance, start of year .....	18,063	20,588	20,603
74.40	Obligated balance, end of year .....	-20,588	-20,603	-4,803
77.00	Adjustments in expired accounts .....	-979		
90.00	Outlays .....	46,496	49,985	15,800

This program, authorized by the Temporary Emergency Food Assistance Act of 1983, as amended, provides funding to States to cover storage and distribution costs of CCC emergency donated commodities. Funds provided in this appropriation are administered through the Food and Nutrition Service.

**COMMODITY CREDIT CORPORATION LOAN SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

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

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Short-term export guarantee subsidy .....			411,000
00.02	Intermediate export guarantee subsidy .....			143,000
00.14	Interest: Treasury .....			570
00.91	Total direct program .....			554,570
10.00	Total obligations .....			554,000
<b>Financing:</b>				
39.00	Budget authority .....			554,000

General and special funds—Continued

COMMODITY CREDIT CORPORATION LOAN SUBSIDIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Budget authority:				
47.10	Authority to borrow (substantive law)			554,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net			554,000
90.00	Outlays			554,000

Status of Direct Loans (in thousands of dollars)

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
1232	Disbursements: Disbursements for guaranteed loan claims			18,592
1290	Outstanding, end of year			18,592

Status of Guarantee Loans (in thousands of dollars)

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans by private lenders			
2131	Guaranteed loan commitments exempt from limitation			3,500,000
2150	Total guaranteed loan commitments			3,500,000
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursements of new guaranteed loans			3,500,000
2290	Outstanding, end of year			3,500,000

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year			3,430,000
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent)ng, end of year			13.7
2330	Subsidy amount (in thousands of dollars)			554,000

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

OFFICE OF RURAL DEVELOPMENT POLICY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code	12-0801-0-1-452	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	215	25	
74.40	Obligated balance, end of year	-25		
77.00	Adjustments in expired accounts	-93		
90.00	Outlays	96	25	

No funding was provided for fiscal year 1988, and no funding is requested for fiscal year 1989.

RURAL ELECTRIFICATION ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For administrative expenses to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), and to administer the loan and loan guarantee programs for Community Antenna Television facilities as authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), and for which commitments were made prior to fiscal year [1988] 1989, including not to exceed \$7,000 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$103,000 for employment under 5 U.S.C. 3109, [\$30,713,000] \$22,137,000.

OFFICE OF THE ADMINISTRATOR

For necessary salaries and expenses of the Office of the Administrator of the Rural Electrification Administration, \$155,000; Provided, That no other funds in this Act shall be available for this Office. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-3100-0-1-271	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Administration of rural electrification program	14,531	16,585	11,954
00.02	Administration of rural telephone and CATV programs	12,378	14,128	10,183
00.03	Office of the Administrator		155	
00.91	Total direct program	26,909	30,868	22,137
01.01	Reimbursable program		40	6,653
10.00	Total obligations	26,909	30,908	28,790
Financing:				
11.00	Offsetting collections from: Federal funds		-40	-6,653
25.00	Unobligated balance lapsing	2,537		
40.00	Budget authority (appropriation)	29,447	30,868	22,137
Relation of obligations to outlays:				
71.00	Obligations incurred, net	26,909	30,868	22,137
72.40	Obligated balance, start of year	3,317	3,862	3,038
74.40	Obligated balance, end of year	-3,862	-3,038	-2,179
77.00	Adjustments in expired accounts	-36		
90.00	Outlays	26,328	31,692	22,996

The Rural Electrification Administration, under authority of the Rural Electrification Act of 1936, as amended, makes heavily subsidized direct loans and guarantees loans made by other qualified lenders to rural electric and telephone systems for electric and telephone service in rural areas. Because of population growth over the past several decades, a number of borrowers now serve areas that are predominantly suburban.

In order to administer the REA loan subsidy programs and to ensure that construction and operation projects conform to approved standards, REA furnishes, without cost to the borrower, business management and technical assistance on a regular basis. This objective is carried out through regulations, personal visits to the borrowers, and training. REA has personnel in the Washington office and a field staff who have expertise in the electric or telephone industry and who are available to assist borrowers in specialized areas.

The heavily subsidized lending programs have cost the Treasury over \$17 billion since 1973 even though the goals of the program have largely been accomplished. For these reasons, the administration proposes

to convert the programs to partial (either 70 or 80 percent) guarantees of private loans. Staff resources necessary to carry out these programs are kept at levels to maintain the program.

The Rural Telephone Bank will pay its share of administrative expenses and will reimburse the Salaries and expenses account accordingly. It will also take the necessary steps to ensure it achieves privatization in 1995.

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

Identification code	12-3100-0-1-271	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	19,362	21,121	14,992
11.3	Other than full-time permanent .....	144	149	107
11.5	Other personnel compensation .....	276	281	204
11.9	Total personnel compensation .....	19,782	21,551	15,303
12.1	Civilian personnel benefits .....	2,598	3,240	2,423
13.0	Benefits for former personnel .....	10	10	8
21.0	Travel and transportation of persons .....	1,618	1,993	1,459
22.0	Transportation of things .....	73	83	57
23.3	Communications, utilities, and miscellaneous charges...	710	880	681
24.0	Printing and reproduction .....	283	323	243
25.0	Other services .....	1,107	1,349	1,099
26.0	Supplies and materials .....	263	459	306
31.0	Equipment .....	464	980	558
42.0	Insurance claims and indemnities .....	1		
99.0	Subtotal, direct obligations .....	26,909	30,868	22,137
99.0	Reimbursable obligations .....		40	6,653
99.9	Total obligations .....	26,909	30,908	28,790

**Personnel Summary**

Total number of full-time permanent positions .....	535	550	500
Total compensable workyears: Full-time equivalent employment .....	524	550	500

**[REIMBURSEMENT TO THE RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND]**

For an additional amount to reimburse the rural electrification and telephone revolving fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), \$327,675,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-3101-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0) .....	20,000	327,675	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	20,000	327,675	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	20,000	327,675	
90.00	Outlays .....	20,000	327,675	

This appropriation reimburses the rural electrification and telephone revolving fund for interest subsidies and loan default losses incurred by the revolving fund.

This appropriation is not warranted since the fund has already been given a large subsidy for such purposes. It is exempted by the Act from paying millions in annual interest costs owed to the Treasury on advances totaling \$7.9 billion. The costs of this interest-free loan have been sustained by the Treasury, not by the revolving fund.

Therefore, no appropriation is requested for 1989.

**[PURCHASE OF RURAL TELEPHONE BANK CAPITAL STOCK]**

For the purchase of Class A stock of the Rural Telephone Bank, \$28,710,000, to remain available until expended (7 U.S.C. 901-950(b)). (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-3102-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0) .....	28,710	28,710	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	28,710	28,710	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	28,710	28,710	
90.00	Outlays .....	28,710	28,710	

The Rural Electrification Act of 1936, as amended, authorizes appropriations for the purchase of Class A stock in the Rural Telephone Bank by the U.S. Government.

No appropriation is requested for 1989. The Federal Government has already provided \$506 million in subsidized capital (2 percent interest) to the Bank—\$206 million over the amount in the original statute establishing the Bank. Since 1973 the cost to the taxpayer for this subsidy exceeds \$200 million. Since all RTB borrowers are financially strong and compare favorably to investor owned companies, there is no need for increasing the subsidy.

**RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

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

Identification code	12-1230-6-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Guaranteed loan subsidy, Power supply/electric .....			24,620
00.02	Guaranteed loan subsidy, Electric distribution and telephone .....			56,060
10.00	Total obligations .....			80,680
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			80,680
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			80,680
74.40	Obligated balance, end of year .....			-70,260
90.00	Outlays .....			10,420

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

Identification code	12-1230-6-1-271	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders .....			1,318,955
2150	Total guaranteed loan commitments .....			1,318,955
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans .....			178,843

General and special funds—Continued

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN  
SUBSIDIES—Continued

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

Identification code	12-1230-6-1-271	1987 actual	1988 est.	1989 est.
2290	Outstanding, end of year.....			178,843

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			127,190
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Estimate of guaranteed loan subsidy:

Subsidy amount (in percent):				
2320	Electric distribution and telephone.....			5.0
2320	Power supply/electric.....			12.3
Subsidy amount (in thousands of dollars):				
2330	Electric distribution and telephone.....			56,060
2330	Power supply/electric.....			24,620

This schedule shows the effects of the Administration's credit reform proposal for REA partially guaranteed loans. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

RURAL TELEPHONE BANK LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-1231-6-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct loan subsidy.....			26,920
10.00	Total obligations.....			26,920
<b>Financing:</b>				
40.00	Budget authority (appropriation).....			26,920
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			26,920
74.40	Obligated balance, end of year.....			-25,305
90.00	Outlays.....			1,615

Status of Direct Loans (in thousands of dollars)

Identification code	12-1231-6-1-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			177,045
1150	Total direct loan obligations.....			177,045
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements.....			10,623
1290	Outstanding, end of year.....			10,623
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			15.2
1330	Subsidy amount (in thousands of dollars).....			26,920

This schedule shows the effects of the Administration's credit reform proposal for Rural Telephone Bank direct loans. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Public enterprise funds:

RURAL COMMUNICATION DEVELOPMENT FUND

To reimburse the Rural Communication Development Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in making Community Antenna Television loans and loan guarantees under sections 306 and 310B of the Consolidated Farm and Rural Development Act, as amended, **[\$1,309,000]** \$1,447,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification Code	12-4142-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (interest on borrowings) (object class 43.0).....	2,639	2,646	2,684
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-1,064	-1,337	-1,237
32.47	Balance of authority to borrow withdrawn.....	16		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,591</b>	<b>1,309</b>	<b>1,447</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,575	1,309	1,447
Obligated balance, start of year:				
72.47	Authority to borrow.....	-34	-50	-50
72.98	Fund balance.....	2,126	2,945	2,945
Obligated balance, end of year:				
74.47	Authority to borrow.....	50	50	50
74.98	Fund balance.....	-2,945	-2,945	-2,945
90.00	Outlays.....	772	1,309	1,447

Status of Direct Loans (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	18,263	18,982	18,585
1231	Disbursements: Direct loan disbursements.....	254		
1251	Repayments: Repayments and prepayments.....	-770	-397	-376
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	1,235		
1290	Outstanding, end of year.....	18,982	18,585	18,209

<sup>1</sup> Restoration of amounts included as write-offs for default in fiscal year 1985 and 1986.

Status of Guaranteed Loans (in thousands of dollars)

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	6,060	5,756	5,886
2231	Disbursements: Disbursements of guaranteed loans.....		525	500
2251	Repayments: Repayments and prepayments.....	-304	-395	-480
2290	Outstanding, end of year.....	5,756	5,886	5,906

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	5,756	5,886	5,906
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The Rural Development Insurance Fund was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419) approved August 30, 1972, to make community facility and business and industrial loans and guaranteed loans to both profit and nonprofit organizations.

The Rural Communication Development Fund, an account under the Rural Development Insurance Fund authorities, was established pursuant to Secretary's Memorandum No. 1988 approved May 22, 1979. This memorandum transferred certain financing authorities under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) from the Farmers Home Administration to the Rural Electrification Administration for the purpose of financing and administering community antenna television services or facilities in

rural areas. Funding is required for losses from operation of the program.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue.....	989	940	861
Expense.....	-2,639	-2,646	-2,684
Net loss for the year.....	-1,650	-1,706	-1,823

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance.....	2,126	2,945	2,945	2,944
Loans receivable (net).....	18,263	17,471	17,074	16,698
Accounts receivable (net).....	393	239	376	344
Total assets.....	20,782	20,655	20,395	19,986
<b>Liabilities:</b>				
Debt issued under borrowing authority:				
Borrowings from Treasury.....	24,604	24,604	24,604	24,604
Accounts payable (net).....	1,403	1,335	1,472	1,440
Total liabilities.....	26,007	25,939	26,076	26,044
<b>Government equity:</b>				
Undelivered orders.....	2,053	1,799	1,799	1,799
Unfinanced budget authority:				
Borrowing authority.....	34	50	50	49
Invested capital.....	-7,311	-7,133	-7,530	-7,906
Total Government equity.....	-5,224	-5,284	-5,681	-6,058

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS]

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: rural electrification loans, not less than \$622,050,000 nor more than \$933,075,000; and rural telephone loans, not less than \$239,250,000 nor more than \$311,025,000; to remain available until expended: *Provided*, That loans made pursuant to section 306 of that Act are in addition to these amounts but during fiscal year 1988 total commitments to guarantee loans pursuant to section 306 shall be not less than \$933,075,000 nor more than \$2,100,615,000 of contingent liability for total loan principal: *Provided further*, That as a condition of approval of insured electric loans during fiscal year 1988, borrowers shall obtain concurrent supplemental financing in accordance with the applicable criteria and ratios in effect as of July 15, 1982: *Provided further*, That no funds appropriated in this Act may be used to deny or reduce loans or loan advances based upon a borrower's level of general funds. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Operating expenses:				
00.01	Interest expense on certificates of beneficial ownership.....	460,513	469,900	486,900
00.02	Interest on interim borrowings.....	3,583		
00.03	Administrative expenses.....	80		
00.04	Interest expense, other lenders.....	1,979,747	2,013,473	2,108,263
00.91	Total operating expenses.....	2,443,923	2,483,373	2,595,163
Capital investment:				
01.01	Rural electrification.....	628,390	622,050	
01.02	Rural telephone.....	229,787	239,250	
01.03	Direct loans, FFB.....	174,710	933,075	
01.91	Total capital investment.....	1,032,887	1,794,375	
10.00	Total obligations.....	3,476,810	4,277,748	2,595,163

Financing:

Offsetting collections from:				
11.00	Federal sources.....	-20,000	-327,675	
14.00	Non-Federal sources.....	-4,050,514	-5,126,073	-3,301,763
Redemption of debt:				
31.00	Repayment of FFB loans.....	838,425	2,259,000	274,000
31.00	Repurchase of CBO's.....			432,600
39.00	<b>Budget authority.....</b>	<b>244,720</b>	<b>1,083,000</b>	
Budget authority:				
67.10	<b>Authority to borrow (permanent, indefinite) (7 U.S.C. 934 and 12 U.S.C. 2281-96).....</b>	<b>244,720</b>	<b>1,083,000</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-593,704	-1,176,000	-706,600
Obligated balance, start of year:				
72.47	Authority to borrow.....	6,425,031	6,088,195	6,265,241
72.98	Fund balance.....	586	-4,329	
Obligated balance, end of year:				
74.47	Authority to borrow.....	-6,088,195	-6,265,241	-4,776,241
74.98	Fund balance.....	4,329		
90.00	Outlays.....	-251,954	-1,357,375	782,400

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	244,720	1,083,000	
Outlays.....	-251,954	-1,357,375	782,400
Proposed for later transmittal under proposed legislation:			
Budget authority.....			
Outlays.....			-2,092,630
Total:			
Budget authority.....	244,720	1,083,000	
Outlays.....	-251,954	-1,357,375	-1,310,230

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
12-4230-0-3-271				
<b>Position with respect to appropriations act limitation on obligations:</b>				
Limitation on direct loans:				
1111	Loans disbursed by REA <sup>1</sup> .....	1,222,415	861,300	
1111	FFB direct loans <sup>2</sup> .....	933,075	933,075	
1112	Unobligated direct loan limitation.....	-364,238		
1112	Unobligated direct loan limitation, FFB direct loans.....	-758,365		
1150	Total direct loan obligations.....	1,032,887	1,794,375	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	34,989,053	34,322,648	33,205,748
1231	Disbursements: Direct loan disbursements.....	1,342,107	1,613,000	1,489,000
1251	Repayments: Repayments and prepayments.....	-1,698,858	-2,720,179	-750,563
1264	Adjustments: Other adjustments, net <sup>3</sup> .....	-309,654	-9,721	-8,437
1290	Outstanding, end of year.....	34,322,648	33,205,748	33,935,748

<sup>1</sup> The enacted limitation in 1987 and 1988 is \$861,300 thousand. Fiscal year 1987 includes a \$361,115 thousand carryover from 1986; fiscal year 1988 excludes a \$364,238 thousand carryover from 1987

<sup>2</sup> Loans that are guaranteed by REA and disbursed by the Federal Financing Bank are shown as FFB direct loans in this schedule. However, the limitation enacted or proposed to be enacted in appropriation acts applies to the guaranteed loan commitment made by REA.

<sup>3</sup> Represents discount from face value on prepayment of loans and reclassified amounts for payments made on behalf of FFB direct loan borrowers.

Status of Guaranteed Loans <sup>1</sup> (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-4230-0-3-271			
<b>Position with respect to appropriation act limitation on commitments:</b>			
2111	Limitation on guaranteed loans by private lenders.....		
2131	Guaranteed loan commitments exempt from limitation.....	581,522	2,000,000
2150	Total guaranteed loan commitments.....	581,522	2,000,000

## Public enterprise funds—Continued

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN  
AUTHORIZATIONS]—ContinuedStatus of Guaranteed Loans <sup>1</sup> (in thousands of dollars)—Continued

Identification code	12-4230-0-3-271	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	1,029,934	1,433,585	3,418,585
2231	Disbursements: Disbursement of new guaranteed loans .....	601,522	2,000,000	.....
2251	Repayments: Repayments and prepayments .....	-197,871	-15,000	-15,000
2290	Outstanding, end of year .....	1,433,585	3,418,585	3,403,585
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	1,433,585	3,418,585	3,403,585

<sup>1</sup> Loans that are guaranteed by REA and disbursed by the Federal Financing Bank are shown in the REA status of direct loan schedule. Limitations enacted or proposed on these loans are as follows: 1987, \$933,075 thousand; and 1988, \$933,075 thousand.

<sup>2</sup> These disbursements of new guaranteed loans result from loan guarantee commitments in previous years.

## STATUS OF AGENCY DEBT

(In thousands of dollars)

Agency Debt Held by FFB:	1987 actual	1988 est.	1989 est.
Outstanding FFB Direct, start of year .....	21,444,874	21,196,490	19,739,490
Outstanding CBO's, start of year .....	4,241,207	4,241,207	4,464,807
New agency borrowing, FFB Direct .....	590,041	803,000	729,000
New agency borrowing, CBO's .....	635,000	393,600	257,500
Repayments and prepayments, FFB Direct .....	-838,425	-2,260,000	-274,000
Repayments and prepayments, CBO's .....	-635,000	-170,000	-432,600
Outstanding FFB Direct, end of year .....	21,196,490	19,739,490	20,194,490
Outstanding CBO's, end of year .....	4,241,207	4,464,807	4,289,707

The Rural Electrification Administration conducts two loan programs: (1) The rural electrification program; and (2) the rural telephone program.

Direct electric and telephone loans from the Rural Electrification and Telephone Revolving Fund (RETRF) bear interest at a 5 percent rate. Some loans may be made at a lesser rate. RETRF loans must be repaid within a period not to exceed 35 years. REA also guarantees loans made directly by the Government through the Federal Financing Bank (FFB) at long-term Treasury rates plus 12.5 basis points or by other qualified lenders at rates agreed upon by the lender and the borrower.

Loans from the RETRF are financed from available receipts or, when necessary, by interim Treasury borrowings. Loans made from the RETRF are held in a pool as security for certificates of beneficial ownership (CBO's) which are sold to Treasury.

*Rural electrification.*—This loan program is financed through REA direct and guaranteed loans for the operation of generating plants, electric transmission, and distribution lines or systems. The change in the 1989 loan level from 1988 reflects the phase-out of the RETRF direct loan and 100 percent loan guarantee program by replacing it with a new partial REA loan guarantee program which allows for a 70 percent REA guarantee of principal and interest of privately originated electric distribution loans and 80 percent guarantee of power supply loans.

## STATUS OF THE ELECTRIFICATION PROGRAM—ELECTRIFICATION LOAN LEVELS

(In thousands of dollars)

Loan level:	1987 actual	1988 est.	1989 est.
Direct loans .....	628,390	622,050	.....
FFB direct loans .....	174,710	813,450	.....
Subtotal, direct loans and loan guarantee commitments .....	803,100	1,435,500	.....
Non-REA without guarantee commitments .....	410,073	500,000	500,000
Total, electrification program .....	1,213,173	1,935,500	500,000

## PROGRAM STATISTICS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Cumulative net loans .....	19,833,743	20,455,793	20,455,793
Cumulative funds advanced .....	18,282,355	18,889,355	19,434,355
Unadvanced funds, end of year .....	1,551,388	1,566,438	1,021,438
Cumulative principal repaid .....	6,793,211	7,193,430	7,605,633
Cumulative interest paid .....	5,552,937	6,023,024	6,513,611
Cumulative loan guarantee commitments .....	30,959,550	30,107,478	30,107,478
Cumulative consumers served—calendar year (thousands—estimated) <sup>1</sup> .....	11,633	11,742	11,832
Cumulative miles energized—calendar year (thousands—estimated) <sup>1</sup> .....	2,170	2,188	2,223
Number of borrowers .....	967	967	967

<sup>1</sup> Data represents accomplishments from all sources of funds.

*Rural telephone.*—This loan program is financed through REA direct and guaranteed loans for the construction, expansion, acquisition, and operation of telephone lines and facilities or systems. This program is also being replaced with a partial REA loan guarantee program which allows for a 70 percent REA guarantee of privately originated loans.

## STATUS OF THE TELEPHONE PROGRAM—TELEPHONE LOAN LEVELS

(In thousands of dollars)

Loan level:	1987 actual	1988 est.	1989 est.
Direct loans .....	229,787	239,250	.....
FFB direct loans .....	.....	119,625	.....
Subtotal, direct loans and loan guarantee commitments .....	229,787	358,875	.....
RTB loans (account follows) .....	177,045	177,045	177,045
Total, telephone program .....	406,832	535,920	177,045

## PROGRAM STATISTICS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Cumulative net loans .....	5,338,205	5,577,455	5,338,205
Cumulative funds advanced .....	4,489,982	4,692,982	4,704,982
Unadvanced funds, end of period .....	848,223	884,473	633,223
Cumulative principal repaid .....	1,472,636	1,543,317	1,545,433
Cumulative interest paid .....	1,183,244	1,279,557	1,283,757
Cumulative loan guarantee commitments <sup>1</sup> .....	667,340	786,965	786,965
Cumulative route miles of line constructed or improved—(thousands—estimated) <sup>2</sup> .....	890	910	930
Cumulative dial subscribers, new and improved service—calendar year (thousands—estimated) <sup>2</sup> .....	4,820	4,910	4,950
Number of borrowers .....	920	910	900

<sup>1</sup> FFB and other lenders.

<sup>2</sup> Data represents accomplishments from borrowers financed 20% or more by REA, RTB, and guaranteed loans.

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Interest earned on loans to borrowers .....	2,583,607	2,579,873	2,699,363
Expense <sup>1</sup> .....	-2,968,791	-2,790,537	-2,902,327
Discount on prepayments .....	-299,015	.....	.....
Net operating income .....	-684,199	-210,664	-202,964

<sup>1</sup> Includes imputed Treasury costs paid without reimbursement in the following amounts: 1987, \$307,164 thousand; 1988, \$307,164 thousand; and 1989, \$307,164 thousand.

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	586	-4,329		
Accounts receivable (net) .....	1,458,999	1,488,933	1,701,633	1,886,233
Loans receivable (net) .....	35,533,079	33,937,801	32,492,130	33,156,507
Other assets (net) .....	448,530	477,240	477,240	477,240
<b>Total assets</b> .....	<b>37,441,194</b>	<b>35,899,645</b>	<b>34,671,003</b>	<b>35,519,980</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable to the public .....	457	112		
Long-term notes payable to Treasury .....	7,864,742	7,864,742	7,864,742	7,864,742
Other liabilities .....	28,116,868	25,438,156	23,508,403	23,788,303
<b>Total liabilities</b> .....	<b>35,982,067</b>	<b>33,303,210</b>	<b>31,373,145</b>	<b>31,653,045</b>
<b>Government equity:</b>				
Selected equities:				
Other revolving fund balances .....	1,459,127	2,596,635	3,297,858	3,866,935
<b>Total Government equity</b> .....	<b>1,459,127</b>	<b>2,596,635</b>	<b>3,297,858</b>	<b>3,866,935</b>

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

Identification code	1987 actual	1988 est.	1989 est.
12-4230-0-3-271			
25.0 Other services .....	80		
33.0 Investments and loans .....	1,032,887	1,794,375	
43.0 Interest and dividends .....	2,443,843	2,483,373	2,595,163
99.9 Total obligations .....	3,476,810	4,277,748	2,595,163

**[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS]**

(Proposed for later transmittal, proposed legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
12-4230-2-3-271			
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources			
14.00 Loan asset sales to public .....			-971,788
Prepayments of direct loans:			
14.00 Non-FFB loans .....			-151,842
14.00 FFB loans .....			-997,000
14.00 Cushion of credit .....			28,000
Redemption of debt:			
31.00 Repayment of FFB loans .....			997,000
31.00 Repurchase of CBO's .....			1,095,630
39.00 <b>Budget Authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-2,092,630
90.00 Outlays .....			-2,092,630

Legislation will be proposed to provide 80 percent REA guarantees of power supply loans and 70 percent guarantees of electric distribution and telephone loans made by the private sector. Direct loans would be phased out by the end of 1988. REA borrowers serving largely urban, suburban or recreational areas or affiliates of larger telephone holding companies will no longer be eligible for Rural Electrification and Telephone Revolving Fund loan assistance. Proposed legislation would permit the sale of rural electrification and telephone revolving fund loan assets. The proceeds would be used to repay Treasury loans.

Legislation will also be proposed to allow (1) REA borrowers to prepay their outstanding FFB and REA guaranteed FFB direct loans utilizing an 80 percent guarantee of a privately originated loan without paying the required premium, (2) REA borrowers to repay their

direct loans at a discount determined by the Administrator, provided that they become ineligible for any type of REA assistance in the future, (3) repeal Section 1403 Cushion of Credit Payments Program included in The Omnibus Budget Reconciliation Act of 1987, and (4) repeal Section 1402 Use of Funds included in the Omnibus Budget Reconciliation Act of 1987.

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

Identification code	1987 actual	1988 est.	1989 est.
12-4230-2-3-271			
<b>Cumulative balance of direct loans outstanding:</b>			
Repayments:			
1251 Repayments and prepayments .....			-151,842
1253 Proceeds from loan asset sales to the public .....			-971,788
1264 Adjustments: Other adjustments, net <sup>1</sup> .....			-726,370
1290 Outstanding, end of year .....			-1,850,000

<sup>1</sup> Represents discount from face value on loan asset sales (\$628 million) and prepayment of loans (\$98 million).

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

Identification code	1987 actual	1988 est.	1989 est.
12-4230-0-3-271			
<b>Position with respect to appropriation act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			1,318,955
2150 Total guaranteed loan commitments .....			1,318,955
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2231 Disbursements: Disbursements of new guaranteed loans .....			178,843
2290 Outstanding, end of year .....			178,843

**MEMORANDUM**

2299 U.S. contingent liability of guaranteed loans outstanding, end of year .....			127,190
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**STATUS OF AGENCY DEBT**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Agency Debt Held by FFB:</b>			
Outstanding FFB Direct, start of year .....			
Outstanding CBO's, start of year .....			
New agency CBO's .....			-257,500
Repayments and prepayments, FFB Direct .....			-997,000
Repayments and prepayments, CBO's .....			-838,130
Outstanding FFB Direct, end of year .....			-997,000
Outstanding CBO's, end of year .....			-1,095,630

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

Identification code	1987 actual	1988 est.	1989 est.
12-4230-6-3-271			
<b>Position with respect to appropriation act limitation on commitments:</b>			
2111 Limitation on guaranteed loans by private lenders .....			-1,318,955
2150 Total guaranteed loan commitments .....			-1,318,955
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2231 Disbursements: Disbursements of new guaranteed loans .....			-178,843
2290 Outstanding, end of year .....			-178,843

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....			-127,190
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This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general

Public enterprise funds—Continued

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS]—Continued

fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

RURAL TELEPHONE BANK

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year [1988] 1989 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not [less than \$177,045,000 nor] more than [ \$210,540,000.] \$177,045,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-4231-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Administrative expenses.....	111	75	6,721
00.02 Interest expense .....	70,779	69,401	64,253
00.03 Dividends.....	147	251	251
00.91 Total operating expenses.....	71,037	69,727	71,225
01.01 Capital investment loans .....	185,115	177,045	177,045
10.00 Total obligations.....	256,152	246,772	248,270
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-28,768	-28,767	-57
14.00 Non-Federal sources.....	-156,945	-366,515	-128,442
17.00 Recovery of prior year obligations.....	-15,507		
25.00 Unobligated balance lapsing.....	15,507		
27.00 Capital transfer to general fund.....	9,399	10,119	10,119
31.00 Redemption of debt.....		138,391	
67.10 Budget authority (authority to borrow) (permanent, indefinite) (7 U.S.C. 901-950(b)).....	79,838		129,890
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	70,439	-148,510	119,771
Obligated balance, start of year:			
72.47 Authority to borrow .....	655,162	719,493	719,494
72.98 Fund balance .....	29,715	82,030	152,776
Obligated balance, end of year:			
74.47 Authority to borrow .....	-719,493	-719,494	-849,276
74.98 Fund balance .....	-82,030	-152,776	-67,431
78.00 Adjustments in unexpired accounts.....	-15,507		
90.00 Outlays.....	-61,714	-219,257	75,334

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	79,838		129,890
Outlays.....	-61,714	-219,257	75,334
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-51,026
Outlays.....			-51,026
Credit reform:			
Budget authority .....			-78,864
Outlays.....			-10,623
Total:			
Budget authority .....	79,838		
Outlays.....	-61,714	-219,257	13,685

Status of Direct Loans (in thousands of dollars)

Identification code 12-4231-0-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....	185,115	177,045	177,045
1150 Total direct loan obligations.....	185,115	177,045	177,045
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,433,934	1,446,602	1,301,763
1231 Disbursements: Direct loan disbursements .....	51,975	106,300	132,500
1251 Repayments: Repayments and prepayments.....	-39,307	-251,139	-19,521
1290 Outstanding, end of year.....	1,446,602	1,301,763	1,414,742

<sup>1</sup> Represents discount from face value on loan asset sales.

The Rural Telephone Bank (RTB) provides a second source of heavily subsidized financing for the REA telephone borrowers. The Bank charges an interest rate based on the average cost of money to the Bank, but not less than 5 percent per annum. The weighted average interest rate on cumulative loans through September 30, 1987, was 8.12 percent.

Equity capital of the Bank consists of class A stock purchased by the United States of \$506 million with a 2 percent dividend and classes B and C stock purchased by bank borrowers, organizations eligible to become borrowers and organizations controlled by borrowers. The Bank has borrowed \$759 million from the Treasury. The \$506 million in capital stock is heavily subsidized by the Federal Government.

Administrative support was provided without charge for the general operations of the Bank by REA employees and the Office of the General Counsel. Beginning in fiscal year 1989, the Bank will reimburse the REA Salaries and expenses for all administrative support provided to the RTB. Certain others incidental administrative expenses, such as expense of the elected members of the Board of Directors, postage fees and the audit by the General Accounting Office, are also paid by the Bank.

Bank loans totaled \$185 million in 1987. After almost 15 years in operation, loans to 605 borrowers have been approved, totaling over \$2.392 billion. Almost all Bank borrowers have the financial strength to borrow privately and a number of the borrowers are subsidiaries of large telephone holding companies with annual sales in the hundreds of millions of dollars. Furthermore, over 96 percent of rural areas now have telephone service available. The administration proposes that the Bank take the steps necessary to privatize, starting in 1989 including charging interest rates necessary to set aside \$30 million annually to repurchase the \$506 million of Class A stock at the end of 1995 and to pay the administrative costs of the Bank. Bank loans are \$177 million annually for 1989 through 1993. Borrowers will be permitted to prepay outstanding loans without premium starting in 1989 if they agree never to return to the RTB or REA for further financial assistance.

BUDGET AUTHORITY, OBLIGATIONS, AND BALANCES

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Budget authority:			
Appropriation for class A stock .....	28,710	28,710	
Borrowing authority (program and financing schedule).....	79,838		129,890
New budget authority.....	108,548	28,710	129,890
Other funds available.....	157,003	366,572	128,499



Less return on class A stock.....	9,399	10,119	10,119
Total budgetary resources.....	256,152	385,163	248,270
Obligations:			
Loans approved.....	185,115	177,045	177,045
Expenses and C stock dividends.....	71,037	69,727	71,225
Total.....	256,152	246,772	248,270

**BORROWING AUTHORITY**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Available start of year.....	12,380,739	13,627,988	14,918,288
Increase <sup>1</sup> .....	1,311,580	1,290,300	539,260
Encumbered.....	79,838		129,890
Recovery of prior obligations.....	15,507		
Available end of year.....	13,627,988	14,918,288	15,327,658

<sup>1</sup> Computed in accordance with sec. 407 of the Rural Electrification Act of 1936 as amended:

	1987 actual	1988 est.	1989 est.
A stock.....	28,710	28,710	
B stock.....	17,040	35,805	26,963
C stock.....	47		
Retained earnings.....	19,782		
Total.....	65,579	64,515	26,963
Statutory borrowing authority rate.....	20	20	20
Maximum borrowing authority during year.....	1,311,580	1,290,300	539,260

Note.—Totals may not add due to rounding.

**PROGRAM STATISTICS**

[Dollars in thousands]

	1987 actual	1988 est.	1989 est.
Cumulative net loans.....	2,392,179	2,569,224	2,746,269
Cumulative loan funds, advanced.....	1,599,921	1,706,221	1,838,721
Unadvanced loan funds, end of year.....	792,258	863,003	907,548
Cumulative principal repaid.....	153,319	404,458	423,979
Cumulative interest paid.....	867,524	977,585	1,079,881
Number of borrowers.....	605	620	630

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

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Interest earned on loans to borrowers.....	113,642	110,061	102,296
Expenses.....	71,281	69,259	71,646
Net operating income.....	42,361	40,802	30,650
Nonoperating income:			
Interest earned on U.S. securities (net of discount less premium amortization).....	58	57	57
Net income for the year.....	42,419	40,859	30,707

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	28,782	81,226	151,971	66,626
U.S. securities.....	933	805	805	805
Accounts receivable (net).....	8,427	8,315	8,817	8,318
Loans receivable (net).....	1,429,031	1,441,307	1,296,686	1,408,885
Total assets.....	1,467,173	1,531,653	1,458,279	1,484,634
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and other accrued liabilities.....	18,680	17,581	18,083	17,476
Debt issued under borrowing authority: Borrowing from Treasury.....	758,762	758,762	620,371	620,371
Total liabilities.....	777,442	776,343	638,454	637,847
<b>Fund equity:</b>				
Government equity:				
Selected equities:				
Undelivered orders: Undisbursed loans.....	674,624	792,257	863,002	907,547
Unfinanced budget authority: Undrawn authority to borrow.....	—655,162	—719,493	—719,494	—849,276

Invested capital.....	429,068	404,476	362,442	447,679
Total Government equity.....	448,530	477,240	505,950	505,950
<b>Private equity:</b>				
Class B stock.....	149,453	165,320	201,125	228,087
Class C stock.....	1,730	2,949	2,949	2,949
Retained earnings.....	90,018	109,801	109,801	109,801
Total private equity.....	241,201	278,070	313,875	340,837
Total equity.....	689,731	755,310	819,825	846,787

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

Identification code 12-4231-0-3-452	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			4,479
11.3 Other than full-time permanent.....			32
11.5 Other personnel compensation.....			61
11.8 Special personal services payments.....	18	18	20
12.1 Civilian personnel benefits.....			724
13.0 Benefits for former personnel.....			2
21.0 Travel and transportation of persons.....	48	35	476
22.0 Transportation of things.....			17
23.3 Communications, utilities, and miscellaneous charges.....	5	5	208
24.0 Printing and reproduction.....	2	2	75
25.0 Other services.....	38	15	369
26.0 Supplies and materials.....			91
31.0 Equipment.....			167
33.0 Investments and loans.....	185,115	177,045	177,045
43.0 Interest and dividends.....	70,926	69,652	64,504
99.9 Total obligations.....	256,152	246,772	248,270

**RURAL TELEPHONE BANK**

(Proposed for later transmittal, proposed legislation)

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

Identification code 12-4231-2-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.02 Operating expenses: Interest expense.....			—1,435
10.00 Total obligations.....			—1,435
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			—49,591
40.00 Budget authority (appropriation).....			—51,026
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			—51,026
74.47 Obligated balance, end of year.....			—49,276
74.98 Obligated balance, end of year: Fund balance.....			49,276
90.00 Outlays.....			—51,026

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

Identification code 12-4231-2-3-452	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1251 Repayments: Repayments and prepayments.....			—49,591
1290 Outstanding, end of year.....			—49,591

Legislation will be proposed to allow RTB borrowers to prepay their loans, without penalty, provided that the borrower will no longer be eligible for future REA/RTB lending assistance. The legislation will also include the repeal of Section 1412 interest rate to be considered for purposes of assessing eligibility for loans and Section 1413 Establishment of Reserve for losses due to Interest Rate Fluctuations and the disallowance of any other reserves included in Omnibus Budget Reconciliation Act of 1987. The combined effect of these provisions would be to severely impair privatization of the RTB in 1995.

Public enterprise funds—Continued

RURAL TELEPHONE BANK

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4231-6-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.02	Operating expenses: Interest expense.....			-361
01.01	Capital investment: Loans.....			-177,045
10.00	Total obligations.....			-177,406
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....			361
31.00	Redemption of debt.....			98,181
40.00	Budget authority (appropriation).....			-78,864
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			-177,045
74.47	Obligated balance, end of year.....			80,614
74.98	Obligated balance, end of year: Fund balance.....			85,808
90.00	Outlays.....			-10,623

Status of Direct Loans (in thousands of dollars)

Identification code	12-4231-6-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			-177,045
1150	Total direct loan obligations.....			-177,045
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements.....			-10,623
1290	Outstanding, end of year.....			-10,623

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-4231-6-3-452	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....			-177,045
43.0	Interest and dividends.....			-361
99.9	Total obligations.....			-177,406

FARMERS HOME ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-2000), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490o); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title III A of the Economic Opportunity Act of 1964 (Public Law 88-452 approved August 20, 1964), as amended, and such other programs which the Farmers Home Administration has the responsibility for administering, **[\$407,634,000]** \$420,188,000, together with not more than \$3,000,000 of the charges collected in connection with the insurance of loans as

authorized by section 309(a) of the Consolidated Farm and Rural Development Act, as amended, and section 517(i) of the Housing Act of 1949, as amended, or in connection with charges made on borrowers under section 502(a) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$1,000,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary **[field]** employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: *Provided further*, That not to exceed \$500,000 of this appropriation may be used for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$2,675,000 of this appropriation shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That, in addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrowers, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this title, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a showing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided*, That, if the security instrument securing such loan is foreclosed, such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

OFFICE OF THE ADMINISTRATOR

For necessary salaries and expenses of the Office of the Administrator of the Farmers Home Administration, \$600,000: *Provided*, That no other funds in this Act shall be available for this Office. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2001-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	393,289	411,634	424,188
00.02	Office of the Administrator.....		600	
01.01	Reimbursable program.....	444	735	735
10.00	Total obligations.....	393,733	412,969	424,923
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,444	-4,735	-4,735
25.00	Unobligated balance lapsing.....	2,256		
40.00	Budget authority (appropriation).....	394,545	408,234	420,188
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	392,289	408,234	420,188
72.40	Obligated balance, start of year.....	39,605	42,552	45,686
74.40	Obligated balance, end of year.....	-42,552	-45,686	-49,274
77.00	Adjustments in expired accounts.....	-5,462		
90.00	Outlays.....	383,880	405,100	416,600
<b>Distribution of outlays by account:</b>				
	Office of the Administrator.....		570	30
	Salaries and Expenses.....	383,880	404,530	416,570

These funds are used to administer the loan, guaranteed loan, and grant programs of the Farmers Home Administration. Activities include reviewing applications, servicing the loan portfolio and providing technical assistance and guidance to borrowers; and to assist in extending other Federal programs to people in rural areas.

In 1988, Congress separately funded the administrative costs for the Office of the Administrator. Separate

funding is eliminated in 1989 and the Administrator's costs once again are funded from the Salaries and expenses appropriation.

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

Identification code	12-2001-0-1-452	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	242,311	240,388	237,729
11.3	Other than full-time permanent .....	12,111	8,451	11,944
11.5	Other personnel compensation .....	3,600	3,773	4,567
11.9	Total personnel compensation .....	258,022	252,612	254,240
12.1	Civilian personnel benefits .....	40,037	53,191	54,310
13.0	Benefits for former personnel .....	530	438	490
21.0	Travel and transportation of persons .....	15,946	15,177	15,796
22.0	Transportation of things .....	1,614	1,930	2,007
23.2	Rental payments to others .....	13,445	15,392	17,163
23.3	Communications, utilities, and miscellaneous charges .....	31,387	31,464	34,895
24.0	Printing and reproduction .....	3,669	3,978	4,084
25.0	Other services .....	20,698	30,132	29,561
26.0	Supplies and materials .....	4,292	5,188	5,625
31.0	Equipment .....	3,455	2,533	5,849
42.0	Insurance claims and indemnities .....	184	188	158
43.0	Interest and dividends .....	10	11	10
99.0	Subtotal, direct obligations .....	393,289	412,234	424,188
99.0	Reimbursable obligations .....	444	735	735
99.9	Total obligations .....	393,733	412,969	424,923

**Personnel Summary**

Total number of full-time permanent positions .....	11,558	11,685	10,814
Total compensable workyears:			
Full-time equivalent employment .....	10,823	10,355	10,409
Full-time equivalent of overtime and holiday hours .....	85	100	95

**RURAL WATER AND WASTE DISPOSAL GRANTS**

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), **[\$109,395,000]** \$75,000,000, to remain available until expended, pursuant to section 306(d) of the above Act. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-2066-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	117,663	112,278	75,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-9,562		
21.40	Unobligated balance available, start of year .....	-1,590	-2,883	
24.40	Unobligated balance available, end of year .....	2,883		
40.00	<b>Budget authority (appropriation) .....</b>	<b>109,395</b>	<b>109,395</b>	<b>75,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	117,663	112,278	75,000
72.40	Obligated balance, start of year .....	409,485	360,510	310,167
74.40	Obligated balance, end of year .....	-360,510	-310,167	-245,059
78.00	Adjustments in unexpired accounts .....	-9,562		
90.00	Outlays .....	157,076	162,621	140,108

This grant program is authorized by subtitle A of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, public and quasi-public agencies, and certain Indian tribes to finance storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project.

The major objectives of the rural water and waste disposal grant program are: (1) to provide assistance to attain basic human amenities, (2) to alleviate health hazards, (3) to promote stability of rural areas by meeting the need for new and improved rural water and waste disposal systems, and (4) to meet national safe drinking water and clean water standards.

**GRANT OBLIGATIONS**

	1987 actual	1988 est.	1989 est.
Number of grants .....	319	290	190
Amount of grants (in thousands) .....	117,663	112,278	75,000

**[RURAL COMMUNITY FIRE PROTECTION GRANTS]**

**[For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), \$3,091,000 to fund up to 50 per centum of the cost of organizing, training, and equipping rural volunteer fire departments.] (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)**

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

Identification code	12-2067-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	3,069	3,091	
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	22		
40.00	<b>Budget authority (appropriation) .....</b>	<b>3,091</b>	<b>3,091</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	3,069	3,091	
72.40	Obligated balance, start of year .....	1,851	2,299	2,347
74.40	Obligated balance, end of year .....	-2,299	-2,347	-593
77.00	Adjustments in expired accounts .....	-22		
90.00	Outlays .....	2,599	3,043	1,754

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978. Grants are made to public bodies to organize, train, and equip local firefighting forces, including those of Indian tribes or other native groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas. In 1987, 3,282 grants were obligated for a total of \$3.069 million. It is anticipated that in 1988, 3,131 grants will be obligated for a total of \$3.091 million. No program is proposed for fiscal year 1989.

**[RURAL HOUSING FOR DOMESTIC FARM LABOR]**

**[For financial assistance to eligible nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$9,513,000.] (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)**

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

Identification code	12-2004-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	7,582	11,748	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-304	-2,234	
24.40	Unobligated balance available, end of year .....	2,234		
40.00	<b>Budget authority (appropriation) .....</b>	<b>9,513</b>	<b>9,513</b>	

General and special funds—Continued

[RURAL HOUSING FOR DOMESTIC FARM LABOR]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-2004-0-1-604	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	7,582	11,748	
72.40	Obligated balance, start of year .....	27,581	26,315	26,768
74.40	Obligated balance, end of year .....	-26,315	-26,768	-16,107
90.00	Outlays .....	8,848	11,295	10,661

*Rural housing for domestic farm labor.*—This grant program is authorized under section 516 of the Housing Act of 1949, as amended. Grants are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grant assistance may not exceed 90 percent of the cost of a project, and may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms and infirmaries. No program is proposed for 1989. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants .....	11	10	
Amount of grants (thousands of dollars) .....	7,582	11,748	

RURAL DEVELOPMENT INSURANCE FUND LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-2055-6-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct programs .....			40,860
00.02	Financial guarantees .....			871
10.00	Total obligations (object class 41.0) .....			41,731
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			41,731
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			41,731
74.40	Obligated balance, end of year .....			-39,923
90.00	Outlays .....			1,808

Status of Direct Loans (in thousands of dollars)

Identification code	12-2055-6-1-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans .....			300,000
1150	Total direct loan obligations .....			300,000
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements .....			12,000
1290	Outstanding, end of year .....			12,000

<b>Estimate of direct loan subsidy:</b>			
1320	Subsidy amount (in percent) .....		13.6
1330	Subsidy amount (in thousands of dollars) .....		40,860

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-2055-6-1-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriation act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders .....			95,700
2150	Total guaranteed loan commitments .....			95,700
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursement of new guaranteed loans ....			19,140
2290	Outstanding, end of year .....			19,140
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....			17,226
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent) .....			0.9
2330	Subsidy amount (in thousands of dollars) .....			870

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

[MUTUAL AND SELF-HELP HOUSING]

[For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$8,000,000.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2006-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	8,398	13,760	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-527	-227	
21.40	Unobligated balance available, start of year .....	-5,404	-5,533	
24.40	Unobligated balance available, end of year .....	5,533		
40.00	Budget authority (appropriation) .....	8,000	8,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	8,398	13,760	
72.40	Obligated balance, start of year .....	11,739	13,191	19,063
74.40	Obligated balance, end of year .....	-13,191	-19,063	-11,313
78.00	Adjustments in unexpired accounts .....	-527	-227	
90.00	Outlays .....	6,419	7,661	7,750

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor. No program is proposed for fiscal year 1989. Housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants .....	42	67	
Amount of grants (thousands of dollars) .....	8,398	13,760	

**【VERY LOW-INCOME HOUSING REPAIR GRANTS】**

【For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, \$12,500,000.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-2064-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	12,498	12,500	
<b>Financing:</b>				
25.00	Unobligated balance lapsing	2		
40.00	<b>Budget authority (appropriation)</b>	<b>12,500</b>	<b>12,500</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	12,498	12,500	
72.40	Obligated balance, start of year	1,916	794	625
74.40	Obligated balance, end of year	-794	-625	
77.00	Adjustments in expired accounts	-371		
90.00	<b>Outlays</b>	<b>13,248</b>	<b>12,669</b>	<b>625</b>

This program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwelling; to make the dwelling safer or more sanitary; or to remove health and safety hazards. A grant or a combination of a grant and a low-interest loan from the Rural housing insurance fund may be made to an eligible recipient for the needed work. No program is proposed for 1989.

**GRANT OBLIGATIONS**

	1987 actual	1988 est.	1989 est.
Number of grants	3,623	3,552	
Amount of grants (thousands of dollars)	12,498	12,500	

**RURAL 【RENTAL ASSISTANCE PAYMENTS】 HOUSING VOUCHER PROGRAM**

For necessary expenses to operate a housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437(f)), to be administered by the Secretary of Agriculture, notwithstanding the limitations in section 8(o)(1) of such Act that the Secretary conduct a demonstration, and in section 8(o)(4) of such Act that the Secretary use substantially all authority in connection with certain programs, in connection with the rental rehabilitation program under Section 17 of such Act and for any other purposes as determined by the Secretary, \$381,600,000.

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

Identification code	12-2002-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			381,600
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>			<b>381,600</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			381,600
72.40	Obligated balance, start of year	93,508	78,854	60,140
74.40	Obligated balance, end of year	-78,854	-60,140	-418,197
77.00	Adjustments in expired accounts	-155		
90.00	<b>Outlays</b>	<b>14,499</b>	<b>18,714</b>	<b>23,543</b>

This is a new program proposed for implementation in fiscal year 1989. A demonstration rural housing voucher program has been proposed for funding under the Rural housing insurance fund in fiscal year 1989. Housing vouchers replace the rural rental assistance payments program which was authorized under section

521 of the Housing Act of 1949, as amended, and previously funded from this account. The objective of that program was to reduce rents paid by low-income families living in FmHA financed rental projects and farm labor housing projects. Under that program, low-income tenants contributed the higher of (1) 30 percent of monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payment from a welfare agency. Payments were made to the project owner to make up the difference between the tenants' rent payments and the approved rental rates for the units.

Funding for the purpose of providing rental assistance for newly constructed units was provided in limited amounts in 1986, 1987, and 1988 under the Rural housing insurance fund. The Fund continues in fiscal year 1989 to finance existing rental assistance contracts.

In fiscal year 1989, a housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437(f)), will be implemented under this fund. This program will support 21,200 units or families for a 5-year period.

The housing voucher program provides tenants the flexibility to choose housing to meet their needs and to determine the appropriate level of expenditure to be made for housing. Further, unlike the rental assistance program, the housing voucher goes with the tenant should he or she decide to move.

**VOUCHER OBLIGATIONS**

	1987 actual	1988 est.	1989 est.
Number of families			21,200
Amount of vouchers (thousands of dollars)			381,600

**【COMPENSATION FOR CONSTRUCTION DEFECTS】**

【For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, \$713,000.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-2071-0-1-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	241	713	
<b>Financing:</b>				
25.00	Unobligated balance lapsing	472		
40.00	<b>Budget authority (appropriation)</b>	<b>713</b>	<b>713</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	241	713	
77.00	Adjustments in expired accounts	34		
90.00	<b>Outlays</b>	<b>275</b>	<b>713</b>	

This program is carried out under the provisions of section 509(c) of the Housing Act of 1949, as amended. The Secretary of Agriculture is authorized to make expenditures to correct structural defects, or to pay claims of owners arising from such defects on newly constructed dwellings purchased with FmHA financial assistance. Requests for compensation for construction defects must be made within 18 months after the date financial assistance was granted. No program is proposed for fiscal year 1989.

General and special funds—Continued

**【COMPENSATION FOR CONSTRUCTION DEFECTS】—Continued**

A summary of the activity for compensation for construction defects is as follows:

**GRANT OBLIGATIONS**

	1987 actual	1988 est.	1989 est.
Number of payments.....	78	226	.....
Amount of payments (thousands of dollars).....	241	713	.....

**【RURAL HOUSING PRESERVATION GRANTS】**

【For grants for rural housing preservation as authorized by section 552 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), \$19,140,000.】 (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
12-2070-0-1-604			
<b>Program by activity:</b>			
10.00 Total obligations (object class 41.0).....	19,140	19,140	.....
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	19,140	19,140	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	19,140	19,140	.....
72.40 Obligated balance, start of year.....	19,140	28,108	29,182
74.40 Obligated balance, end of year.....	-28,108	-29,182	-8,805
90.00 Outlays.....	10,172	18,066	20,377

This grant program is authorized under section 533 of the Housing Act of 1949, as amended. Grants are made to eligible private nonprofit groups, Indian tribes, or government agencies for rehabilitation of single family housing owned by low- and very low-income families and the rehabilitation of rental and cooperative housing for low- and very low-income families. No program is proposed for fiscal year 1989.

A summary of the activity for housing preservation grants is as follows:

**GRANT OBLIGATIONS**

	1987 actual	1988 est.	1989 est.
Number of grants.....	155	152	.....
Amount of grants (thousands of dollars).....	19,140	19,140	.....

**【RURAL DEVELOPMENT GRANTS】**

【For grants authorized under section 310(B)(c) (7 U.S.C. 1932) to any qualified public or private nonprofit organization, \$6,500,000: *Provided*, That such funds shall be made available within six months of date of enactment and that a priority be given to applications from rural areas in economic distress or from organizations with previous experience in administering rural economic development programs: *Provided further*, That \$3,000,000 shall be available for planning and construction costs in connection with establishment of a rural industrialization technology center in Pontotoc County, Oklahoma.】 (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
12-2065-0-1-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	3,000	6,500	.....
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	3,000	6,500	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,000	6,500	.....

72.40 Obligated balance, start of year.....	669	3,320	325
74.40 Obligated balance, end of year.....	-3,320	-325	.....
77.00 Adjustments in expired accounts.....	-223	.....	.....
90.00 Outlays.....	126	9,495	325

**Rural Development Grants.**—This assistance is authorized by section 310B(c) of the Consolidated Farm and Rural Development Act, as amended. Farmers Home Administration provides rural development grants to facilitate the development of business and industry. Grants are made to qualified public or private nonprofit organizations to assist in financing industrial sites in rural areas including the acquisition and development of land, and the construction, conversion, enlargement, repair or modernization of buildings, plants, equipment, access streets and roads. Grants may also be used for utility lines, parking areas, necessary water supply and waste disposal facilities, refinancing, services, and fees. Grants are limited to communities having populations of 50,000 or less with priority given to communities of less than 25,000.

No program is proposed for 1989.

	1987 actual	1988 est.	1989 est.
Rural development grants:			
Number of grants.....	1	36	.....
Amount of grants (thousands of dollars).....	3,000	6,500	.....

**AGRICULTURAL CREDIT INSURANCE FUND LOAN SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
12-1140-6-1-351			
<b>Program by activities:</b>			
<b>Direct programs:</b>			
00.01 Operating loans.....			55,810
00.02 Disaster loans.....			18,880
00.03 Financial guarantees: Real estate loans.....			79
10.00 Total obligations (object class 41.0).....			74,769
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			74,769
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			74,769
74.40 Obligated balance, end of year.....			-3,779
90.00 Outlays.....			70,990

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

Identification code	1987 actual	1988 est.	1989 est.
12-1140-6-1-351			
<b>Position with respect to appropriations act limitation on obligations:</b>			
<b>Limitation on direct loans:</b>			
1111 Operating loans.....			500,000
1111 Disaster loans.....			100,000
1150 Total direct loan obligations.....			600,000
<b>Cumulative balance of direct loans outstanding:</b>			
1231 Disbursements: Direct loan disbursements.....			570,000
1290 Outstanding, end of year.....			570,000
<b>Estimate of direct loan subsidy:</b>			
<b>Subsidy amount (in percent):</b>			
1320 Operating loans.....			11.2
1320 Disaster loans.....			18.9

1330	Subsidy amount (in thousands of dollars)	74,690
<b>Status of Guaranteed Loans (in thousands of dollars)</b>		
<b>Position with respect to appropriations act limitation on commitments:</b>		
Limitation on guaranteed loans by private lenders:		
2111	Real estate loans	100,000
2111	Operating loans	3,500,000
2150	Total guaranteed loan commitments	3,600,000
<b>Cumulative balance of guaranteed loans outstanding:</b>		
2231	Disbursements: Disbursements of new guaranteed loans	1,615,000
2290	Outstanding, end of year	1,615,000
<b>MEMORANDUM</b>		
2299	U.S. contingent liability for guaranteed loans outstanding, end of year	1,453,500
<b>Estimate of guaranteed loan subsidy:</b>		
2320	Subsidy amount (in percent)	0.8
2330	Subsidy amount (in thousands of dollars)	79

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

**Public enterprise funds:**

**AGRICULTURAL CREDIT INSURANCE FUND**  
(INCLUDING TRANSFERS OF FUNDS)

For direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: [farm ownership loans, \$505,000,000, of which \$390,000,000 shall be guaranteed loans; \$14,000,000 for water development, use, and conservation loans, of which \$3,000,000 shall be guaranteed loans] *guaranteed farm ownership loans, \$100,000,000; operating loans, [\$3,300,000,000] \$4,000,000,000, of which [\$2,400,000,000] \$3,500,000,000 shall be guaranteed loans; [Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$2,000,000;] and for emergency insured and guaranteed loans, [\$600,000,000] \$100,000,000 to meet the needs resulting from natural disasters, of which \$12,000,000 shall be transferred to the Commodity Credit Corporation for payments to be made to cover the difference between the partial payment and the amount of the full claim under provisions of the Farm Disaster Assistance Act of 1987 (Public Law 100-45): *Provided*, That notwithstanding any provision of law the Secretary shall execute and deliver a quit claim deed to Tennessee State University for approximately ninety acres obtained by foreclosure and recorded in book 233, page 56 of the register of deeds of Warren County, Tennessee].*

For an additional amount to reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), [\$3,627,153,000] \$3,467,596,000. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	12-4140-0-3-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Loans obligated	1,493,241	1,137,156	600,000
Loans made:				
00.02	Payment of delinquent installments	352	325	300
00.03	Advances on behalf of borrowers	97,341	75,000	50,000
00.04	Purchase of loans from investors	6,220	17,413	1,170
00.05	Interest on loans purchased from investors	401	1,273	85
00.06	Collateral acquired by default	22,707	20,200	18,300
00.07	Disbursement of loan repayments to investors	8,805	7,900	7,000

00.08	Purchase of guaranteed loans from investors	8,529	10,600	13,100
00.09	Interest on guaranteed loans purchased from investors	1,473	2,000	2,500
00.11	Other capital investment	-22		
00.91	Total capital investment	1,639,048	1,271,867	692,455
<b>Operating expenses:</b>				
01.01	Administrative expense	61,276	89,930	55,238
01.01	Interest on FFB borrowings	3,509,691	3,470,384	3,249,599
01.02	Interest on certificates of beneficial ownership	29,822	29,124	15,510
01.03	Premium interest for investors	1,754	1,050	450
01.04	Interest on participation certificates	11,133	6,243	
01.05	Interest expense on withheld collections	3,720	5,000	9,000
01.06	Interest on Treasury borrowings	717,319	795,000	745,000
01.07	Loss settlement expense on guaranteed loans	79,822	112,600	173,075
01.08	Unfilled orders	5,962	2,400	3,600
01.09	Other expense	10,674	7,894	75
01.10	Interest buy-down expense	22,049	100,000	100,000
01.91	Total operating expenses	4,453,222	4,619,625	4,351,547
10.00	Total obligations	6,092,269	5,891,492	5,044,002

**Financing:**

<b>Offsetting collections from:</b>				
Federal sources: Investment income from participation sales fund				
11.00		-21,631	-12,212	
Non-Federal sources:				
14.00	Repayments on loans held by the fund	-2,379,691	-2,450,000	-2,300,000
14.00	Loan repayments received on behalf of investors	-8,805	-7,900	-7,000
14.00	Repayments on advances	-15,056	-20,000	-25,000
14.00	Repayment on guaranteed loans purchased from investors	-2,862	-3,900	-4,900
14.00	Proceeds from sale of acquired property and chattels	-72,078	-82,500	-92,500
14.00	Payments on judgements	-589	-550	-500
14.00	Insurance premiums	-44	-40	-35
14.00	Guarantee fees	-10,614	-23,700	-28,800
14.00	Interest revenue	-1,032,186	-1,085,163	-1,178,295
14.00	Fees and other revenue	-17,123	-10,995	-9,995
22.98	Unobligated balance transferred, net: Fund balance		-145,506	
<b>Redemption of debt:</b>				
31.00	FFB	385,000	385,000	3,960,000
31.00	Public CBO's	16,635	68,336	263,021
31.00	GNMA		178,310	
32.47	Balance of authority to borrow withdrawn		934,481	
39.00	<b>Budget authority</b>	<b>2,933,223</b>	<b>3,615,153</b>	<b>5,619,998</b>

**Budget authority:**

<b>Current:</b>				
40.00	Appropriation	1,723,403	3,627,153	3,467,596
41.00	Transferred to other accounts	-400,000	-12,000	
43.00	<b>Appropriation (adjusted)</b>	<b>1,323,403</b>	<b>3,615,153</b>	<b>3,467,596</b>
67.10	<b>Authority to borrow (7 U.S.C. 1929(c)) (permanent, indefinite)</b>	<b>1,609,820</b>		<b>2,152,402</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	2,531,588	2,194,532	1,396,977
72.10	Receivables in excess of obligations, start of year			-699,033
<b>Obligated balance, start of year:</b>				
72.47	Authority to borrow	2,327,352	1,162,588	
72.98	Fund balance	15,077	1,079,770	3,012,405
74.10	Receivables in excess of obligations, end of year		699,033	
<b>Obligated balance, end of year:</b>				
74.47	Authority to borrow	-1,162,588		-901,848
74.98	Fund balance	-1,079,770	-3,012,405	-984,824
77.00	Adjustments in expired accounts	-67,949		
90.00	<b>Outlays</b>	<b>2,563,710</b>	<b>2,123,518</b>	<b>1,823,677</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]			
Enacted/requested:	1987 actual	1988 est.	1989 est.	
Budget authority	2,933,223	3,615,153	5,619,998	
Outlays	2,563,710	2,123,518	1,823,677	
Credit reform:				
Budget authority				-598,300

**Public enterprise funds—Continued**

**AGRICULTURAL CREDIT INSURANCE FUND—Continued**  
(INCLUDING TRANSFERS OF FUNDS)—Continued

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued**

(In thousands of dollars)

Outlays .....			- 568,300
Total:			
Budget authority .....	2,933,223	3,615,153	5,021,698
Outlays .....	2,563,710	2,123,518	1,255,377

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

Identification code 12-4140-0-3-351	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
<b>Limitation on direct loans:</b>			
1111 Real estate loans .....	77,000	117,000	
1111 Soil and water loans .....	11,000	11,000	
1111 Operating loans .....	1,425,000	900,000	500,000
1111 Transferred from Soil Conservation Service .....	9,156	9,156	
1111 Disaster loans .....	295,000	588,000	100,000
1112 Unobligated direct loan limitation .....	- 323,915	- 488,000	
1150 Total direct loan obligations .....	1,493,241	1,137,156	600,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	29,070,440	27,599,712	25,329,317
<b>Disbursements:</b>			
1231 Direct loan disbursements .....	1,506,422	1,176,967	639,251
1233 Purchase of loan assets from the public .....	6,347	17,413	1,170
1251 Repayments: Repayments and prepayments .....	- 2,394,747	- 2,470,000	- 2,325,000
<b>Adjustments:</b>			
1261 Capitalized interest .....	276,498	225,000	175,000
1262 Write-offs for default .....	- 865,248	- 1,219,775	- 662,800
1290 Outstanding, end of year .....	27,599,712	25,329,317	23,156,938
<b>Estimate of direct loan subsidy:</b>			
<b>Subsidy amount (in percent):</b>			
1320 Ownership loans .....		39.3	
1320 Operating loans .....		11.1	11.2
1320 Disaster loans .....		19.3	18.9
1320 Soil and water loans .....		19.0	
1320 Indian loans .....		22.8	
1320 Soil conservation loans .....		16.2	
1330 Subsidy amount (in thousands of dollars) .....		262,440	74,690

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

Identification code 12-4140-0-3-351	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
<b>Limitation on guaranteed loans made by private lenders:</b>			
2111 Real estate loans .....	325,000	640,000	100,000
2111 Soil and water loans .....	3,000	3,000	
2111 Operating loans .....	2,170,000	2,150,000	3,500,000
2112 Uncommitted limitation .....	- 932,508		
2150 Total guaranteed loan commitments .....	1,565,492	2,793,000	3,600,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	1,788,176	2,488,240	3,833,720
2231 Disbursements: Disbursements of new guaranteed loans .....	1,216,397	2,073,593	2,936,477
2251 Repayments: Repayments and prepayments .....	- 420,832	- 585,600	- 775,400
<b>Adjustments:</b>			
2262 Terminations for default that result in acquisition of property .....	- 116	- 100	- 100
2263 Terminations for default that result in claim payments .....	- 89,704	- 126,000	- 190,000
2264 Other adjustments, net <sup>1</sup> .....	- 5,681	- 16,413	830
2290 Outstanding, end of year .....	2,488,240	3,833,720	5,805,527

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	2,165,224	3,373,345	5,139,504
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**Estimate of guaranteed loan subsidy:**

<b>Subsidy amount (in percent):</b>			
2320 Real estate loans .....		0.8	0.8

2320 Operating loans .....		1.0	
Subsidy amount (in thousands):			
2330 Subsidy amount (in thousands of dollars) .....		4,960	79

<sup>1</sup> Amounts shown are based on assumption agreements, repurchases of loans and CBO's from investors, and other.

The Agricultural Credit Insurance Fund and its associated loan programs are authorized by title III of the consolidated Farm and Rural Development Act, as amended.

The Agricultural Credit Insurance Fund is used to insure or guarantee farm ownership, soil and water, farm operating, and emergency loans to individuals. Associations, Indian tribes and tribal corporations are eligible for the following types of loans: Indian land acquisition, watershed protection, flood prevention, and resource conservation and development.

The 1989 budget proposes to maintain approximately a \$4.2 billion program level each year. Funding is proposed to be limited to farm ownership, farm operating and emergency disaster loans. By 1992, all farm operating loans will be provided on a guaranteed basis.

The following table shows the 1987 actual and estimated 1988 and 1989 number of loans and program levels. The guaranteed program levels reflect the full principal amount of the loan of which part is guaranteed by the U.S. Government.

**LOAN OBLIGATIONS**

(In millions of dollars)

	1987 actual		1988 estimate		1989 estimate	
	Number	Amount	Number	Amount	Number	Amount
Agricultural credit insurance fund:						
Insured farm ownership loans .....	896	\$75.0	1,350	\$115.0		
Guaranteed farm ownership loans .....	2,137	324.4	4,150	640.0	650	\$100
Insured farm operating loans .....	32,096	1,298.3	21,800	900.0	11,900	500
Guaranteed farm operating loans .....	13,614	1,240.7	23,200	2,150.0	38,400	3,500
Emergency disaster loans .....	2,548	113.6	13,000	588.0	2,150	100
Insured soil and water loans .....	231	4.2	300	11.0		
Guaranteed soil and water loans .....	3	.3	5	3.0		
Indian tribe land acquisition loans .....	1	2.0	2	2.0		
Watershed protection and flood prevention loans .....	1	.1	2	8.0		
Resource conservation and development loans .....			2	1.2		
Total, Agricultural credit insurance fund .....	51,527	3,058.7	63,811	4,418.2	53,100	4,200

The new obligational authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates .....	11,133	6,243	
Amortized discount on participation certificates .....	5	2	
Interest accrued on an equal amount of loans in the pool .....	- 625	- 350	
Insufficiency .....	10,513	5,895	
Financed by:			
Investment income from:			
Participation sales trust fund .....	- 21,631	- 12,212	
Retained earnings reserved to meet insufficiencies .....	11,118	6,317	
New obligational authority required .....			

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

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue .....	2,124,052	2,182,442	2,244,135
Expense .....	- 17,689,463	- 7,608,097	- 6,538,360
Net operating loss .....	- 15,565,411	- 5,425,655	- 4,294,225



Nonoperating income or loss (—):			
Proceeds from sale of acquired property and chattels:			
Cash.....	84,466	82,600	92,500
Loans receivable.....	73,689	90,000	100,000
Total proceeds from sale.....	158,156	172,600	192,500
Net book value of assets sold.....	—341,276	—400,100	—471,000
Net nonoperating loss.....	—183,120	—227,500	—278,500
Net loss for the year.....	—15,748,532	—5,653,155	—4,572,725

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	15,077	1,079,770	2,561,805	496,824
Accounts receivable (net).....	4,169,659	1,271,768	1,247,300	1,324,449
Loans receivable (net).....	23,572,628	15,437,880	14,186,104	13,004,716
Other assets (net):				
Judgments.....	4,666	6,402	8,515	11,140
Deferred charges and unamortized discount on participation certificates and loans sold.....	14	4	—2	—6
Acquired Security (net).....	839,872	783,596	717,846	695,196
Guaranteed loans purchased from holders.....	11,533	14,367	17,666	21,816
Total assets.....	28,613,449	18,593,786	18,739,234	15,554,135
<b>Liabilities:</b>				
Accounts payable.....	32,203	35,212	119,808	182,602
Interest payable.....	1,630,611	1,630,202	1,646,576	1,457,774
Unearned revenue (advances).....	162,500	168,091	168,399	170,009
Debt issued under borrowing authority:				
Borrowings from Treasury.....	8,065,500	10,755,500	11,581,500	11,870,000
Borrowings from FFB.....	28,395,000	28,010,000	27,625,000	23,665,000
Borrowings from Public.....	.....	355,762	287,426	24,405
Participation certificates outstanding (net).....	24,188	24,188	.....	.....
Other liabilities: Provision for potential losses on loans sold or guaranteed..	107,617	656,342	1,050,739	1,606,238
Total liabilities.....	38,417,619	41,635,298	42,479,448	38,976,028
<b>Government equity:</b>				
Revolving fund balance.....	—9,804,171	—23,041,512	—23,740,214	—23,421,893
Total Government equity.....	—9,804,171	—23,041,512	—23,740,214	—23,421,893

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts in 1986, \$1,560,626 thousand; 1987, \$2,165,224 thousand; 1988, \$3,373,345 thousand and 1989, \$5,139,504 thousand.

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

Identification code	1987 actual	1988 est.	1989 est.
12-4140-0-3-351			
Personnel compensation:			
11.1 Full-time permanent.....	27,150	44,229	27,009
11.3 Other than full-time permanent.....	7,658	11,800	7,201
11.5 Other personnel compensation.....	2,440	3,177	1,938
11.9 Total personnel compensation.....	37,248	59,206	36,148
12.1 Civilian personnel benefits.....	5,409	10,926	6,630
13.0 Benefits for former personnel.....	.....	142	120
21.0 Travel and transportation of persons.....	2,323	3,566	2,140
22.0 Transportation of things.....	268	250	150
23.1 Rental payments to GSA.....	440	501	521
23.2 Rental payments to others.....	1,541	2,491	1,333
23.3 Communications, utilities, and miscellaneous charges.....	3,643	5,223	3,066
24.0 Printing and reproduction.....	805	739	440
25.0 Other services.....	97,586	124,026	174,315
26.0 Supplies and materials.....	411	754	450
33.0 Investments and loans.....	1,634,330	1,263,094	686,470
43.0 Interest and dividends.....	4,288,327	4,406,431	4,125,219
43.0 Interest on participation certificates.....	11,133	6,243	.....
44.0 Refunds.....	8,805	7,900	7,000
99.9 Total obligations.....	6,092,269	5,891,492	5,044,002

**Personnel Summary**

Total number of full-time permanent positions.....	8	8	8
Total compensable workyears:			
Full-time equivalent employment.....	1,739	2,635	1,625
Full-time equivalent of overtime and holiday hours.....	56	75	65

**AGRICULTURAL CREDIT INSURANCE FUND**  
(Proposed for later transmittal, proposed legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
12-4140-6-3-351			
<b>Program by activities:</b>			
00.01 Capital investment: Loans obligated.....	.....	.....	—600,000
01.06 Interest on Treasury borrowings.....	.....	.....	—27,100
10.00 Total obligations.....	.....	.....	—627,100
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Guarantee fees.....	.....	.....	28,800
47.10 Authority to borrow (substantive law).....	.....	.....	—598,300
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	.....	.....	—598,300
74.47 Obligated balance, end of year.....	.....	.....	30,000
90.00 Outlays.....	.....	.....	—568,300

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

Identification code	1987 actual	1988 est.	1989 est.
12-4140-6-3-351			
<b>Position with respect to appropriations act limitation on obligations:</b>			
Limitation on obligation:			
1111 Operating loans.....	.....	.....	—500,000
1111 Disaster loans.....	.....	.....	—100,000
1150 Total direct loan obligations.....	.....	.....	—600,000
<b>Cumulative balance of direct loans outstanding:</b>			
1231 Disbursements: Direct loan disbursements.....	.....	.....	—570,000
1290 Outstanding, end of year.....	.....	.....	—570,000
<b>Estimate of direct loan subsidy:</b>			
Subsidy amount (in percent):			
1320 Operating loans.....	.....	.....	11.2
1320 Disaster loans.....	.....	.....	18.9
1330 Subsidy amount (in thousands of dollars).....	.....	.....	74,690

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

Identification code	1987 actual	1988 est.	1989 est.
12-4140-6-3-351			
<b>Position with respect to appropriations act limitation on commitments:</b>			
Limitation on guaranteed loans by private lenders:			
2111 Real estate loans.....	.....	.....	—100,000
2111 Operating loans.....	.....	.....	—3,500,000
2150 Total guaranteed loan commitments.....	.....	.....	—3,600,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2231 Disbursements: Disbursements of new guaranteed loans.....	.....	.....	—1,615,000
2290 Outstanding, end of year.....	.....	.....	—1,615,000
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	.....	.....	—1,453,500

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued

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

Identification code	12-4140-6-3-351	1987 actual	1988 est.	1989 est.
<b>Estimate of guaranteed loan subsidy:</b>				
Subsidy amount (in percent):				
2320	Real estate loans .....		0.8	0.8
2320	Operating loans .....		1.0	
2330	Subsidy amount (in thousands of dollars) .....	4,960		79

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-4140-6-3-351	1987 actual	1988 est.	1989 est.
33.0	Investments and loans .....			-600,000
43.0	Interest and dividends .....			-27,100
99.9	Total obligations .....			-627,100

【SELF-HELP HOUSING LAND DEVELOPMENT FUND】

【For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), \$500,000 shall be available from funds in the Self-Help Housing Land Development Fund.】  
*(Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	12-4222-0-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0) .....	500	500	
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-135	-421	-796
21.98	Unobligated balance available, start of year: Fund balance .....	-2,961	-2,596	-2,517
24.98	Unobligated balance available, end of year: Fund balance .....	2,596	2,517	3,313
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	365	79	-796
72.10	Receivables in excess of obligations, start of year .....	-8	-2	-23
72.98	Obligated balance, start of year: Fund balance .....	1,595	1,532	1,115
74.10	Receivables in excess of obligations, end of year .....	2	23	32
74.98	Obligated balance, end of year: Fund balance .....	-1,532	-1,115	-575
90.00	Outlays .....	422	517	-247

Status of Direct Loans (in thousands of dollars)

Identification code	12-4222-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans .....	500	500	
1150	Total direct loan obligations .....	500	500	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	300	736	1,263
1231	Disbursements: Direct loan disbursements .....	563	917	540
1251	Repayments: Repayments and prepayments .....	-127	-390	-770
1290	Outstanding, end of year .....	736	1,263	1,033

The Self-help housing land development fund is authorized under section 523(b)(1)(B) of the Housing Act of

1949, as amended. The fund provides qualified public or private nonprofit organizations with financing for the acquisition and development of building sites for homes to be constructed by the self-help method. No program level is proposed for fiscal year 1989.

LOAN OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of loans .....	2	2	
Amount of loans (thousands of dollars) .....	500	500	

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
Revenue .....	8	31	26
Expense .....	-1,903	-2,040	-2,203
Net loss for the year .....	-1,895	-2,009	-2,007

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury .....	4,548	4,126	3,609	3,856
Accounts receivable (net) .....	8	2	23	32
Loans receivable (net) .....	300	736	1,263	1,033
Real property (acquired) .....	455	455	455	455
Total assets .....	5,311	5,319	5,350	5,376
<b>Liabilities:</b>				
Total liabilities .....				
<b>Equity:</b>				
Revolving fund balance .....	5,311	5,319	5,350	5,376
Total equity .....	5,311	5,319	5,350	5,376

RURAL HOUSING INSURANCE FUND

【From funds in the Rural Housing Insurance Fund, and for insured loans as authorized by title V of the Housing Act of 1949, amended, \$1,844,990,000, of which not less than \$1,794,420,000 shall be for subsidized interest loans to low-income borrowers, as determined by the Secretary, and for subsequent loans to existing borrowers or to purchasers under assumption agreements or credit sales; and not to exceed \$10,000,000 to enter into collection and servicing contracts pursuant to the provisions of section 3(f)(3) of the Federal Claims Act of 1966 (31 U.S.C. 3718).】

【For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) of the Housing Act of 1949, as amended, total new obligations shall not exceed \$275,310,000, to be added to and merged with the authority provided for this purpose in prior fiscal years: *Provided*, That of this amount not to exceed \$109,918,000 is available for newly constructed units financed by section 515 of the Housing Act of 1949, as amended, and not less than \$5,082,000 is for newly constructed units financed under sections 514 and 516 of the Housing Act of 1949: *Provided further*, That \$160,310,000 is available for expiring agreements and for servicing of existing units without agreements: *Provided further*, That agreements entered into or renewed during fiscal year 1988 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated: *Provided further*, That agreements entered into or renewed during fiscal years 1984, 1985, 1986, and 1987, may also be extended beyond five years to fully utilize amounts obligated.】

For an additional amount to reimburse the Rural Housing Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487(e), and 1490a(c)), including 【\$2,185,000】 \$1,381,000 as authorized by section 521(c) of the Act; 【\$2,964,249,000】 \$3,660,061,000. For an additional amount as authorized by section 521(c) of the Act such sums as may be necessary to reimburse the fund to carry out a rental assistance program under section 521(a)(2) of the Housing Act of 1949, as

amended. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Capital investment:</b>			
00.01	1,715,558	1,714,490	
Loans made:			
00.02	142	180	100
00.03	40,582	36,000	32,400
00.04	3,484	143,400	800
00.05	198		
00.06	73,086	69,000	65,000
00.07	388		
00.08	29,080	10,000	2,000
00.09	813		
00.10	88		
00.91	1,863,419	1,973,070	100,300
<b>Operating expenses:</b>			
01.01	14,887	53,500	17,000
01.02	35,027	30,373	25,743
01.02	3,566,164	3,384,271	3,286,924
01.03	1,282	600	300
01.04	5,013	2,811	
01.05	2,327	500	300
01.06	276,572	343,400	268,000
01.07	642	400	170
01.08		1,629	3,194
01.09	275,305	275,310	
01.10	258		
01.11	13,517	12,000	11,000
01.12			88,607
01.13		130,500	133,000
01.91	4,190,994	4,235,294	3,834,238
10.00	6,054,413	6,208,364	3,934,538
<b>Financing:</b>			
Offsetting collections from:			
11.00	-9,280	-5,239	
Non-Federal sources:			
14.00	-1,807,905	-1,470,000	-1,431,000
14.00	-29,080	-10,000	-2,000
14.00	-16,993	-17,600	-19,100
14.00	-19,682	-8,000	-2,000
14.00	-87,095	-89,000	-95,000
14.00	-3,575	-5,000	-6,000
14.00	-48	-40	-40
14.00	-13		
14.00	-1,342,901	-1,199,400	-1,191,000
14.00	-21,940	-25,000	-32,500
14.00	-25,114	-24,000	-32,000
14.00	-2,848	-3,500	-3,500
14.00	-161		
14.00	-1,729,201		-870,000
14.00		-25,700	-25,500
14.00		-750	-750
14.00	-107,945		
14.00	-17,500		-12,000
22.98		-80,287	
Redemption of debt:			
31.00	150,000	2,980,000	1,725,000
31.00	10,772	158,867	182,389
31.00		80,287	
32.47	1,314,273		1,744,952
39.00	2,433,624	6,338,557	3,864,489
<b>Budget authority:</b>			
<b>Current:</b>			
40.00	2,296,283	2,964,249	3,660,061

40.00	Appropriation (indefinite)	137,341	160,357	204,428
67.10	<b>Authority to borrow (42 U.S.C. 1487 (h)) (permanent, indefinite)</b>		<b>3,213,951</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	958,578	3,199,690	212,148
Obligated balance, start of year:				
72.47	Authority to borrow	5,226,405	2,095,908	5,150,992
72.98	Fund balance	14,579	3,205,077	102,948
Obligated balance, end of year:				
74.47	Authority to borrow	-2,095,908	-5,150,992	-3,623,651
74.98	Fund balance	-3,205,077	-102,948	-431,429
77.00	Adjustments in expired accounts	-100,451		
90.00	Outlays	798,125	3,246,735	1,411,008

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority	2,433,624	6,338,557	3,864,489
Outlays	798,125	3,246,735	1,411,008
Proposed for later transmittal under proposed legislation:			
Budget authority			
Outlays			-88,607
<b>Total:</b>			
Budget authority	2,433,624	6,338,557	3,864,489
Outlays	798,125	3,246,735	1,322,401

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	1,918,093	1,714,490	
1112	-202,535		
1150	1,715,558	1,714,490	
<b>Cumulative balance of direct loans outstanding:</b>			
1210	29,729,859	26,510,084	26,810,864
Disbursements:			
1231	1,762,710	1,775,000	840,000
1233	3,484	143,400	800
Repayments:			
1251	-1,824,898	-1,487,600	-1,450,100
1253	-1,959,884		-870,000
Adjustments:			
1261	23,908	22,000	23,300
1262	-31,029	-30,000	-30,000
1263	-1,028,718		-882,000
1264	-165,348	-122,020	-65,650
1290	26,510,084	26,810,864	24,377,214

<sup>1</sup> Amounts shown are based on payment of delinquent installments, advances, principal subsidy, acquired property, judgments, loans-in-kind acquired real property, and gains/losses on assumptions.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210	182,301	176,897	36,697
2231	132		
2251	-21,471	-4,000	-1,945
Adjustments:			
2262	-49		
2263	-185	-200	-190
2264	16,169	-136,000	750
2290	176,897	36,697	35,312

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	174,360	34,280	33,009
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<sup>1</sup> Amounts shown are based on purchase of loans from investors, loans sold to investors, assumption agreements and acquired property, and gain or loss on assumption agreements.

Public enterprise funds—Continued

RURAL HOUSING INSURANCE FUND—Continued

**Rural housing insurance fund.**—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended. This fund may be used to insure or guarantee rural housing loans for single family homes, rental and cooperative housing, farm labor housing, and rural housing sites and to make rental assistance payments authorized by section 521(a). 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.

The 1989 budget proposes to terminate all new program activity under this account. A new FmHA rural housing voucher program is being proposed at 21,200 units annually to replace these programs. It is targeted to low income rural families most in need.

In fiscal year 1988 and 1989, a rural housing voucher demonstration is proposed under this account pursuant to authorities contained in the Housing and Community Development Act of 1987.

The major programs currently funded through the Rural housing insurance fund are: section 502 very low and low to moderate income home ownership loans; section 514 domestic farm labor housing loans; section 515 rural rental housing loans; section 521 rural rental assistance; and section 524 rural housing site loans.

In fiscal year 1987, the FmHA sold rural housing section 502 loan assets without recourse to institutional and individual investors. Additional sales are proposed in fiscal year 1989. The 1989 appropriation request reflects the realized discount on the sale of loan assets mandated by Congress for 1987.

The following table shows 1987 actual and estimated 1988 number of units and program levels.

RURAL HOUSING PROGRAMS—OBLIGATIONS

[In thousands of dollars]						
	1987 actual		1988 estimate		1989 estimate	
	No. of units	Amount	No. of units	Amount	No. of units	Amount
Subsidized housing loan assistance:						
Low-income housing loans to individuals	24,064	1,133,206	23,150	1,112,010		
Very low-income housing repair loans	1,707	5,848	3,200	11,330		
Rural rental housing loans	17,055	554,899	15,500	515,100		
Farm labor housing loans	417	10,686	530	11,480		
Subtotal, subsidized housing loan assistance	43,243	1,704,638	42,350	1,640,928		
Unsubsidized housing loan assistance:						
Low-income nonsubsidized			1,550	50,000		
Low- or moderate-income loans for servicing and repairs and special hardships	8	10,720		14,000		
Rural housing site loans		200		570		

Subtotal, unsubsidized housing loan assistance	43,251	10,920	1,550	64,570		
Total loan assistance	43,251	1,715,558				
Rural rental assistance payments	(24,921)	275,305	(24,921)	275,310		
Rural housing voucher demonstration			7,500	130,000	7,500	133,000
Total housing programs	43,251	1,990,863	47,030	2,120,300		

Note.—All unit information is preliminary. The units for rural rental assistance are included in number of units assisted in the corresponding loan programs. The site loan program provides homesites rather than dwelling units.

The new budget authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates	5,013	2,811	
Amortized discount on participation certificates	10	10	
Interest accrued on an equal amount of loans in the pool	-242	-136	
Insufficiency	4,781	2,685	
Financed by:			
Investment income from participation sales trust fund	-9,280	-5,239	
Retained earnings reserved for future insufficiencies	4,499	2,554	
New obligational authority			

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue	1,563,924	1,384,760	1,322,556
Expense	-7,747,152	-5,903,072	-5,562,608
Net operating loss	-6,183,228	-4,518,312	-4,240,052
Nonoperating income or loss (-):			
Proceeds from sale of loan assets without recourse:			
Cash	1,729,201		870,000
Subordinate securities	180,000		110,000
Residual investment	21,000		
Protective advance fund	10,000		6,000
Total proceeds from sale	1,940,201		986,000
Net book value of loan assets sold	-2,968,919		-1,750,000
Net loss from sale of loan assets	-1,028,718		-764,000
Proceeds from sale of acquired property and loans without recourse:			
Cash	87,697	89,000	95,000
Loans receivable	489,803	500,000	530,000
Total proceeds from sale	577,500	589,000	625,000
Net book value of assets sold	-819,732	-789,000	-413,000
Net loss from sale of acquired property	-242,232	-200,000	-212,000
Net nonoperating loss	-1,270,950	-200,000	-976,000
Net loss for the year	-7,454,178	-4,718,312	-5,216,052

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury	14,579	3,205,077	40,253	342,309
Accounts receivable (net)	254,794	198,211	200,639	200,639
Investments (net)		201,000	201,000	311,000
Loans receivable (net)	190,711	24,302,347	24,642,519	22,455,104
Other assets (net):				
Acquired securities (net)	452,523	448,317	412,189	391,057
Judgments	4,428	7,244	9,844	11,594
Guaranteed loans purchased from holders		629	629	629
Deferred charges and unamortized discount on participation certificates and loans sold	240	9		
Protective advance funds—loan assets sales		10,000	9,250	14,500
Total assets	917,275	28,372,835	25,516,323	23,726,832
Liabilities:				
Accounts payable	41,440	13,357	12,864	12,864

Interest payable .....	1,677,068	1,681,742	1,621,646	1,539,028
Unearned revenue (advances) .....	157,179	204,419	197,619	194,769
Debt issued under borrowing authority:				
Borrowings from Treasury .....	4,275,718	5,980,718	5,980,718	5,580,000
Borrowings from Federal Financing Bank .....		28,951,000	25,971,000	24,246,000
Borrowings from public .....		424,029	265,162	82,773
Participation certificates outstanding (net) .....	8,616	8,616		
Other liabilities:				
Provision for potential losses on loans sold or guaranteed .....	587,925	4,500	885	852
Total liabilities .....	6,747,946	34,268,380	34,049,894	31,656,286
<b>Government equity:</b>				
Revolving fund balances .....	-5,830,671	-8,895,545	-8,533,571	-7,929,454
Total Government equity .....	-5,830,671	-8,895,545	-8,533,571	-7,929,454

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts in 1986, \$614,472 thousand; 1987, \$174,360 thousand; 1988, \$34,280 thousand; 1989, \$33,009 thousand.

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

Identification code 12-4141-0-3-371	1987 actual	1988 est.	1989 est.
25.0 Other services .....	28,872	65,500	28,000
33.0 Investments and loans .....	1,834,053	1,963,070	98,300
41.0 Grants, subsidies, and contributions .....	275,947	407,839	136,364
43.0 Interest and dividends .....	3,881,658	3,759,144	3,669,874
43.0 Interest on participation certificates .....	5,013	2,811	
44.0 Refunds .....	29,080	10,000	2,000
92.0 Undistributed charges .....	-210		
99.9 Total obligations .....	6,054,413	6,208,364	3,934,538

**RURAL HOUSING INSURANCE FUND**

(Proposed for later transmittal, proposed legislation)

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

Identification code 12-4141-2-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
01.12 CBO prepayment interest .....			-88,607
10.00 Total obligations (object class 25.0) .....			-88,607
<b>Financing:</b>			
32.47 Balance of authority to borrow withdrawn .....			88,607
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-88,607
90.00 Outlays .....			-88,607

Proposed legislation will be submitted that will effectively remove the prepayment penalty provisions associated with the redemption ahead of schedule of Certificates of Beneficial Ownership when such redemptions are pursuant to accomplishing sales of loan assets to the public. The Federal Financing Bank will request a direct appropriation for any penalty payments foregone by the client agencies.

Under the Rural Housing Insurance Fund, a \$88.6 million penalty has been projected pursuant the redemption of \$725 million of Certificates of Beneficial Ownership in 1989 as part of the proposed sale of \$1.75 billion of rural housing loans. The proposed legislation would eliminate the need for the Agency to make such a payment to the Federal Financing Bank from the revolving fund to accomplish the redemption. This transaction would not have any government-wide budgetary impact.

**RURAL DEVELOPMENT INSURANCE FUND**

For direct and guaranteed loans as authorized by 7 U.S.C. 1928 and 86 Stat. 661-664, to be available from funds in the Rural Development Insurance Fund, as follows: insured water and sewer facility loans, **[\$330,380,000] \$250,000,000**; guaranteed industrial development loans, **\$95,700,000**; and insured community facility loans, **[\$95,700,000] \$50,000,000**.

For an additional amount to reimburse the Rural Development Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), **[\$842,682,000] \$1,607,047,000**. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-4155-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Capital investment:</b>			
00.01 Loans obligated .....	426,080	426,080	300,000
00.02 Loans made: Advances on behalf of borrowers .....		104	100
Purchase of loans from investors .....	2,311	103,403	
00.04 Interest on loans purchased from investors .....	-37	-1,560	
00.05 Collateral acquired by default .....	7	15	15
00.06 Disbursement of loan repayments to investors .....	10,762	10,000	10,000
00.07 Purchase of guaranteed loans from investors .....	33,874	47,583	43,179
00.08 Interest on guaranteed loans purchased from investors .....	4,953	4,758	4,318
00.09 Recertified checks .....	-22		
00.91 Total capital investment .....	478,032	590,379	357,612
<b>Operating expenses:</b>			
01.01 Administrative expenses .....	611	3,791	350
01.01 Interest on FFB borrowings .....	970,407	814,341	627,609
01.02 Interest on certificates of beneficial ownership .....	19,913	13,942	5,610
01.03 Premium interest for investors .....	3,614	1,549	941
01.04 Interest expense on withheld collections .....	357	500	400
01.05 Interest on Treasury borrowings .....	161,571	203,120	241,548
01.06 Loss settlement expense on guaranteed loans .....	61,784	51,528	50,635
01.07 Unfilled orders .....	-2,443	-1,565	-1,238
01.08 Undistributed charges .....	-2,701		
01.09 Penalty expense on FFB repurchases .....		344,564	67,226
01.10 Other expenses .....	259		
01.91 Total operating expenses .....	1,213,372	1,431,770	993,081
10.00 Total obligations .....	1,691,404	2,022,149	1,350,693
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
<b>Non-Federal sources:</b>			
14.00 Repayment on loans held by the fund .....	-273,726	-213,956	-177,747
14.00 Loan repayments received on behalf of investors .....	-10,762	-10,000	-10,000
14.00 Repayments on advances .....	-8	-20	-20
14.00 Repayment on guaranteed loans purchased from investors .....	-59,104	-54,134	-53,414
14.00 Proceeds from sale of acquired property .....	-189	-170	-100
14.00 Guarantee fees .....	-495	-861	-861
14.00 Interest revenue .....	-481,291	-383,745	-323,387
14.00 Guaranteed loss recoveries .....	-2,899		
14.00 Other revenue .....	-10	-3,867	-3,867
14.00 Insurance premium .....	-1	-1	-1
14.00 Sale of loans without recourse .....	-1,044,516	-355,880	-630,000
14.00 Repayments on borrower loans purchased .....	-51,403	-505,000	
21.98 Unobligated balance available, start of year .....		-123,227	
24.98 Unobligated balance available, end of year .....	123,227		
<b>Redemption of debt:</b>			
31.00 FFB .....		3,387,000	200,000
31.00 Public CBO's .....	7,772	144,743	89,733
32.47 Balance of authority to borrow withdrawn .....	928,647		1,166,018
39.00 <b>Budget authority</b> .....	826,645	3,903,031	1,607,047
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation .....	656,645	842,682	1,607,047
41.00 Transferred to other accounts .....		-7,500	
43.00 <b>Appropriation (adjusted)</b> .....	656,645	835,182	1,607,047

Public enterprise funds—Continued

RURAL DEVELOPMENT INSURANCE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 12-4155-0-3-452	1987 actual	1988 est.	1989 est.
<b>Permanent:</b>			
67.10 Authority to borrow (7 U.S.C. 1929 a(d)) (indefinite)		3,067,849	
67.10 Authority to borrow (12 U.S.C. 2281-96) (indefinite)	170,000		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-233,001	494,515	151,296
72.10 Receivables in excess of obligations, start of year		-123,227	
<b>Obligated balance, start of year:</b>			
72.47 Authority to borrow	2,019,511		1,603,106
72.98 Fund balance	27,025	2,098,227	89,174
74.10 Receivables in excess of obligations, end of year	123,227		
<b>Obligated balance, end of year:</b>			
74.47 Authority to borrow		-1,603,106	-1,304,855
74.98 Fund balance	-2,098,227	-89,174	-47,910
77.00 Adjustments in expired accounts	-48,092		
90.00 Outlays	-209,557	777,235	490,811

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority	826,645	3,903,031	1,607,047
Outlays	-209,557	777,235	490,811
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			
Outlays			-67,226
<b>Credit reform:</b>			
Budget authority			
Outlays			-11,139
<b>Total:</b>			
Budget authority	826,645	3,903,031	1,607,047
Outlays	-209,557	777,235	412,446

Status of Direct Loans (in thousands of dollars)

Identification code 12-4155-0-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans	426,080	426,080	300,000
1150 Total direct loan obligations	426,080	426,080	300,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	8,227,237	6,430,758	5,386,277
<b>Disbursements:</b>			
1231 Direct loan disbursements	465,848	450,404	503,639
1233 Purchase of loan assets from the public	2,163	91,191	
<b>Repayments:</b>			
1251 Repayments and prepayments	-325,137	-718,976	-177,767
1253 Proceeds from loan asset sales to the public	-1,044,516	-355,880	-630,000
<b>Adjustments:</b>			
1261 Capitalized interest	2,018	2,100	2,100
1262 Write-offs for default	-842	-500	-500
1263 Discount on loan asset sales to the public	-861,880	-512,420	-495,000
1264 Other adjustments, net <sup>1</sup>	-34,133	-400	-300
1290 Outstanding, end of year	6,430,758	5,386,277	4,588,449
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent)		15.6	13.6
1330 Subsidy amount (in thousands of dollars)		66,560	40,860

<sup>1</sup> Amounts shown are based on advances on behalf of borrowers and acquired property.

Status of Guaranteed Loans (in thousands of dollars)

Identification code 12-4155-0-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders	114,840	95,700	95,700
2150 Total guaranteed loan commitments	114,840	95,700	95,700
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	2,356,176	1,918,296	1,653,041
2231 Disbursements: Disbursements of new guaranteed loans	75,221	115,989	83,437
2251 Repayments: Repayments and prepayments	-287,509	-240,053	-213,447
<b>Adjustments:</b>			
2263 Terminations for default that result in claim payments	-57,039	-50,000	-40,000
2264 Other adjustments, net	-168,553	-91,191	
2290 Outstanding, end of year	1,918,296	1,653,041	1,483,031
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year	1,700,652	1,457,091	1,308,211

Estimate of guaranteed loan subsidy:

	1987 actual	1988 est.	1989 est.
2320 Subsidy amount (in percent)		0.9	0.9
2330 Subsidy amount (in thousands of dollars)		900	870

The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419), approved August 30, 1972, which also provided for transfer of the assets and liabilities of the Agricultural Credit Insurance Fund applicable to loans for water systems and waste disposal facilities to this fund. The 1985 farm bill, signed December 23, 1985, extends authorization of the RDIF through fiscal year 1988.

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas.

The Food Security Act of 1985, Public Law 99-198, provided for rural development finance corporation loans to be made in conjunction with rural development finance grants authorized under the Rural development loan fund. The objective of this program is to guarantee loans made by public agencies to nonprofit national rural development and finance corporations that establish statewide rural development and finance programs for the purpose of providing loans, guarantees, and other financial assistance to local businesses to improve business, industry and employment opportunities in rural areas. All available funds were obligated in fiscal year 1987. No additional funds were appropriated in fiscal year 1988 and no program is requested in fiscal year 1989.

In fiscal year 1987, the Agency sold a portion of the loan portfolio without recourse to institutional and individual investors. Additional sales are required in 1988 and 1989. The 1989 appropriation request reflects the realized discount on the sale of loan assets mandated by Congress for 1987.

The following table shows the number of loans and the program levels for 1987 actual and estimated for 1988 and 1989. The guaranteed program levels reflect the full principal amount of the loans of which part is guaranteed by the U.S. Government.

**LOAN OBLIGATIONS**

[In millions of dollars]

	1987 actual		1988 estimate		1989 estimate	
	Number	Amount	Number	Amount	Number	Amount
Rural development loans:						
Water and waste disposal systems	679	330,380	660	330,380	480	250,000
Community facilities	217	95,700	210	95,700	110	50,000
Industrial development	67	95,700	65	95,700	60	95,700
Rural development finance corporation	12	19,140				
<b>Total, Rural development insurance fund</b>	<b>975</b>	<b>540,920</b>	<b>935</b>	<b>521,780</b>	<b>650</b>	<b>395,700</b>

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

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue	489,939	382,395	337,895
Expense	-1,736,416	-1,832,767	-1,394,289
<b>Net operating loss</b>	<b>-1,246,477</b>	<b>-1,450,372</b>	<b>-1,056,394</b>
Nonoperating income or loss (—):			
Proceeds from sale of loan assets	1,129,534	860,880	630,000
Net book value of assets sold	-1,991,414	-1,373,300	-1,125,000
<b>Net loss from sale of loan assets</b>	<b>-861,880</b>	<b>-512,420</b>	<b>-495,000</b>
Proceeds from sale of acquired property:			
Cash	190	170	100
Loans receivable	462		
<b>Total proceeds from sale</b>	<b>652</b>	<b>170</b>	<b>100</b>
Net book value of assets sold	-988	-410	-300
<b>Net loss from sale of acquired property</b>	<b>-336</b>	<b>-240</b>	<b>-200</b>
<b>Net nonoperating loss</b>	<b>-862,216</b>	<b>-512,660</b>	<b>-495,200</b>
<b>Net loss for the year</b>	<b>-2,108,693</b>	<b>-1,963,032</b>	<b>-1,551,594</b>

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury	27,025	2,098,227	89,174	47,910
Accounts receivable (net)	280,843	118,573	108,637	105,604
Investments (net)		33,614	33,614	33,614
Loans receivable (net)	7,910,290	6,400,874	5,361,000	4,567,343
Other assets:				
Acquired property	213	349	474	609
Deferred charges and unamortized discount on loans sold	2,714	5		
Guaranteed loans purchased from holders	258,678	246,063	236,236	220,884
<b>Total assets</b>	<b>8,479,763</b>	<b>8,897,705</b>	<b>5,829,135</b>	<b>4,975,964</b>
<b>Liabilities:</b>				
Accounts payable	505,101	509,590	397,440	352,338
Interest payable	54,327	73,831	72,269	71,034
Debt issued under borrowing authority:				
Borrowings from Treasury	1,861,000	2,896,000	4,216,000	3,266,000
Borrowings from Federal Financing Bank	7,878,000	8,048,000	4,661,000	4,461,000
Borrowings from public		262,433	117,690	27,957
Other liabilities: Provision for potential losses on loans sold or guaranteed	135,158	120,604	112,234	104,075
<b>Total liabilities</b>	<b>10,433,586</b>	<b>11,910,458</b>	<b>9,576,633</b>	<b>8,282,404</b>
<b>Government equity:</b>				
Revolving fund balances	-1,953,823	-3,012,753	-3,747,498	-3,306,440
<b>Total Government equity</b>	<b>-1,953,823</b>	<b>-3,012,753</b>	<b>-3,747,498</b>	<b>-3,306,440</b>

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts. 1986, \$2,210,569 thousand; 1987, \$1,700,652 thousand; 1988, \$1,457,091 thousand and 1989, \$1,308,211 thousand.

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

Identification code	1987 actual	1988 est.	1989 est.
12-4155-0-3-452			
25.0 Other services	60,211	398,318	116,973
33.0 Investments and loans	462,354	577,181	343,294
43.0 Interest and dividends	1,160,778	1,036,650	880,426
44.0 Refunds	10,762	10,000	10,000
92.0 Undistributed charges	-2,701		
<b>99.9 Total obligations</b>	<b>1,691,404</b>	<b>2,022,149</b>	<b>1,350,693</b>

**RURAL DEVELOPMENT INSURANCE FUND**

(Proposed for later transmittal, proposal legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
12-4155-2-3-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)			-67,226
<b>Financing:</b>			
32.47 Balance of authority to borrow withdrawn			67,226
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net			-67,226
Obligated balance, start of year:			
72.47 Authority to borrow			-344,564
72.98 Fund balance			344,564
Obligated balance, end of year:			
74.47 Authority to borrow		344,564	411,790
74.98 Fund balance		-344,564	-411,790
90.00 Outlays			-67,226

Proposed legislation will be submitted that will effectively remove the prepayment penalty provisions associated with the redemption ahead of schedule of Certificates of Beneficial Ownership when such redemptions are pursuant to accomplishing sales of loan assets to the public. The Federal Financing Bank will request a direct appropriation for any penalty payments foregone by the client agencies.

Under the Rural Development Insurance Fund, \$411.8 million of penalties have been projected from redemption of \$3.587 billion of Certificates of Beneficial Ownership in 1988 and 1989 as part of actual and proposed sales of community program loans. The proposed legislation would eliminate the need for the Agency to make such payments to the Federal Financing Bank from the revolving fund to accomplish the redemptions. This transaction would not have any government-wide budgetary impact.

**RURAL DEVELOPMENT INSURANCE FUND**

(Proposed for later transmittal, proposed legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
12-4155-6-3-452			
<b>Program by activities:</b>			
00.01 Capital investment: Loans obligated			-300,000
10.00 Total obligations (object class 33.0)			-300,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Guarantee fees			861
32.47 Balance of authority to borrow withdrawn			299,139
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net			-299,139

Public enterprise funds—Continued

RURAL DEVELOPMENT INSURANCE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
74.47	Obligated balance, end of year.....			288,000
90.00	Outlays.....			-11,139
<b>Status of Direct Loans (in thousands of dollars)</b>				
Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			-300,000
1150	Total direct loan obligations.....			-300,000
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements.....			-12,000
1290	Outstanding, end of year.....			-12,000
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			-13.6
1330	Subsidy amount (in thousands of dollars).....			-40,860

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders.....			-95,700
2150	Total guaranteed loan commitments.....			-95,700
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans.....			-19,140
2290	Outstanding, end of year.....			-19,140
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			-17,226
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			-0.9
2330	Subsidy amount (in thousands of dollars).....			-870

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

**[RURAL DEVELOPMENT LOAN FUND]**

For direct loans to intermediary borrowers, \$14,000,000, as authorized under the Rural Development Loan Fund (42 U.S.C. 9812(a)), to be available from funds in the Rural Development Loan Fund, \$6,500,000 and from funds transferred from the Rural Development Insurance Fund, \$7,500,000: *Provided*, That such funds be made available within six months of enactment and that a priority be given applications serving rural communities in economic distress or from organizations experienced in administering rural economic development programs. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-4233-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Loans obligated.....		14,000	

00.02	Grants obligated.....	14,264		
00.03	Loans made: Advances on behalf of borrowers.....	1		
00.91	Total capital investment.....	14,265	14,000	
Operating expenses: Other expenses.....				
01.91	Total operating expenses.....	1		
10.00	Total obligations.....	14,265	14,000	
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-2,545	-2,581	-3,303
21.98	Unobligated balance available, start of year: Fund balance.....	-17,053	-5,333	-1,414
24.98	Unobligated balance available, end of year: Fund balance.....	5,333	1,414	4,717
39.00	<b>Budget authority</b> .....		<b>7,500</b>	
Budget authority:				
42.00	Transferred from other accounts.....		7,500	
43.00	<b>Appropriation (adjusted)</b> .....		<b>7,500</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	11,720	11,418	-3,303
72.98	Obligated balance, start of year: Fund balance.....	350	14,264	12,600
74.98	Obligated balance, end of year: Fund balance.....	-14,264	-12,600	-7,700
90.00	Outlays.....	-2,193	13,082	1,597

Status of Direct Loans (in thousands of dollars)

Identification code	12-4233-0-3-452	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	34,637	33,451	33,012
1231	Disbursements: Direct loan disbursements.....	350	1,400	4,900
1251	Repayments: Repayments and prepayments.....	-1,641	-1,673	-2,311
Adjustments:				
1262	Write-offs for default.....	-109	-167	-165
1264	Other adjustments, net.....	214	1	
1290	Outstanding, end of year.....	33,451	33,012	35,436

This fund was transferred to FmHA from the Department of Health and Human Services pursuant to Public Law 99-198, the Food Security Act of 1985. This Act mandated that the unobligated balance in the Fund, as of the date of enactment (December 23, 1985), be made available for grants to rural development finance corporations. These grants are to be made in conjunction with rural development finance corporation loans authorized under FmHA's Rural development insurance fund. No rural development finance corporation loans or grants were made in 1986. In 1987, \$14.3 million in grants was made. In addition, Public Law 99-425, the Human Services Reauthorization Act of 1986, reauthorized the making of loans in fiscal year 1987 out of repayments or other funds made available to the Rural development loan fund by FmHA. Since no loans were obligated from this fund in fiscal year 1987, the unobligated balance will be added to a transfer of \$7.5 million from the Rural Development Insurance Fund to provide a total program level of \$14 million for fiscal year 1988. No program level is requested for fiscal year 1989.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue.....	1,896	2,012	2,316
Expense.....	-7,180	-18,996	-5,671
Net operating loss.....	-5,284	-16,984	-3,355



Nonoperating income or loss (—):			
Proceeds from sale of acquired property: Cash .....		3	
Total proceeds from sale .....		3	
Net book value of assets sold .....		—5	
Net nonoperating loss .....		—2	
Net loss for the year .....	—5,284	—16,986	—3,355

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury .....	17,403	19,596	14,014	12,417
Accounts receivable (net) .....	877	977	1,826	2,420
Loans receivable (net) .....	32,776	29,616	29,380	31,538
Other assets (net) .....	28	27	20	19
Total assets .....	51,084	50,216	45,240	46,394
<b>Liabilities:</b>				
Total liabilities .....				
<b>Equity:</b>				
Revolving fund balances .....	51,084	50,216	45,240	46,394
Total equity .....	51,084	50,216	45,240	46,394

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

Identification code	1987 actual	1988 est.	1989 est.
12-4233-0-3-452			
33.0 Investments and loans .....	1	14,000	
41.0 Grants .....	14,264		
99.9 Total obligations .....	14,265	14,000	

**ALLOTMENT AND ALLOCATIONS RECEIVED FROM OTHER AGENCIES**

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations as follows:

- Agriculture: Soil Conservation Service:
  - “Watershed and flood prevention operations.”
  - “Resource conservation and development.”
- Appalachian Regional Commission: “Appalachian regional development programs.”
- Commerce:
  - General Administration: “Economic development assistance program.”
  - Regional Development Program: “Regional development programs.”

**SOIL CONSERVATION SERVICE**

*Federal Funds*

**General and special funds:**

**CONSERVATION OPERATIONS**

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100; purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, **[\$398,670,000] \$455,208,000**, of which not less than **[\$5,379,000] \$5,494,000** is for snow survey and water forecasting and not less than **[\$4,856,000] \$5,065,000** is for operation and establishment of the plant materials centers: **[Provided**, That of the foregoing amounts not less than \$310,000,000 is for personnel compensation and benefits: **]** *Provided further*, That the Chief of the Soil Conservation Service shall report directly to the Secretary of Agriculture: *Provided further*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$10,000, except for one building to be constructed at a cost not to exceed \$100,000 and eight buildings to be constructed or improved at a cost not to exceed \$50,000 per building and except that alter-

tions or improvements to other existing permanent buildings costing \$5,000 or more may be made in any fiscal year in an amount not to exceed \$2,000 per building: *Provided further*, That when buildings or other structures are erected on non-Federal land that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2): *Provided further*, That none of the funds in this Act shall be used for the purpose of consolidating equipment, personnel, or services of the Soil Conservation Service's national technical centers in Portland, Oregon; Lincoln, Nebraska; Chester, Pennsylvania; and Fort Worth, Texas, into a single national technical center. (7 U.S.C. 1010a, 1387, 1807, 2201-02, 2250; 16 U.S.C. 590q, 590q-1, 2001-09; 42 U.S.C. 3271-74; 26 Stat. 653; Reorg. Plan No. IV of 1940; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
12-1000-0-1-302			
<b>Program by activities:</b>			
Direct program:			
00.01 Technical assistance .....	328,469	365,990	376,006
00.02 Soil surveys .....	57,930	67,717	68,643
00.03 Snow survey water forecasting .....	4,956	5,379	5,494
00.04 Operation of plant materials centers .....	4,552	4,856	5,065
00.91 Total direct program .....	395,907	443,942	455,208
01.01 Reimbursable program .....	38,973	46,000	33,447
10.00 Total obligations .....	434,880	489,942	488,655
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	—31,099	—37,319	—24,766
14.00 Non-Federal sources .....	—7,875	—8,681	—8,681
21.40 Unobligated balance available, start of year .....	—1	—32	
24.40 Unobligated balance available, end of year .....	32		
25.00 Unobligated balance lapsing .....	3,733		
39.00 <b>Budget authority</b> .....	<b>399,671</b>	<b>443,910</b>	<b>455,208</b>
Budget authority:			
40.00 Appropriation .....	379,671	398,670	455,208
42.00 Transferred from other accounts .....	20,000	45,240	
43.00 <b>Appropriation (adjusted)</b> .....	<b>399,671</b>	<b>443,910</b>	<b>455,208</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	395,907	443,942	455,208
72.40 Obligated balance, start of year .....	34,113	66,766	48,869
74.40 Obligated balance, end of year .....	—66,766	—48,869	—49,750
77.00 Adjustments in expired accounts .....	—1,435		
90.00 Outlays .....	361,819	461,839	454,327

**Technical assistance.**—Technical assistance is provided through 2,947 conservation districts to land users and decisionmakers, including individual landowners and operators, community groups, units of government, Indian tribes, and others for the planning of conservation programs and installation of needed conservation systems on the land, including design, layout, installation, and consultation services.

Combinations of needed soil and water conservation systems are planned in relation to each other to achieve well-balanced conservation programs. Technicians of the Soil Conservation Service explain the various soil conditions, develop alternative uses and treatments, help to evaluate the costs and returns of conservation work, and furnish onsite assistance to farmers, ranch-

General and special funds—Continued

CONSERVATION OPERATIONS—Continued

ers, and others in applying the needed treatments. About 70 percent of the total annual investment in conservation practices applied through the conservation technical assistance program is made by private land-users. During 1989, personnel funded within this account will continue to provide technical assistance to implement the Conservation Reserve Program and the highly erodible land and wetland conservation provisions of the Food Security Act of 1985.

MAIN WORKLOAD FACTORS

	1987 actual	1988 est.	1989 est.
Decisionmakers receiving technical services.....	1,068,029	1,175,000	1,292,000
Acres treated with conservation technical assistance.....	55,572,504	60,000,000	65,000,000
Tons of soil erosion reduced.....	338,389,244	378,000,000	409,500,000

Also included in this item are the inventory and monitoring, resource appraisal, and program development activities carried out by the Service. 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 for periodic reports to the public and Congress as required by the Soil and Water Resources Conservation Act of 1977 as amended.

**Soil surveys.**—Soil surveys and investigations are made of the Nation's soil resources, with interpretations and publications that provide physical land facts needed for program development, resource conservation planning, installation of planned practices, and for use by other Federal, State, and local agencies in making land-use decisions.

MAIN WORKLOAD FACTORS

	1987 actual	1988 est.	1989 est.
Acres mapped annually.....	36,986,890	40,228,000	40,228,000
Soil surveys ready for publication (number).....	78	80	70

**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 22 plant materials centers through field trials to determine their suitability for erosion control, conservation, and other environmental improvements.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-1000-0-1-302			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	234,768	256,814	258,056
11.3 Other than full-time permanent.....	8,599	18,201	18,292
11.5 Other personnel compensation.....	3,167	3,703	3,720
11.9 Total personnel compensation.....	246,534	278,718	280,068
12.1 Civilian personnel benefits.....	42,849	51,600	53,235
13.0 Benefits for former personnel.....	373	415	415
21.0 Travel and transportation of persons.....	9,845	11,957	12,345
22.0 Transportation of things.....	4,512	5,209	5,414
23.2 Rental payments to others.....	11,102	12,776	13,276
23.3 Communications, utilities, and miscellaneous charges.....	14,430	16,576	17,225

24.0	Printing and reproduction.....	3,493	3,986	4,138
25.0	Other services.....	24,603	27,668	33,615
26.0	Supplies and materials.....	8,534	9,719	10,096
31.0	Equipment.....	29,310	25,018	25,069
32.0	Land and structures.....	276	247	257
42.0	Insurance claims and indemnities.....	46	53	55
99.0	Subtotal, direct obligations.....	395,907	443,942	455,208
99.0	Reimbursable obligations.....	38,973	46,000	33,447
99.9	Total obligations.....	434,880	489,942	488,655

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	8,256	8,945	8,945
Total compensable workyears:			
Full-time equivalent employment.....	8,927	9,951	9,951
Full-time equivalent of overtime and holiday hours.....	73	73	73
Reimbursable:			
Total number of full-time permanent positions.....	727	813	542
Total compensable workyears: Full-time equivalent employment.....	811	947	631

WATER RESOURCE MANAGEMENT AND IMPROVEMENT

[RIVER BASIN SURVEYS AND INVESTIGATIONS]

[For necessary expenses to conduct research, investigations, and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006-1009), \$12,051,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.]

[WATERSHED PLANNING]

[For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), \$8,651,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.]

[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, as amended (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$165,873,000 (of which \$26,271,000 shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$2,500,000 shall be available for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$7,949,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further*, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.]

*For necessary expenses to carry out preventive measures, including but not limited to research, investigations, planning and surveys of the watersheds of rivers and other waterways, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1009), 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, \$116,000,000; of which not to exceed \$2,500,000 for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), not to exceed \$310,000 for employment under 5 U.S.C. 3109, and not to exceed \$1,000,000 to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205, as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction: 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): Provided further, That during fiscal year 1989, no new direct loans shall be made for activities under this heading from the Agricultural Credit Insurance Fund of the Farmers Home Administration. (7 U.S.C. 2201-02; 16 U.S.C. 1001-1009; 33 U.S.C. 701b-1, 701b-11; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1068-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	River basin surveys and investigations .....	11,930	12,051	9,809
00.02	Watershed planning and construction authorized by P.L. 534 and 566 .....	175,808	183,020	103,571
00.03	Emergency watershed protection operations .....	34,240	13,885	2,500
00.04	Loan services .....	255	255	120
00.91	Total, direct program .....	222,233	209,211	116,000
01.01	Reimbursable program .....	16,696	20,400	15,875
10.00	Total obligations .....	238,929	229,611	131,875
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-879	-1,206	-798
14.00	Non-Federal sources .....	-15,817	-19,194	-15,077
17.00	Recovery of prior year obligations .....	-7		
21.40	Unobligated balance available, start of year .....	-47,272	-22,636	
24.40	Unobligated balance available, end of year .....	22,636		
25.00	Unobligated balance lapsing or restored .....	240		
40.00	<b>Budget authority (appropriation) .....</b>	<b>197,830</b>	<b>186,575</b>	<b>116,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	222,233	209,211	116,000
72.40	Obligated balance, start of year .....	146,784	141,386	115,700
74.40	Obligated balance, end of year .....	-141,386	-115,700	-89,801
77.00	Adjustments in expired accounts .....	-206		
78.00	Adjustments in unexpired accounts .....	-7		
90.00	Outlays .....	227,419	234,896	141,899
Distribution of budget authority by account:				
	River basin surveys and investigations .....	12,051	12,051	
	Watershed planning .....	8,651	8,651	
	Watershed and flood prevention operations .....	177,128	165,873	
	Water resource management and improvement .....			116,000
Distribution of outlays by account:				
	River basin surveys and investigations .....	12,941	10,963	
	Watershed planning .....	8,184	8,627	
	Watershed and flood prevention operations .....	206,294	215,306	
	Water resource management and improvement .....			141,899

This program provides for cooperation between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion, for the conservation, development, utilization and disposal of water, and for the conservation and proper utilization of land. The 1989 budget proposes to merge all water resource activities carried out by the Soil Conservation Service into a single appropriation account to simplify program and financial management and provide greater flexibility at an overall reduced budget level. Under this initiative, new studies, plans and construction starts will be initiated in 1989 only for high priority work or in response to urgent national resource concerns. Legislation will be proposed to nego-

ciate cost-share rates on a project specific basis and require non-federal contributions of between 25 and 50 percent of which 5 percent will be in cash.

**River basin surveys and investigations.**—The Department cooperates with other Federal, State, and local agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated water and related land resources programs.

MAIN WORKLOAD FACTORS

Status of river basin surveys:	1987 actual	1988 est.	1989 est.
USDA cooperative studies:			
Surveys in progress, start of year .....	57	66	70
Surveys initiated during year .....	17	19	13
Surveys worked during year .....	74	85	83
Surveys completed during year .....	8	15	15
Surveys in progress, end of year .....	66	70	68
Cumulative total surveys initiated .....	297	316	329
Cumulative total surveys completed .....	253	268	283
Flood plain management assistance program:			
States involved .....	27	27	27
Completed studies .....	28	8	20
Ongoing studies, end of year .....	64	87	84
Cumulative total completed .....	427	435	455

The 1989 budget will continue to perform USDA cooperative studies and flood plain management studies. Interagency coordination and program formulation activities will be terminated and all reimbursable flood insurance study work will end during the year.

**Watershed planning and construction authorized by Public Laws: P.L. 534 and P.L. 566.**—The Department cooperates with other agencies and the States in planning and installing land treatment measures and watershed improvement measures to reduce damage from floodwater, sediment and erosion and for the conservation, development, utilization and disposal of water.

**Small watershed planning activities.**—The Department makes surveys of proposed small watershed projects, and work plans are prepared in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost sharing, and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

The following tabulation shows the status of small watershed plans:

MAIN WORKLOAD FACTORS

Activity	1987 actual	1988 est.	1989 est.
Applications for planning assistance:			
On hand, cumulative start of year .....	2,340	2,363	2,385
Net change during year .....	23	22	
On hand, cumulative, end of year .....	2,363	2,385	2,385
Consisting of:			
Authorized for planning .....	2,038	2,068	2,068
Available for planning .....	325	317	317
Status of planning:			
Authorized, cumulative, start of year .....	2,016	2,038	2,068
Suspended or terminated, cumulative, start of year .....	480	484	486
Completed, cumulative, start of year .....	1,382	1,436	1,481
Planning in process, start of year .....	154	118	101
New authorizations during year .....	22	30	
Terminated during year .....	4	2	2
Completions during year .....	54	45	40
Planning in process, end of year .....	118	101	59

General and special funds—Continued

【WATERSHED AND FLOOD PREVENTION OPERATIONS】—Continued

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

Within the 11 authorized projects, 406 subwatershed areas have been identified for planning purposes. Installation progress in these subwatersheds is as follows:

MAIN WORKLOAD FACTORS

Subwatershed status:	1987 actual	1988 est.	1989 est.
Projects in preconstruction, end of year.....	20	19	19
Projects in construction, start of year.....	86	88	88
Projects in preconstruction and construction, end of year.....	106	107	107
Projects continuing land treatment, end of year.....	65	65	65
Projects completed, end of year.....	160	160	160
Projects not started, end of year.....	75	74	74
Total, subwatershed projects.....	406	406	406

*Small watershed operations activities authorized by Public Law 566.*—The Department provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement.

Watershed work plans are prepared by sponsoring local organizations with the Department's assistance or through State and local resources. After work plans are approved by the Department or Congress (projects where the estimated Federal contribution will exceed \$5 million require congressional approval), technical services and financial assistance are provided for specific works of improvements.

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

MAIN WORKLOAD FACTORS

Status of Projects approved for operations:	1987 actual	1988 est.	1989 est.
Projects in preconstruction.....	181	206	246
Projects under construction, start of year.....	387	397	387
New construction starts.....	6	20	.....
Projects completed during year.....	12	10	10
Projects Land Treatment continuing.....	45	31	50
Subtotal projects requiring funds.....	631	664	694
Projects not requiring funds.....	155	155	155
Projects completed in prior years.....	650	662	672
Total approved projects.....	1,436	1,481	1,521

*Emergency watershed protection operations.*—This program authorizes the Secretary of Agriculture to undertake such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever natural elements or force causes a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, or

other natural cause and consequently life and property are endangered by floodwater, erosion, or sediment discharge. The emergency area need not be declared a national disaster area to be eligible for emergency watershed protection. Emergency watershed protection is applicable to small scale, localized disasters as well as large scale disasters. State environmental, natural resource, fish and game, and other agencies participate in planning and coordinating emergency work.

*Loan services.*—Loans are made to local sponsoring organizations to finance the local cost of installing works of improvement in Public Law 534 and approved Public Law 566 watershed projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Loans are made from funds available for this purpose from the Agricultural credit insurance fund of the Farmers Home Administration. Loan services related to processing and making loans are financed from this appropriation.

The 1989 Budget proposes no new Agricultural credit insurance fund loans for construction starts. Funding for fiscal year 1989 and beyond will be to service existing loans.

Object Classification (in thousands of dollars)

Identification code 12-1068-0-1-301	1987 actual	1988 est.	1989 est.
SOIL CONSERVATION SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	58,128	55,085	44,018
11.3 Other than full-time permanent.....	2,348	2,227	1,777
11.5 Other personnel compensation.....	2,148	1,605	1,222
11.9 Total personnel compensation.....	62,624	58,917	47,017
12.1 Civilian personnel benefits.....	9,799	9,581	7,628
13.0 Benefits for former personnel.....	229	228	182
21.0 Travel and transportation of persons.....	2,809	2,539	1,995
22.0 Transportation of things.....	756	753	594
23.2 Rental payments to others.....	2,120	2,113	1,667
23.3 Communications, utilities, and miscellaneous charges.....	2,823	2,802	2,219
24.0 Printing and reproduction.....	606	603	479
25.0 Other services.....	9,555	9,989	7,712
25.0 Other services (construction contracts).....	75,649	68,717	23,300
26.0 Supplies and materials.....	2,418	2,111	1,477
31.0 Equipment.....	6,714	6,402	5,174
32.0 Land and structures.....	11	11	9
41.0 Grants, subsidies, and contributions.....	41,127	40,351	14,995
42.0 Insurance claims and indemnities.....	6	5	4
99.0 Subtotal, direct obligations.....	217,246	205,122	114,452
99.0 Reimbursable obligations.....	16,695	20,400	15,875
ALLOCATION ACCOUNTS			
Personnel compensation:			
11.1 Full-time permanent.....	1,995	1,885	708
11.3 Other than full-time permanent.....	214	119	43
11.5 Other personnel compensation.....	110	67	24
11.9 Total personnel compensation.....	2,319	2,071	775
12.1 Civilian personnel benefits.....	366	325	124
13.0 Benefits for former personnel.....	4	4	1
21.0 Travel and transportation of persons.....	189	172	65
22.0 Transportation of things.....	24	11	7
23.1 Rental payments to GSA.....	33	51	20
23.2 Rental payments to others.....	11	10	5
23.3 Communications, utilities, and miscellaneous charges.....	162	74	29
24.0 Printing and reproduction.....	20	28	11
25.0 Other services.....	1,147	728	273
26.0 Supplies and materials.....	205	155	59
31.0 Equipment.....	51	58	23
32.0 Land and structures.....	8	2	1
41.0 Grants, subsidies, and contributions.....	446	399	155

42.0	Insurance claims and indemnities.....	2	1	.....
99.0	Subtotal, allocation accounts.....	4,987	4,089	1,548
99.0	Subtotal, reimbursable allocation accounts.....	1	.....	.....
99.9	Total obligations.....	238,929	229,611	131,875
Obligations are distributed as follows:				
	Soil Conservation Service.....	233,942	225,522	130,327
	Farmers Home Administration.....	255	255	120
	Forest Service.....	4,732	3,834	1,428

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions.....	1,913	1,781	1,361
	Total compensable workyears:			
	Full-time equivalent employment.....	2,048	1,922	1,468
	Full-time equivalent of overtime and holiday hours.....	51	48	33
<b>Reimbursable:</b>				
	Total number of full-time permanent positions.....	24	26	15
	Total compensable workyears: Full-time equivalent employment.....	27	34	21

**ALLOCATION ACCOUNTS**

Total number of full-time permanent positions.....	94	79	30
Total compensable workyears: Full-time equivalent employment.....	94	79	30

**GREAT PLAINS CONSERVATION PROGRAM**

For necessary expenses to [carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p(b)), \$20,474,000, to remain available until expended (16 U.S.C. 590p(b)(7))] *close out activities previously funded under this account, \$6,013,000. (7 U.S.C. 2201-02; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)*

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

Identification code 12-2268-0-1-302	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Cost-sharing assistance.....	11,412	11,559	.....
00.02	Cost-sharing programming and contract administration.....	2,861	2,896	1,924
00.03	Technical assistance.....	6,080	6,155	4,089
00.91	Total direct program.....	20,353	20,610	6,013
01.01	Reimbursable program.....	38	60	.....
10.00	Total obligations.....	20,392	20,670	6,013
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal sources.....	-24	-19	.....
14.00	Non-Federal sources.....	-14	-41	.....
21.40	Unobligated balance available, start of year.....	-15	-136	.....
24.40	Unobligated balance available, end of year.....	136	.....	.....
40.00	Budget authority (appropriation).....	20,474	20,474	6,013
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	20,353	20,610	6,013
72.40	Obligated balance, start of year.....	33,977	36,799	37,603
74.40	Obligated balance, end of year.....	-36,799	-37,603	-30,032
90.00	Outlays.....	17,531	19,806	13,584

This program provides cost-share and technical services to participating landowners or operators in the Great Plains area in the development and installation of long-term conservation plans and practices for their land under contracts entered into in prior years. It is a voluntary program in 518 designated counties of 10 Great Plains States. Contracts with individual landowners range in time from 3 to 10 years.

**MAIN WORKLOAD FACTORS**

Program participants:	1987 actual	1988 est.	1989 est.
Number of new contracts during year.....	902	910	.....
Number of contracts serviced during year.....	6,328	6,171	1,205
Number of acres under contracts.....	12,971,802	12,262,856	2,394,546

As of September 30, 1987, there were 5,261 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. The budget proposes termination of the Great Plains Program by the end of 1989.

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

Identification code 12-2268-0-1-302	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	6,048	6,092	2,694
11.3	Other than full-time permanent.....	72	84	38
11.5	Other personnel compensation.....	57	59	12
11.9	Total personnel compensation.....	6,177	6,235	2,744
12.1	Civilian personnel benefits.....	914	932	347
13.0	Benefits for former personnel.....	9	9	2,607
21.0	Travel and transportation of persons.....	164	167	23
22.0	Transportation of things.....	65	66	10
23.2	Rental payments to others.....	284	292	73
23.3	Communications, utilities, and miscellaneous charges.....	286	288	72
24.0	Printing and reproduction.....	18	18	1
25.0	Other services.....	241	246	49
26.0	Supplies and materials.....	169	172	40
31.0	Equipment.....	614	625	46
41.0	Grants, subsidies, and contributions.....	11,412	11,559	.....
42.0	Insurance claims and indemnities.....	.....	1	1
99.0	Subtotal, direct obligations.....	20,353	20,610	6,013
99.0	Reimbursable obligations.....	38	60	.....
99.9	Total obligations.....	20,392	20,670	6,013

**Personnel Summary**

Total number of full-time permanent positions.....	215	212	.....
Total compensable workyears:			
Full-time equivalent employment.....	224	219	40
Full-time equivalent of overtime and holiday hours.....	1	1	.....

**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, as amended (7 U.S.C. 1010-1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and the provisions of the Agricultural and Food Act of 1981 (16 U.S.C. 3451-3461), **[\$25,120,000: Provided, That \$1,207,000 in] \$25,020,000: Provided, [loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): Provided further.]** That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109: **Provided further, That during fiscal year 1989, no new direct loans shall be made for the Resource Conservation and Development program from the Agricultural Credit Insurance Fund of the Farmers Home Administration. (7 U.S.C. 2201-02; 16 U.S.C. 3451-3461; 33 U.S.C. 701b-11; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)**

General and special funds—Continued

RESOURCE CONSERVATION AND DEVELOPMENT—Continued

Program and Financing (in thousands of dollars)

Identification code	12-1010-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Technical assistance .....	17,849	19,204	19,860
00.02	Financial assistance .....	6,536	7,536	5,100
00.03	Loan services .....	75	60	60
00.91	Total direct program .....	24,460	26,800	25,020
01.01	Reimbursable program .....	1,268	2,500	2,500
10.00	Total obligations .....	25,728	29,300	27,520
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-6	-11	-12
14.00	Non-Federal sources .....	-1,262	-2,489	-2,488
17.00	Recovery of prior year obligations .....	-5		
21.40	Unobligated balance available, start of year .....	-1,115	-1,680	
24.40	Unobligated balance available, end of year .....	1,680		
40.00	Budget authority (appropriation) .....	25,020	25,120	25,020
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	24,460	26,800	25,020
72.40	Obligated balance, start of year .....	10,551	10,603	11,779
74.40	Obligated balance, end of year .....	-10,603	-11,779	-11,739
78.00	Adjustments in unexpired accounts .....	-5		
90.00	Outlays .....	24,403	25,624	25,000

This program provides for the Department to assist States, local units of government, groups and individuals in developing area plans for resource conservation and development (RC&D). It will play an important role in the Department's Rural Development Initiative.

RC&D areas are provided technical and financial assistance to help States and local units of government prepare plans for resource development and economic improvement and to plan and install community-type conservation projects or measures. Financial contributions, loans, and other Federal assistance are used to help carry out measures specified in RC&D area plans. Loans were made through the Farmers Home Administration to qualified local organizations to help finance their share of the costs of installing the measures.

Under this proposal, the RC&D program would be continued in 1989 with additional RC&D coordinators, reduced RC&D funded cost-sharing, and no new Farmers Home Administration Loans from the Agricultural Credit Insurance Funds.

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

MAIN WORKLOAD FACTORS

	1987 actual	1988 est.	1989 est.
Areas authorized at beginning of year .....	191	190	190
Areas authorized at end of year .....	190	189	189
RC&D financial assisted measures completed .....	174	110	72
RC&D financial assisted measures planned .....	76	75	70
RC&D measures completed with other than financial assistance .....	1,014	1,100	1,100

Object Classification (in thousands of dollars)

Identification code	12-1010-0-1-302	1987 actual	1988 est.	1989 est.
SOIL CONSERVATION SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	10,506	11,053	11,248

11.3	Other than full-time permanent .....	660	694	707
11.5	Other personnel compensation .....	118	124	126
11.9	Total personnel compensation .....	11,284	11,871	12,081
12.1	Civilian personnel benefits .....	1,821	2,087	2,135
13.0	Benefits for former personnel .....	16	17	18
21.0	Travel and transportation of persons .....	481	515	545
22.0	Transportation of things .....	146	156	165
23.2	Rental payments to others .....	523	560	592
23.3	Communications, utilities, and miscellaneous charges .....	575	616	651
24.0	Printing and reproduction .....	58	62	65
25.0	Other services .....	895	1,252	1,412
25.0	Construction contracts .....	3,104	2,453	1,660
26.0	Supplies and materials .....	546	556	512
31.0	Equipment .....	1,182	1,095	1,153
41.0	Grants, subsidies, and contributions .....	3,125	4,729	3,200
99.0	Subtotal, direct obligations .....	23,756	25,969	24,189
99.0	Reimbursable obligations .....	1,268	2,500	2,500

ALLOCATION ACCOUNTS

Personnel compensation: Full-time permanent .....				
12.1	Civilian personnel benefits .....	15	14	14
21.0	Travel and transportation of persons .....	24	24	25
23.1	Rental payments to GSA .....	1	1	1
23.2	Rental payments to others .....	3	2	2
23.3	Communications, utilities, and miscellaneous charges .....	6	5	5
24.0	Printing and reproduction .....	1	1	1
25.0	Other services .....	5	3	3
26.0	Supplies and materials .....	5	6	6
31.0	Equipment .....	2	2	2
41.0	Grants, subsidies, and contributions .....	537	676	675
99.0	Subtotal, allocation accounts .....	704	831	831
99.9	Total obligations .....	25,728	29,300	27,520

Obligations are distributed as follows:

Soil Conservation Service .....	25,024	28,469	26,689
Farmers Home Administration .....	75	60	60
Forest Service .....	629	771	771

Personnel Summary

SOIL CONSERVATION SERVICE				
Direct:				
Total number of full-time permanent positions .....	329	343	350	
Total compensable workyears:				
Full-time equivalent employment .....	381	395	402	
Full-time equivalent of overtime and holiday hours .....	2	2	2	
Reimbursable:				
Total number of full-time permanent positions .....	1	2	2	
Total compensable workyears: Full-time equivalent employment .....	1	2	2	
ALLOCATION ACCOUNTS				
Total number of full-time permanent positions .....	5	4	4	
Total compensable workyears: Full-time equivalent employment .....	5	4	4	

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8210-0-7-300	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	1,285	5,664	560
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-6,096	-5,104	
24.40	Unobligated balance available, end of year .....	5,104		
60.00	Budget authority (appropriation) (permanent, indefinite) .....	292	560	560
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,285	5,664	560
72.40	Obligated balance, start of year .....	390	711	4,506

74.40	Obligated balance, end of year.....	-711	-4,506	-3,197
90.00	Outlays.....	964	1,869	1,869

Funds received from State and local organizations, and others are available for work under cooperative agreements for soil survey, watershed protection, and resource conservation and development activities.

Object Classification (in thousands of dollars)

Identification code	12-8210-0-7-300	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	364	369	292
11.3	Other than full-time permanent.....	11	11	11
11.5	Other compensation.....	8	8	8
11.9	Total personnel compensation.....	383	388	311
12.1	Civilian personnel benefits.....	55	60	50
13.0	Benefits for former personnel.....	9	9	9
21.0	Travel and transportation of persons.....	1	5	4
23.2	Rental payments to others.....	17	18	19
23.3	Communications, utilities, and miscellaneous charges.....	10	10	11
24.0	Printing and reproduction.....	5	5	5
25.0	Other services.....	71	73	76
25.0	Construction contracts.....	665	5,016	58
26.0	Supplies and materials.....	17	18	15
31.0	Equipment.....	2	2	2
41.0	Grants, subsidies, and contributions.....	51	60	
99.9	Total obligations.....	1,285	5,664	560

Personnel Summary

Total number of full-time permanent positions.....	14	14	11
Total compensable workyears: Full-time equivalent employment	15	15	12

ALLOCATIONS RECEIVED FROM OTHER AGENCIES

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Interior: Office of Surface Mining Reclamation and Enforcement, "Abandoned mine reclamation fund."

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, [\$329,330,000] \$294,243,000; of which [\$4,500,000] \$5,000,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided*, [That \$1,000,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: *Provided further*,] That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 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 two, of which one shall be for replacement only: *Provided further*, That uniform allowances for each uniformed employee of the Animal and

Plant Health Inspection Service shall be in excess of \$400 annually: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: [ *Provided further*, That hereafter, the Secretary of Agriculture is authorized, except for urban rodent control, to conduct activities and to enter into agreements with States, local jurisdictions, individuals, and public and private agencies, organizations, and institutions in the control of nuisance mammals and birds and those mammal and bird species that are reservoirs for zoonotic diseases, and to deposit any money collected under any such agreement into the appropriation accounts that incur the costs to be available immediately and to remain available until expended for Animal Damage Control activities]. (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; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1600-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Plant disease and pest control.....	111,142	124,460	106,299
00.02	Animal disease and pest control.....	169,056	173,819	164,944
00.03	Animal damage control.....	22,449	24,419	13,000
00.04	Biotechnology.....		4,000	5,000
00.05	Construction of facilities.....		4	
00.06	Contingencies.....	6,857	4,500	5,000
00.91	Total direct program.....	309,504	331,202	294,243
01.01	Reimbursable program.....	22,866	22,629	34,067
10.00	Total obligations.....	332,370	353,831	328,310
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-6,272	-6,072	-6,299
14.00	Non-Federal sources.....	-16,357	-16,544	-27,768
21.40	Unobligated balance available, start of year.....	-3,915	-1,885	
24.40	Unobligated balance available, end of year.....	1,885		
25.00	Unobligated balance lapsing.....	3,756		
40.00	Budget authority (appropriation).....	311,467	329,330	294,243
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	309,741	331,215	294,243
72.40	Obligated balance, start of year.....	66,112	57,834	58,104
74.40	Obligated balance, end of year.....	-57,834	-58,104	-53,051
77.00	Adjustments in expired accounts.....	-557		
90.00	Outlays.....	317,463	330,945	299,296

The major objectives of the Animal and Plant Health Inspection Service are to protect the animal and plant resources of the Nation from destructive pests and diseases.

*Plant disease and pest control.*—Through inspections at ports of entry, insects, plant diseases, nematodes and animal pests and diseases harmful to agriculture are prevented from entering this country. Cooperative programs with the States are conducted to prevent the spread of and/or to eradicate certain plant pests already established in this country. The 1989 estimates maintain support for plant disease and pest control efforts, by increasing the agricultural quarantine inspection, international programs, pest detection, and provid-

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

ing funding for Africanized bee, while decreasing the biocontrol, boll weevil, grasshopper and pink bollworm programs and eliminating the golden nematode, imported fire ant, and noxious weeds programs.

**Animal disease and pest control.**—Inspections and programs are conducted to keep communicable diseases of foreign origin from entering this country and to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics. In cooperation with States, programs are directed at the control and eradication of livestock diseases present in this country. Foreign animal diseases, should they enter this country, are rapidly diagnosed and outbreaks which are of economic significance and for which the Secretary of Agriculture declares a national emergency are controlled and eradicated. The 1989 estimates propose increases for animal disease detection, international programs, and veterinary diagnostics programs and decreases for brucellosis, poultry diseases, pseudorabies, and animal welfare.

**Animal damage control.**—Conducted to reduce wildlife-caused damage to agricultural interests and protect land use and wildlife resource values through the maintenance of a Federal presence in cooperation with the States and other cooperators. The Department of the Interior conducted the program prior to 1986. The budget proposes a decrease for this program in 1989, which will require cooperators to pay 100 percent of operations of animal damage control costs on private lands.

**Biotechnology.**—This Agency has the responsibility to coordinate the development and implementation of all matters and functions pertaining to the Department's regulation of biotechnology and the responsibility to act as liaison on all matters and functions pertaining to the regulation of biotechnology between agencies within the Department, between the Department and governmental and private organizations. Additionally, this agency has been designated the lead agency within USDA for regulating and evaluating applications of biotechnologically derived products for test permits and commercial licenses. The budget proposes an increase in 1989 to bring total funding to \$5.0 million.

**Construction of facilities.**—In 1981, the Congress appropriated funds under a separate account to APHIS, Buildings and Facilities. The activity reflected shows obligations from prior year funds.

**Contingencies.**—The 1989 estimates provide a contingency fund of \$5.0 million.

Object Classification (in thousands of dollars)

Identification code	12-1600-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	118,054	128,529	117,133
11.3	Other than full-time permanent	8,093	8,529	8,142
11.5	Other personnel compensation	7,767	8,252	8,231
11.9	Total personnel compensation	133,914	145,310	133,506
12.1	Civilian personnel benefits	23,792	27,189	24,896
13.0	Benefits for former personnel	304	306	368
21.0	Travel and transportation of persons	10,791	11,361	10,441

22.0	Transportation of things	3,352	3,997	3,085
23.2	Rental payments to others	3,100	3,210	3,048
23.3	Communications, utilities, and miscellaneous charges	11,662	11,848	11,025
24.0	Printing and reproduction	633	873	859
25.0	Other services	53,995	58,166	49,121
26.0	Supplies and materials	20,669	21,412	15,215
31.0	Equipment	14,535	15,272	11,344
32.0	Land and structures		4	
<b>Grants, subsidies, and contributions:</b>				
41.0	Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease	173	175	175
41.0	Joint United States-Mexico Screwworm Commission	21,915	19,950	19,950
41.0	Joint United States-Panama Commission, United States-Colombia Mechanism to Prevent Introduction of Foot-and-Mouth Disease at Darien Gap	1,796	1,900	1,900
41.0	Joint Commission on the Mediterranean fruit fly	4,402	3,194	3,194
<b>Insurance claims and indemnities:</b>				
42.0	Brucellosis	3,519	5,318	4,602
42.0	Scrapie of sheep	155	340	340
42.0	Tuberculosis	489	1,202	1,000
42.0	Insurance claims	118	175	175
42.0	Exotic new cattle	190		
99.0	Subtotal, direct obligations	309,504	331,202	294,243
99.0	Reimbursable obligations	22,866	22,629	34,067
99.9	Total obligations	332,370	353,831	328,310

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	5,250	5,250	4,887
<b>Total compensable workyears:</b>			
Full-time equivalent employment	4,999	4,999	4,653
Full-time equivalent of overtime and holiday hours	110	110	110
<b>Reimbursable:</b>			
Total number of full-time permanent positions	154	154	471
<b>Total compensable workyears:</b>			
Full-time equivalent employment	146	146	447
Full-time equivalent of overtime and holiday hours	191	191	191

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, **[\$2,246,000]** \$2,847,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1601-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 32.0)	7,997	2,455	3,459
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-6,572	-821	-612
24.40	Unobligated balance available, end of year	821	612	
40.00	Budget authority (appropriation)	2,246	2,246	2,847
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	7,997	2,455	3,459
72.40	Obligated balance, start of year	1,932	8,133	8,342
74.40	Obligated balance, end of year	-8,133	-8,342	-9,555
90.00	Outlays	1,795	2,246	2,246

The 1989 estimates provide for construction, repairs, and alterations as needed for APHIS operated facilities, which include animal quarantine stations, border inspection stations, sterile insect rearing facilities, and laboratories.



*Trust Funds*

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 12-9971-0-7-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Expenses and refunds, inspection, certification and quarantine of animal products.....	2	2	2
00.02 Expenses, feed, and attendants for animals in quarantine.....	1,941	1,900	1,900
00.03 Miscellaneous contributed funds.....	2,914	2,833	2,833
10.00 Total obligations.....	4,857	4,735	4,735
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,155	-1,384	-1,384
24.40 Unobligated balance available, end of year.....	1,384	1,384	1,384
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>5,086</b>	<b>4,735</b>	<b>4,735</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	4,857	4,735	4,735
72.40 Obligated balance, start of year.....	458	586	586
74.40 Obligated balance, end of year.....	-586	-586	-586
90.00 Outlays.....	4,729	4,735	4,735
Distribution of budget authority by account:			
Expenses and refunds, inspection certification and quarantine of animal products.....		2	2
Expenses, feed, and attendants for animals in quarantine.....	2,096	1,893	1,893
Miscellaneous contributed funds.....	2,992	2,840	2,840
Distribution of outlays by account:			
Expenses and refunds, inspection, certification, and quarantine of animal products.....		2	2
Expenses, feed, and attendants for animals in quarantine.....	1,914	1,893	1,893
Miscellaneous contributed funds.....	2,814	2,840	2,840

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

*Expenses and refunds, inspection, certification, and quarantine of animal products.*—This includes inspection of animal hides and other animal materials to be exported. Fees are paid in advance for services to be rendered (7 U.S.C. 1621-1627) (21 U.S.C. 111).

*Expenses, feed, and attendants for animals in quarantine.*—Costs associated with the care of animals are paid from fees advanced by importers (21 U.S.C. 102).

*Miscellaneous contributed funds.*—Funds are received from States, local organizations, individuals, and others and are available for plant and animal quarantine inspection and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220). Commencing with 1979, fees were collected for the importation of commercial birds.

Object Classification (in thousands of dollars)

Identification code 12-9971-0-7-352	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,063	1,079	1,084
11.3 Other than full-time permanent.....	414	420	422
11.5 Other personnel compensation.....	359	364	366
11.9 Total personnel compensation.....	1,836	1,863	1,872
12.1 Civilian personnel benefits.....	243	247	248
21.0 Travel and transportation of persons.....	546	516	514
22.0 Transportation of things.....	33	31	31
23.2 Rental payments to others.....	202	191	190
23.3 Communications, utilities, and miscellaneous charges.....	219	207	206
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	1,194	1,128	1,124
26.0 Supplies and materials.....	311	294	293
31.0 Equipment.....	14	13	13

44.0 Refunds.....	257	243	242
99.9 Total obligations.....	4,857	4,735	4,735

Personnel Summary

Total number of full-time permanent positions.....	63	63	63
Total compensable workyears:			
Full-time equivalent employment.....	59	59	59
Full-time equivalent of overtime and holiday hours.....	7	7	7

FEDERAL GRAIN INSPECTION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, **[\$7,020,000] \$8,255,000: Provided,** That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further,* That none of the funds provided by this Act may be used to pay the salaries of any person or persons who require, or who authorize payments from fee-supported funds to any person or persons who require nonexport, nonterminal interior elevators to maintain records not involving official inspection or official weighing in the United States under Public Law 94-582 other than those necessary to fulfill the purposes of such Act. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-2400-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	6,702	7,020	8,255
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	123		
40.00 <b>Budget authority (appropriation).....</b>	<b>6,826</b>	<b>7,020</b>	<b>8,255</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	6,702	7,020	8,255
72.40 Obligated balance, start of year.....	1,509	1,366	1,419
74.40 Obligated balance, end of year.....	-1,366	-1,419	-1,623
77.00 Adjustments in expired accounts.....	33		
90.00 Outlays.....	6,879	6,967	8,051

The FGIS provides for the establishment of official United States standards for grain, promotes the uniform application thereof by official inspection personnel, provides for an official inspection system for grain, and regulates the weighing and certification of the weight of grain shipped in interstate or foreign commerce as authorized by the U.S. Grain Standards Act (USGSA), as amended, and the regulations thereof, and the Agricultural Marketing Act of 1946 (AMA).

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

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

General and special funds—Continued

SALARIES AND EXPENSES—Continued

preliminary investigations; initiating the implementation of corrective actions; (2) conducting management and technical reviews; (3) administering the designations and delegations of State and private agencies to perform official functions and monitoring the performance of the agencies; (4) identifying and, where appropriate, waiving and monitoring conflicts of interest; (5) licensing personnel of delegated States and designated agencies; (6) 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; (7) responding to audits of FGIS programs; and (8) reviewing and, when appropriate, approving official agencies' fee schedules.

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

An advisory committee consisting of members from the grain industry exists to advise the agency regarding efficient and economical implementations of the USGSA.

The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain. FGIS has drafted action plans for implementing the provisions of a new law which became effective May 1, 1987.

	1987 actual	1988 est.	1989 est.
U.S. standards in effect at end of year.....	20	18	18
New and revised standards issued during fiscal year.....	13	4	4
Standards reviews in progress.....	16	5	4
Standards reviews completed.....	16	4	4
Inspection techniques developed.....	14	9	9
Equipment evaluated.....	12	8	8
On-site investigations.....	14	12	14
Designations renewed.....	22	27	27
Registration certificates issued.....	98	110	110

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-2400-0-1-352			
Personnel compensation:			
11.1 Full-time permanent.....	3,822	3,862	5,415
11.3 Other than full-time permanent.....	13	24	28
11.5 Other personnel compensation.....	42	68	64
11.9 Total personnel compensation.....	3,877	3,954	5,507
12.1 Civilian personnel benefits.....	553	726	735
13.0 Benefits for former personnel.....	62	22	68
21.0 Travel and transportation of persons.....	315	236	397
22.0 Transportation of things.....	34	31	20
23.2 Rental payments to others.....	21	18	24
23.3 Communications, utilities, and miscellaneous charges.....	204	277	332
24.0 Printing and reproduction.....	32	23	87
25.0 Other services.....	1,191	1,357	885
26.0 Supplies and materials.....	141	134	118
31.0 Equipment.....	272	242	82
99.9 Total obligations.....	6,702	7,020	8,255

Personnel Summary

Total number of full-time permanent positions.....	96	96	96
Total compensable workyears: Full-time equivalent employment.....	109	108	108

Public enterprise funds:

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING EXPENSES

Not to exceed \$36,856,000 (from fees collected) shall be obligated during the current fiscal year for Inspection and Weighing Services. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-4050-0-3-352			
Program by activities:			
10.00 Total obligations.....	29,404	36,856	36,856
Financing:			
14.00 Offsetting collections from: Non-Federal sources.....	-33,066	-36,856	-36,856
21.98 Unobligated balance available, start of year: Fund balance.....	-8,714	-10,376	-10,376
24.98 Unobligated balance available, end of year: Fund balance.....	10,376	10,376	10,376
27.00 Capital transfer to general fund.....	2,000		
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-3,662		
72.98 Obligated balance, start of year: Fund balance.....	-1,287	-1,978	-1,978
74.98 Obligated balance, end of year: Fund balance.....	1,978	1,978	1,978
90.00 Outlays.....	-2,971		

The Federal Grain Inspection Service provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee supported revolving fund.

Fee supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by FGIS employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. FGIS supervises the inspection and weighing activities performed by its own employees. The agency also oversees the inspection and weighing of grain performed by employees of 8 delegated States and 80 designated State and private agencies. FGIS provides an appeal service of original grain inspections and a registration system for grain exporting firms. Through support from the Association of American Railroads and user fees, FGIS conducts a railroad track scale testing program. In addition, the agency provides grading services on request for rice and grain related products under the authority of the Agricultural Marketing Act of 1946 (AMA).

	1987 actual	1988 est.	1989 est.
Export grain inspected and weighed (million metric tons):			
By Federal personnel.....	77.7	85.7	85.7
By delegated States.....	20.5	22.6	22.6
Quantity of grain inspected (all official inspections) million metric tons.....	283.1	293.3	293.3
Number of inspections and reinspections:			
By Federal personnel.....	217,072	217,000	217,000
By delegated state/official agency licenses.....	3,119,253	3,119,000	3,119,000
Number of appeals.....	16,976	17,000	17,000
Number of appeals carried to the Board of Appeals and Review.....	3,333	3,000	3,000
Quantity of rice inspected (million metric tons).....	4.1	4.1	4.1
Quantity of rice exports (million metric tons).....	2.4	2.3	2.3

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss: Inspection and weighing services:			
Revenue.....	33,066	36,856	36,856
Expense.....	-29,404	-36,856	-36,856
Net income or loss (-) for the year <sup>1</sup> .....	3,662		

<sup>1</sup> This amount reflects prior year transactions recorded in 1987. Program operations for fiscal year 1987 generated obligations of \$29,516,751 and revenues of \$32,381,698 resulting in a positive margin of \$2,864,897.

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	4,332	3,398	3,398	3,398
Investments, U.S. securities (par) .....	3,095	5,000	5,000	5,000
Accounts receivable (net) .....	3,770	4,469	4,469	4,469
<b>Total assets</b> .....	<b>11,197</b>	<b>12,867</b>	<b>12,867</b>	<b>12,867</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	2,483	2,491	2,491	2,491
<b>Government equity:</b>				
Selected equities:				
Unobligated balance (total Government equity) .....	8,714	10,376	10,376	10,367

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

Identification code	1987 actual	1988 est.	1989 est.
12-4050-0-3-352			
Personnel compensation:			
11.1 Full-time permanent .....	15,005	19,304	19,890
11.3 Other than full-time permanent .....	997	796	1,428
11.5 Other personnel compensation .....	3,852	4,090	3,482
11.9 Total personnel compensation .....	19,854	24,190	24,800
12.1 Civilian personnel benefits .....	2,447	2,692	2,877
13.0 Benefits for former personnel .....	292	328	315
21.0 Travel and transportation of persons .....	849	1,081	1,039
22.0 Transportation of things .....	91	117	87
23.1 Rental payments to GSA .....	332	679	684
23.2 Rental payments to others .....	288	360	362
23.3 Communications, utilities, and miscellaneous charges .....	1,185	1,485	1,497
24.0 Printing and reproduction .....	89	154	152
25.0 Other services .....	3,192	3,961	4,029
26.0 Supplies and materials .....	433	431	484
31.0 Equipment .....	349	1,369	523
42.0 Insurance claims and indemnities .....	3	9	7
99.9 Total obligations .....	29,404	36,856	36,856

**Personnel Summary**

Total number of full-time permanent positions .....	590	590	590
Total compensable workyears:			
Full-time equivalent employment .....	660	660	660
Full-time equivalent of overtime and holiday hours .....	91	100	100

**AGRICULTURAL MARKETING SERVICE**

*Federal Funds*

**General and special funds:**

**MARKETING SERVICES**

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution and regulatory programs as authorized by law, [and for administration and coordination of payments to States,] including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$70,000 for employment under 5 U.S.C. 3109, [\$32,409,000; of which not less than \$1,591,000, shall be available for the Wholesale Market Development Program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country] \$33,087,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (5 U.S.C. 5542; 15 U.S.C. 714-714p; 21 U.S.C. 1031-56; 26 U.S.C. 4851-54, 4861-65, 4871-77, 6804, 7233, 7263, 7492-93, 7701; 31 U.S.C. 725d; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

**LIMITATION ON ADMINISTRATIVE EXPENSES**

Not to exceed [\$30,628,000] \$31,701,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
12-2500-0-1-352			
<b>Program by activities:</b>			
Direct program:			
00.01 Market news service .....	14,143	15,065	16,167
00.02 Inspection and standardization .....	12,670	13,700	14,146
00.03 Market protection and promotion .....	1,844	2,053	1,758
00.04 Wholesale market development .....	1,476	1,591	1,016
00.91 Total direct program .....	30,133	32,409	33,087
01.01 Reimbursable program .....	26,384	39,230	33,709
10.00 Total obligations .....	56,517	71,639	66,796
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-406	-321	-321
Non-Federal sources:			
14.00 User fees .....	-24,038	-30,628	-31,701
14.00 Miscellaneous reimbursements .....	-1,464	-1,687	-1,687
21.40 Unobligated balance available, start of year .....	-7,069	-6,594	.....
24.40 Unobligated balance available, end of year .....	6,594	.....	.....
25.00 Unobligated balance lapsing .....	1,302	.....	.....
40.00 Budget authority (appropriation) .....	31,435	32,409	33,087
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	30,609	39,003	33,087
72.10 Receivables in excess of obligations, start of year .....	-7,646	.....	.....
72.40 Obligated balance, start of year .....	.....	2,459	15,977
74.40 Obligated balance, end of year .....	-2,459	-15,977	-16,311
77.00 Adjustments in expired accounts .....	-1,589	.....	.....
90.00 Outlays .....	18,915	25,485	32,753

AMS activities assist producers and handlers of agricultural commodities by providing a variety of marketing services. These services continue to become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the agricultural market structure undergoes extensive changes. Marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming. The individual activities include:

*Market news service.*—The market news program provides the agricultural community with information pertaining to the movement of agricultural products. This nationwide service provides daily reports on the supply, demand and price of over 400 commodities throughout the country.

*Inspection, 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; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. Grading services are provided for cotton and domestic and imported tobacco.

Continuous in-plant inspection of all plants manufacturing liquid, frozen or dried egg products is provided

General and special funds—Continued

MARKETING SERVICES—Continued

LIMITATION ON ADMINISTRATIVE EXPENSES—Continued

with quarterly inspection of egg handlers and hatcheries to ensure the proper disposition of shell eggs unfit for human consumption. Imported egg products are controlled to make certain that the inspection systems in exporting countries have standards equal to those of the United States.

A uniform government food specification system is maintained to provide a more efficient Federal food procurement service.

COTTON AND TOBACCO USER FEE PROGRAM

	1987 actual	1988 est.	1989 est.
Cotton classed (samples in thousands).....	10,231	13,057	12,257
Cottonseed grade certificates issued (in thousands).....	26	35	30
Tobacco auction markets (million pounds).....	1,389	1,367	1,367
Imported tobacco inspected at markets and ports of entry (million pounds).....	210	200	200

FEDERALLY FUNDED INSPECTION AND PROCUREMENT ACTIVITIES

	1987 actual	1988 est.	1989 est.
Federally inspected establishments: Egg products plants.....	92	94	94
Federally inspected production (billion pounds): Egg products.....	1.4	1.5	1.6
States and Commonwealths with cooperative agreements: Egg products inspection.....	52	52	52
Laboratory services (samples analyzed):			
Food chemistry and microbiology.....	41,670	42,200	42,350
Chemical residues.....	562	575	575

STANDARDIZATION ACTIVITIES

	1987 actual	1988 est.	1989 est.
International and U.S. standards in effect, end of fiscal year.....	639	637	637
Number of commodities covered.....	191	192	193
Standards revised.....	53	11	14

**Market protection and promotion.**—This program consists of: (1) the research and promotion programs which are designed to improve the competitive position and expand markets for cotton, eggs, and egg products, honey, pork, beef, milk and dairy products, mohair, and potatoes; (2) the Federal Seed Act, and the Plant Variety Protection Act; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act.

Amendments to the 1985 Food Security Act provided legislative authority for the beef, pork, and watermelon research and promotion programs. Assessments on producers to fund the beef and pork programs began in 1986. Hearings on the watermelon program were held in February and March of 1987. A recommendation based upon the hearings is being finalized by AMS. If approved by producers, the program provisions will go into effect in 1988.

Federal seed inspectors have conducted tests on samples to help ensure truthful labeling of agricultural and vegetable seeds sold in interstate commerce. This program is proposed for elimination in 1989. Plant variety protection provides for the issuance of certificates to ensure that developers of novel varieties of sexually reproduced plants have exclusive rights to sell, reproduce, import and export such varieties for a period of 18 years. This program was transferred to User Fees in 1988. Appropriations will continue until the transition is completed.

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.

MARKET PROTECTION AND PROMOTION ACTIVITIES

	1987 actual	1988 est.	1989 est.
Seed Act:			
Interstate investigations:			
Completed.....	683	700	.....
Pending.....	594	600	.....
Seed samples tested.....	3,614	3,400	.....
Plant Variety Protection Act:			
Number of applications received.....	214	.....	.....
Certificates of protection issued.....	205	137	137
Research and promotion collections (dollars in millions):			
Beef.....	43.0	43.0	43.0
Cotton.....	26.0	37.0	34.8
Dairy—MMO.....	14.0	14.4	14.8
Dairy—National.....	78.3	79.1	81.6
Honey.....	1.6	1.9	1.9
Pork.....	22.0	20.0	18.0
Egg.....	6.8	4.0	4.0
Potato.....	5.6	5.7	5.7

**Wholesale market development.**—This program is designed to enhance the marketing of agricultural commodities in the United States by conducting research into more efficient marketing methods for agricultural commodities and by providing technical assistance to urban areas interested in improving their food distribution facilities.

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	1987 actual	1988 est.	1989 est.
Studies and projects completed.....	7	5	.....

For 1989, the Wholesale Market Development program is proposed for elimination.

Object Classification (in thousands of dollars)

Identification code 12-2500-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	17,066	19,142	18,164
11.3 Other than full-time permanent.....	624	546	523
11.5 Other personnel compensation.....	142	72	67
Total personnel compensation.....	17,832	19,760	18,754
12.1 Civilian personnel benefits.....	2,741	3,197	3,227
13.0 Benefits for former personnel.....	58	78	1,201
21.0 Travel and transportation of persons.....	1,158	1,411	1,375
22.0 Transportation of things.....	82	102	104
23.2 Rental payments to others.....	267	270	281
23.3 Communications, utilities, and miscellaneous charges.....	2,325	2,353	2,442
24.0 Printing and reproduction.....	137	159	157
25.0 Other services.....	3,946	4,055	4,629
26.0 Supplies and materials.....	559	554	537
31.0 Equipment.....	980	470	380
42.0 Insurance claims and indemnities.....	47	.....	.....
43.0 Interest and dividends.....	1	.....	.....
Subtotal, direct obligations.....	30,133	32,409	33,087
99.0 Reimbursable obligations.....	26,384	39,230	33,709
99.9 Total obligations.....	56,517	71,639	66,796

Personnel Summary

	1987 actual	1988 est.	1989 est.
Direct:			
Total number of full-time permanent positions.....	605	651	611
Total compensable workyears:			
Full-time equivalent employment.....	632	669	631
Full-time equivalent of overtime and holiday hours.....	3	2	2
Reimbursable:			
Total number of full-time permanent positions.....	202	205	205
Total compensable workyears:			
Full-time equivalent employment.....	534	538	538
Full-time equivalent of overtime and holiday hours.....	32	43	43

**[PAYMENTS TO STATES AND POSSESSIONS]**

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$942,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
12-2501-0-1-352			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	916	942	
<b>Financing:</b>			
25.00 Unobligated balance lapsing	26		
40.00 Budget authority (appropriation)	942	942	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	916	942	
72.40 Obligated balance, start of year	749	858	917
74.40 Obligated balance, end of year	-858	-917	
77.00 Adjustments in expired accounts	-44		
90.00 Outlays	763	883	917

Grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved programs designed to enhance marketing efficiency. Under this activity, specialists have worked with farmers, marketing firms, and other agencies in solving marketing problems and in using research results. Since State agencies are now able to carry on these activities by themselves, no program is being proposed in 1989.

**PERISHABLE AGRICULTURAL COMMODITIES ACT FUND**

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

Identification code	1987 actual	1988 est.	1989 est.
12-5070-0-2-352			
<b>Program by activities:</b>			
10.00 Total obligations	4,057	5,329	5,329
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-563	-340	-340
24.40 Unobligated balance available, end of year	340	340	340
60.00 Budget authority (appropriation) (permanent, indefinite, special fund)	3,834	5,329	5,329
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	4,057	5,329	5,329
72.10 Receivables in excess of obligations, start of year	-8	-147	-147
74.10 Receivables in excess of obligations, end of year	147	147	147
90.00 Outlays	4,197	5,329	5,329

License fees are deposited in this special fund and are used to meet the costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s). The current annual license fee is set at \$300 plus \$150 for each additional business facility operated by the applicant in excess of nine facilities, up to a maximum of \$3,000.

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.

A 1984 amendment to the Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due.

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

Identification code	1987 actual	1988 est.	1989 est.
12-5070-0-2-352			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	2,449	3,148	3,148
11.3 Other than full-time permanent	48	57	57
11.5 Other personnel compensation	47	58	58
11.9 Total personnel compensation	2,544	3,263	3,263
12.1 Civilian personnel benefits	495	691	691
13.0 Benefits for former personnel	18	18	18
21.0 Travel and transportation of persons	279	332	332
22.0 Transportation of things	46	59	59
23.1 Rental payments to GSA	169	183	183
23.2 Rental payments to others	32	56	56
23.3 Communications, utilities, and miscellaneous charges	205	236	236
24.0 Printing and reproduction	26	38	38
25.0 Other services	157	330	330
26.0 Supplies and materials	57	78	78
31.0 Equipment	29	45	45
99.9 Total obligations	4,057	5,329	5,329

**Personnel Summary**

Total number of full-time permanent positions	112	123	123
Total compensable workyears:			
Full-time equivalent employment	107	121	121
Full-time equivalent of overtime and holiday hours	1	1	1

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

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$7,601,000, \$7,911,000 for formulation and administration of Marketing Agreements and Orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
12-5209-0-2-605			
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Commodity program payments:</b>			
00.01 Child nutrition program purchases	350,118	350,900	350,900
00.02 Emergency surplus removal	12,054	27,000	
00.03 Disaster relief		6,000	
00.04 Sunflower oil purchase		10,000	
00.91 Subtotal, Commodity program payments	362,172	393,900	350,900
01.01 Administrative expenses	9,455	10,652	11,140
01.92 Total direct program	371,627	404,552	362,040
02.01 Reimbursable program	296	282	282
10.00 Total obligations	371,923	404,834	362,322
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-296	-282	-282
21.40 Unobligated balance available, start of year	-158,931	-221,589	-183,779

General and special funds—Continued

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

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-5209-0-2-605	1987 actual	1988 est.	1989 est.
24.40	Unobligated balance available, end of year.....	221,589	183,779	225,000
39.00	<b>Budget authority</b> .....	<b>434,285</b>	<b>366,742</b>	<b>403,261</b>
Budget authority:				
60.00	Appropriation (permanent, indefinite) (special fund).....	3,787,648	4,240,882	4,552,833
61.00	Transferred to other accounts.....	-3,353,363	-3,874,140	-4,149,572
63.00	<b>Appropriation (adjusted)</b> .....	<b>434,285</b>	<b>366,742</b>	<b>403,261</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	371,627	404,552	362,040
72.40	Obligated balance, start of year.....	36,907	16,631	16,631
74.40	Obligated balance, end of year.....	-16,631	-16,631	-16,631
90.00	Outlays.....	391,003	404,552	362,040

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each calendar year is automatically appropriated for expanding outlets for nonbasic commodities. An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of Commerce. Most of the funds are transferred to the Food and Nutrition Service and are used to purchase commodities under section 6 of the National School Lunch Act and other authorities specified in the child nutrition appropriation. If unforeseen commodity surpluses should develop, unobligated reserve balances are available for surplus removal.

Object Classification (in thousands of dollars)

Identification code	12-5209-0-2-605	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	4,312	5,007	5,036
11.3	Other than full-time permanent.....	162	166	167
11.5	Other personnel compensation.....	74	51	51
11.9	Total personnel compensation.....	4,548	5,224	5,254
12.1	Civilian personnel benefits.....	596	823	873
13.0	Benefits for former personnel.....	6	15	16
21.0	Travel and transportation of persons.....	195	209	227
22.0	Transportation of things.....	.....	6	7
22.0	Transportation of things: Commodities.....	19,295	20,675	18,700
23.1	Rental payments to GSA.....	369	382	418
23.2	Rental payments to others.....	21	25	25
23.3	Communications, utilities, and miscellaneous charges.....	662	710	760
24.0	Printing and reproduction.....	425	452	493
25.0	Other services.....	2,432	2,578	2,821
25.0	Other services: Commodities.....	566	440	400
26.0	Supplies and materials.....	88	110	119
26.0	Supplies and materials: Grants of commodities to States.....	342,311	372,785	331,800
31.0	Equipment.....	112	118	127
42.0	Insurance claims and indemnities.....	1	.....	.....
99.0	Subtotal, direct obligations.....	371,627	404,552	362,040
99.0	Reimbursable obligations.....	296	282	282
99.9	Total obligations.....	371,923	404,834	362,322

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	130	145	145
Total compensable workyears:			
Full-time equivalent employment.....	133	147	147

Full-time equivalent of overtime and holiday hours.....	2	1	1
Reimbursable:			
Total compensable workyears: Full-time equivalent employment.....	5	5	5

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-9972-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Expenses and refunds, inspection and grading of farm products:				
00.01	Dairy products.....	8,967	11,353	11,353
00.02	Fruits and vegetables.....	33,723	34,443	34,443
00.03	Meat grading.....	19,276	19,553	19,553
00.04	Poultry products.....	18,470	19,478	19,478
00.05	Miscellaneous agricultural commodities.....	223	209	209
00.11	Price support assessments.....	723	943	943
10.00	Total obligations.....	81,382	85,979	85,979
Financing:				
21.40	Unobligated balance available, start of year: Fund balance.....	-9,654	-13,774	-13,774
24.40	Unobligated balance available, end of year.....	13,774	13,774	13,774
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>85,502</b>	<b>85,979</b>	<b>85,979</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	81,382	85,979	85,979
72.10	Receivables in excess of obligations, start of year.....	-13,072	.....	.....
72.98	Obligated balance, start of year.....	.....	2,618	2,618
74.98	Obligated balance, end of year: Fund balance.....	-2,618	-2,618	-2,618
90.00	Outlays.....	65,692	85,979	85,979

Expenses and refunds, inspection and grading of farm products.—The commodity inspection and grading programs provide grading, examination, and certification services for a wide variety of fresh and processed food commodities using federally approved grade standards and purchase specifications. Commodities graded include poultry, livestock, meat, dairy products, and fresh and processed fruits and vegetables. These programs use official grade standards which reflect the relative quality of a particular food commodity based on laboratory testing and characteristics such as taste, color, weight and physical condition. Producers voluntarily request grading and certification services which are provided on a fee for service basis.

	1987 actual	1988 est.	1989 est.
Livestock graded (million pounds).....	47	110	110
Poultry products graded (includes rabbits—million pounds).....	14,276	15,265	15,965
Shell eggs graded (million dozens).....	1,725	1,700	1,680
Poultry accepted (million pounds).....	1,761	1,840	1,930
Eggs accepted (million dozens).....	467	450	440
Meat graded (million pounds).....	12,200	12,500	13,000
Meat accepted (million pounds).....	850	850	850
Processed fruits and vegetables inspected (million pounds).....	13,700	13,900	14,000
Fresh fruits and vegetables inspected (million pounds).....	71,500	72,300	73,100
Dairy products graded (million pounds).....	3,493	4,208	3,325
Market reports issued (in thousands).....	2,284	2,490	2,480
Plant variety protection (applications received).....	.....	191	193

Object Classification (in thousands of dollars)

Identification code	12-9972-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	42,230	45,271	45,271
11.3	Other than full-time permanent.....	5,512	5,328	5,328
11.5	Other personnel compensation.....	5,931	6,782	6,782
11.9	Total personnel compensation.....	53,673	57,381	57,381

12.1	Civilian personnel benefits.....	8,491	8,990	8,990
13.0	Benefits for former personnel.....	268	126	126
21.0	Travel and transportation of persons.....	5,319	5,573	5,573
22.0	Transportation of things.....	303	148	148
23.1	Rental payments to GSA.....	1,222	1,370	1,370
23.2	Rental payments to others.....	286	304	304
23.3	Communications, utilities, and miscellaneous charges.....	1,658	1,714	1,714
24.0	Printing and reproduction.....	521	503	503
25.0	Other services.....	7,985	8,507	8,507
26.0	Supplies and materials.....	729	800	800
31.0	Equipment.....	547	563	563
33.0	Investments and loans.....	299	.....	.....
42.0	Insurance claims and indemnities.....	80	.....	.....
43.0	Interest and dividends.....	1	.....	.....
99.9	Total obligations.....	81,382	85,979	85,979

**Personnel Summary**

Total number of full-time permanent positions.....	1,697	1,695	1,695
Total compensable workyears:			
Full-time equivalent employment.....	1,972	1,914	1,891
Full-time equivalent of overtime and holiday hours.....	166	182	182

**MILK MARKET ORDERS ASSESSMENT FUND**

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

Identification code 12-8412-0-8-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Administration.....	27,557	30,195	31,508
00.02 Marketing service.....	4,486	4,915	5,357
10.00 Total obligations.....	32,043	35,110	36,865
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
14.00 Administration.....	-23,942	-28,491	-29,916
14.00 Marketing service.....	-4,275	-4,844	-5,086
14.00 Interest.....	-2,131	-1,775	-1,863
21.98 Unobligated balance available, start of year: Fund balance.....	-22,065	-20,370	-20,370
24.98 Unobligated balance available, end of year: Fund balance.....	20,370	20,370	20,370
39.00 Budget authority.....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,695	.....	.....
72.10 Receivables in excess of obligations, start of year.....	.....	.....	-827
72.98 Obligated balance, start of year: Fund balance.....	535	2,230	.....
74.10 Receivables in excess of obligations, end of year.....	.....	827	827
74.98 Obligated balance, end of year: Fund balance.....	-2,230	.....	.....
90.00 Outlays.....	.....	3,057	.....

Note.—The administration fund totals are comprised of 43 separate independent order accounts in 1987. The Marketing Service fund totals are comprised of 41 separate independent order accounts in 1987.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported in these schedules. These funds are collected locally, deposited in local banks, and disbursed directly by the market administrator.

The expenses of each local office are met from an administrative fund and a marketing service fund which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The

marketing service fund of the individual order provides for the expense of disseminating market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time to time upon recommendations by the market administrator and upon approval of the Agricultural Marketing Service to provide reserves at about a 6-month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers as the case may be.

As of October 1, 1987, as required by the Food Security Act of 1985 and the Food Security Improvements Act of 1986, the Agricultural Marketing Service, as agent for the Commodity Credit Corporation, collected over \$735 million by charging 52, 40 and 25 cents per hundredweight during the applicable months on all milk produced in the forty-eight contiguous States and marketed by producers for commercial use. These funds were used to partially offset the costs of the Dairy Termination Program.

Milk sold by regulated handlers supplied almost 178 million persons in calendar year 1986.

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

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
Administrative fund:			
Revenue.....	23,942	28,491	29,916
Expense.....	-27,557	-30,195	-31,508
Net operating income or loss (-), administrative fund..	-3,615	-1,704	-1,592
Marketing service fund:			
Revenue.....	4,275	4,844	5,086
Expense.....	-4,486	-4,915	-5,357
Net operating income or loss (-), marketing service fund.....	-211	-71	-271
Net operating income or loss (-), total.....	-3,826	-1,775	-1,863
<b>Nonoperating income:</b>			
Interest revenue.....	2,131	1,775	1,863
Net loss for the year.....	-1,695	.....	.....

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Cash in banks.....	18,500	13,782	17,564	17,564
U.S. securities (par value).....	4,100	8,818	1,979	1,979
Accounts receivable, net.....	1,867	283	3,340	3,340
Total assets.....	24,467	22,883	22,883	22,883
<b>Liabilities:</b>				
Selected liabilities: Accounts payable and accrued liabilities.....				
.....	2,402	2,513	2,513	2,513
<b>Government equity:</b>				
Selected equities:				
Unobligated balance.....	22,065	20,370	20,370	20,370
Property.....	3,391	3,938	3,938	3,938
Total Government Equity (end of year).....	25,456	24,308	24,308	24,308

General and special funds—Continued

MILK MARKET ORDERS ASSESSMENT FUND—Continued

Object Classification (in thousands of dollars)

Identification code	12-8412-0-8-351	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	20,682	23,447	24,619
11.3	Other than full-time permanent.....	121	136	142
11.5	Other personnel compensation.....	14	15	16
11.9	Total personnel compensation.....	20,817	23,598	24,777
12.1	Civilian personnel benefits.....	2,973	3,047	3,199
21.0	Travel and transportation of persons.....	2,142	2,175	2,284
23.2	Rental payments to others.....	2,335	2,032	2,134
23.3	Communications, utilities, and miscellaneous charges.....	1,766	1,781	1,870
25.0	Other services.....	258	261	274
26.0	Supplies and materials.....	842	885	929
31.0	Equipment.....	910	1,331	1,398
99.9	Total obligations.....	32,043	35,110	36,865

Personnel Summary <sup>1</sup>

Total number of full-time permanent positions.....	584	600	609
Total compensable workyears: Full-time equivalent employment.....	578	567	567

<sup>1</sup> Excludes New York-New Jersey order operated under Federal and State orders.

OFFICE OF TRANSPORTATION

Federal Funds

General and special funds:

OFFICE OF TRANSPORTATION

For necessary expenses to carry on services related to agricultural transportation programs as authorized by law; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, **[\$2,397,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building] \$1,395,000. (7 U.S.C. 1291, 1621-27; 49 U.S.C. 1653; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	12-2800-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program.....	2,363	2,397	1,395
01.01	Reimbursable program.....	70	25	.....
10.00	Total obligations.....	2,433	2,422	1,395
Financing:				
11.00	Offsetting collections from: Federal funds.....	-70	-25	.....
25.00	Unobligated balance lapsing.....	34	.....	.....
40.00	Budget authority (appropriation).....	2,397	2,397	1,395
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,363	2,397	1,395
72.40	Obligated balance, start of year.....	350	443	455
74.40	Obligated balance, end of year.....	-443	-455	-276
77.00	Adjustments in expired accounts.....	23	.....	.....
90.00	Outlays.....	2,293	2,385	1,574

The principal purpose of the Office of Transportation is to facilitate an efficient domestic and international transportation system for U.S. agricultural products. This is done by providing assistance to exporters and firms by helping to solve international transportation problems relating to agriculture; assisting agricultural shippers and carriers in the new deregulation environ-

ment; and providing technical assistance to producers, producer groups, and rural communities to help them solve specific transport problems. Because the process of deregulation of the transportation industry is virtually complete, this program is proposed for termination at the end of 1989.

Object Classification (in thousands of dollars)

Identification code	12-2800-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	1,526	1,513	894
11.3	Other than full-time permanent.....	6	.....	.....
11.5	Other personnel compensation.....	25	25	.....
11.9	Total personnel compensation.....	1,557	1,538	894
12.1	Civilian personnel benefits.....	173	207	122
13.0	Benefits for former personnel.....	.....	.....	174
21.0	Travel and transportation of persons.....	93	72	15
23.3	Communications, utilities, and miscellaneous charges.....	85	72	61
24.0	Printing and reproduction.....	11	35	.....
25.0	Other services.....	364	421	124
26.0	Supplies and materials.....	23	34	5
31.0	Equipment.....	56	18	.....
99.0	Subtotal, direct obligations.....	2,363	2,397	1,395
99.0	Reimbursable obligations.....	70	25	.....
99.9	Total obligations.....	2,433	2,422	1,395

Personnel Summary

Total number of full-time permanent positions.....	41	36	.....
Total compensable workyears: Full-time equivalent employment.....	35	35	20

FOOD SAFETY AND INSPECTION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, and the Poultry Products Inspection Act, as amended, **[\$392,009,000] \$405,680,000: Provided, That this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (7 U.S.C. 450, 1901-06; 10 U.S.C. 2306; 18 U.S.C. 1114; 21 U.S.C. 451-470, 601-624, 641-645, 661, 671-680, 691-692; 694-695; Public Law 99-641; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	12-3700-0-1-554	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program.....	371,979	392,009	405,680
01.01	Reimbursable program.....	43,457	45,000	45,000
10.00	Total obligations.....	415,436	437,009	450,680
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-1,042	-1,000	-1,000
14.00	Non-Federal sources.....	-42,415	-44,000	-44,000
25.00	Unobligated balance lapsing.....	994	.....	.....
40.00	Budget authority (appropriation).....	372,973	392,009	405,680
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	371,979	392,009	405,680



72.40	Obligated balance, start of year.....	33,670	32,665	33,694
74.40	Obligated balance, end of year.....	-32,665	-33,694	-34,651
77.00	Adjustments in expired accounts.....	-860		
90.00	Outlays.....	372,125	390,980	404,723

The major objectives of the Food Safety and Inspection Service are to ensure that meat and poultry products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The Meat and Poultry Inspection program of the Food Safety and Inspection Service provides continuous inplant inspection of all domestic plants preparing meat or poultry products for sale or distribution; reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs.

**FEDERALLY FUNDED INSPECTION ACTIVITIES**

	1987 actual	1988 est.	1989 est.
<b>Federally inspected establishments:</b>			
Slaughter plants.....	395	410	410
Processing plants.....	5,215	5,238	5,258
Combination slaughter and processing plants.....	1,494	1,493	1,483
Import establishments.....	168	193	193
<b>Federally inspected production (millions of pounds):</b>			
Meat slaughter.....	36,300	37,000	37,000
Meat processing.....	69,600	70,950	70,950
Poultry slaughter.....	25,700	27,250	28,900
Poultry processing.....	66,100	71,400	77,100
<b>Import/export activity (millions of pounds):</b>			
Meat and poultry imported.....	2,609	2,700	2,800
Meat and poultry exported.....	2,690	2,800	2,900
Imports refused entry.....	12.1	11.5	11.4
<b>States and territories with cooperative agreements:</b>			
Intrastate inspection.....	27	27	27
Talmadge-Aiken inspection.....	21	21	21
Number of slaughter and/or processing plants (excludes exempt plants).....	3,722	3,720	3,720
Pounds inspected slaughter and processing (millions).....	5,117	5,200	5,200
<b>Compliance activities:</b>			
Hazardous product detained (millions of pounds).....	13	9	9
Compliance reviews.....	42,111	50,000	50,000
Detention actions.....	785	800	800
<b>Laboratory services (samples analyzed):</b>			
Food chemistry.....	69,463	70,000	70,000
Food microbiology.....	19,058	30,000	30,000
Chemical residues.....	38,808	53,800	65,800
Antibiotic residues.....	237,921	239,000	245,000
Pathology samples.....	11,982	12,975	12,975

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

Identification code	1987 actual	1988 est.	1989 est.
12-3700-0-1-554			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	230,096	234,588	234,591
11.3 Other than full-time permanent.....	8,518	8,684	8,685
11.5 Other personnel compensation.....	7,492	7,638	7,638
11.9 Total personnel compensation.....	246,106	250,910	250,914
12.1 Civilian personnel benefits.....	42,588	50,915	54,278
13.0 Benefits for former personnel.....	959	959	959
21.0 Travel and transportation of persons.....	19,252	20,066	21,068
22.0 Transportation of things.....	1,454	1,635	2,739
23.3 Communications, utilities, and miscellaneous charges.....	7,259	7,632	8,430
24.0 Printing and reproduction.....	1,301	1,350	1,403
25.0 Other services.....	14,324	16,697	22,162
26.0 Supplies and materials.....	2,626	2,871	3,406
31.0 Equipment.....	2,635	3,495	3,388
41.0 Grants, subsidies, and contributions.....	33,423	35,425	36,877
42.0 Insurance claims and indemnities.....	52	54	54
99.0 Subtotal, direct obligations.....	371,979	392,009	405,680
99.0 Reimbursable obligations.....	43,457	45,000	45,000
99.9 Total obligations.....	415,436	437,009	450,680

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Total number of full-time permanent positions.....	8,857	8,897	8,897
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	9,144	9,190	9,190
Full-time equivalent of overtime and holiday hours.....	94	80	80
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	179	180	180
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	186	183	183
Full-time equivalent of overtime and holiday hours.....	873	871	871

**Trust Funds**

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

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

Identification code	1987 actual	1988 est.	1989 est.
12-8137-0-7-352			
<b>Program by activities:</b>			
10.00 Total obligations.....	961	825	825
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-198	-110	-110
24.40 Unobligated balance available, end of year.....	110	110	110
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>874</b>	<b>825</b>	<b>825</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	961	825	825
72.40 Obligated balance, start of year.....	96	140	140
74.40 Obligated balance, end of year.....	-140	-140	-140
90.00 Outlays.....	918	825	825

Under authority of the Agricultural Marketing Act of 1946, Federal meat and poultry inspection services are provided upon request and for a fee in cases where inspection is not mandated by statute. This service includes: certifying products for export beyond the requirements of export certificates; inspecting certain animals and poultry intended for human food, where inspection is not required by statute, such as buffalo, rabbit, and quail; and inspecting products intended for animal consumption.

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

Identification code	1987 actual	1988 est.	1989 est.
12-8137-0-7-352			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	629	535	535
11.3 Other than full-time permanent.....	13	13	13
11.5 Other personnel compensation.....	151	115	115
11.9 Total personnel compensation.....	793	663	663
12.1 Civilian personnel benefits.....	110	106	106
13.0 Benefits for former personnel.....	3	3	3
21.0 Travel and transportation of persons.....	11	11	11
23.2 Rental payments to others.....	8	8	8
23.3 Communications, utilities, and miscellaneous charges.....	16	15	15
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	16	15	15
26.0 Supplies and materials.....	1	1	1
31.0 Equipment.....	1	1	1
99.9 Total obligations.....	961	825	825

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	23	23	23
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	23	27	27
Full-time equivalent of overtime and holiday hours.....	3	2	2

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows: Office of International Cooperation and Development, "Salaries and expenses."

FOOD AND NUTRITION SERVICE

Federal Funds

General and special funds:

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the Domestic Food Programs funded under this Act, **[\$85,828,000] \$94,825,000**; of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-3508-0-1-605	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Child nutrition.....	27,140	27,757	34,120
00.02 Special milk.....	151	154	161
00.03 Supplemental feeding programs.....	6,865	7,021	7,315
00.04 Food stamps.....	48,002	49,094	51,351
00.05 Cash and commodity subsidies.....	1,762	1,802	1,878
00.91 Total direct program.....	83,920	85,828	94,825
01.01 Reimbursable program.....	328	210	210
10.00 Total obligations.....	84,248	86,038	95,035
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-328	-210	-210
25.00 Unobligated balance lapsing.....	873		
40.00 <b>Budget authority (appropriation).....</b>	<b>84,794</b>	<b>85,828</b>	<b>94,825</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	83,920	85,828	94,825
72.40 Obligated balance, start of year.....	6,646	12,563	6,866
74.40 Obligated balance, end of year.....	-12,563	-6,866	-7,586
77.00 Adjustments in expired accounts.....	-592		
90.00 Outlays.....	77,410	91,525	94,105

Food program administration funds Federal operating expenses of the Food and Nutrition Service related to administration of child nutrition, special milk, supplemental feeding programs, food stamps, and cash and commodity subsidies for selected groups.

Object Classification (in thousands of dollars)

Identification code 12-3508-0-1-605	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	55,772	59,205	58,702
11.3 Other than full-time permanent.....	1,337	1,384	1,363
11.5 Other personnel compensation.....	609	401	393
11.9 Total personnel compensation.....	57,718	60,990	60,458
12.1 Civilian personnel benefits.....	7,674	8,422	8,343
13.0 Benefits for former personnel.....	48	46	46
21.0 Travel and transportation of persons.....	2,860	3,255	3,369
22.0 Transportation of things.....	99	93	96
23.2 Rental payments to others.....	320	436	450
23.3 Communications, utilities, and miscellaneous charges...	3,999	4,613	5,061
24.0 Printing and reproduction.....	201	265	273
25.0 Other services.....	8,992	5,603	12,700

26.0 Supplies and materials.....	820	642	663
31.0 Equipment.....	1,163	1,463	3,366
32.0 Land and structures.....	20		
42.0 Insurance claims and indemnities.....	5		
43.0 Interest and dividends.....	1		
99.0 Subtotal, direct obligations.....	83,920	85,828	94,825
99.0 Reimbursable obligations.....	328	210	210
99.9 Total obligations.....	84,248	86,038	95,035

Personnel Summary

Total number of full-time permanent positions.....	1,894	1,894	1,875
Total compensable workyears:			
Full-time equivalent employment.....	1,853	1,890	1,800
Full-time equivalent of overtime and holiday hours.....	1		

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011-2027 [2028,] and 2029), **[\$13,557,757,000] \$12,519,705,000**: *Provided*, That funds provided herein shall remain available through September 30, [1988] 1989, in accordance with section 18(a) of the Food Stamp Act: *Provided further*, That up to 5 per centum of the foregoing amount may be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or work fare requirements as may be required by law: *Provided further*, That \$345,000,000 of the funds provided herein shall be available only to the extent necessary after the Secretary has employed the regulatory and administrative methods available to him under the law to curtail fraud, waste, and abuse in the program: *Provided further*, That \$879,250,000 of the foregoing amount shall be available for Nutrition Assistance for Puerto Rico as authorized by 7 U.S.C. 2028. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-3505-0-1-605	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Properly issued benefits.....	9,686,033	10,577,073	10,572,982
00.02 Estimated state overissuance.....	830,832	882,378	857,269
00.03 State administration.....	993,241	1,030,984	1,073,255
00.04 Employment and training program.....	66,174	98,200	116,028
00.05 Other.....	45,213	50,245	62,171
10.00 Total obligations.....	11,621,493	12,638,880	12,681,705
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			-162,000
25.00 Unobligated balance lapsing.....	171,796		
39.00 <b>Budget authority.....</b>	<b>11,793,288</b>	<b>12,638,880</b>	<b>12,519,705</b>
Budget authority:			
40.01 Appropriation.....	11,831,915	12,678,507	12,519,705
41.00 Transferred to other accounts.....	-38,627	-39,627	
43.00 <b>Appropriation (adjusted).....</b>	<b>11,793,288</b>	<b>12,638,880</b>	<b>12,519,705</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	11,621,493	12,638,880	12,519,705
72.40 Obligated balance, start of year.....	244,353	291,709	379,640
74.40 Obligated balance, end of year.....	-291,709	-379,640	-395,141
77.00 Adjustments in expired accounts.....	-18,656		
90.00 Outlays.....	11,555,481	12,550,949	12,504,204

Note.—Amounts for Nutrition Assistance for Puerto Rico for 1987 and 1988 are shown under that title. Amounts for 1987 and 1988 were appropriated under the title Food stamp program.

The food stamp program increases the food purchasing power of eligible low income households. Participants purchase food at retail stores with food stamp coupons.

Object Classification (in thousands of dollars)				
Identification code	1987 actual	1988 est.	1989 est.	
12-3505-0-1-605				
11.1	Personnel compensation: Full-time permanent	282	145	
12.1	Civilian personnel benefits	20	12	
21.0	Travel and transportation of persons	46	25	
22.0	Transportation of things	2,639	2,726	2,832
24.0	Printing and reproduction	18,207	23,750	24,934
25.0	Other services	24,019	23,587	34,405
41.0	Grants, subsidies, and contributions	11,576,280	12,588,635	12,619,534
99.9	Total obligations	11,621,493	12,638,880	12,681,705

**Personnel Summary**

Total compensable workyears: Full-time equivalent employment	12	5
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**NUTRITION ASSISTANCE FOR PUERTO RICO**

For monthly payments to the Commonwealth of Puerto Rico for nutrition assistance, as authorized by 7 U.S.C. 2028, \$908,250,000.

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

Identification code	1987 actual	1988 est.	1989 est.	
12-3550-0-1-605				
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	852,750	879,250	908,250
<b>Financing:</b>				
40.00	Budget authority (appropriation)	852,750	879,250	908,250
Relation of obligations to outlays:				
71.00	Obligations incurred, net	852,750	879,250	908,250
72.40	Obligated balance, start of year	18,401	19,117	22,860
74.40	Obligated balance, end of year	-19,117	-22,860	-23,614
77.00	Adjustments in expired accounts	-50		
90.00	Outlays	851,984	875,507	907,496

Note.—Amounts for 1987 and 1988 were appropriated under the title Food stamp program.

This grant replaces the food stamp program in Puerto Rico, and gives the Commonwealth broad flexibility to establish a food assistance program specifically tailored to the needs of its low-income households.

**SPECIAL MILK PROGRAM**

For necessary expenses[,] to carry out the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), [\$21,500,000] \$19,925,000, to remain available through September 30, [1989] 1990. Only final reimbursement claims for milk submitted to State agencies within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.	
12-3502-0-1-605				
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	17,451	21,669	22,114
<b>Financing:</b>				
21.40	Unobligated balance, available, start of year	-1,514	-2,358	-2,189
24.40	Unobligated balance available, end of year	2,358	2,189	
40.00	Budget authority (appropriation)	18,295	21,500	19,925
Relation of obligations to outlays:				
71.00	Obligations incurred, net	17,451	21,669	22,114
72.40	Obligated balance, start of year	4,896	6,884	4,832

74.40	Obligated balance, end of year	-6,884	-4,832	-4,931
77.00	Adjustments in expired accounts	-16		
90.00	Outlays	15,446	23,721	22,015

The program subsidizes schools and institutions that do not participate in other federally funded meal programs for milk served to students, and also subsidizes milk served to students in split session kindergartens who do not have access to the school's meal service program.

**CHILD NUTRITION PROGRAMS**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751-1769b, except 1766(i)), and the applicable provisions other than sections 3, 17, 18, and 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785, and [1788-]1789); [\$4,497,629,000] \$4,609,127,000, to remain available through September 30, [1989] 1990, of which [\$679,826,000] \$515,855,000 is hereby appropriated and [\$3,817,803,000] \$4,093,272,000 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 funds appropriated for the purpose of section 7 of the Child Nutrition Act of 1966 shall be allocated among the States but the distribution of such funds to an individual State is contingent upon that State's agreement to participate in studies and surveys of programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966, when such studies and surveys have been directed by the Congress and requested by the Secretary of Agriculture: *Provided further*, That if the Secretary of Agriculture determines that a State's administration of any program under the National School Lunch Act or the Child Nutrition Act of 1966 (other than section 17), or the regulations issued pursuant to these Acts, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under section 7 of the Child Nutrition Act of 1966 and under section 13(k)(1) of the National School Lunch Act; upon a subsequent determination by the Secretary that the programs are operated in an acceptable manner some or all of the funds withheld may be allocated: *Provided further*, That only final reimbursement claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps, institutions, and service institutions within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act for meals, supplements, and milk served during any month only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.	
12-3539-0-1-605				
<b>Program by activities:</b>				
Cash payments to States:				
School lunch:				
00.01	Upper income	289,881	289,342	308,376
00.02	Lower income	269,475	272,005	294,374
00.03	Low income	2,441,483	2,427,720	2,579,669
School breakfast:				
00.04	Upper income	9,693	10,007	10,599
00.05	Lower income	15,734	15,905	17,339
00.06	Low income	442,845	457,536	486,560
Child care feeding:				
00.07	Upper income	191,200	209,240	237,053
00.08	Lower income	23,129	24,229	26,737
00.09	Low income	329,944	347,091	382,142
00.10	Audits	7,035	1,826	
00.11	Summer feeding	127,973	137,577	147,824
00.12	State administrative expenses	49,800	54,289	58,411
00.13	Commodity procurement	127,295	157,289	176,514

General and special funds—Continued

CHILD NUTRITION PROGRAMS—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 12-3539-0-1-605	1987 actual	1988 est.	1989 est.
<b>Nutrition studies and education:</b>			
00.14 Nutrition studies and surveys .....	2,468	2,085	2,085
00.15 Nutrition education and training .....	4,990	1,050	.....
10.00 Total obligations .....	4,332,945	4,407,191	4,727,683
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-8,390	-28,118	-118,556
24.40 Unobligated balance available, end of year .....	28,118	118,556	.....
25.00 Unobligated balance lapsing .....	8,187	.....	.....
39.00 <b>Budget authority</b> .....	<b>4,360,860</b>	<b>4,497,629</b>	<b>4,609,127</b>
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 <b>Appropriation</b> .....	<b>1,064,923</b>	<b>679,826</b>	<b>515,855</b>
<b>Permanent:</b>			
62.00 Transferred from other accounts .....	3,295,937	3,817,803	4,093,272
63.00 <b>Appropriation (adjusted)</b> .....	<b>3,295,937</b>	<b>3,817,803</b>	<b>4,093,272</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	4,332,945	4,407,191	4,727,683
72.40 Obligated balance, start of year .....	424,892	712,483	714,982
74.40 Obligated balance, end of year .....	-712,483	-714,982	-767,441
77.00 Adjustments in expired accounts .....	-524	.....	.....
90.00 Outlays .....	4,044,830	4,404,692	4,675,224

NOTES

Budget authority for 1987 includes \$167,500,000 congressional supplemental appropriation for revised accounting practices in meal reimbursements.

Funds available for Nutrition Education and Training and Child care feeding audits in 1988 are based on allowances in the 1988 short-term Continuing Resolutions (P.L. 100-120, P.L. 100-162, P.L. 100-193, and P.L. 100-197).

The child nutrition programs provide cash and commodity meal subsidies through the school lunch, school breakfast, summer food service and child care food programs. Federal funds are also made available for nutrition studies and State administrative expenses.

Object Classification (in thousands of dollars)

Identification code 12-3539-0-1-605	1987 actual	1988 est.	1989 est.
11.3 Personnel compensation: Other than full-time permanent ..	142	477	477
12.1 Civilian personnel benefits .....	11	38	38
21.0 Travel and transportation of persons .....	89	99	99
22.0 Transportation of things .....	4	4	4
23.3 Communications, utilities, and miscellaneous charges .....	36	36	36
24.0 Printing and reproduction .....	4	2,022	4
25.0 Other services .....	3,485	3,570	4,590
26.0 Supplies and materials (grants of commodities to States) .....	127,325	155,846	174,051
41.0 Grants, subsidies, and contributions .....	4,201,849	4,245,099	4,548,384
99.9 Total obligations .....	4,332,945	4,407,191	4,727,683

Personnel Summary

Total compensable workyears: Full-time equivalent employment .....	14	20	20
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**[SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)]**

**[For necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$1,802,363,000, to remain available through September 30, 1989.]**

**[STUDY OF MEDICAID SAVINGS FOR NEWBORNS FROM WIC PROGRAM]**

**[(a) STUDY.—The Secretary of Agriculture shall conduct a national study of savings in the amount of assistance provided to families with**

newborns under State plans for medical assistance approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and State indigent health care programs, during the first 60-day period after birth, as the result of the prenatal participation of mothers in the special supplemental food program authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

**(b) REPORT.—Not later than February 1, 1990, the Secretary shall submit to Congress a report that describes the results of the study conducted under subsection (a).**

**(c) FUNDING.—This section shall be carried out using funds made available under section 17(g)(3) of the Child Nutrition Act of 1966.]**

**[COMMODITY SUPPLEMENTAL FOOD PROGRAM]**

**[For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), including not less than \$8,000,000 for the projects in Detroit, New Orleans, and Des Moines, \$50,000,000: Provided, That funds available above those needed to serve 145,000 women, infants, and children and 80,000 elderly persons in States operating projects in 1987 shall be used to fund additional women, infants, and children in projects in States without projects in 1987: Provided further, That funds provided herein shall remain available through September 30, 1989: Provided further, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.]**

**SUPPLEMENTAL FEEDING PROGRAMS**

*For necessary expenses to carry out the Special Supplemental Food Program (section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786)) and Commodity Supplemental Food Program (CSFP) (section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), \$1,923,848,000, to remain available through September 30, 1990: Provided, That notwithstanding any other provision of law, amounts in excess of those necessary to fund fiscal year 1988 participation levels of women, infants, and children in the CSFP, and amounts in excess of those necessary to fund fiscal year 1988 participation levels of elderly in the CSFP shall be used to provide service to women, infants, and children in either program: Provided further, That the funds provided in this Act which are allocated to each program shall be the amount appropriated for purposes of determining State administrative grants pursuant to section 17(h) of the Child Nutrition Act and section 5(a) of the Agriculture and Consumer Protection Act: Provided further, That the funds provided in this Act which are allocated to section 17 of the Child Nutrition Act shall be the amount appropriated for purposes of determining migrant grants pursuant to section 17(g). (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code 12-3510-0-1-605	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,704,615	1,848,317	1,928,640
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-369	.....	.....
21.40 Unobligated balance available, start of year .....	-63	-746	-4,792
24.40 Unobligated balance available, end of year .....	746	4,792	.....
25.00 Unobligated balance lapsing .....	65	.....	.....
40.00 <b>Budget authority (appropriation)</b> .....	<b>1,704,994</b>	<b>1,852,363</b>	<b>1,923,848</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,704,615	1,848,317	1,928,640
72.40 Obligated balance, start of year .....	148,298	150,481	137,688
74.40 Obligated balance, end of year .....	-150,481	-137,688	-144,397
77.00 Adjustments in expired accounts .....	-358	.....	.....
78.00 Adjustments in unexpired accounts .....	-369	.....	.....
90.00 Outlays .....	1,701,705	1,861,109	1,921,931

**The Supplemental Feeding Programs.—Special Supplemental Food Program (WIC) and Commodity Supplemental Food program (CSFP)—give food supplements to low-income pregnant, post-partum, and breastfeeding women, infants, and children, and to low-income elderly.**

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

Identification code	1987 actual	1988 est.	1989 est.
12-3510-0-1-605			
25.0 Other services .....	1,992	2,100	3,000
26.0 Supplies and materials (grants of commodities to States) .....	32,115	35,293	41,328
41.0 Grants, subsidies, and contributions .....	1,670,508	1,810,924	1,884,312
99.9 Total obligations .....	1,704,615	1,848,317	1,928,640

**SUPPLEMENTAL FEEDING PROGRAMS**

(Proposed for later transmittal, proposed legislation)

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

Identification code	1987 actual	1988 est.	1989 est.
12-3510-2-1-605			
<b>Program by activities:</b>			
00.01 Commodity procurement .....			1,453
00.02 Administrative costs .....			-1,453
<b>Financing:</b>			
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

Proposed legislation would reduce the rate of administrative funds earned from 15 to 5 percent of the value of donated commodities. The additional funds will be made available for foods to support additional low-income participants.

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

Identification code	1987 actual	1988 est.	1989 est.
12-3510-2-1-605			
26.0 Supplies and materials (grants of commodities to States) .....			1,453
41.0 Grants, subsidies, and contributions .....			-1,453
99.9 Total obligations .....			

**【FOOD DONATIONS PROGRAMS】 CASH AND COMMODITIES FOR SELECTED GROUPS**

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), section 4(b) of the Food Stamp Act (7 U.S.C. 2013), and section 311 of the Older Americans Act of 1965, as amended (42 U.S.C. 3030(a)), **【\$194,108,000】 \$199,147,000.** (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	1987 actual	1988 est.	1989 est.
12-3503-0-1-605			
<b>Program by activities:</b>			
Commodity and cash subsidies:			
00.01 Commodities in lieu of food stamps .....	40,637	40,736	41,641
00.02 Distributing agency administrative costs .....	14,805	15,363	16,213
00.03 Elderly feeding .....	130,010	138,009	141,293
10.00 Total obligations .....	185,452	194,108	199,147
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	8,137		
40.00 Budget authority (appropriation) .....	193,589	194,108	199,147
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	185,452	194,108	199,147
72.40 Obligated balance, start of year .....	37,635	35,760	36,881
74.40 Obligated balance, end of year .....	-35,760	-36,881	-37,838
77.00 Adjustments in expired accounts .....	927		
90.00 Outlays .....	188,254	192,987	198,190

**Commodity and cash subsidies—**

**Commodities in lieu of food stamps.**—Nutritious commodities for needy persons on Indian reservations and the Island of Palau.

**Distributing agency administrative costs.**—Payments to assist distributing agencies in meeting the expenses of operating food distribution programs.

**Elderly feeding.**—Cash and commodity subsidies for meals served to the elderly, regardless of their incomes, under titles III and VI of the Older Americans Act of 1965.

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

Identification code	1987 actual	1988 est.	1989 est.
12-3503-0-1-605			
26.0 Supplies and materials (grants of commodities to States) .....	47,895	47,796	48,705
41.0 Grants, subsidies, and contributions .....	137,557	146,312	150,442
99.9 Total obligations .....	185,452	194,108	199,147

**HUMAN NUTRITION INFORMATION SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to enable the Human Nutrition Information Service to perform applied research and demonstrations relating to human nutrition and consumer use and economics of food utilization **【\$8,623,000】 \$9,288,000.** *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). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

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

Identification code	1987 actual	1988 est.	1989 est.
12-3501-0-1-352			
<b>Program by activities:</b>			
00.01 Direct program .....	6,777	8,623	9,288
01.01 Reimbursable program .....	3		
10.00 Total obligations .....	6,780	8,623	9,288
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-3		
25.00 Unobligated balance lapsing .....	208		
40.00 Budget authority (appropriation) .....	6,985	8,623	9,288
<b>Relations of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	6,777	8,623	9,288
72.40 Obligated balance, start of year .....	9,337	7,571	8,566
74.40 Obligated balance, end of year .....	-7,571	-8,566	-8,944
77.00 Adjustments in expired accounts .....	1,106		
90.00 Outlays .....	9,649	7,628	8,910

The Human Nutrition Information Service plans and conducts nutritional and dietary intake assessment surveys of the total U.S. population and selected groups; provides consultative assistance and sound guidance material to assist people in selecting adequate diets within different budget limitations; maintains and expands the Nutrient Data Bank and revises sections of Agriculture Handbook No. 8, "Composition of Foods"; responds to many different requests for guidance on practical food-related problems as well as on national and international food programs; and conducts nutrition education research and performs technical clearance of nutrition information for the Department.

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

Identification code 12-3501-0-1-352	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,548	2,524	2,524
11.3 Other than full-time permanent.....	350	436	436
11.9 Total personnel compensation.....	2,898	2,960	2,960
12.1 Civilian personnel benefits.....	374	488	600
21.0 Travel and transportation of persons.....	55	50	80
22.0 Transportation of things.....	25	4	5
23.3 Communications, utilities, and miscellaneous charges.....	57	200	100
24.0 Printing and reproduction.....	96	100	100
25.0 Other services.....	3,043	4,461	5,263
26.0 Supplies and materials.....	95	150	70
31.0 Equipment.....	134	210	110
99.0 Subtotal, direct obligations.....	6,777	8,623	9,288
99.0 Reimbursable obligations.....	3		
99.9 Total obligations.....	6,780	8,623	9,288

**Personnel Summary**

Total number of full-time permanent positions.....	77	79	79
Total compensable workyears: Full-time equivalent employment.....	90	90	90

**PACKERS AND STOCKYARDS ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**PACKERS AND STOCKYARDS ADMINISTRATION**

For necessary expenses for administration of the Packers and Stockyards Act, as authorized by law, and for certifying procedures used to protect purchasers of farm products, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, **[\$9,402,000] \$9,562,000.** (7 U.S.C. 181-229; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-2600-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	8,993	9,402	9,562
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-1		
25.00 Unobligated balance lapsing.....	89		
40.00 Budget authority (appropriation).....	9,081	9,402	9,562
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	8,992	9,402	9,562
72.40 Obligated balance, start of year.....	1,052	1,048	1,095
74.40 Obligated balance, end of year.....	-1,048	-1,095	-1,111
77.00 Adjustments in expired accounts.....	37		
90.00 Outlays.....	9,033	9,355	9,546

The goal of this program is to ensure the integrity of the livestock, meat, and poultry markets and the marketplace in order to protect producers against unfair, deceptive, or discriminatory practices as well as those that are predatory or monopolistic in nature. Consumers and members of the livestock, poultry, and meat industries are also protected against unfair business practices in the marketing of livestock, meat and poultry, and from restrictions on competition which could unduly affect prices. The Agency also carries out the Secretary's responsibilities under Section 1324 of the

Food Security Act of 1985 covering "central filing systems" established by States for pre-notification of security interests against farm products.

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

Identification code 12-2600-0-1-352	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	5,937	6,194	6,239
11.3 Other than full-time permanent.....	102	35	35
11.9 Total personnel compensation.....	6,039	6,229	6,274
12.1 Civilian personnel benefits.....	1,007	1,109	1,183
13.0 Benefits for former personnel.....	3	3	3
21.0 Travel and transportation of persons.....	612	608	622
22.0 Transportation of things.....	93	69	69
23.2 Rental payments to others.....	128	134	139
23.3 Communications, utilities, and miscellaneous charges.....	290	324	327
24.0 Printing and reproduction.....	30	22	23
25.0 Other services.....	642	735	749
26.0 Supplies and materials.....	67	82	83
31.0 Equipment.....	76	87	90
32.0 Land and structures.....	6		
99.9 Total obligations.....	8,993	9,402	9,562

**Personnel Summary**

Total number of full-time permanent positions.....	188	193	193
Total compensable workyears: Full-time equivalent employment.....	187	187	187

**AGRICULTURAL COOPERATIVE SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to carry out the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457), and for activities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and for activities with institutions or organizations throughout the world concerning the development and operation of agricultural cooperatives (7 U.S.C. 3291), **[\$4,611,000; of which \$99,000 shall be available for a field office in Hawaii] \$2,303,000.** Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$15,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 451-457, 1621-1627, 2225, 3291; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 12-3000-0-1-352	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	4,416	4,611	2,303
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	131		
40.00 Budget authority (appropriation).....	4,547	4,611	2,303
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,416	4,611	2,303
72.40 Obligated balance, start of year.....	2,102	1,554	1,955
74.40 Obligated balance, end of year.....	-1,554	-1,955	-976
77.00 Adjustments in expired accounts.....	-380		
90.00 Outlays.....	4,583	4,210	3,282

The Agricultural Cooperative Service performs research for farmer cooperatives. The agency's research program includes studies of economic, financial, organizational, managerial, legal, social, and policy related

issues that affect cooperatives. Data on membership, business volume, and financial condition are collected to detect changes in the structure, operation, and growth trends of cooperatives.

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

Identification code	12-3000-0-1-352	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	2,460	2,497	1,566
11.3	Other than full-time permanent	85	88	
11.5	Other personnel compensation	41	40	
11.9	Total personnel compensation	2,586	2,625	1,566
12.1	Civilian personnel benefits	319	356	216
13.0	Benefits for former personnel	2		
21.0	Travel and transportation of persons	142	155	78
22.0	Transportation of things	7		
23.2	Rental payments to others	2	2	
23.3	Communications, utilities, and miscellaneous charges	163	166	118
24.0	Printing and reproduction	67	40	10
25.0	Other services	1,019	1,182	300
26.0	Supplies and materials	34	40	10
31.0	Equipment	75	45	5
99.9	Total obligations	4,416	4,611	2,303

**Personnel Summary**

Total number of full-time permanent positions	64	64	45
Total compensable workyears: Full-time equivalent employment	63	63	45

**FOREST SERVICE**

*Federal Funds*

**General and special funds:**

**NATIONAL FOREST SYSTEM**

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for [liquidation of obligations made] reimbursement to other appropriation accounts from which funds were transferred in the preceding fiscal years [pursuant to 16 U.S.C. 556d] for forest firefighting and emergency rehabilitation of National Forest System lands, and for administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", [\$1,243,391,000] \$1,159,655,000, of which [\$296,758,000] \$188,246,000 for reforestation and timber stand improvement, cooperative law enforcement, fire-fighting, and maintenance of forest development roads and trails shall remain available for obligation until September 30, [1989] 1990. (7 U.S.C. 1010-12, 2201, 2250; 16 U.S.C. 472a-583i, 556d, 594, 670o(b), 1601-14; 30 U.S.C. 601-604; 611-614; 43 U.S.C. 1181h-j, 1241-43, 1901-08; Public Law 96-487; Public Law 99-478; Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-1106-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Land and resource protection	480,442	491,649	383,934
00.02	Renewable resource management and utilization	381,801	521,716	500,385
00.03	General administration	257,708	268,660	275,336
00.91	Total direct program	1,119,951	1,282,025	1,159,655
01.01	Reimbursable program	200,173	42,478	34,400
10.00	Total obligations	1,320,124	1,324,503	1,194,055
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-151,791	-32,211	-26,085
13.00	Trust funds	-48,382	-10,267	-8,315
17.00	Recovery of prior year obligations	-304		
21.40	Unobligated balance available, start of year	-4,741	-38,634	
24.40	Unobligated balance available, end of year	38,634		

25.00	Unobligated balance lapsing	31,628		
40.00	<b>Budget authority (appropriation)</b>	<b>1,185,168</b>	<b>1,243,391</b>	<b>1,159,655</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,119,951	1,282,025	1,159,655
72.40	Obligated balance, start of year	144,291	32,498	148,746
74.40	Obligated balance, end of year	-32,498	-148,746	-139,159
78.00	Adjustments in unexpired accounts	-304		
90.00	<b>Outlays</b>	<b>1,231,440</b>	<b>1,165,777</b>	<b>1,169,242</b>

The 156 National Forests, 19 National Grasslands, and 18 land utilization projects located in 44 States, Puerto Rico and the Virgin Islands are managed under multiple use and sustained yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are utilized in a planned combination that will best meet the needs of the Nation, without impairing productivity of the land or damaging the environment. These management and utilization principles are recognized in the Multiple-Use Sustained-Yield Act of June 12, 1960 (16 U.S.C. 528-531).

**Land and resource protection.**—Provides for the protection and/or maintenance of National Forest System users, resources, lands and facilities, including roads and trails.

**Renewable resource management and utilization.**—Provides for the management and utilization of the timber, mineral, range, recreation, wildlife, watershed, and soil resources on National Forest System lands.

**General administration.**—This activity represents that share of the cost which contributes to the support of programs financed from National forest system, Construction, Forest research, State and private forestry, and Land acquisition appropriations.

**MAIN WORKLOAD FACTORS**

Description:	1987 actual	1988 est.	1989 est.
Area administered and protected (million acres)	191	191	191
Timber sales prepared and offered (billion board-feet)	11.5	11.5	11.2
Timber volume harvested (billion board feet)	12.7	11.8	12.2
Reforestation (thousand acres) (appropriated)	139	119	119
Timber stand improvement (thousand acres) (appropriated)	223	144	168
Minerals management (operating plans)	25,104	22,107	24,820
Landline location (miles)	5,250	4,104	4,960
Fuel treatment including fuelbreaks (thousand acres)	345	320	258
Estimated number of visitor-days to national forests (millions) <sup>1</sup>	238	240	240
Wildlife habitat improvement (thousand acres)	94	66	44
Grazing use (millions AUM's permitted livestock)	9.9	9.9	9.8
Soil and water resource improvement (thousand acres)	10.4	6.9	5.3
<b>Receipts (in thousands of dollars):</b>			
<b>National forests fund:</b>			
Timber sales	786,345	791,000	806,000
Timber sales betterment	196,348	190,000	192,000
Minerals	10,676	15,000	15,000
Grazing	7,334	7,750	7,750
Recreation admission and user fees	30,559	31,800	32,000
Other	4,450	5,500	6,400
<b>National grasslands and land utilization:</b>			
Grazing	766	1,000	1,000
Minerals	36,012	37,000	42,000
Other	599	565	715
Oregon and California grant lands	21,653	24,000	24,000
<b>Total receipts</b>	<b>1,094,742</b>	<b>1,103,665</b>	<b>1,126,865</b>

<sup>1</sup> Including wilderness areas.

General and special funds—Continued

NATIONAL FOREST SYSTEM—Continued

Object Classification (In thousands of dollars)

Identification code 12-1106-0-1-302	1987 actual	1988 est.	1989 est.
<b>FOREST SERVICE</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	459,508	463,399	475,221
11.3 Other than full-time permanent.....	85,472	86,261	88,126
11.5 Other personnel compensation.....	65,819	66,377	68,069
11.8 Special personal services payments.....	14,561	14,779	29,706
11.9 Total personnel compensation.....	625,360	630,816	661,122
12.1 Civilian personnel benefits.....	97,565	98,416	103,144
13.0 Benefits for former personnel.....	9,270	9,348	9,586
21.0 Travel and transportation of persons.....	39,925	56,549	39,536
22.0 Transportation of things.....	12,899	18,270	12,773
23.1 Rental payments to GSA.....	13,932	16,599	17,465
23.2 Rental payments to others.....	9,319	13,199	9,228
23.3 Communications, utilities, and miscellaneous charges.....	29,203	41,362	28,918
24.0 Printing and reproduction.....	2,608	3,694	2,583
25.0 Other services.....	198,217	280,750	196,283
26.0 Supplies and materials.....	49,238	69,740	48,758
31.0 Equipment.....	26,026	36,863	25,772
32.0 Land and structures.....	3,789	5,367	3,752
41.0 Grants, subsidies, and contributions.....	67	95	66
42.0 Insurance claims and indemnities.....	591	837	585
44.0 Refunds.....	85	120	84
99.0 Subtotal, direct obligations.....	1,118,094	1,282,025	1,159,655
99.0 Reimbursable obligations.....	200,173	42,478	34,400
<b>ALLOCATION ACCOUNTS</b>			
Personnel compensation:			
11.1 Full-time permanent.....	808		
11.3 Other than full-time permanent.....	394		
11.5 Other personnel compensation.....	4		
11.9 Total personnel compensation.....	1,206		
12.1 Civilian personnel benefits.....	129		
21.0 Travel and transportation of persons.....	248		
22.0 Transportation of things.....	97		
23.2 Rental payments to others.....	4		
23.3 Communications, utilities, and miscellaneous charges.....	4		
25.0 Other services.....	105		
26.0 Supplies and materials.....	47		
31.0 Equipment.....	17		
99.0 Subtotal obligations, allocation accounts.....	1,857		
99.9 Total obligations.....	1,320,124	1,324,503	1,194,055
Obligations are distributed as follows:			
National Forest System, Agriculture.....	1,318,267	1,324,503	1,194,055
Bureau of Land Management, Interior.....	1,857		

Personnel Summary

Direct:			
Total number of permanent positions.....	18,654	18,767	18,974
Total compensable workyears:			
Full-time equivalent employment.....	23,377	23,180	23,673
Full-time equivalent of overtime and holiday hours.....	2,214	2,195	2,242
Reimbursable:			
Total number of permanent positions.....	232	172	138
Total compensable workyears:			
Full-time equivalent employment.....	232	234	189
Full-time equivalent of overtime and holiday hours.....	97	98	79
<b>ALLOCATION ACCOUNTS</b>			
Total number of permanent positions.....	44		
Total compensable workyears: Full-time equivalent employment.....	48		

CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, for construction, **[\$214,078,000]** \$203,974,000, to remain avail-

able until expended, of which **[\$27,643,000]** \$7,125,000 is for construction and acquisition of buildings and other facilities; and **[\$186,435,000]** \$196,849,000 is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That funds becoming available in fiscal year **[1988]** 1989 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States **[.]**: *Provided further*, That not to exceed \$125,367,000, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers. (7 U.S.C. 2250; 16 U.S.C. 501, 532-538, 555b, 571c, 1241-51, 1601, 1643; 42 U.S.C. 8259; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-1103-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Construction of facilities.....	26,657	25,481	7,125
00.02 Road and trail construction.....	219,671	231,055	196,849
00.03 Pollution abatement.....	1	1	
00.04 Land acquisition.....	12	10	
00.05 Mt. St. Helens timber salvage.....	1	1	
00.06 Mt. Elden work center.....	205	95	
00.91 Total direct program.....	246,547	256,643	203,974
01.01 Reimbursable program.....	3,498	3,200	2,900
10.00 Total obligations.....	250,045	259,843	206,874
Financing:			
Offsetting collections from:			
11.00 Federal funds.....	-1,850	-1,695	-1,536
14.00 Non-Federal sources.....	-1,648	-1,505	-1,364
17.00 Recovery of prior year obligations.....	-676		
21.40 Unobligated balance available, start of year.....	-22,553	-42,565	
24.40 Unobligated balance available, end of year.....	42,565		
25.00 Unobligated balance lapsing.....	1,312		
40.00 Budget authority (appropriation).....	267,195	214,078	203,974
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	246,547	256,643	203,974
72.40 Obligated balance, start of year.....	91,164	108,579	145,768
74.40 Obligated balance, end of year.....	-108,579	-145,768	-159,218
78.00 Adjustments in unexpired accounts.....	-676		
90.00 Outlays.....	228,456	219,454	190,524

Construction of facilities—

**Recreation facilities.**—Provides facilities necessary to safely meet recreation demand without sacrificing environmental values and without unduly impinging upon other resource uses of the National Forests.

**Other facilities.**—Provides for construction and acquisition of fire, administrative, and other improvements and related facilities necessary to carry out National Forest and State and private forestry programs. Includes fire lookouts, offices, dwellings and barracks for employee housing, service, and storage buildings, insectories, tree nursery buildings, dams, and other forest resource management projects. Efforts to make buildings more energy efficient (retrofit) will be continued.

**Research construction.**—Provides for construction, alteration, and improvement of research laboratories and related facilities, and for procurement and installation of necessary initial equipment needed to put the facility into operating condition. Efforts to make research facilities more energy efficient (retrofit) will be continued.

Road and trail construction—

**Road and trail construction.**—Roads and trails are essential to the protection and management of the National Forest System, as well as providing access to



National Forest System areas for recreation and utilization of their resources. Of the revenues received annually from National Forest activities, 10 percent is being transferred to the General Fund with a comparable amount appropriated to the construction program for road and trail construction activities.

**Timber purchaser construction.**—Roads may be constructed and/or reconstructed by a timber purchaser who in turn receives credit against timber value as a reimbursement. These roads are those required within a timber sale area specifically for the removal of the timber, but which will remain on the National Forest development road system for resource management purposes after the timber sale contract is completed. (16 U.S.C. 535, 1608.)

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

Identification code	12-1103-0-1-302	1987 actual	1988 est.	1989 est.
<b>FOREST SERVICE</b>				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	75,440	67,036	65,510
11.3	Other than full-time permanent	7,761	6,889	6,736
11.5	Other personnel compensation	1,661	1,471	1,347
11.8	Special personal services payments	2,526	2,404	2,416
11.9	Total personnel compensation	87,388	77,800	76,009
12.1	Civilian personnel benefits	12,581	11,201	10,943
13.0	Benefits for former personnel	722	642	627
21.0	Travel and transportation of persons	3,506	4,043	2,789
22.0	Transportation of things	1,296	1,494	1,031
23.1	Rental payments to CSA	2,356	2,807	2,953
23.2	Rental payments to others	2,326	2,682	1,850
23.3	Communications, utilities, and miscellaneous charges	4,084	4,709	3,249
24.0	Printing and reproduction	561	647	446
25.0	Other services	66,491	76,668	53,058
26.0	Supplies and materials	7,564	8,722	6,017
31.0	Equipment	5,562	6,413	4,424
32.0	Land and structures	50,631	58,380	40,278
41.0	Grants, subsidies, and contributions	5	6	4
42.0	Insurance claims and indemnities	256	295	204
44.0	Refunds	116	134	92
99.0	Subtotal, direct obligations	245,445	256,643	203,974
99.0	Reimbursable obligations	3,498	3,200	2,900
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>				
Personnel compensation:				
11.1	Full-time permanent	196		
11.3	Other than full-time permanent	1		
11.5	Other personnel compensation	1		
11.9	Total personnel compensation	198		
12.1	Civilian personnel benefits	16		
21.0	Travel and transportation of persons	34		
22.0	Transportation of things	14		
23.3	Communications, utilities and miscellaneous charges	3		
24.0	Printing and reproduction	3		
25.0	Other services	2		
26.0	Supplies and materials	4		
31.0	Equipment	2		
32.0	Land and structures	828		
99.0	Subtotal, obligations, Federal Highway Administration	1,104		
99.9	Total obligations	250,045	259,843	206,874

**Personnel Summary**

FOREST SERVICE			
Direct:			
Total number of full-time permanent positions	2,862	2,523	2,431
Total compensable workyears:			
Full-time equivalent employment	3,178	2,769	2,695

Full-time equivalent of overtime and holiday hours	52	45	44
Reimbursable:			
Total number of full-time permanent positions	23	21	18
Total compensable workyears:			
Full-time equivalent employment	32	29	26
Full-time equivalent of overtime and holiday hours	1	1	1

**FEDERAL HIGHWAY ADMINISTRATION**

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

**FOREST RESEARCH**

For necessary expenses of forest research as authorized by law, [\$135,510,000 of which \$3,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307] \$129,279,000. (16 U.S.C. 1601-10, 1641-47; Public Law 95-495; Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-1104-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Fire and atmospheric sciences research	8,482	8,945	
00.02	Forest insect and disease research	22,761	23,533	
00.03	Forest inventory and analysis research	17,041	17,664	
00.04	Renewable resources economics research	4,589	4,977	
00.05	Timber management research	24,046	26,548	24,721
00.06	Watershed management and rehabilitation research	15,882	16,692	
00.07	Wildlife, range and fish habitat research	11,813	12,567	
00.08	Forest recreation research	2,534	2,712	
00.09	Forest products and harvesting research	18,970	19,860	18,748
00.10	Forest protection research			33,260
00.11	Resource analysis research			23,470
00.12	Forest environment research			29,080
00.13	Competitive grants		3,000	
00.91	Total direct program	126,118	136,498	129,279
01.01	Reimbursable program	11,329	12,300	11,600
10.00	Total obligations	137,447	148,798	140,879
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-10,622	-11,562	-10,905
14.00	Non-Federal sources	-706	-738	-695
21.40	Unobligated balance available, start of year		-988	
24.40	Unobligated balance available, end of year	988		
25.00	Unobligated balance restored	-386		
39.00	<b>Budget authority</b>	<b>126,721</b>	<b>135,510</b>	<b>129,279</b>
Budget authority:				
40.00	Appropriation	131,726	135,510	129,279
41.00	Transferred to other accounts	-5,005		
43.00	<b>Appropriation (adjusted)</b>	<b>126,721</b>	<b>135,510</b>	<b>129,279</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	126,118	136,498	129,279
72.40	Obligated balance, start of year	22,198	28,449	35,158
74.40	Obligated balance, end of year	-28,449	-35,158	-41,673
90.00	Outlays	119,867	129,789	122,764

Research is conducted and disseminated through eight regional forest experiment stations and the Forest Products Laboratory and includes both in-house and extramural programs.

**Timber management research.**—Research is conducted to develop improved silvicultural alternatives and management guidelines to increase the productivity and multiple-use benefits of forest lands, maximize tree growth and quality, and maintain land productivity.

General and special funds—Continued

FOREST RESEARCH—Continued

**Forest products and harvesting research.**—Research is conducted to provide technology to harvest and utilize timber more efficiently and in ways that are environmentally acceptable, to improve the performance of wood products, and to expand opportunities for wood products exports.

**Forest protection research.**—Research is conducted to understand the impact of forest fires, atmospheric factors, insects, and diseases on forest and range ecosystems; to improve methods for preventing, predicting, controlling, and reducing the effects of wildfire, insects, and diseases, and for using fire for resource management; and to acquire basic knowledge to monitor and predict atmospheric effects on forests.

**Resource analysis research.**—Research is conducted to provide inventory information on forest resources; to determine the effects of economic and institutional forces on forest product markets and forest management strategies; and to improve methods of managing outdoor recreation and wilderness.

**Forest environment research.**—Research is conducted to provide knowledge needed to manage forests and range non-timber resources; including wildlife and fish habitats, watersheds, and forage.

For 1989, forest research will focus on basic research thus allowing the private sector to concentrate on developmental and applied research. Competitive research grants will be terminated.

Object Classification (in thousands of dollars)

Identification code	12-1104-0-1-302	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	58,286	59,026	58,812
11.3	Other than full-time permanent .....	10,333	10,455	10,426
11.5	Other personnel compensation .....	306	322	324
11.8	Special personal service payments .....	2	2	1
11.9	Total personnel compensation .....	68,927	69,805	69,563
12.1	Civilian personnel benefits .....	9,375	9,494	9,461
13.0	Benefits for former personnel .....	123	125	125
21.0	Travel and transportation of persons .....	4,326	5,290	5,039
22.0	Transportation of things .....	646	790	753
23.1	Rental payments to GSA .....	1,659	1,977	2,080
23.2	Rental payments to others .....	107	131	125
23.3	Communications, utilities, and miscellaneous charges .....	3,678	4,498	4,285
24.0	Printing and reproduction .....	597	730	695
25.0	Other services .....	15,417	18,853	17,960
26.0	Supplies and materials .....	3,480	4,255	4,053
31.0	Equipment .....	4,999	6,113	5,823
32.0	Land and structures .....	157	192	183
41.0	Grants, subsidies, and contributions .....	12,606	14,220	9,110
42.0	Insurance claims and indemnities .....	6	7	7
44.0	Refunds .....	15	18	17
99.0	Subtotal, direct obligations .....	126,118	136,498	129,279
99.0	Reimbursable obligations .....	11,329	12,300	11,600
99.9	Total obligations .....	137,447	148,798	140,879

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	1,865	1,880	1,847
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	2,305	2,297	2,282
Full-time equivalent of overtime and holiday hours .....	11	11	10
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	37	38	36

Total compensable workyears:			
Full-time equivalent employment .....	91	93	88
Full-time equivalent of overtime and holiday hours .....	1	1	1

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical [and financial] assistance to States, Territories, possessions, and others; and for forest pest management activities, [\$76,469,000] \$34,781,000, to remain available until expended, as authorized by law: *Provided*, That a grant of \$2,800,000 shall be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495: *Provided further*, That notwithstanding any other provision of law, a grant of \$6,400,000 shall be provided to the appropriate entity in the city of Kellogg, Idaho for construction of a gondola and shall be matched from other sources]. (16 U.S.C. 2101-2106, 2109-2111; Public Law 95-495; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1105-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Forest pest management .....	27,479	51,900	28,111
00.02	Fire protection .....	15,990	14,017	3,870
00.03	Forest management and utilization .....	7,659	10,973	.....
00.04	Special projects .....	6,287	10,875	2,800
00.91	Total direct program .....	57,415	87,765	34,781
01.01	Reimbursable program .....	8,557	12,200	5,200
10.00	Total obligations .....	65,972	99,965	39,981
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds .....	-8,224	-11,725	-4,998
14.00	Non-Federal sources .....	-333	-475	-202
17.00	Recovery of prior year obligations .....	-9	.....	.....
21.40	Unobligated balance available, start of year .....	-2,295	-11,296	.....
24.40	Unobligated balance available, end of year .....	11,296	.....	.....
25.00	Unobligated balance lapsing .....	147	.....	.....
39.00	<b>Budget authority .....</b>	<b>66,554</b>	<b>76,469</b>	<b>34,781</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	67,549	76,469	34,781
41.00	Transferred to other accounts .....	-995	.....	.....
43.00	<b>Appropriation (adjusted) .....</b>	<b>66,554</b>	<b>76,469</b>	<b>34,781</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	57,415	87,765	34,781
72.40	Obligated balance, start of year .....	20,023	22,069	30,836
74.40	Obligated balance, end of year .....	-22,069	-30,836	-19,872
78.00	Adjustments in unexpired accounts .....	-9	.....	.....
90.00	<b>Outlays .....</b>	<b>55,360</b>	<b>78,998</b>	<b>45,745</b>

Cooperative forestry assistance is provided to all the States, Puerto Rico, Virgin Islands, Guam, the Northern Mariana Islands and the Trust Territory of the Pacific to promote protection and management of forest lands.

**Forest pest management.**—Protects forest resources and processed wood from insects and diseases directly on National Forests and other Federal lands and in cooperation with States on non-Federal lands.

**Fire protection.**—Helps State forestry organizations to achieve fire protection efficiency through activities of national interest on non-Federal wildlands.

**Forest management and utilization.**—Improves management of non-industrial private forest resources; increases wood utilization; increases seedling production and nursery capacity of State tree nurseries; expands

State tree improvement programs; and provides management and planning assistance.

*Special projects.*—Assistance will be provided to Minnesota for forestry impacts of the Boundary Waters Canoe Area Wilderness.

For 1989, financial assistance to the States will be terminated and limited technical assistance will be provided. State forestry programs have matured sufficiently to justify reduced Federal assistance.

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

Identification code 12-1105-0-1-302	1987 actual	1988 est.	1989 est.
<b>FOREST SERVICE</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	11,359	11,961	9,980
11.3 Other than full-time permanent .....	1,587	1,624	1,391
11.5 Other personnel compensation .....	392	393	314
11.9 Total personnel compensation .....	13,338	13,978	11,685
12.1 Civilian personnel benefits .....	1,803	1,890	1,580
13.0 Benefits for former personnel .....	114	120	100
21.0 Travel and transportation of persons .....	2,058	4,703	2,252
22.0 Transportation of things .....	180	411	197
23.1 Rental payments to GSA .....	679	809	851
23.2 Rental payments to others .....	489	1,117	535
23.3 Communications, utilities, and miscellaneous charges .....	48	110	53
24.0 Printing and reproduction .....	629	1,437	688
25.0 Other services .....	7,311	16,707	7,998
26.0 Supplies and materials .....	1,445	3,302	1,581
31.0 Equipment .....	452	1,033	495
32.0 Land and structures .....	152	347	166
41.0 Grants, subsidies, and contributions .....	27,125	39,188	4,877
42.0 Insurance claims and indemnities .....	660	1,509	723
99.0 Subtotal, direct obligations .....	56,483	86,661	33,781
99.0 Reimbursable obligations .....	8,557	12,200	5,200
<b>ALLOCATION TO THE DEPARTMENT OF THE INTERIOR</b>			
Personnel compensation:			
11.1 Full-time permanent .....	324	384	352
11.3 Other than full-time permanent .....	220	260	236
11.5 Other personnel compensation .....	28	33	32
11.8 Special personal service payments .....	15	18	17
11.9 Total personnel compensation .....	587	695	637
12.1 Civilian personnel benefits .....	56	66	60
13.0 Benefits for former personnel .....	2	2	2
21.0 Travel and transportation of persons .....	14	17	15
22.0 Transportation of things .....	47	56	43
23.3 Communications, utilities, and miscellaneous charges .....	4	5	4
24.0 Printing and reproduction .....	3	4	3
25.0 Other services .....	159	188	171
26.0 Supplies and materials .....	52	62	56
31.0 Equipment .....	8	9	9
99.0 Subtotal, obligations, Department of the Interior .....	932	1,104	1,000
99.9 Total obligations .....	65,972	99,965	39,981
Obligations are distributed as follows:			
State and Private Forestry, Agriculture .....	65,040	98,861	38,981
National Park Service, Interior .....	303	356	324
Bureau of Land Management, Interior .....	136	142	127
U.S. Fish and Wildlife Service, Interior .....	19	23	21
Bureau of Indian Affairs, Interior .....	474	583	528

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	390	404	342
Total compensable workyears:			
Full-time equivalent employment .....	473	488	415
Full-time equivalent of overtime and holiday hours .....	16	17	14
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	16	24	10
Total compensable workyears: Full-time equivalent employment .....	16	22	9

**ALLOCATION ACCOUNTS**

Total number of full-time permanent positions .....	17	21	19
Total compensable workyears:			
Full-time equivalent employment .....	18	22	20
Full-time equivalent of overtime and holiday hours .....	1	1	1

**OTHER APPROPRIATIONS**

**[TIMBER SALVAGE SALES]**

**[For design, engineering and supervision of construction of roads, for salvage timber sales, and for sale preparation and supervision of harvesting of such timber, \$37,000,000, to remain available until expended: *Provided*, That the appropriation shall be merged with and made a part of the designated fund authorized by section 14(h) of Public Law 94-588, October 1976; *Provided further*, That moneys received from the timber salvage sales program in fiscal year 1988 shall be considered as money received for the purposes of computing and distributing 25 per centum payments to local governments under 16 U.S.C. 500, as amended.]**

**TONGASS TIMBER SUPPLY FUND**

*For necessary expenses for the Tongass National Forest pursuant to section 705(a) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 539d(a)), as amended, \$40,699,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)*

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

Identification code 12-9911-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Acquisition of lands for Winema National Forest, OR .....	26		
00.02 Forest management, protection and utilization .....	-325	187	
00.03 Timber salvage .....		37,000	
00.04 Tongass timber supply fund .....			40,699
10.00 Total obligations .....	-299	37,187	40,699
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-64	-187	
24.40 Unobligated balance available, end of year .....	187		
25.00 Unobligated balance lapsing .....	176		
40.00 <b>Budget authority (appropriation) .....</b>		<b>37,000</b>	<b>40,699</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-299	37,187	40,699
72.40 Obligated balance, start of year .....	434	-58	2,960
74.40 Obligated balance, end of year .....	58	-2,960	-14,265
90.00 Outlays .....	193	34,169	29,394
Distribution of budget authority by account:			
Timber salvage sales .....		37,000	
Tongass timber supply fund .....			40,699
Distribution of outlays by account:			
Forest management, protection and utilization .....	193	129	
Timber salvage sales .....		34,040	2,960
Tongass timber supply fund .....			26,434

**Acquisition of lands for Winema National Forest, OR.**—This special account is established for receipt of a donation to the Secretary of Agriculture for acquisition of lands or interests therein within the Winema National Forest.

**Timber salvage sales.**—Provides for salvage of timber resulting from forest fire impact.

**Tongass timber supply fund.**—Provides for management of the Tongass National Forest and to maintain the timber supply at a specified level.

General and special funds—Continued

OTHER APPROPRIATIONS—Continued

TONGASS TIMBER SUPPLY FUND—Continued

Object Classification (in thousands of dollars)

Identification code	12-9911-0-1-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent		9,536	10,663
11.3	Other than full-time permanent		1,585	1,059
11.5	Other personnel compensation		343	362
11.8	Special personal services payments		3	1
11.9	Total personnel compensation	11,467	12,085	
12.1	Civilian personnel benefits	1,703	4,422	
13.0	Benefits for former personnel	35	66	
21.0	Travel and transportation of persons	1,790	1,988	
22.0	Transportation of things	1,085	388	
23.1	Rental payments to GSA	179	1,393	
23.2	Rental payments to others	727	53	
23.3	Communications, utilities, and miscellaneous charges	2,465	780	
24.0	Printing and reproduction	301	284	
25.0	Other services	11,044	3,170	
26.0	Supplies and materials	3,078	773	
31.0	Equipment	3,024	834	
32.0	Land and structures	-299	219	14,096
41.0	Grants, subsidies, and contributions		1	3
42.0	Insurance claims and indemnities		65	363
44.0	Refunds		4	1
99.9	Total obligations	-299	37,187	40,699

Personnel Summary

Total number of permanent positions	431	412
Total compensable work-years:		
Full-time equivalent employment	505	443
Full-time equivalent of overtime and holiday hours	11	12

OPERATION AND MAINTENANCE OF RECREATION FACILITIES

For operation, maintenance, and construction of recreation facilities, not to exceed \$8,700,000, to be derived from the special fee account established pursuant to section 5201 of Public Law 100-203, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	12-5072-0-2-303	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations			8,700
Financing:				
40.00	Budget authority (appropriation) (special fund)			8,700
Relation of obligations to outlays:				
71.00	Obligations incurred, net			8,700
74.40	Obligated balance, end of year			-2,166
90.00	Outlays			6,534

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority			8,700
Outlays			6,534
Proposed for later transmittal under proposed legislation:			
Budget authority			23,100
Outlays			17,348
Total:			
Budget authority			31,800
Outlays			23,882

The Budget Reconciliation Act, Public Law 100-203, established a special receipt account to be made available for resource protection, research, interpretation, and maintenance activities related to resource protection in recreation areas. The funds remaining in this

account, after the States receive their share, are available for appropriation the following fiscal year.

Object Classification (in thousands of dollars)

Identification code	12-5072-0-2-303	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent			1,728
11.3	Other than full-time permanent			326
11.5	Other personnel compensation			1
11.9	Total personnel compensation			2,055
12.1	Civilian personnel benefits			321
21.0	Travel and transportation of persons			679
22.0	Transportation of things			219
23.2	Rental payments to others			158
23.3	Communications, utilities, and miscellaneous charges			496
24.0	Printing and reproduction			44
25.0	Other services			3,370
26.0	Supplies and materials			838
31.0	Equipment			444
32.0	Land and structures			64
42.0	Insurance claims and indemnities			12
99.9	Total obligations			8,700

Personnel Summary

Total number of full-time permanent positions	69
Total compensable work-years: Full-time employment	86

OPERATION AND MAINTENANCE OF RECREATION FACILITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification Code	12-5072-2-2-303	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations			23,100
Financing:				
40.00	Budget authority (appropriation) (special fund)			23,100
Relation of obligations to outlays:				
71.00	Obligations incurred, net			23,100
74.40	Obligated balance, end of year			-5,752
90.00	Outlays			17,348

Outdoor recreation occurs throughout National Forest System lands. Legislation will be proposed to make recreation revenues available for program operations. Recreationists who enjoy National Forest System lands will receive direct benefit from the revenues collected.

Object Classification (in thousands of dollars)

Identification code	12-5072-2-2-303	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent			4,617
11.3	Other than full-time permanent			858
11.5	Other personnel compensation			4
11.9	Total personnel compensation			5,479
12.1	Civilian personnel benefits			855
21.0	Travel and transportation of persons			1,799
22.0	Transportation of things			581
23.2	Rental payments to others			425
23.3	Communications, utilities, and miscellaneous charges			1,316
24.0	Printing and reproduction			118
25.0	Other services			8,932
26.0	Supplies and materials			2,218
31.0	Equipment			1,172
32.0	Land and structures			171
42.0	Insurance claims and indemnities			3

44.0	Refunds.....	31
99.9	Total obligations.....	23,100

**Personnel Summary**

Total number of full-time permanent positions.....	186
Total compensable workyears:	
Full-time equivalent employment.....	233
Full-time equivalent of overtime and holiday hours.....	5

**RANGE BETTERMENT FUND**

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 per cent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements. (43 U.S.C. 1751, 1901-1908; Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-5207-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	3,737	4,171	3,875
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-496	-566	
24.40	Unobligated balance available, end of year.....	566		
40.00	<b>Budget authority (appropriation) (indefinite).....</b>	<b>3,807</b>	<b>3,605</b>	<b>3,875</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	3,738	4,171	3,875
72.40	Obligated balance, start of year.....	993	1,020	1,546
74.40	Obligated balance, end of year.....	-1,020	-1,546	-1,600
90.00	Outlays.....	3,711	3,645	3,821

Fifty percent of the grazing fees from the National Forests in the 16 western States, once appropriated, are used to protect and improve the productivity of the range, mainly by revegetation, construction, and maintenance of improvements. Capital improvement funding is currently being collected under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

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

Identification code	12-5207-0-2-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	554	572	597
11.3	Other than full-time permanent.....	586	607	637
11.5	Other personnel compensation.....	68	95	103
11.9	Total personnel compensation.....	1,208	1,274	1,337
12.1	Civilian personnel benefits.....	139	147	154
13.0	Benefits for former personnel.....	11	11	11
21.0	Travel and transportation of persons.....	24	28	24
22.0	Transportation of things.....	25	29	25
23.2	Rental payments to others.....	1	1	1
23.3	Communications, utilities, and miscellaneous charges.....	27	31	27
24.0	Printing and reproduction.....	1	1	1
25.0	Other services.....	608	700	606
26.0	Supplies and materials.....	1,436	1,654	1,434
31.0	Equipment.....	69	79	68
32.0	Land and structures.....	187	215	186
42.0	Insurance claims and indemnities.....	1	1	1
99.9	Total obligations.....	3,737	4,171	3,875

**Personnel Summary**

Total number of full-time permanent positions.....	28	28	29
Total compensable workyears:			
Full-time equivalent employment.....	72	72	75
Full-time equivalent of overtime and holiday hours.....	3	3	3

**LAND ACQUISITION**

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, [ \$49,076,000 ] \$3,900,000 to be derived from the Land and Water Conservation Fund, to remain available until expended; *Provided*, That, notwithstanding any other provision of law, the Secretary of Agriculture, as soon as practicable, shall—

(1) acquire the following described lands (containing approximately 2,000 acres) from the owner of such real property:

All that portion of sections 17, 18, 19, and 20 in township 25 north range 11 west Mt. Diablo Meridian Trinity County, California, described as follows:

The west half of the southwest quarter; the west half of the east half of the southwest quarter of section 17.

Lots 9, 10, 11, and 12 and the southeast quarter of section 18.

Lots 5, 6, 7, 8, 17, and 18 and the northeast quarter of section 19.

The west half of the northwest quarter; the west half of the northeast quarter of the northwest quarter; the southeast quarter of the northeast quarter of the northwest quarter; the southeast quarter of the northwest quarter; the southwest quarter of the northeast quarter and the south half of the northwest quarter of the northeast quarter of section 20.

All that portion of sections 13, 14, and 24 in township 25 north range 12 west Mount Diablo Meridian Trinity County, California, described as follows:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12; the west half of the northeast quarter; the east half of the west half; the northwest quarter of the northwest quarter; and the southwest quarter of the southwest quarter of section 13.

Lots 3, 4, 5, and 6; the west half of the northwest quarter of the northeast quarter; and the east half of the northeast quarter of the northeast quarter; the southeast quarter of the southeast quarter; and the southwest quarter of the northeast quarter; and the northeast quarter of the northwest quarter of section 14.

Lots 1, 2, 7, and 8 of section 24.

Tracts 44, 55, and 76;]

[(2) in consideration of such acquisition, reduce the aggregate outstanding loan balance, with respect to loans made to such owner by the Farmers Home Administration, by an amount equal to the fair market value (as determined by the Secretary) of such real property, plus the reasonable expenses incurred by such owner in executing such transfer of title, plus an amount equal to the reasonably expected liability of such owner for Federal, State, and local taxes incurred on account of such transfer of title, except that such reduction shall not exceed \$1,250,000; and]

[(3) transfer such lands to the Forest Service for such sums as the Secretary determines to be appropriate, which lands shall be added to, and administered as part of, the Yolla-Bolly Middle Eel Wilderness].

[The Secretary of Agriculture is directed to use funds in the in-holding and composite land acquisition account to purchase the Torre Canyon Ranch, in the Los Padres National Forest, California, at a cost not to exceed fair market value.] (16 U.S.C. 4601, 516-517a, 555a; Public Law 96-586; Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-5004-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Land acquisition.....	51,393	93,729	3,900
00.02	Columbia River Gorge.....	2,217	783	
00.03	Weeks Act.....		22	
10.00	Total obligations.....	53,610	94,534	3,900

General and special funds—Continued

LAND ACQUISITION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 12-5004-0-2-303	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-46,832	-45,458	
24.40 Unobligated balance available, end of year.....	45,458		
<b>40.00 Budget authority (appropriation).....</b>	<b>52,236</b>	<b>49,076</b>	<b>3,900</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	53,610	94,534	3,900
72.40 Obligated balance, start of year.....	8,810	9,871	50,124
74.40 Obligated balance, end of year.....	-9,871	-50,124	-17,113
<b>90.00 Outlays.....</b>	<b>52,549</b>	<b>54,281</b>	<b>36,911</b>

Recreation lands and interests are acquired within areas of the National Forest System, wilderness, wild-life habitat management areas, endangered species and other areas for public outdoor recreation purposes.

Object Classification (in thousands of dollars)

Identification code 12-5004-0-2-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,093	1,943	1,953
11.3 Other than full-time permanent.....	127	129	130
11.5 Other personnel compensation.....	16	16	16
<b>11.9 Total personnel compensation.....</b>	<b>2,236</b>	<b>2,088</b>	<b>2,099</b>
12.1 Civilian personnel benefits.....	387	320	322
13.0 Benefits for former personnel.....	5	5	5
21.0 Travel and transportation of persons.....	97	175	101
22.0 Transportation of things.....	18	34	20
23.1 Rental payments to GSA.....	39	46	49
23.2 Rental payments to others.....	49	92	53
23.3 Communications, utilities, and miscellaneous charges.....	68	128	74
24.0 Printing and reproduction.....	1	2	1
25.0 Other services.....	1,073	1,903	1,098
26.0 Supplies and materials.....	45	85	49
31.0 Equipment.....	10	13	8
32.0 Land and structures.....	49,563	89,607	
42.0 Insurance claims and indemnities.....	1	2	1
44.0 Refunds.....	18	34	20
<b>99.9 Total obligations.....</b>	<b>53,610</b>	<b>94,534</b>	<b>3,900</b>

Personnel Summary

Total number full-time permanent positions.....	71	67	67
Total compensable workyears: Full-time equivalent employment.....	74	70	70

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 Toiyable National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, \$966,000, to be derived from forest receipts. (49 Stat. 866; 52 Stat. 347; 52 Stat. 1205; 54 Stat. 299; 75 Stat. 699; 79 Stat. 899; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	42	-353	-353
Receipts.....	571	966	966
Appropriation.....	-966	-966	-966
<b>Unappropriated balance, end of year.....</b>	<b>-353</b>	<b>-353</b>	<b>-353</b>

Program and Financing (in thousands of dollars)

Identification code 12-5208-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Cache National Forest, Utah.....	9	20	20
00.02 Uinta and Wasatch National Forests, Utah.....		30	30
00.03 Toiyabe National Forest, Nevada.....	10	10	10
00.04 San Bernardino and Cleveland National Forests, California.....		486	486
00.05 Angeles National Forest, California.....	263	260	260
00.06 Cleveland National Forest, California.....	295	160	160
<b>10.00 Total obligations.....</b>	<b>577</b>	<b>966</b>	<b>966</b>
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	389		
<b>40.00 Budget authority (appropriation).....</b>	<b>966</b>	<b>966</b>	<b>966</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	577	966	966
72.40 Obligated balance, start of year.....	7	93	152
74.40 Obligated balance, end of year.....	-93	-152	-152
<b>90.00 Outlays.....</b>	<b>491</b>	<b>907</b>	<b>966</b>

On the basis of various public laws and agreements with certain counties in Utah, Nevada, and California, National Forest receipts, including the portions which would normally be paid to the State to benefit county roads and schools, are used by the Federal Government for purchase of privately owned lands within the National Forests boundaries to aid in the control of soil erosion and flood damage.

Object Classification (in thousands of dollars)

Identification code 12-5208-0-2-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation: Full-time permanent.....</b>			
11.1 Personnel compensation: Full-time permanent.....	26	44	45
12.1 Civilian personnel benefits.....	3	5	5
21.0 Travel and transportation of persons.....	2	3	3
25.0 Other contractual services.....	2	3	3
26.0 Supplies and materials.....	1	2	2
32.0 Land and structures.....	543	909	908
<b>99.9 Total obligations.....</b>	<b>577</b>	<b>966</b>	<b>966</b>

Personnel Summary

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

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-5216-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Acquisition of land:			
00.01 Arizona.....	1	800	
00.02 California.....	951	250	250
00.03 Colorado.....	43	480	192
00.04 Georgia.....	19	21	
00.05 New Mexico.....		63	
00.06 Texas.....	158	175	175
<b>10.00 Total obligations.....</b>	<b>1,172</b>	<b>1,789</b>	<b>617</b>
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,550	-1,951	-1,152

24.40	Unobligated balance available, end of year.....	1,951	1,152	870
40.00	<b>Budget authority (appropriation) (indefinite).....</b>	<b>1,573</b>	<b>990</b>	<b>335</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,171	1,789	617
72.40	Obligated balance, start of year.....	369	44	781
74.40	Obligated balance, end of year.....	-44	-781	-990
90.00	Outlays.....	1,496	1,052	408

This is a special account for deposits made by State, county, or municipal governments, public school districts or other public school authorities for cash equalization of certain land exchanges. When appropriated, the funds are used to acquire similar lands suitable for National Forest System purposes in the same State as the National Forest lands conveyed in the land exchange (16 U.S.C. 484a as amended).

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

Identification code	12-5216-0-2-302	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent.....	1	1	1
21.0	Travel and transportation of persons.....	1	1	1
25.0	Other services.....	3	3	3
26.0	Supplies and materials.....	1	1	1
31.0	Equipment.....	1	1	1
32.0	Land and structures.....	1,165	1,782	610
99.9	<b>Total obligations.....</b>	<b>1,172</b>	<b>1,789</b>	<b>617</b>

**Personnel Summary**

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

**OPERATIONS AND MAINTENANCE OF QUARTERS**

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

Identification code	12-5219-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	4,884	7,862	5,869
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-1,516	-2,362	
24.40	Unobligated balance available, end of year.....	2,362		
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>5,730</b>	<b>5,500</b>	<b>5,869</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	4,883	7,862	5,869
72.40	Obligated balance, start of year.....	764	918	3,340
74.40	Obligated balance, end of year.....	-918	-3,340	-3,404
90.00	Outlays.....	4,729	5,440	5,805

Quarterly rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are available for the maintenance and operation of employee occupied quarters.

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

Identification code	12-5219-0-2-302	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,326	1,320	1,379
11.3	Positions other than permanent.....	434	423	443
11.5	Other personnel compensation.....	26	38	38
11.9	<b>Total personnel compensation.....</b>	<b>1,786</b>	<b>1,781</b>	<b>1,860</b>

12.1	Civilian personnel benefits.....	270	269	281
13.0	Benefits for former personnel.....	1	1	1
21.0	Travel and transportation of persons.....	35	72	46
22.0	Transportation of things.....	22	45	29
23.1	Rental payments to GSA.....	38	40	41
23.2	Rental payments to others.....	22	46	29
23.3	Communications, utilities, and miscellaneous charges.....	278	575	367
24.0	Printing and reproduction.....	1	2	1
25.0	Other services.....	987	2,042	1,305
26.0	Supplies and materials.....	1,150	2,380	1,521
31.0	Equipment.....	131	271	173
32.0	Land and structures.....	153	317	202
44.0	Refunds.....	10	21	13
99.9	<b>Total obligations.....</b>	<b>4,884</b>	<b>7,862</b>	<b>5,869</b>

**Personnel Summary**

Total number of full-time permanent positions.....	56	56	56
Total compensable workyears:			
Full-time equivalent employment.....	77	75	78
Full-time equivalent of overtime and holiday hours.....	1	1	1

**FOREST SERVICE PERMANENT APPROPRIATIONS**

**[TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE]**

**[(RESCISSION)]**

[Of the funds currently available and unobligated in this account, \$75,000,000 is hereby rescinded.] (Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	12-9922-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Expenses, brush disposal.....	42,997	54,438	56,300
00.02	Licensee programs, Forest Service.....	6	543	109
00.03	Restoration of forest lands and improvements.....	211	366	107
00.04	Timber purchaser roads constructed by Forest Service.....	5,491	40,777	9,837
00.05	Timber salvage sales.....	17,372	24,502	27,000
00.06	Tongass timber supply fund.....	45,919	45,379	
10.00	<b>Total obligations.....</b>	<b>111,996</b>	<b>166,005</b>	<b>93,353</b>
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-3		
21.40	Unobligated balance available, start of year.....	-260,240	-259,117	-163,668
24.40	Unobligated balance available, end of year.....	259,117	163,668	162,048
39.00	<b>Budget authority.....</b>	<b>110,870</b>	<b>70,556</b>	<b>91,733</b>
<b>Budget authority:</b>				
<b>Current:</b>				
40.00	Appropriation, rescinded (unobligated balances) (P.L. 101-202).....	-30,000	-75,000	
<b>Permanent:</b>				
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>140,870</b>	<b>145,556</b>	<b>91,733</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	111,996	166,005	93,353
72.40	Obligated balance, start of year.....	37,171	28,887	50,594
74.40	Obligated balance, end of year.....	-28,887	-50,594	-32,522
78.00	Adjustments in unexpired accounts.....	-3		
90.00	Outlays.....	120,277	144,298	111,425
<b>Distribution of budget authority by account:</b>				
	Expenses, brush disposal.....	61,214	54,438	54,680
	Licensee programs, Forest Service.....	87	100	109
	Restoration of forest lands and improvements.....	183	100	107
	Timber purchaser roads constructed by Forest Service.....	15,434	21,037	9,837
	Timber salvage sales.....	18,137	24,502	27,000
	Tongass timber supply fund.....	45,815	45,379	
	Rescission.....	-31,000	-75,000	
<b>Distribution of outlays by account:</b>				
	Expenses, brush disposal.....	42,949	55,402	54,513
	Licensee programs, Forest Service.....	222	100	109
	Restoration of forest lands and improvements.....	140	100	107
	Timber purchaser roads constructed by Forest Service.....	6,069	18,956	14,000

General and special funds—Continued

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

【TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE】—Continued

【(RESCISSION)】—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 12-9922-0-2-302	1987 actual	1988 est.	1989 est.
Timber salvage sales .....	17,440	24,002	26,791
Tongass timber supply fund .....	53,457	45,738	15,905

*Expenses, brush disposal.*—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

*Licensee programs, Forest Service.*—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

*Smokey Bear.*—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

*Woodsy Owl.*—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

*Restoration of forest lands and improvements.*—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

*Timber purchaser roads constructed by Forest Service.*—Funds from timber receipts for Government constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)).

*Timber salvage sales.*—Funds to begin salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

*Tongass timber supply fund.*—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

Object Classification (in thousands of dollars)

Identification code 12-9922-0-2-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	34,654	33,350	22,646
11.3 Other than full-time permanent .....	9,874	9,578	8,677
11.5 Other personnel compensation .....	4,106	3,685	2,495
11.8 Special personal service payments .....	26	27	27
11.9 Total personnel compensation .....	48,660	46,640	33,845
12.1 Civilian personnel benefits .....	9,516	9,121	6,619
13.0 Benefits for former personnel .....	431	415	282
21.0 Travel and transportation of persons .....	3,192	6,678	3,200
22.0 Transportation of things .....	990	2,071	992
23.1 Rental payments to GSA .....	1,879	2,065	969
23.2 Rental payments to others .....	567	1,186	568
23.3 Communications, utilities, and miscellaneous charges .....	2,244	4,695	2,250
24.0 Printing and reproduction .....	430	900	431
25.0 Other services .....	16,322	34,148	16,363

26.0 Supplies and materials .....	3,734	7,812	3,743
31.0 Equipment .....	3,000	6,276	3,007
32.0 Land and structures .....	20,444	42,771	20,496
41.0 Grants, subsidies, and contributions .....	5	10	5
42.0 Insurance claims and indemnities .....	578	1,209	579
44.0 Refunds .....	4	8	4
99.9 Total obligations .....	111,996	166,005	93,353

Personnel Summary

Total number of full-time permanent positions .....	1,529	1,465	982
Total compensable workyears:			
Full-time equivalent employment .....	2,130	2,025	1,524
Full-time equivalent of overtime and holiday hours .....	160	152	114

FOREST SERVICE PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 12-9921-0-2-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Payment to Minnesota .....	568	716	716
00.02 Payment to counties, National Grasslands .....	7,728	9,641	10,929
00.03 Payments to States, National Forest fund .....	295,101	309,815	294,788
10.00 Total obligations (object class 41.0) .....	303,397	320,172	306,433
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-96,144	-5,790	
24.40 Unobligated balance available, end of year .....	5,790		
60.00 Budget authority (appropriation) (permanent, indefinite, special funds) .....	213,043	314,382	306,433
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	303,397	320,172	306,433
72.40 Obligated balance, start of year .....			31,422
74.40 Obligated balance, end of year .....		-31,422	-30,079
90.00 Outlays .....	303,397	288,750	307,776
<b>Distribution of budget authority by account:</b>			
Payment to Minnesota .....	537	716	716
Payments to counties, National Grasslands .....	8,956	9,641	10,929
Payments to States, National Forest Fund .....	203,550	304,025	294,788
<b>Distribution of outlays by account:</b>			
Payment to Minnesota .....	568	716	716
Payments to counties, National Grasslands .....	7,728	9,127	9,963
Payments to States, National Forest Fund .....	295,101	278,907	297,097

*Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

*Payments to counties, National Grasslands.*—Of the revenues received from the use of National Grasslands, 25 percent is paid to the counties in which such land is situated for funding local schools and roads (7 U.S.C. 1012).

*Payments to States, National Forest Fund.*—With minor exceptions, 25 percent of the money received from the National Forests, including all the collections under 16 U.S.C. 576b, and all amounts allowed any timber purchaser for construction of roads, is paid to the States for funding local schools and roads of the county in which such forests are situated (16 U.S.C. 500 and 97 Stat. 1123).



**Intragovernmental funds:**

**WORKING CAPITAL FUND**

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

Identification code 12-4605-0-4-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operating expenses .....	65,931	65,065	69,537
00.02 Capital investment .....	24,283	28,048	30,216
10.00 Total obligations .....	90,214	93,113	99,753
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-82,006	-85,878	-92,311
14.00 Non-Federal sources .....	-5,442	-5,002	-4,889
21.98 Unobligated balance available, start of year: Fund balance .....	-71,533	-68,767	-66,534
24.98 Unobligated balance available, end of year: Fund balance .....	68,767	66,534	63,981
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	2,766	2,233	2,553
72.98 Obligated balance, start of year: Fund balance .....	35,593	34,311	36,544
74.98 Obligated balance, end of year: Fund balance .....	-34,311	-36,544	-39,097
90.00 Outlays .....	4,048		

The Working Capital Fund is a self-sustaining revolving fund which provides services to National Forests, research experiment stations, and when necessary, to other Federal agencies, and as provided by law, to State and private agencies and persons who cooperate with the Forest Service in fire control and other authorized programs.

The forestry related supply and support services include:

Equipment services which own, operate, maintain, replace, and repair common use motor driven and similar equipment. This equipment is rented to administrative units, that is, National Forests, research experiment stations, and other units, and in some cases to the other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment.

Aircraft services which operate, maintain, and repair Forest Service owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to National Forests, research experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

Supply services operate the following common services:

Photo reproduction laboratories which store, reproduce, and supply aerial photographs, aerial maps, and other photographs of National Forest lands. The photographic reproductions are sold to National Forests, experiment stations, and others at cost.

Sign shops which manufacture and supply special signs for the National Forests for use in regulating traffic and as information to the public and other users

of the National Forests. The signs are sold to National Forests and experiment stations at cost.

Subsistence which prepare and serve meals to Forest Service crews working in areas where adequate public restaurant facilities are not available.

Seed supply which provides tree seed for direct seeding or sowing in nurseries for the production of trees. Includes purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. Operates in conjunction with tree nurseries.

Tree nurseries which operate forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to National Forests, State foresters, and other cooperators at cost.

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

Identification code 12-4605-0-4-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	16,736	17,545	18,886
11.3 Other than full-time permanent .....	4,020	4,212	4,537
11.5 Other personnel compensation .....	623	647	681
11.9 Total personnel compensation .....	21,379	22,404	24,104
12.1 Civilian personnel benefits .....	2,969	3,111	3,347
13.0 Benefits for former personnel .....	274	287	309
21.0 Travel and transportation of persons .....	583	596	638
22.0 Transportation of things .....	314	321	343
23.1 Rental payments to GSA .....	1,236	1,473	1,549
23.2 Rental payments to others .....	544	557	596
23.3 Communications, utilities, and miscellaneous charges .....	1,306	1,336	1,429
24.0 Printing and reproduction .....	9	9	10
25.0 Other services .....	12,310	12,594	13,475
26.0 Supplies and materials .....	21,605	22,103	23,651
31.0 Equipment .....	27,400	28,031	29,991
32.0 Land and structures .....	276	282	302
41.0 Grants, subsidies and contributions .....	5	5	5
42.0 Insurance claims and indemnities .....	4	4	4
99.9 Total obligations .....	90,214	93,113	99,753

Note.—Personnel totals are included with personnel totals of all other Forest Service programs.

**Trust Funds**

**REFORESTATION TRUST FUND**

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

Identification code 20-8046-0-7-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	33,159	30,000	30,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-5,007	-4,675	-4,675
24.40 Unobligated balance available, end of year .....	4,675	4,675	4,675
25.00 Unobligated balance restored .....	-1,631		
60.00 <b>Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>31,196</b>	<b>30,000</b>	<b>30,000</b>
Relations of obligations to outlays:			
71.00 Obligations incurred, net .....	33,159	30,000	30,000
90.00 Outlays .....	33,159	30,000	30,000

Amounts from this account are used for reforestation as authorized by 16 U.S.C. 1606a (d) and (e).

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

Identification code 20-8046-0-7-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	5,177	5,503	5,531
11.3 Other than full-time permanent .....	1,710	1,599	1,607
11.5 Other personnel compensation .....	399	426	428

REFORESTATION TRUST FUND—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 20-8046-0-7-302	1987 actual	1988 est.	1989 est.
11.8 Special personal services payments.....	1	1	1
11.9 Total personnel compensation.....	7,287	7,529	7,567
12.1 Civilian personnel benefits.....	1,002	1,035	1,040
13.0 Benefits for former personnel.....	194	206	207
21.0 Travel and transportation of persons.....	225	198	198
22.0 Transportation of things.....	85	75	75
23.1 Rental payments to GSA.....	68	81	85
23.2 Rental payments to others.....	122	104	104
23.3 Communications, utilities, and miscellaneous charges.....	303	261	260
24.0 Printing and reproduction.....	31	26	26
25.0 Other services.....	21,171	18,190	18,148
26.0 Supplies and materials.....	2,190	1,882	1,878
31.0 Equipment.....	281	242	241
32.0 Land and structures.....	192	165	165
41.0 Grants, subsidies, and contributions.....	6	5	5
42.0 Insurance claims and indemnities.....	2	1	1
99.9 Total obligations.....	33,159	30,000	30,000

Personnel Summary

Total number of full-time permanent positions.....	231	231	231
Total compensable workyears:			
Full-time equivalent employment.....	340	340	340
Full-time equivalent of overtime and holiday hours.....	15	15	15

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:

- Agriculture: Agricultural Research Service.
- Soil Conservation Service:
  - Watershed and flood prevention operations.
  - Resource conservation and development.
  - Watershed planning.
  - River basin surveys and investigations.
- Agriculture Stabilization Conservation Service: Conservation reserve.
- Farmers Home Administration: Rural community fire protection grants.
- Treasury: Reforestation trust fund.
- Transportation: Federal Highway Administration, Highway trust fund.
- Labor: Employment and Training Administration, Training and employment services.

COOPERATIVE WORK TRUST FUND

Program and Financing (in thousands of dollars)

Identification code 12-8028-0-7-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Cooperative work, KV.....	140,113	286,387	219,665
00.02 Cooperative work, other.....	48,913	89,202	68,438
10.00 Total obligations.....	189,026	375,589	288,103
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	— 516		
21.40 Unobligated balance available, start of year.....	— 547,796	— 613,305	— 488,085
24.40 Unobligated balance available, end of year.....	613,305	488,085	467,730
60.00 Budget authority (appropriation) (permanent, indefinite).....	254,019	250,369	267,748
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	189,027	375,589	288,103
72.40 Obligated balance, start of year.....	— 70,516	45,779	169,313
74.40 Obligated balance, end of year.....	— 45,779	— 169,313	— 192,379
78.00 Adjustment in unexpired accounts.....	— 516		
90.00 Outlays.....	72,216	252,055	265,037

Advances, including deposits from purchasers of timber, are received and used for specified work in forest investigations protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to

National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 565a, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

Object Classification (in thousands of dollars)

Identification code 12-8028-0-7-302	1985 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	50,594	54,426	46,509
11.3 Other than full-time permanent.....	15,578	16,760	14,318
11.5 Other personnel compensation.....	3,563	3,840	3,276
11.8 Special personal services payment.....	11	32	11
11.9 Total personnel compensation.....	69,746	75,058	64,114
12.1 Civilian personnel benefits.....	9,868	10,620	9,072
13.0 Benefits for former personnel.....	860	925	790
21.0 Travel and transportation of persons.....	2,146	5,745	4,249
22.0 Transportation of things.....	1,198	3,207	2,372
23.1 Rental payments to GSA.....	1,100	1,311	1,379
23.2 Rental payments to others.....	1,215	3,253	2,406
23.3 Communications, utilities, and miscellaneous charges.....	4,055	10,856	8,028
24.0 Printing and reproduction.....	179	479	354
25.0 Other services.....	66,625	178,372	131,913
26.0 Supplies and materials.....	19,946	53,400	39,492
31.0 Equipment.....	3,103	8,307	6,143
32.0 Land and structures.....	8,292	22,200	16,418
41.0 Grants, subsidies, and contributions.....	307	822	608
42.0 Insurance claims and indemnities.....	85	228	169
44.0 Refunds.....	301	806	596
99.9 Total obligations.....	189,026	375,589	288,103

Personnel Summary

Total number of full-time permanent positions.....	2,286	2,450	2,588
Total compensable workyears:			
Full-time equivalent employment.....	3,206	3,398	3,627
Full-time equivalent of overtime and holiday hours.....	131	139	148

GIFTS, DONATIONS, AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), \$90,000 to remain available until expended, to be derived from the fund established pursuant to the above Act. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-8034-0-7-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	101	90	90
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 U.S. securities (par).....	— 59	— 60	— 60
21.40 Treasury balance.....	— 200	— 125	— 125
Unobligated balance available, end of year:			
24.40 U.S. securities (par).....	60	60	60
24.40 Treasury balance.....	125	125	125
40.00 Budget authority (appropriation).....	27	90	90
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	101	90	90
72.40 Obligated balance, start of year.....	— 1	61	61
74.40 Obligated balance, end of year.....	— 61	— 61	— 61
90.00 Outlays.....	39	90	90

This appropriation makes available to the Forest Service all deposits received from gifts and bequests for research to invest and reinvest in public debt securities for forest and rangeland research.

HIGHWAY CONSTRUCTION: MOUNT ST. HELENS NATIONAL MONUMENT

Program and Financing (in thousands of dollars)

Identification code	12-8029-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	6,763	3,152	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....		-3,152	
24.40	Unobligated balance available, end of year.....	3,152		
49.00	<b>Contract authority (appropriations acts).....</b>	<b>9,915</b>		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	6,763	3,152	
72.49	Obligated balance, start of year: Contract authority.....		119	1,000
74.49	Obligated balance, end of year: Contract authority.....	-119	-1,000	
90.00	Outlays.....	6,644	2,271	1,000

STATUS OF UNFUNDED CONTRACT AUTHORITY

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Contract authority.....	9,915		
Appropriation to liquidate contract authority.....	-9,915		

Authority for Mount St. Helens National Monument was made available by the continuing resolution, Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591. The appropriation to liquidate obligations was made available in the Supplemental Appropriations Act, 1987, Public Law 100-71.

Object Classification (in thousands of dollars)

Identification code	12-8029-0-7-401	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	100	47	
11.3	Other than full-time permanent.....	31	14	
11.5	Other personnel compensation.....	42	20	
11.9	Total personnel compensation.....	173	81	
12.1	Civilian personnel benefits.....	17	8	
21.0	Travel and transportation of persons.....	12	6	
22.0	Transportation of things.....	4	2	
23.3	Communications, utilities, and miscellaneous charges.....	6	3	
25.0	Other services.....	1,550	722	
26.0	Supplies and materials.....	11	5	
31.0	Equipment.....	27	13	
32.0	Land and structures.....	4,963	2,312	
99.9	Total obligations.....	6,763	3,152	

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed [186] 200 passenger motor vehicles of which [nine] ten will be used primarily for law enforcement purposes and of which [179] 190 shall be for replacement only, of which acquisition of [157] 165 passenger motor vehicles shall be from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of [50] 59 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of \$400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters,

and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

[None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.]

Any appropriations or funds available to the Forest Service may be [advanced] transferred to the National Forest System appropriation for forest firefighting and the emergency rehabilitation of burned-over lands under its jurisdiction.

[Appropriations and funds available to the Forest Service shall be available to comply with the requirements of section 313(a) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1323(a)).]

[The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.]

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to reimburse employees for the cost of State licenses and certification fees pursuant to their Forest Service position and that are necessary to comply with State laws, regulations, and requirements.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International Cooperation and Development in connection with forest and rangeland research, technical information, and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest. [Provided, That not less than \$61,502,000 shall be made available to the Forest Service for obligation in fiscal year 1988 from the Timber Salvage Sales Fund appropriation.]

[None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714.]

No funds appropriated in 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.

[Subject to the enactment of authorizing legislation the boundary of the Cranberry Wilderness located within the Monongahela National Forest, West Virginia, is modified as depicted on a map entitled "Cranberry Wilderness Area Revised" dated October, 1987, on file in the Office of the Chief, Forest Service, United States Department of Agriculture, Washington, DC.]

[Funds available to the Forest Service shall be available to conduct a program of not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.]

[Notwithstanding section 705(a) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 539d(a)), not more than \$50,007,000 of new appropriations shall be available for timber supply, protection and management, research, resource protection and construction on the Tongass National Forest in fiscal year 1988. Provided, That all of the funds available from the Tongass Timber Supply Fund in fiscal year 1988 pursuant to section 705(a) of Public Law 96-487 shall be deemed obligated as of October 1, 1987 and shall remain available until expended. This funding limitation shall not include those funds available to the Forest Service as Trust Funds, Permanent Funds (other than the Tongass Timber Supply Fund), or Purchaser Road Construction.]

[No funds shall be expended for the purpose of issuing a special use authorization permitting land use and occupancy and surface disturbing activities for any project to be constructed on Lewis Fork

Creek in Madera County, California, at the site above, and adjacent to, Corlieu Falls bordering the Lewis Fork Creek National Recreation Trail until both of the following conditions are met:

(1) A study is completed and submitted to the Congress by the Forest Service in consultation with the California Department of Parks and Recreation regarding the project's impact on the aesthetics of Corlieu Falls, together with a finding that the Lewis Fork Creek project will not substantially impact the flow at Corlieu Falls; and

(2) A study is completed and submitted to the Congress by the Forest Service concerning the project's impact on the Chukchansi Indian Tribe, together with a finding that there will be no substantial adverse impact on the tribe's adjacent sacred hot springs. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

## TITLE VI—GENERAL PROVISIONS

SEC. 601. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 602. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year [1988] 1989 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [seven hundred and fifty-four (754)] 694 passenger motor vehicles, of which [seven hundred and forty-six (746)] 689 shall be for replacement only, and for the hire of such vehicles.

SEC. 603. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor [e] as authorized by law (5 U.S.C. 5901-5902).

SEC. 604. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946 and July 28, 1954, and (7 U.S.C. 427, 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 605. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations upon a final finding by court of competent jurisdiction that such party is guilty of growing, cultivating, harvesting, processing or storing marijuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

SEC. 606. Advances of money to chiefs of field parties from any appropriation in this Act for the Department of Agriculture may be made by authority of the Secretary of Agriculture.

SEC. 607. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: *Provided*, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 608. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Public Law 480; [Mutual and Self-Help Housing; Watershed and Flood Prevention Operations;] *Water Resource Management and Protection*; Resource Conservation and Development; [Colorado River Basin Salinity Control Program;] Animal and Plant Health Inspection Service, [\$4,500,000] \$5,000,000 for the contingency fund to meet emergency conditions, and buildings and facilities; Agricultural Stabilization and Conservation Service, salaries and expenses funds made available to county committees; the Federal Crop Insurance Corporation Fund; [Rural Housing for Domestic Farm Labor;] Agricultural Research Service, buildings and facilities; [Scientific Activities Overseas (Foreign Currency Program); Dairy Indemnity Program; \$5,000,000 for the grasshopper and Mormon cricket control program, Animal and Plant Health Inspection Service; \$2,852,000 for higher education training grants under section 1417(a)(3)(B) of Public Law 95-113, as amended (7 U.S.C. 3152(a)(3)(B));] and buildings and facilities, Food and Drug Administration.

SEC. 609. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 610. Not to exceed \$50,000 of the appropriation available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 611. Notwithstanding any other provision of law, employees of the agencies of the Department of Agriculture, including employees of the Agricultural Stabilization and Conservation county committees, may be utilized to provide part-time and intermittent assistance to other agencies of the Department, without reimbursement, during periods when they are not otherwise fully utilized, and ceilings on full-time equivalent staff years established for or by the Department of Agriculture shall exclude overtime as well as staff years expended as a result of carrying out programs associated with natural disasters, such as forest fires, droughts, floods, and other acts of God.

[SEC. 612. Funds provided by this Act for personnel compensation and benefits shall be available for obligation for that purpose only.]

[SEC. 613. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract as provided by law.]

[SEC. 614. None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.]

[SEC. 615. Certificates of beneficial ownership sold by the Farmers Home Administration in connection with the Agricultural Credit Insurance Fund, Rural Housing Insurance Fund, and the Rural Development Insurance Fund shall be not less than 65 per centum of the value of the loans closed during the fiscal year.]

SEC. [616] 612. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 per centum of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

[SEC. 617. None of the funds in this Act shall be used to carry out any activity related to phasing out the Resource Conservation and Development Program.]

SEC. [618] 613. None of the funds in this Act shall be used to prevent or interfere with the right and obligation of the Commodity Credit Corporation to sell surplus agricultural commodities in world trade at competitive prices as authorized by law.

SEC. [619] 614. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

[SEC. 620. During fiscal year 1988, notwithstanding any other provision of law, no funds may be paid out of the Treasury of the United States or out of any fund of a Government corporation to any private individual or corporation in satisfaction of any assurance agreement or payment guarantee or other form of loan guarantee entered into by any agency or corporation of the United States Government with respect to loans made and credits extended to the Polish People's Republic, unless the Polish People's Republic has been declared to be in default of its debt to such individual or corporation or unless the President has provided a monthly written report to the Speaker of the House of Representatives and the President of the Senate explaining the manner in which the national interest of the United States has been served by any payments during the previous month under loan guarantee or credit assurance agreement with respect to loans made or credits extended to the Polish People's Republic in the absence of a declaration of default.]

SEC. [621] 615. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year [1987] 1988 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act.

【Sec. 622. In fiscal year 1988, the Secretary of Agriculture shall initiate construction on not less than twenty new projects under the Watershed Protection and Flood Prevention Act (Public Law 566) and not less than five new projects under the Flood Control Act (Public Law 534).】

Sec. 【623】 616. Funds provided by this Act may be used for translation of publications of the Department of Agriculture into foreign languages when determined by the Secretary to be in the public interest.

【Sec. 624. None of the funds appropriated by this or any other Act may be used to relocate the Hawaii State Office of the Farmers Home Administration from Hilo, Hawaii, to Honolulu, Hawaii.】

Sec. 【625】 617. Provisions of law prohibiting or restricting personal services contracts shall not apply to veterinarians employed by the Department to take animal blood samples, test and vaccinate animals, and perform branding and tagging activities on a fee-for-service basis.

【Sec. 626. None of the funds provided in this Act may be used to reduce programs by establishing an end-of-year employment ceiling on full-time equivalent staff years below the level set herein for the following agencies: Farmers Home Administration, 12,675; Agricultural Stabilization and Conservation Service, 2,550; Rural Electrification Administration, 550; and Soil Conservation Service, 14,177.】

Sec. 【627】 618. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

Sec. 【628】 619. Funds appropriated by this Act shall be applied only to the objects for which appropriations were made except as otherwise provided by law, as required by 31 U.S.C. 1301.

Sec. 【629】 620. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

【Sec. 630. None of the funds provided in this Act may be expended to release information acquired from any handler under the Agricultural Marketing Agreement Act of 1937, as amended: *Provided*, That this provision shall not prohibit the release of information to other Federal agencies for enforcement purposes: *Provided further*, That this provision shall not prohibit the release of aggregate statistical data used in formulating regulations pursuant to the Agricultural Marketing Agreement Act of 1937, as amended: *Provided further*, That this provision shall not prohibit the release of information submitted by milk handlers.】

【Sec. 631. Unless otherwise provided in this Act, none of the funds appropriated or otherwise made available in this Act may be used by the Farmers Home Administration to employ or otherwise contract with private debt collection agencies to collect delinquent payments from Farmers Home Administration borrowers.】

【Sec. 632. During fiscal year 1988 and each succeeding fiscal year, the Secretary of Agriculture shall permit each district office of the Farmers Home Administration to exempt any existing dwelling from any limitation established by the Secretary on the number of square feet of living area that may be contained in a dwelling to be eligible for a loan under section 502 of the Housing Act of 1949, if the dwelling is modest in design, size, and cost for the area in which it is located.】

【Sec. 633. Hereafter, notwithstanding section 306A (c), (d), and (e) of the Rural Electrification Act of 1936, as amended, a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) may, at the option of the borrower, prepay such loan (or any loan advance thereunder) in accordance with section 306A (a) and (b) of such Act: *Provided*, That any

prepayment in excess of \$2,500,000,000 shall be subject to the approval of the Secretary of the Treasury.】

【Sec. 634. None of the funds appropriated in this Act or any other Act shall be used to alter the method of computing normalized prices for agricultural commodities for use by any Federal agency in evaluating water resources development projects to be undertaken in whole or in part with Federal funds that was in effect as of January 1, 1986.】

【Sec. 635. None of the funds in this Act, or otherwise made available by this Act, shall be used to sell loans made by the Agricultural Credit Insurance Fund.】

【Sec. 636. (a) Section 1323(a)(1) of the Food Security Act of 1985 is amended by striking out "For the fiscal year ending September 30, 1987" and inserting in lieu thereof "Prior to September 30, 1988", and

(b) Section 1323(a)(5) of such Act is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1988", and

(c) Section 1323(b)(1) of such Act is amended by striking out "For the fiscal year ending September 30, 1987" and inserting in lieu thereof "Prior to September 30, 1988".】

【Sec. 637. \$10,000,000 of Section 32 funds shall be used to purchase sunflower oil, such purchases to facilitate additional sales of sunflower oil in World Markets at competitive prices, so as to compete with other countries in fiscal years 1988 and 1989.】

【Sec. 638. Section 201(d)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(2)) is amended—

(1) in subparagraph (A) by striking out "During the period beginning on April 1, 1986, and ending on September 30, 1987," and inserting in lieu thereof "Beginning after March 31, 1986,";

(2) in subparagraph (B) by striking out "subparagraph (E)" and inserting in lieu thereof "subparagraphs (E) and (F)"; and

(3) by adding at the end thereof the following new subparagraph:

“(F)(i) The Secretary—

“(I) notwithstanding the Balanced Budget and Emergency Deficit Control Act of 1985 and any order issued by the President under section 252 of such Act for a fiscal year; and

“(II) in lieu of making any reduction in payments for the purchase of milk or the products of milk under this subsection during such fiscal year under any such order; shall provide for the reduction (measured in cents per hundred-weight of milk marketed) under subparagraph (A) during the period beginning on October 1 and ending on September 30 of such fiscal year as the sole means of achieving any reduction in budget outlays under the milk price-support program that otherwise would be required under either such order and only for the purpose of substituting for any reduction in payments made by the Secretary for the purchase of milk or the products of milk under either such order.

“(ii) The aggregate amount of any reduction under subparagraph (A) resulting from the operation of clause (i) may not exceed the aggregate amount of the reduction in budget outlays under the milk price-support program, as estimated by the Secretary, that otherwise would have been achieved under either such order by reducing payments made by the Secretary for the purchase of milk or the products of milk under this subsection during such fiscal year.”.】

【Sec. 639. Section 1581(b) of the Food Security Act of 1985 (Public Law 99-198) is amended by striking out "June 30, 1987," and inserting in lieu thereof "June 30, 1988."】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)



## DEPARTMENT OF COMMERCE

### GENERAL ADMINISTRATION

#### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce, including not to exceed \$2,000 for official entertainment, **[\$39,204,000: Provided, That \$250,000 for establishing a clearinghouse on State and local initiatives on productivity, technology and innovation shall be available subject to enactment of authorizing legislation] \$41,303,000.** (15 U.S.C. 1501; Department of Commerce Appropriation Act, 1988.)

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

Identification code 13-0120-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Executive direction of the Department.....	2,339	2,763	2,703
00.02 Departmental staff services.....	22,275	22,437	24,053
00.03 Inspector General.....	12,752	14,004	14,547
00.91 Total direct program.....	37,366	39,204	41,303
01.01 Reimbursable program.....	29,326	38,610	37,422
10.00 Total obligations.....	66,692	77,814	78,725
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-29,326	-38,610	-37,422
17.00 Recovery of prior year obligations.....	-51		
21.40 Unobligated balance available, start of year.....	-702		
22.40 Unobligated balance transferred, net.....	-450		
25.00 Unobligated balance lapsing.....	393		
39.00 <b>Budget authority</b> .....	<b>36,556</b>	<b>39,204</b>	<b>41,303</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	36,763	39,204	41,303
41.00 Transferred to other accounts.....	-715		
42.00 Transferred from other accounts.....	508		
43.00 <b>Appropriation (adjusted)</b> .....	<b>36,556</b>	<b>39,204</b>	<b>41,303</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	37,366	39,204	41,303
72.40 Obligated balance, start of year.....	1,912	4,958	2,146
74.40 Obligated balance, end of year.....	-4,958	-2,146	-2,283
77.00 Adjustments in expired accounts.....	-175		
78.00 Adjustments in unexpired accounts.....	-51		
90.00 <b>Outlays</b> .....	<b>34,095</b>	<b>42,016</b>	<b>41,166</b>

Note.—Includes \$1,188 thousand in budget authority in 1989 for activities previously financed from the Department of Commerce International Trade Administration (\$952 thousand in 1987, and \$1,188 thousand in 1988).

**Executive direction of the Department.**—This activity provides for the formulation of Government policy on matters affecting programs and functions assigned to the Department.

**Departmental staff services.**—The staff provides support for the Department in budget and program evaluation, civil rights, financial systems, legal matters, organization and management, personnel, policy development, procurement, property, public affairs, records, safety, security, and space management.

**Inspector General.**—The Inspector General conducts audits and investigations of the Department's programs and operations. The office leads and coordinates activities designed to promote economy, efficiency, and effectiveness in Commerce operations, and seeks to prevent and detect fraud and abuse.

**Reimbursable program.**—This activity provides a centralized source for special tasks and billings. Services are billed to users. It also includes activities that prior to 1984 were financed through the General Administration miscellaneous trust fund (special studies, services, and projects).

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

Identification code 13-0120-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	19,916	20,864	21,211
11.3 Other than full-time permanent.....	577	450	454
11.5 Other personnel compensation.....	372	344	347
11.9 Total personnel compensation.....	20,865	21,658	22,012
12.1 Civilian personnel benefits.....	2,774	3,568	3,616
13.0 Benefits for former personnel.....	1		
21.0 Travel and transportation of persons.....	639	650	650
22.0 Transportation of things.....	15	17	17
23.1 Rental payments to GSA.....	3,832	4,414	4,542
23.3 Communications, utilities, and miscellaneous charges...	699	741	741
24.0 Printing and reproduction.....	178	182	1,151
25.0 Other services.....	7,101	6,226	6,371
26.0 Supplies and materials.....	549	555	559
31.0 Equipment.....	713	1,193	1,644
99.0 Subtotal, direct obligations.....	37,366	39,204	41,303
99.0 Reimbursable obligations.....	29,326	38,610	37,422
99.9 Total obligations.....	66,692	77,814	78,725

#### Personnel Summary

Total number of full-time permanent positions.....	520	587	592
Total compensable workyears:			
Full-time equivalent employment.....	539	539	546
Full-time equivalent of overtime and holiday hours.....	3	3	3

### WHITE HOUSE CONFERENCE ON PRODUCTIVITY

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

Identification code 13-0123-0-1-376	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	8		
77.00 Adjustments in expired accounts.....	-8		
90.00 <b>Outlays</b> .....			

In 1983, a White House Conference was conducted to ascertain facts and develop recommendations concerning improvements in productivity.

### SPECIAL FOREIGN CURRENCY PROGRAM

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

Identification code 13-0160-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	2		
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-6		

General and special funds—Continued

SPECIAL FOREIGN CURRENCY PROGRAM—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	13-0160-0-1-376	1987 actual	1988 est.	1989 est.
25.00	Unobligated balance lapsing .....	4		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2		
72.40	Obligated balance, start of year .....	747	451	300
74.40	Obligated balance, end of year .....	-451	-300	
78.00	Adjustments in unexpired accounts .....	-6		
90.00	<b>Outlays</b> .....	292	151	300

**[ECONOMIC DEVELOPMENT ADMINISTRATION]**

Federal Funds

General and special funds:

**[SALARIES AND EXPENSES] GRANTS AND LOANS ADMINISTRATION**

For necessary expenses of administering the economic development assistance programs as provided for by law, \$24,742,000: *Provided*, That the full time permanent positions for the Economic Development Administration shall not be fewer than 360 and that the number of Deputy Assistant Secretary positions shall not be greater than four: *Provided further*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1988, and such positions shall be maintained in the various States within the approved organizational structure in place on December 1, 1987, and when possible, with those employees who filled those positions on that date. For necessary expenses of administering outstanding grants, loans, and loan guarantees for discontinued programs assigned to the Secretary of Commerce, \$40,000,000, to remain available until expended. (42 U.S.C. 3218, 3219, 5184, and 6701(c); Department of Commerce Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	13-0125-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program .....	25,459	24,742	22,000
01.01	Reimbursable program .....	139	182	
10.00	<b>Total obligations</b> .....	25,598	24,924	22,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-139	-182	
22.40	Unobligated balance transferred, net .....	-797		
24.40	Unobligated balance available, end of year .....			18,000
25.00	Unobligated balance lapsing .....	324		
39.00	<b>Budget authority</b> .....	24,986	24,742	40,000
<b>Budget authority:</b>				
40.00	Appropriation .....	25,000	24,742	40,000
41.00	Transferred to other accounts .....	-14		
43.00	<b>Appropriation (adjusted)</b> .....	24,986	24,742	40,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	25,459	24,742	22,000
72.40	Obligated balance, start of year .....	1,632	1,884	3,019
74.40	Obligated balance, end of year .....	-1,884	-3,019	-2,684
77.00	Adjustments in expired accounts .....	-100		
90.00	<b>Outlays</b> .....	25,107	23,607	22,335

In 1989, EDA programs will be discontinued and administrative resources will be used to monitor and close out existing economic development assistance, trade adjustment assistance, public telecommunications facilities construction, federal ship financing fund and fisheries loan fund projects.

Object Classification (in thousands of dollars)

Identification code	13-0125-0-1-452	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	14,633	14,064	11,240
11.3	Other than full-time permanent .....	229	287	
11.5	Other personnel compensation .....	200	149	110
11.9	<b>Total personnel compensation</b> .....	15,062	14,500	11,350
12.1	Civilian personnel benefits .....	1,931	1,929	1,601
13.0	Benefits for former personnel .....	66	18	4,893
21.0	Travel and transportation of persons .....	595	653	506
22.0	Transportation of things .....	25	36	50
23.1	Rental payments to GSA .....	1,932	1,998	1,790
23.2	Rental payments to others .....	2	2	2
23.3	Communications, utilities, and miscellaneous charges .....	596	539	448
24.0	Printing and reproduction .....	34	73	47
25.0	Other services .....	4,848	4,864	1,233
26.0	Supplies and materials .....	142	80	60
31.0	Equipment .....	225	50	20
41.0	Grants, subsidies, and contributions .....	1		
99.0	<b>Subtotal, direct obligations</b> .....	25,459	24,742	22,000
99.0	Reimbursable obligations .....	139	182	
99.9	<b>Total obligations</b> .....	25,598	24,924	22,000

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	349	360	194
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	366	358	260
Full-time equivalent of overtime and holiday hours .....	2	2	1
<b>Reimbursable:</b>			
Total compensable workyears: Full-time equivalent employment .....	2	2	

**[ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS]**

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, \$182,028,000 of which: (a) \$3,000,000 is for a grant to the Institute for Technology Development, Jackson, Mississippi; (b) \$2,500,000 is for a grant to the University of Bridgeport, in Bridgeport, Connecticut to assist in the construction and instrumentation of the Connecticut Technology Institute; (c) \$1,000,000 is for a grant to the city of Worcester, Massachusetts and the Worcester Business Development Corporation to assist in the construction of a biotechnology research park in Worcester, Massachusetts: *Provided*, That notwithstanding any other provision of law or regulation, including title I of the Public Works and Economic Development Act of 1965, as amended, except the following provisions; section 712 of said Act, the Secretary of Commerce is hereby directed to obligate said funds as a direct grant without any further requirement or delay upon enactment of this legislation; and (d) \$250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University: *Provided*, That during fiscal year 1988 total commitments to guarantee loans shall not exceed \$150,000,000 of contingent liability for loan principal: *Provided further*, That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration. (19 U.S.C. 2343-44, 2346, 2373-74; 42 U.S.C. 3131, 3135, 3141, 3142, 3144, 3151-53, 3171, 3241, 3243 and 3245; Department of Commerce Appropriation Act, 1988.)



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

Identification code	13-2050-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Planning grants.....	23,887	22,995	.....
00.02	Technical assistance grants.....	7,149	6,706	.....
00.03	Development grants.....	144,254	150,366	.....
00.04	Economic adjustment grants.....	26,000	24,657	.....
00.05	Research and evaluation.....	4,969	4,210	.....
00.91	Total direct program.....	206,258	208,934	.....
01.01	Reimbursable program.....	40	1,000	.....
10.00	Total obligations.....	206,298	209,934	.....
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	— 40	— 1,000	.....
21.40	Unobligated balance available, start of year.....	— 44,159	— 26,906	.....
24.40	Unobligated balance available, end of year.....	26,906	.....	.....
25.00	Unobligated balance lapsing.....	2,533	.....	.....
39.00	<b>Budget authority.....</b>	<b>191,539</b>	<b>182,028</b>	.....
<b>Budget authority:</b>				
40.00	<b>Appropriation.....</b>	<b>189,943</b>	<b>182,028</b>	.....
50.00	<b>Reappropriation.....</b>	<b>1,596</b>	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	206,258	208,934	.....
72.40	Obligated balance, start of year.....	438,855	407,828	399,157
74.40	Obligated balance, end of year.....	— 407,828	— 399,157	— 220,645
77.00	Adjustments in expired accounts.....	— 32,783	.....	.....
90.00	Outlays.....	204,503	217,605	178,512

**Status of Guaranteed Loans** <sup>1</sup> (in thousands of dollars)

Identification code	13-2050-0-1-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders...	187,500	187,500	.....
2112	Unused balance of limitation expiring.....	— 187,500	— 167,500	.....
2150	Total guaranteed loan commitments.....	.....	20,000	.....
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	.....	.....	.....
2231	Disbursements: Disbursements of new guaranteed loans...	.....	20,000	.....
2264	Adjustments: Other adjustments, net <sup>2</sup> .....	.....	— 20,000	.....
2290	Outstanding, end of year.....	.....	.....	.....

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	.....	.....	.....
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**Estimate of guaranteed loan subsidy:**

2320	Subsidy amount (in percent).....	.....	1.5	.....
2330	Subsidy amount (in thousands of dollars).....	.....	300	.....

<sup>1</sup> Amounts shown are based on the full principal amount of loans that are partially guaranteed by the U.S. Government. The comparable amounts of limitations enacted on the basis of contingent liability are \$150 million in 1987 and 1988.  
<sup>2</sup> Transferred to the Economic Development Revolving Fund.

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

Identification code	13-2050-0-1-452	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
41.0	Grants, subsidies and contributions.....	206,258	208,934	.....
99.0	Reimbursable obligations.....	40	1,000	.....
99.9	Total obligations.....	206,298	209,934	.....

**MISCELLANEOUS APPROPRIATIONS**

**[FINANCIAL AND TECHNICAL ASSISTANCE]**

**[ (RESCISSION) ]**

**[Of available funds under this head, \$1,541,067 are rescinded.] (19 U.S.C. 1901, 1902, and 1911-15; Department of Commerce Appropriation Act, 1988.)**

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

Identification code	13-9911-0-1-999	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	— 23	.....	.....
21.40	Unobligated balance available, start of year.....	— 1,541	— 1,564	— 23
24.40	Unobligated balance available, end of year.....	1,564	23	23
40.00	<b>Budget authority (appropriation rescinded (unobligated balances) (P.L. 100-202)).....</b>	.....	<b>— 1,541</b>	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	.....	.....	.....
72.40	Obligated balance, start of year.....	12,308	5,383	.....
74.40	Obligated balance, end of year.....	— 5,383	.....	.....
77.00	Adjustments in expired accounts.....	— 5,938	— 4,383	.....
78.00	Adjustments in unexpired accounts.....	— 23	.....	.....
90.00	Outlays.....	964	1,000	.....
<b>Distribution of outlays by account:</b>				
	Local public works program.....	671	1,000	.....
	Financial and technical assistance.....	— 23	.....	.....
	Job opportunities program.....	316	.....	.....

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

Identification code	13-9911-0-1-999	1987 actual	1988 est.	1989 est.
<b>FINANCIAL AND TECHNICAL ASSISTANCE</b>				
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	4,363	1,153	683
1251	Repayments: Repayments and prepayments.....	— 762	— 470	— 376
1262	Adjustments: Write-offs for default.....	— 2,448	.....	.....
1290	Outstanding, end of year.....	1,153	683	307

**DROUGHT ASSISTANCE PROGRAM**

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	86,342	84,172	81,988
1251	Repayments: Repayments and prepayments.....	— 2,170	— 2,184	— 2,184
1290	Outstanding, end of year.....	84,172	81,988	79,804

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

Identification code	13-9911-0-1-999	1987 actual	1988 est.	1989 est.
<b>FINANCIAL AND TECHNICAL ASSISTANCE</b>				
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	2,391	.....	.....
2262	Adjustments: Terminations for default that result in acquisition of property.....	— 2,391	.....	.....
2290	Outstanding, end of year.....	.....	.....	.....

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	.....	.....	.....
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This consolidated account includes outlays from several programs which no longer are active in 1989. Included are programs on local public works, drought assistance, job opportunities, and financial and technical assistance.

## Public enterprise funds:

## ECONOMIC DEVELOPMENT REVOLVING FUND

## Program and Financing (in thousands of dollars)

Identification code	13-4406-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Interest expense .....	51,987	55,000	50,000
00.02	Defaults and care and protection of collateral .....	192,252	25,000	20,000
10.00	Total obligations .....	244,239	80,000	70,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-81,878	-66,500	-57,000
21.98	Unobligated balance available, start of year: Fund balance .....	-205,215	-42,057	-28,557
22.98	Unobligated balance transferred, net: Fund balance .....	797		
24.98	Unobligated balance available, end of year: Fund balance .....	42,057	28,557	15,557
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	162,361	13,500	13,000
72.10	Receivables in excess of obligations, start of year .....	-21,018		
72.40	Obligated balance, start of year: Appropriation .....		30,458	17,858
74.40	Obligated balance, end of year: Appropriation .....	-30,458	-17,858	-5,758
90.00	Outlays .....	110,885	26,100	25,100

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

Identification code	13-4406-0-3-452	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	568,490	555,831	441,450
1232	Disbursements: Disbursements for guaranteed loan claims .....	145,449	20,000	15,000
1251	Repayments: Repayments and prepayments .....	-60,990	-41,500	-37,657
Adjustments:				
1262	Write-offs for defaults .....	-96,577	-100,000	-25,687
1264	Other adjustments, net <sup>1</sup> .....	-541	7,119	1,271
1290	Outstanding, end of year .....	555,831	441,450	394,377

## Estimate of direct loan subsidy:

1320	Subsidy amount (in percent) .....			
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<sup>1</sup> Adjustments represent transfers from Economic development assistance programs of \$541 thousand in 1987 and transfers from International Trade Administration, Operations and Administration of \$7,119 thousand in 1988.

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

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	286,124	95,239	103,044
2251	Repayments: Repayments and prepayments .....	-18,750	-9,000	-10,312
Adjustments:				
2261	Terminations for default that result in direct loans .....	-145,449	-20,000	-15,000
2263	Terminations for default that result in claim payments .....			-200
2264	Other adjustments, net <sup>1</sup> .....	-26,686	36,805	1,271
2290	Outstanding, end of year .....	95,239	103,044	78,803

## MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	80,953	84,116	48,599
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## Estimate of guaranteed loan subsidy:

2320	Subsidy amount (in percent) .....			
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<sup>1</sup> Adjustments represent transfers from Economic development assistance programs of \$20,000 thousand in 1988, and transfers from International Trade Administration, Operations and Administration of \$16,805 thousand in 1988 and \$1,271 thousand in 1989.

Interest on loans; principal repayments from loans made under the Area Redevelopment Act, the Public Works and Economic Development Act of 1965, and the Trade Act of 1974; and proceeds from the sale of collateral are deposited in this fund. Interest payments are made to the Treasury from the fund on the amounts receivable on loans outstanding. Repurchases of loans

guaranteed by EDA that have been terminated for default are made from this fund.

No new loan or guarantee activity is proposed for 1989.

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating loss:</b>			
Revenue .....	23,275	25,000	20,000
Expense .....	-403,727	-180,000	-95,000
Net loss for the year .....	-308,452	-155,000	-75,000

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	184,197	73,313	62,641	44,641
Accounts receivable (net) .....	22,186	21,714	16,653	15,285
Loans receivable (net) .....	345,728	183,759	148,027	135,867
Real property and equipment (net) .....	17,420	20,164	18,000	15,000
Total assets .....	569,531	298,950	245,321	210,793
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	44,810	51,987	55,000	50,000
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	205,216	42,855	28,557	15,557
Undelivered orders .....	1,167	185		
Invested capital .....	318,338	203,923	161,764	145,236
Total Government equity .....	524,721	246,963	190,321	160,793

## Object Classification (in thousands of dollars)

Identification code	13-4406-0-3-452	1987 actual	1988 est.	1989 est.
25.0	Other services .....	2,989	5,000	5,000
33.0	Investments and loans .....	189,263	20,000	15,000
43.0	Interest and dividends .....	51,987	55,000	50,000
99.9	Total obligations .....	244,239	80,000	70,000

## Intragovernmental funds:

## WORKING CAPITAL FUND

## Program and Financing (in thousands of dollars)

Identification code	13-4511-0-4-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Departmental staff services .....	46,626	47,614	46,907
00.02	General counsel .....	7,083	10,338	9,941
00.03	Public affairs .....	1,033	1,916	1,848
00.91	Total operating expenses .....	54,742	59,868	58,696
01.01	Capital investment .....	1,992		
10.00	Total obligations .....	56,734	59,868	58,696
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-58,523	-59,868	-58,696
21.98	Unobligated balance available, start of year: Fund balance .....	-2,727	-4,516	-4,516
24.98	Unobligated balance available, end of year: Fund balance .....	4,516	4,516	4,516
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-1,789		
72.10	Receivables in excess of obligations, start of year .....	-1,509	-3,596	-3,596

74.10	Receivables in excess of obligations, end of year.....	3,596	3,596	3,596
90.00	Outlays.....	298		

This fund finances, on a reimbursable basis, administrative functions for the entire Department which are more efficiently performed on a centralized basis.

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

Identification code 13-4511-0-4-376	1987 actual	1988 est.	1989 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	21,607	23,108	23,401
11.3	Other than full-time permanent.....	335	353	352
11.5	Other personnel compensation.....	836	844	849
11.9	Total personnel compensation.....	22,778	24,305	24,602
12.1	Civilian personnel benefits.....	2,856	4,725	4,480
21.0	Travel and transportation of persons.....	223	504	505
22.0	Transportation of things.....	160	168	169
23.1	Rental payments to GSA.....	4,184	4,615	4,652
23.3	Communications, utilities, and miscellaneous charges.....	4,551	5,563	4,209
24.0	Printing and reproduction.....	329	521	523
25.0	Other services.....	16,201	16,127	16,192
26.0	Supplies and materials.....	4,200	2,341	2,357
31.0	Equipment.....	1,252	999	1,007
99.9	Total obligations.....	56,734	59,868	58,696

**Personnel Summary**

Total number of full-time permanent positions.....	675	790	801
Total compensable workyears:			
Full-time equivalent employment.....	700	704	715
Full-time equivalent of overtime and holiday hours.....	13	13	13

**Trust Funds**

**GIFTS AND BEQUESTS**

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

Identification code 13-8501-0-7-376	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Environmental services.....	7	4	4
00.02	Standards missions.....	25	14	14
00.03	Special central services.....	34	18	18
00.04	Miscellaneous contributed funds.....	252	134	134
00.05	Promotion of international trade.....	57	30	30
10.00	Total obligations.....	375	200	200
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-472	-524	-524
24.40	Unobligated balance available, end of year.....	524	524	524
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>427</b>	<b>200</b>	<b>200</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	375	200	200
72.40	Obligated balance, start of year.....	40	39	39
74.40	Obligated balance, end of year.....	-39	-39	-39
90.00	Outlays.....	376	200	200

The Secretary of Commerce is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department of Commerce. Property and the proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

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

Identification code 13-8501-0-7-376	1987 actual	1988 est.	1989 est.	
21.0	Travel and transportation of persons.....	119	88	88
25.0	Other services.....	201	94	94
26.0	Supplies and materials.....	55	18	18
99.9	Total obligations.....	375	200	200

**BUREAU OF THE CENSUS**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, **[\$94,835,000]** \$103,970,000. (13 U.S.C. 4, 6, 8(b), 12, 41-45, 61-63, 181, 182, 301-307; 15 U.S.C. 1516; 19 U.S.C. 1484, 2354, 2393; 44 U.S.C. 1343; 50 U.S.C. App. 2292; Department of Commerce Appropriation Act, 1988.)

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

Identification code 13-0401-0-1-376	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Current economic statistics programs:</b>				
00.01	Business statistics.....	12,795	13,548	14,608
00.02	Construction statistics.....	7,127	7,439	7,956
00.03	Manufacturing statistics.....	9,161	9,398	11,869
00.04	General economic statistics.....	9,012	8,767	9,945
00.05	Foreign trade statistics.....	15,488	15,886	16,981
00.06	Government statistics.....	4,851	4,958	5,322
00.07	Agriculture statistics.....	419	397	429
<b>Current demographic statistics programs:</b>				
00.10	Demographic surveys.....	25,721	27,217	29,037
00.11	Demographic reports.....	3,083	3,110	3,340
00.12	International statistics.....	633	638	682
00.13	Housing statistics.....	525	527	575
<b>Other programs and publications:</b>				
00.16	Statistical abstract and supplements.....	1,515	1,595	1,763
00.17	General research.....	731	690	744
00.18	Data systems development.....	698	665	719
00.91	Total direct program.....	91,759	94,835	103,970
01.01	Reimbursable program.....	84,968	96,000	96,000
10.00	Total obligations.....	176,728	190,835	199,970
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-76,891	-88,000	-88,000
14.00	Non-Federal sources.....	-8,078	-8,000	-8,000
25.00	Unobligated balance lapsing.....	572		
39.00	<b>Budget authority.....</b>	<b>92,331</b>	<b>94,835</b>	<b>103,970</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	92,213	94,835	103,970
42.00	Transferred from other accounts.....	118		
43.00	<b>Appropriation (adjusted).....</b>	<b>92,331</b>	<b>94,835</b>	<b>103,970</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	91,759	94,835	103,970
72.40	Obligated balance, start of year.....	9,255	17,387	10,432
74.40	Obligated balance, end of year.....	-17,387	-10,432	-11,437
77.00	Adjustments in expired accounts.....	-523		
90.00	Outlays.....	83,105	101,790	102,965

The activities of this appropriation provide for the collection, compilation, and publication of a broad range of current statistics dealing with economic, demographic, and social data.

## General and special funds—Continued

## SALARIES AND EXPENSES—Continued

*Current economic statistics programs—*

*Business statistics.*—This program provides current information on sales and related measures of retail and wholesale trade and selected service industries.

*Construction statistics.*—Reports are provided on significant construction activity such as housing permits and starts, value of new construction, residential alterations and repairs, and quarterly price indexes for new, single-family houses.

*Manufacturing statistics.*—Surveys of key industrial commodities and manufacturing activity provide current statistics on the quantity and value of industry output. The 1989 budget provides for the transfer and improvement of the plant and equipment survey from ESA to the Bureau of Census.

*General economic statistics.*—This subactivity provides a Standard Statistical Establishment List (SSEL) of all U.S. business firms and their establishments, uniform classification data, annual county business data, and corporate financial data.

The 1989 budget reduces coverage of the Quarterly Financial Report to its 1984 level and provides for the classification of new businesses.

*Foreign trade statistics.*—Monthly, cumulative, and annual reports are published on the quantity, shipping weight, and dollar value of imports and exports, by mode of transportation, detailed commodity category, customs district, and country of origin or destination. Commodity classifications are being improved for comparability and other activities in support of the Trade Act of 1974.

*Government statistics.*—Reports are published annually regarding the revenue, expenditures, indebtedness and debt transactions, financial assets, employment, and payrolls of State and local governments. Quarterly information on State and local tax revenue is furnished on the national level by type of tax and governmental level, and information is provided on financial assistance programs of the Federal Government.

*Agriculture statistics.*—Information on cotton ginnings and production is compiled and published. Assistance is provided on using the information from the census of agriculture.

*Current demographic statistics programs—*

*Demographic surveys.*—This program provides information on the number, the geographic distribution and the social and economic characteristics of the population. The 1989 budget reflects the phase-down of the introduction of computer-assisted telephone interviewing to the current population survey.

*Demographic reports.*—This program provides current reports on the geographic distribution and on the demographic, social, and economic characteristics of the population, as well as current estimates and future projections of the population of the United States. The program also provides special analyses of demographic, social, and economic trends.

*International statistics.*—This program provides estimates of population, labor force, and economic activ-

ity, including spatial distribution, and analyses concerning aspects of demographic policies, economic policies, and trends for various countries.

*Housing statistics.*—This program compiles statistics on the Nation's housing inventory and provides national and regional estimates of housing vacancy rates.

*Other programs and publications—*

*Statistical abstract and supplements.*—The *Statistical Abstract*, prepared annually, summarizes Government and private statistics of the industrial, social, political, and economic activities of the United States.

*General research.*—Research is conducted on survey methods and techniques to find ways of improving the efficiency, accuracy, and timeliness of statistical programs.

*Data systems development.*—This program provides advanced data capture, data processing, and information retrieval technology to meet Bureau program requirements.

*Reimbursable program.*—The Bureau of the Census undertakes work for other governmental agencies when it is more appropriate or efficient to have the work performed by the Bureau. Significant work includes collection of labor force and consumer expenditure data for the Bureau of Labor Statistics, national health and education program data for the Department of Education and the Department of Health and Human Services, and annual housing data for the Department of Housing and Urban Development.

## Object Classification (in thousands of dollars)

Identification code	13-0401-0-1-376	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	47,576	47,276	51,831
11.3	Other than full-time permanent .....	12,551	13,085	14,581
11.5	Other personnel compensation .....	2,160	2,151	2,298
11.9	Total personnel compensation .....	62,287	62,512	68,710
12.1	Civilian personnel benefits .....	8,225	9,935	11,554
21.0	Travel and transportation of persons .....	2,431	3,185	3,333
22.0	Transportation of things .....	250	100	104
23.1	Rental payments to GSA .....	5,320	6,253	6,653
23.3	Communications, utilities and miscellaneous charges .....	4,339	3,426	3,654
24.0	Printing and reproduction .....	2,195	2,753	2,884
25.0	Other services .....	4,715	4,920	5,209
26.0	Supplies and materials .....	1,372	1,064	1,131
31.0	Equipment .....	625	687	738
99.0	Subtotal, direct obligations .....	91,759	94,835	103,970
99.0	Reimbursable obligations .....	84,968	96,000	96,000
99.9	Total obligations .....	176,728	190,835	199,970

## Personnel Summary

Direct:			
Total number of full-time permanent positions .....	2,255	2,307	2,356
Total compensable workyears:			
Full-time equivalent employment .....	2,909	3,025	3,099
Full-time equivalent of overtime and holiday hours .....	140	140	140
Reimbursable:			
Total number of full-time permanent positions .....	1,275	1,315	1,315
Total compensable workyears:			
Full-time equivalent employment .....	1,964	2,204	2,204
Full-time equivalent of overtime and holiday hours .....	15	15	15

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, **[\$346,444,000]** \$567,211,000, to remain available until expended. (13 U.S.C. 4, 6, 12, 131, 141, 142, 161, 181, 191; 15 U.S.C. 1516; 42 U.S.C. 1973aa-5; Department of Commerce Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 13-0450-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Economic statistics programs:			
00.01 Economic censuses .....	13,341	34,575	23,249
00.02 Census of governments .....	5,037	3,174	1,405
00.03 Census of agriculture .....	11,497	32,634	9,414
Demographic statistics programs:			
00.06 Intercensal demographic estimates .....	2,756	2,609	2,717
00.07 Decennial census .....	73,372	230,874	434,804
00.08 Sample redesign .....	582	845	806
00.10 Geographic support .....	16,279	9,616	8,761
00.11 Data processing systems .....	48,263	44,729	61,055
10.00 Total obligations .....	171,127	359,056	542,211
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-708		
21.40 Unobligated balance available, start of year .....	-8,224	-12,612	
24.40 Unobligated balance available, end of year .....	12,612		25,000
40.00 Budget authority (appropriation) .....	174,806	346,444	567,211
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	171,127	359,056	542,211
72.40 Obligated balance, start of year .....	24,503	60,928	75,043
74.40 Obligated balance, end of year .....	-60,928	-75,043	-128,971
78.00 Adjustments in unexpired accounts .....	-708		
90.00 Outlays .....	133,993	344,941	488,283

This appropriation funds legislatively mandated censuses of economic and demographic areas once or twice each decade and other authorized periodic activities.

*Economic statistics programs—*

*Economic censuses.*—The economic censuses provide data on manufactures, mineral industries, retail and wholesale trade and service industries, construction, and transportation. The censuses are taken every fifth year, covering calendar years ending in two and seven.

The 1989 budget marks the transition from centralized processing in our Jeffersonville, Indiana facility to processing by subject matter divisions at Headquarters. We will complete the computer edits of millions of establishment records, and identify and correct erroneous and/or inconsistent records. We will also conduct data collection activities of several follow-on surveys.

*Census of governments.*—This census collects State and local government data on taxes, tax valuations, governmental receipts, expenditures, indebtedness, and number of employees. This census is taken every fifth year for calendar years ending in two and seven.

The 1989 budget provides for the collection and processing of data for the governmental finance and public employment phases of the 1987 Census of Governments.

*Census of agriculture.*—This census covers the agricultural sector of the economy and includes the census of irrigation.

The 1989 budget provides for the completion of data edits and tabulations, and for the publication of county, State, and U.S. Advance Reports.

*Demographic statistics programs—*

*Intercensal demographic estimates.*—This program provides updated population and per capita income estimates for general purpose governmental units for use in the equitable allocation of funds by various Federal programs and for other purposes.

*Decennial census.*—The decennial census of population and housing involves the enumeration of the total population of the 50 States, the District of Columbia, Puerto Rico, Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

The 1989 budget provides for processing and evaluating dress rehearsal data, completing and verifying the master address list, establishing control files, continuing to open collection offices and completing the opening of 11 processing offices, installing communications systems, hiring and training of 33,000 people and contingency funding to cover unanticipated and uncontrollable costs related to the 1990 decennial census. The 1989 budget also provides funding for planning the 2000 decennial census.

*Sample redesign.*—This program provides for revisions to the statistical samples used for monthly, quarterly and annual surveys.

*Geographic support.*—This activity provides for the geographic requirements of the various periodic programs and involves accurate identification of both political and statistical areas, preparation of maps, and maintenance of geographic base files.

*Data processing systems.*—This program provides the resources necessary to improve the data processing installation of the Bureau of the Census.

Object Classification (in thousands of dollars)

Identification code 13-0450-0-1-376	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	52,327	95,993	81,534
11.3 Other than full-time permanent .....	10,543	79,690	147,983
11.5 Other personnel compensation .....	1,026	1,920	1,503
11.8 Special personal services payments .....	3	44	72
11.9 Total personnel compensation .....	63,899	177,647	231,092
12.1 Civilian personnel benefits .....	9,855	28,339	41,269
13.0 Benefits for former personnel .....	1,141	3,825	6,305
21.0 Travel and transportation of persons .....	2,505	15,054	20,023
22.0 Transportation of things .....	300	958	1,254
23.1 Rental payments to GSA .....	3,630	11,464	11,942
23.2 Rental payments to others .....	1,553	3,003	38,610
23.3 Communications, utilities, and miscellaneous charges .....	8,314	17,461	15,234
24.0 Printing and reproduction .....	6,054	8,391	75,159
25.0 Other services .....	31,585	39,371	31,015
26.0 Supplies and materials .....	5,617	10,257	11,668
31.0 Equipment .....	35,558	43,286	58,640
42.0 Insurance claims and indemnities .....	1,116		
99.9 Total obligations .....	171,127	359,056	542,211

Personnel Summary

Total number of full-time permanent positions .....	1,928	2,450	2,760
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	2,105	8,955	7,664
Full-time equivalent of overtime and holiday hours .....	20	30	40

## ECONOMIC AND STATISTICAL ANALYSIS

## Federal Funds

## General and special funds:

## SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs, **[\$32,079,000] \$32,539,000.** (15 U.S.C. 171 et seq., 1516, 3704-05, 3710; 22 U.S.C. 286f, 3101-08; 30 U.S.C. 1604; 35 U.S.C. 200-206; 40 U.S.C. 759(f); Department of Commerce Appropriation Act, 1988; additional authorizing legislation to be proposed for \$1,707,000.)

## Program and Financing (in thousands of dollars)

Identification code 13-1500-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Economic analysis.....	22,953	23,561	24,655
00.02 Policy support.....	4,755	5,606	5,452
00.03 Productivity, technology, and innovation.....	3,029	2,722	2,007
00.04 Japanese technical literature.....		190	425
00.91 Total direct program.....	30,737	32,079	32,539
01.01 Reimbursable program.....	1,648	2,650	2,900
10.00 Total obligations.....	32,385	34,729	35,439
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-1,278	-1,505	-1,505
14.00 Non-Federal sources.....	-370	-1,145	-1,395
22.40 Unobligated balance transferred, net.....	-332		
25.00 Unobligated balance lapsing.....	46		
39.00 Budget authority.....	30,450	32,079	32,539
Budget authority:			
40.00 Appropriation.....	30,408	32,079	32,539
42.00 Transferred from other accounts.....	42		
43.00 Appropriation (adjusted).....	30,450	32,079	32,539
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	30,737	32,079	32,539
72.40 Obligated balance, start of year.....	3,763	4,307	3,529
74.40 Obligated balance, end of year.....	-4,307	-3,529	-3,600
77.00 Adjustments in expired accounts.....	-1,648		
90.00 Outlays.....	28,544	32,857	32,468

**Economic analysis.**—The objective of this activity is to provide a clear picture of the state of the economy through the preparation, development, and interpretation of the economic accounts of the United States. The principal programs are:

**National economic accounts.**—The national income and product accounts, summarized by the gross national product (GNP), provide an up-to-date overall view of national production, its distribution, and its use as shown by the interrelated receipts and expenditures of producers, consumers, investors, government, and the foreign customers of the United States. In 1989, increases are provided to maintain the quality of the GNP estimates and to improve the annual tabulations of corporate tax return data.

**Analysis of business trends.**—This work includes surveys of business investment, econometric models of the U.S. economy, a system of business cycle indicators, and analyses of the economic situation. In 1989, funds will be transferred to the Bureau of the Census for the plant and equipment survey.

**International economic accounts.**—The balance of payments accounts provide a comprehensive and detailed view of economic transactions between the United States and foreign countries. The internation-

al investment accounts consist of the preparation, development, and analysis of estimates of U.S. direct investment abroad and foreign direct investment in the United States. In 1989, an increase is provided to maintain the quality of the balance of payments estimates.

**Policy support.**—The objective of this activity is to support the Secretary, Under Secretary for Economic Affairs, and other Government officials in interpreting the state of the economy, and on matters relating to economic policy.

**Productivity, technology, and innovation.**—The objective of this activity is to promote a favorable climate for private sector innovation and improvements in technology, utilization, and productivity. In 1989, the productivity, technology, and innovation program will be reduced.

**Japanese Technical Literature.**—The Japanese Technical Literature Act was enacted to improve the availability of Japanese science and engineering literature in the United States. In 1989, funds will be transferred from other bureaus of the Department to support an office to coordinate the Federal Government's activities under this Act.

**Reimbursable.**—ESA provides economic and statistical data and analyses on a reimbursable and advance payment basis to other Federal agencies, individuals, and firms requesting such information. Funds received for these services cover the cost of performing this work. ESA is authorized to perform these services under 31 U.S.C. 1535, 1536 and 15 U.S.C. 1526. In 1988, an increase reflects the transfer of NTIS functions which will be maintained by the Department after privatization.

## Object Classification (in thousands of dollars)

Identification code 13-1500-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	18,368	19,317	19,512
11.3 Other than full-time permanent.....	756	633	664
11.5 Other personnel compensation.....	300	261	267
11.9 Total personnel compensation.....	19,424	20,211	20,443
12.1 Civilian personnel benefits.....	2,201	2,757	2,880
13.0 Benefits for former personnel.....	4		400
21.0 Travel and transportation of persons.....	104	154	152
22.0 Transportation of things.....	25	6	3
23.1 Rental payments to GSA.....	2,452	2,677	2,677
23.3 Communications, utilities, and miscellaneous charges.....	827	907	962
24.0 Printing and reproduction.....	653	708	754
25.0 Other services.....	4,268	4,187	3,712
26.0 Supplies and materials.....	226	287	329
31.0 Equipment.....	553	185	227
99.0 Subtotal, direct obligations.....	30,737	32,079	32,539
99.0 Reimbursable obligations.....	1,648	2,650	2,900
99.9 Total obligations.....	32,385	34,729	35,439

## Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	439	488	474
Total compensable workyears:			
Full-time equivalent employment.....	486	493	474
Full-time equivalent of overtime and holiday hours.....		5	5
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	48	60	67
Total compensable workyears: Full-time equivalent employment.....	45	60	67

**Trust Funds**

**INFORMATION PRODUCTS AND SERVICES**

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

Identification code	1987 actual	1988 est.	1989 est.
13-8546-0-7-376			
<b>Program by activities:</b>			
10.00 Total obligations	40,425	43,000	49,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-3,463	-3,948	-3,948
24.40 Unobligated balance available, end of year	3,948	3,948	3,948
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>40,910</b>	<b>43,000</b>	<b>49,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	40,425	43,000	49,000
72.40 Obligated balance, start of year	7,914	13,422	13,422
74.40 Obligated balance, end of year	-13,422	-13,422	-13,422
90.00 Outlays	34,917	43,000	49,000

The National Technical Information Service (NTIS) operates this trust fund as a central source for the acquisition and public sale of domestic and foreign federally funded research, development, and engineering reports and associated business information. In 1988, the private sector will be offered the opportunity to operate NTIS on contract, with the government retaining overall policy direction.

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

Identification code	1987 actual	1988 est.	1989 est.
13-8546-0-7-376			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	7,577	8,135	9,270
11.3 Other than full-time permanent	482	574	655
11.5 Other personnel compensation	114	166	189
11.9 Total personnel compensation	8,173	8,875	10,114
12.1 Civilian personnel benefits	916	1,153	1,313
21.0 Travel and transportation of persons	167	250	284
22.0 Transportation of things	276	300	338
23.1 Rental payments to GSA	1,397	1,400	1,700
23.3 Communications, utilities, and miscellaneous charges	1,075	2,100	2,391
24.0 Printing and reproduction	3,922	5,400	6,154
25.0 Other services	22,511	21,572	24,480
26.0 Supplies and materials	311	350	397
31.0 Equipment	429	300	343
44.0 Refunds	1,248	1,300	1,486
99.9 Total obligations	40,425	43,000	49,000

**Personnel Summary**

Total number of full-time permanent positions	294		
Total compensable workyears:			
Full-time equivalent employment	317	166	
Full-time equivalent of overtime and holiday hours	3	3	

**REGIONAL DEVELOPMENT PROGRAM**

**Federal Funds**

**General and special funds:**

**REGIONAL DEVELOPMENT PROGRAMS**

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

Identification code	1987 actual	1988 est.	1989 est.
13-2100-0-1-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)			
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-105		
21.40 Unobligated balance available, start of year	-2,359	-106	-106

22.40 Unobligated balance transferred, net	782		
23.40 Unobligated balance rescinded (P.L. 99-500 and 99-591)	1,576		
24.40 Unobligated balance available, end of year	106	106	106
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	342	142	
74.40 Obligated balance, end of year	-142		
78.00 Adjustments in unexpired accounts	-105		
90.00 Outlays	95	142	

**Trust Funds**

**REGIONAL DEVELOPMENT COMMISSIONS**

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

Identification code	1987 actual	1988 est.	1989 est.
13-8509-0-7-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 44.0)	100	847	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-947	-847	
24.40 Unobligated balance available, end of year	847		
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	100	847	
72.10 Receivables in excess of obligations, start of year	-609	-609	
74.10 Receivables in excess of obligations, end of year	609		
90.00 Outlays	100	238	

The Regional Development Commissions trust fund is a depository for Federal and State grants and contributions to the Commissions for administrative expenses, technical assistance, demonstration projects, and State and regional investment planning. Federal payments to this fund were discontinued in 1981 as part of the termination of the regional development program.

**INTERNATIONAL TRADE ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**OPERATIONS AND ADMINISTRATION**

**[(INCLUDING RESCISSION)]**

For necessary expenses for international trade activities of the Department of Commerce, including trade promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed \$253,000 for official representation expenses abroad; [awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b);] and purchase of passenger motor vehicles for official use abroad [and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law]; [\$161,432,000] \$169,337,000, to remain available until expended[, of which \$6,791,000 is for the Office of Textiles and Apparels, including \$3,360,000 for a grant to the Tailored Clothing Technology Corporation and of which \$3,840,000 is for support costs for a new materials

General and special funds—Continued

OPERATIONS AND ADMINISTRATION—Continued

[(INCLUDING RESCISSION)]—Continued

center in Ames, Iowa]: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities. Notwithstanding any other provision of law, upon the request of the Secretary of Commerce, the Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Commercial Officer assigned to any United States mission abroad: *Provided further*, That the number of Commercial Service officers accorded such diplomatic title at any time shall not exceed eight. (15 U.S.C. 637(e), 649, 1501 et seq., 1871, 4001 et seq., 4011 et seq.; 19 U.S.C. 81a et seq., 1202nt., 1303, 1671 et seq., 1673 et seq., 1862, 2031, 2155, 2354, 2411 et seq.; 22 U.S.C. 801 et seq., 2451 et seq., 2651 et seq., 3101 et seq.; 40 U.S.C. 512, 42 U.S.C. 300j; 50 U.S.C. 98-98h, 401 et seq., 2061 et seq., 2401 et seq.; Public Law 99-64; Department of Commerce Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 13-1250-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Trade development.....	61,077	58,280	36,954
00.02 International economic policy.....	14,729	14,667	17,718
00.03 Import administration.....	53,818	18,522	22,974
00.04 U.S. and foreign commercial services.....	80,786	77,408	91,691
00.91 Total direct program.....	210,410	168,877	169,337
01.01 Reimbursable program.....	11,725	11,681	10,845
10.00 Total obligations.....	222,135	180,558	180,182
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-1,176	-1,552	-1,467
14.00 Non-Federal sources.....	-12,808	-10,129	-9,378
17.00 Recovery of prior year obligations.....	-1,547	.....	.....
21.40 Unobligated balance available, start of year.....	-20,394	-7,445	.....
23.40 Unobligated balance rescinded (P.L. 99-500 and 99-591).....	8,100	.....	.....
24.40 Unobligated balance available, end of year.....	7,445	.....	.....
39.00 <b>Budget authority</b> .....	<b>201,755</b>	<b>161,432</b>	<b>169,337</b>
Budget authority:			
40.00 Appropriation.....	199,737	161,432	169,337
41.00 Transferred to other accounts.....	.....	.....	.....
42.00 Transferred from other accounts.....	2,018	.....	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>201,755</b>	<b>161,432</b>	<b>169,337</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	208,151	168,877	169,337
72.40 Obligated balance, start of year.....	52,199	70,991	80,299
74.40 Obligated balance, end of year.....	-70,991	-80,299	-76,163
77.00 Adjustments in expired accounts.....	.....	-1,212	.....
78.00 Adjustments in unexpired accounts.....	-1,547	.....	.....
90.00 Outlays.....	187,812	158,357	173,473

Note.—Excludes \$1,188 thousand in budget authority in 1989 for activities transferred to Department of Commerce General Administration (\$952 thousand in 1987, and \$1,188 thousand in 1988).

Status of Direct Loans (in thousands of dollars)

Identification code 13-1250-0-1-376	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	8,223	7,184	.....
1231 Disbursements: Direct loan disbursements.....	844	397	.....
1251 Repayments: Repayments and prepayments.....	-1,694	-711	.....
<b>Adjustments:</b>			
1262 Write-offs for default.....	-189	.....	.....
1264 Other adjustments, net.....	.....	-6,870	.....
1290 Outstanding, end of year.....	7,184	.....	.....
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	.....	.....	.....

Status of Guaranteed Loans (in thousands of dollars)

Identification code 13-1250-0-1-376	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	19,903	18,194	.....
2251 Repayments: Repayments and prepayments.....	-1,510	-2,389	.....
<b>Adjustments:</b>			
2263 Terminations for default that result in claim payments.....	-199	.....	.....
2264 Other adjustments, net <sup>1</sup> .....	.....	-15,805	.....
2290 Outstanding, end of year.....	18,194	.....	.....
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	16,375	.....	.....

<sup>1</sup> Amounts shown in 1988 reflect \$1 thousand workout on guaranteed loans and a transfer of \$16,805 thousand in outstanding balances to the Economic Development Administration, Economic Development Revolving Fund.

The activities of the International Trade Administration in the Department of Commerce are intended to develop the export potential of U.S. firms in a manner consistent with national security and foreign and economic policy and to promote an improved trade posture for U.S. industry.

**Trade development.**—The trade development program assesses the competitiveness of various U.S. industries; performs trade and investment analyses in support of industry programs and trade policy; and conducts export promotion programs directed toward industry sectors. Trade Adjustment Assistance to firms is proposed for termination in 1989.

**International economic policy.**—This program develops regional and multilateral economic policies; provides marketing services directly and through the Foreign Commercial Service which assist U.S. businesses in expanding exports; identifies long range trade and investment problems and develops remedial strategies.

**Import Administration.**—Import Administration investigates antidumping and countervailing duty cases to ensure compliance with applicable U.S. statutes; administers certain other statutory programs relating to imports and foreign trade zones; and ensures the availability of industrial resources for national defense under the authority of the Defense Production Act.

In 1989, an increase of 13 positions and \$635,000 is requested for Import Administration to support the U.S.-Canada softwood lumber memorandum of understanding.

**U.S. and foreign commercial service.**—The U.S. and foreign commercial service counsels U.S. businesses on exporting through 48 District Offices in the United States and overseas offices in 66 countries. The program's goals are to increase the number of U.S. firms that export and the number of foreign markets to which they export; to provide export market information; to promote and facilitate participation of U.S. firms in trade shows; and to encourage and sponsor additional involvement by private, State and local organizations.

Furthermore, in 1989, ITA will continue its counseling services to U.S. businesses through its automated Commercial Information Management System (CIMS) that will provide customized and proactive export assistance to U.S. businesses. ITA proposes to charge a fee to businesses who wish to take advantage of this system.



In 1989, an increase of \$9,200,000 is requested for the U.S. and Foreign Commercial Service to offset the loss of purchasing power overseas as a result of the decline in the value of the dollar and thereby allow ITA to maintain its existing level of overseas program activity.

*Reimbursable program.*—This account includes receipts for services rendered to other Federal agencies and receipts received on a cost recovery basis from private entities for trade events and export information services.

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

Identification code 13-1250-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	90,724	81,820	86,240
11.3 Other than full-time permanent .....	3,985	2,792	2,840
11.5 Other personnel compensation .....	1,953	1,565	1,670
11.8 Special personal services payments .....	201	300	350
11.9 Total personnel compensation .....	96,863	86,477	91,100
12.1 Civilian personnel benefits .....	13,921	12,526	13,084
13.0 Benefits for former personnel .....	318	300	300
21.0 Travel and transportation of persons .....	6,105	4,459	7,146
22.0 Transportation of things .....	805	566	1,654
23.1 Rental payments to GSA .....	10,654	10,191	10,637
23.2 Rental payments to others .....	4,019	2,938	4,436
23.3 Communications, utilities, and miscellaneous charges .....	5,694	3,542	5,429
24.0 Printing and reproduction .....	3,335	2,654	3,458
25.0 Other services .....	37,012	18,821	25,951
26.0 Supplies and materials .....	2,341	921	1,835
31.0 Equipment .....	5,136	1,238	4,282
33.0 Investments and loans .....	2,787	2,259	.....
41.0 Grants, subsidies, and contributions .....	21,023	21,960	.....
42.0 Insurance claims and indemnities .....	34	25	25
43.0 Interest and dividends .....	7	.....	.....
44.0 Refunds .....	28	.....	.....
92.0 Undistributed .....	328	.....	.....
99.0 Subtotal, direct obligations .....	210,410	168,877	169,337
99.0 Reimbursable obligations .....	11,725	11,681	10,845
99.9 Total obligations .....	222,135	180,558	180,182

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,481	2,155	2,125
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	2,700	2,331	2,332
Full-time equivalent of overtime and holiday hours .....	36	25	25
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	38	30	30
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	28	30	30
Full-time equivalent of overtime and holiday hours .....	2	1	1

**BUYING POWER MAINTENANCE**

*This account will offset losses due to exchange rate and overseas wage and price fluctuations unanticipated in the budget. Any gains due to fluctuations will be merged with this account to be available to offset future losses.*

**PARTICIPATION IN UNITED STATES EXPOSITIONS**

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

Identification code 13-1805-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 New York World's Fair (total obligations) (object class 42.0) .....	.....	26	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-25	.....	.....

21.40 Unobligated balance available, start of year .....	-63	-26	.....
24.40 Unobligated balance available, end of year .....	26	.....	.....
25.00 Unobligated balance lapsing .....	62	.....	.....
39.00 <b>Budget authority</b> .....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	.....	26	.....
72.40 Obligated balance, start of year .....	409	415	.....
74.40 Obligated balance, end of year .....	-415	.....	.....
77.00 Adjustments in expired accounts .....	38	.....	.....
78.00 Adjustments in unexpired accounts .....	-25	.....	.....
90.00 <b>Outlays</b> .....	7	441	.....

This account provided funds to cover expenses for participation in U.S. expositions that have taken place.

**EXPORT ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**OPERATIONS AND ADMINISTRATION**

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed \$5,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; [ \$37,465,000 ] \$39,313,000, to remain available until expended: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities. (15 U.S.C. 1501 et seq.; 22 U.S.C. 401(b); 22 U.S.C. app. 2651 et seq.; 22 U.S.C. 3901 et seq.; 50 U.S.C. app. 2401 et seq.; Export Administration Act of 1979, as amended; Department of Commerce Appropriation Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 13-0300-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Management and policy coordination .....	.....	2,455	2,546
00.02 Export enforcement .....	.....	20,871	21,737
00.03 Export administration .....	.....	14,139	15,030
00.91 Total direct program .....	.....	37,465	39,313
01.01 Reimbursable program .....	.....	300	310
10.00 Total obligations .....	.....	37,765	39,623
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Offsetting collections from: Federal funds .....	.....	-290	-300
14.00 Non-Federal sources .....	.....	-10	-10
40.00 <b>Budget authority (appropriation)</b> .....	.....	<b>37,465</b>	<b>39,313</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	.....	37,465	39,313
72.40 Obligated balance, start of year .....	.....	.....	11,052
74.40 Obligated balance, end of year .....	.....	-11,052	-15,268
90.00 <b>Outlays</b> .....	.....	26,413	35,097

General and special funds—Continued

OPERATIONS AND ADMINISTRATION—Continued

The activities of the Bureau of Export Administration in the Department of Commerce are designed to enforce U.S. export trade laws consistent with national security, foreign policy, and short supply objectives. The program strives to achieve a balance between the interests of U.S. exporters, the U.S. economy and U.S. national security requirements.

**Management and policy coordination.**—The management and policy coordination program controls the development, analysis, coordination, and consolidation of policy initiatives and responses within the Bureau of Export Administration and, through the Offices of the Under Secretary and Deputy Under Secretary, serves as the focal point for agency-wide program management decisions.

**Export administration.**—Through administration of the export administration activities contained in the U.S. code, the export administration program assures that U.S. export activity is consistent with national security and foreign policy requirements.

In 1989, an increase of 16 positions and \$793,000 is required to meet expanded statutory requirements concerning foreign availability determinations and to ensure that decontrol objectives are met consistent with U.S. national security requirements.

In addition, we are proposing a decrease of 9 positions and \$709,000 as a result of estimated reductions in export licensing workload and due to decontrol and efficiencies resulting from license processing automation.

**Export enforcement.**—The export enforcement program detects and prevents the illegal distribution of controlled U.S. goods and technical data in violation of the export administration provisions of the U.S. code. Responsibilities also include enforcement of prohibitions against participating in unsanctioned boycotts against countries friendly to the United States.

Object Classification (in thousands of dollars)

Identification code 13-0300-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	15,717	16,743	
11.3 Other than full-time permanent .....	467	561	
11.5 Other personnel compensation .....	427	518	
11.9 Total personnel compensation .....	16,611	17,822	
12.1 Civilian personnel benefits .....	3,066	3,286	
21.0 Travel and transportation of persons .....	1,070	1,059	
22.0 Transportation of things .....	36	36	
23.1 Rental payments to GSA .....	306	332	
23.2 Rental payments to others .....	3,012	3,260	
23.3 Communications, utilities, and miscellaneous charges .....	1,348	1,355	
24.0 Printing and reproduction .....	327	349	
25.0 Other services .....	10,402	10,553	
26.0 Supplies and materials .....	478	472	
31.0 Equipment .....	809	789	
99.0 Subtotal, direct obligations .....	37,465	39,313	
99.0 Reimbursable obligations .....		300	310
99.9 Total obligations .....	37,765	39,623	

Personnel Summary

Direct:	1987 actual	1989 est.
Total number of full-time permanent positions .....	512	519

Total compensation workyears:		
Full-time equivalent employment .....	508	508
Full-time equivalent of overtime and holiday hours .....	25	27
Reimbursable:		
Total number of full-time permanent positions .....	4	4
Total compensable workyears:		
Full-time equivalent employment .....	4	4
Full-time equivalent of overtime and holiday hours .....		

MINORITY BUSINESS DEVELOPMENT AGENCY

Federal Funds

General and special funds:

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, \$39,705,000, of which \$25,463,000 shall remain available until expended: *Provided*, That not to exceed \$14,242,000 shall be available for program management for fiscal year 1988: *Provided further*, That none of the funds appropriated in this paragraph or in this title for the Department of Commerce shall be available to reimburse the fund established by 15 U.S.C. 1521 on account of the performance of a program, project, or activity, nor shall such fund be available for the performance of a program, project, or activity, which had not been performed as a central service pursuant to 15 U.S.C. 1521 before July 1, 1982, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such action in accordance with the Committees' reprogramming procedures. (15 U.S.C. 1512; Department of Commerce Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 13-0201-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Enterprise development .....	38,705	36,495	
00.02 Resource development .....	5,528	4,300	
00.03 Advocacy, research, and information .....	1,379	1,846	
00.91 Total direct program .....	45,612	42,641	
01.01 Reimbursable program .....	1,555	800	
10.00 Total obligations .....	47,166	43,441	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,555	-800	
17.00 Recovery of prior year obligations .....	-1,628		
21.40 Unobligated balance available, start of year .....	-7,238	-2,936	
24.00 Unobligated balance available, end of year .....	2,936		
25.00 Unobligated balance lapsing .....	163		
39.00 <b>Budget authority</b> .....	<b>39,845</b>	<b>39,705</b>	
<b>Budget authority:</b>			
40.00 Appropriation .....	39,855	39,705	
41.00 Transferred to other accounts .....	-10		
43.00 <b>Appropriation (adjusted)</b> .....	<b>39,845</b>	<b>39,705</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	45,612	42,641	
72.40 Obligated balance, start of year .....	27,589	26,252	28,332
74.40 Obligated balance, end of year .....	-26,252	-28,332	-1,100
77.00 Adjustments in expired accounts .....	-830		
78.00 Adjustments in unexpired accounts .....	-1,628		
90.00 <b>Outlays</b> .....	<b>44,492</b>	<b>40,561</b>	<b>27,232</b>

Note.—Excludes \$36,381 thousand in 1988 for activities transferred to the Small Business Administration. Salaries and expenses, Minority Small Business/Capital Ownership Development. Comparable amounts for 1986 (\$34,824 thousand) and 1987 (\$34,016 thousand) are included above.

The 1989 Budget proposes to consolidate the Federal minority business assistance programs in the Small Business Administration. The proposed reorganization is designed to facilitate the coordination and delivery of

minority business programs in order to encourage greater minority participation in the ownership and operation of businesses. Under the proposal, all current MBDA programs will be transferred to SBA.

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

Identification code	13-0201-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent	7,038	8,087	
11.3	Other than full-time permanent	135	260	
11.5	Other personnel compensation	175	68	
11.9	Total personnel compensation	7,348	8,415	
12.1	Civilian personnel benefits	847	1,411	
21.0	Travel and transportation of persons	349	370	
22.0	Transportation of things	23	75	
23.1	Rental payments to GSA	1,032	1,092	
23.3	Communications, utilities, and miscellaneous charges	388	427	
24.0	Printing and reproduction	162	189	
25.0	Other services	6,662	5,159	
26.0	Supplies and materials	74	45	
31.0	Equipment	54	36	
41.0	Grants, subsidies, and contributions	28,672	25,422	
99.0	Subtotal, direct obligations	45,612	42,641	
99.0	Reimbursable obligations	1,555	800	
99.9	Total obligations	47,166	43,441	

**Personnel Summary**

Total number of full-time permanent positions	198	216
Total compensable workyears:		
Full-time equivalent employment	207	207
Full-time equivalent of overtime and holiday hours	2	2

**UNITED STATES TRAVEL AND TOURISM ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the United States Travel and Tourism Administration including travel and tourism promotional activities abroad for travel to the United States and its possessions without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; and including employment of American citizens and aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; advance of funds under contracts abroad; payment of tort claims in the manner authorized in the first paragraph of 28 U.S.C. 2672, when such claims arise in foreign countries; and not to exceed \$8,000 for representation expenses abroad; **[\$11,724,000]** \$11,000,000. (22 U.S.C. 2121-2127; Department of Commerce Appropriation Act, 1988.)

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

Identification code	13-0700-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	International tourism development	10,106	9,900	9,102
00.02	Executive direction	1,428	1,824	1,898
00.91	Total direct program	11,534	11,724	11,000
01.01	Reimbursable program	866	2,500	1,500
10.00	Total obligations	12,400	14,224	12,500
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds		-50	-50
14.00	Non-Federal sources	-866	-2,450	-1,450

25.00	Unobligated balance lapsing	13		
39.00	<b>Budget authority</b>	<b>11,547</b>	<b>11,724</b>	<b>11,000</b>
Budget authority:				
40.00	Appropriation	11,549	11,724	11,000
41.00	Transferred to other accounts	-2		
43.00	<b>Appropriation (adjusted)</b>	<b>11,547</b>	<b>11,724</b>	<b>11,000</b>
Relation of obligations to outlays:				
43.00	Appropriation (adjusted)	11,547	11,724	11,000
71.00	Obligations incurred, net	11,534	11,724	11,000
72.40	Obligated balance, start of year	2,095	2,303	2,756
74.40	Obligated balance, end of year	-2,303	-2,756	-2,591
77.00	Adjustments in expired accounts	-444		
90.00	Outlays	10,882	11,271	11,165

In 1989, USTTA will continue to pursue its Travel Promotion Fee to be assessed on airlines and cruise ship carriers for transportation of passengers to the United States in order to fund the activities of USTTA. The activities to be supported fall into two broad categories:

**International tourism development.**—These activities include the planning, development and carrying out of an international tourism marketing program designed to stimulate and encourage travel to the United States by residents of foreign countries.

**Executive direction.**—These activities include policy guidance, executive management, and administrative support in the areas of fiscal planning, program implementation, management and evaluation.

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

Identification code	13-0700-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent	3,156	3,500	3,611
11.3	Other than full-time permanent	38	10	
11.5	Other personnel compensation	4	3	8
11.9	Total personnel compensation	3,198	3,513	3,619
12.1	Civilian personnel benefits	857	994	1,144
21.0	Travel and transportation of persons	333	316	296
22.0	Transportation of things	80	28	55
23.1	Rental payments to GSA	254	292	301
23.2	Rental payments to others	645	650	677
23.3	Communications, utilities, and miscellaneous charges	554	564	742
24.0	Printing and reproduction	419	443	352
25.0	Other services	4,906	4,736	3,644
26.0	Supplies and materials	153	110	90
31.0	Equipment	135	78	79
99.0	Subtotal, direct obligations	11,534	11,724	11,000
99.0	Reimbursable obligations	866	2,500	1,500
99.9	Total obligations	12,400	14,224	12,500

**Personnel Summary**

Total number of full-time permanent positions	75	85	85
Total compensable workyears: Full-time equivalent employment	80	85	85

**NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION**

The following table depicts the level (obligations) of all National Oceanic and Atmospheric Administration programs, the details of which are in the following budget schedules.

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operations, research, and facilities .....	1,297,855	1,529,298	1,371,956
Construction .....	213	251	.....
Promote and develop fishery products and research pertaining to American fisheries .....	1,122	16,229	.....
Fisheries promotional fund .....	.....	3,375	.....
Fishing vessel and gear damage compensation fund .....	1,126	1,803	500
Fishermen's contingency fund .....	782	719	750
Foreign fishing observer fund .....	2,041	2,228	2,000
Federal ship financing fund .....	3,480	2,720	2,720
Aviation weather services program .....	29,000	28,291	30,000
<b>Total obligations .....</b>	<b>1,335,619</b>	<b>1,584,914</b>	<b>1,407,976</b>

**Federal Funds**

**General and special funds:**

**OPERATIONS, RESEARCH, AND FACILITIES  
(INCLUDING TRANSFER OF FUNDS)**

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; 399 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; **[\$1,110,015,000, to remain available until expended]** \$1,064,371,000, of which \$345,449,000 shall remain available until expended; and in addition, **[\$28,291,000]** \$30,000,000 shall be derived from the Airport and Airways Trust Fund; and in addition, **[\$44,397,000]** \$56,300,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, **[\$15,248,000]** \$6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund; *Provided*, That grants to States pursuant to section 306 and section 308(a) of the Coastal Zone Management Act, as amended, shall not exceed \$2,000,000 and shall not be less than \$450,000; *Provided further*, That \$376,000 of the funds made available under this paragraph shall be used for a semi-tropical research facility located at Key Largo, Florida; *Provided further*, That of the funds appropriated in this paragraph, necessary funds shall be used to fill and maintain a staff of three persons, as National Oceanic and Atmospheric Administration personnel, to work on contracts and purchase orders at the National Data Buoy Center in Bay St. Louis, Mississippi, and report to the Director of the National Data Buoy Center in the same manner and extent that such procurement functions were performed at Bay St. Louis prior to June 26, 1983, except that they may provide procurement assistance to other Department of Commerce activities pursuant to ordinary interagency agreements. Where practicable, these positions shall be filled by the employees who performed such functions prior to June 26, 1983].

**[No monies appropriated by this Act shall be used by the Department of Commerce prior to February 1, 1988, to initiate proceedings under section 312 (d) and (e) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1458) against the State of California's Coastal Management Program. Further, the Secretary of Commerce is directed to release to the California Coastal Commission the fiscal year 1987 administrative grant for operations and equipment authorized under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).]**

**[Notwithstanding the provisions of Public Law 100-71, any funds appropriated in prior Acts and unobligated for the commercialization of the Land Remote Sensing Satellite System (LANDSAT) as of the date of enactment of House Joint Resolution 395, shall be available to restore the reductions in other programs funded in "Operations, Research, and Facilities" which were made pursuant to the conference report and accompanying statement of the managers on House Joint Resolution 395, if a new contract has not been signed by April 1, 1988 for commercialization of the Land Remote Sensing Satellite System (LANDSAT): *Provided*, That such contract shall be subject to the approval of the Appropriations Committees of the Congress pursuant to the reprogramming provisions of section 608 of this Act.] (7 U.S.C. 1622; 12 U.S.C. 1715m; 15 U.S.C. 272, 313, 313a, 313nt, 330b, 330e, 1514, 1517, 2904, 2905, 2906, 2908, 4211, 4278; 16 U.S.C. 661 et seq.; 30 U.S.C. 1412, 1419, 1424, 1428, 1469, 1470; 33 U.S.C. 706 et seq., 1441,**

*1442, 1443, 1444, 1703, 1704, 1705, 1709; 37 U.S.C. 101 et seq.; 42 U.S.C. 1891, 7453, 7454, 8902, 8903, 8904, 8905; 43 U.S.C. 1347e; 49 U.S.C. 1153; Department of Commerce Appropriation Act; additional authorizing legislation to be proposed for \$21,011,000.)*

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

Identification code	13-1450-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	National Ocean Service .....	127,187	118,800	71,444
00.02	National Marine Fisheries Service .....	166,018	165,217	96,766
00.03	Oceanic and Atmospheric Research .....	146,948	144,500	98,130
00.04	National Weather Service .....	324,112	344,785	333,366
00.05	National Environmental Satellite, Data, and Information Service .....	254,373	343,067	408,761
00.06	Program support .....	118,313	126,705	124,704
00.91	<b>Total direct program .....</b>	<b>1,136,951</b>	<b>1,243,074</b>	<b>1,133,171</b>
Reimbursable program:				
01.01	National Ocean Service .....	41,279	42,498	42,450
01.02	National Marine Fisheries Service .....	10,658	11,405	11,671
01.03	Oceanic and Atmospheric Research .....	.....	19,577	17,571
01.04	National Weather Service .....	73,181	191,464	148,722
01.05	National Environmental Satellite, Data, and Information Service .....	8,049	7,053	7,128
01.06	Program support .....	27,737	14,227	11,243
01.91	<b>Total reimbursable program .....</b>	<b>160,904</b>	<b>286,224</b>	<b>238,785</b>
10.00	<b>Total obligations .....</b>	<b>1,297,855</b>	<b>1,529,298</b>	<b>1,371,956</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-117,464	-243,840	-190,373
13.00	Trust funds .....	-29,000	-28,291	-30,000
14.00	Non-Federal sources .....	-14,440	-14,093	-18,412
17.00	Recovery of prior year obligations .....	-58,943	-4,000	-6,000
21.40	Unobligated balance available, start of year .....	-32,522	-69,414	.....
22.40	Unobligated balance transferred, net .....	-17,178	-15,248	-6,500
24.40	Unobligated balance available, end of year .....	69,414	.....	.....
39.00	<b>Budget authority .....</b>	<b>1,097,722</b>	<b>1,154,412</b>	<b>1,120,671</b>
Budget authority:				
40.00	Appropriation .....	1,046,360	1,110,015	1,064,371
41.00	Transferred to other accounts .....	-438	.....	.....
42.00	Transferred from other accounts .....	51,800	44,397	56,300
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,097,722</b>	<b>1,154,412</b>	<b>1,120,671</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,136,951	1,243,074	1,133,171
72.40	Obligated balance, start of year .....	745,508	775,224	838,841
74.40	Obligated balance, end of year .....	-775,224	-838,841	-797,515
78.00	Adjustments in unexpired accounts .....	-58,943	-4,000	-6,000
90.00	<b>Outlays .....</b>	<b>1,048,292</b>	<b>1,175,457</b>	<b>1,168,497</b>

**National Ocean Service.**—The National Ocean Service provides for the management of ocean and coastal resources, particularly in the 200-mile Exclusive Economic Zone; improvements in the quality, quantity, geographic distribution and timeliness of ocean observations; the conservation, rational use, and charting of the Nation's coastal regions; production of aeronautical and nautical charts; and geodetic surveys. Program changes involve decreases for ocean assessments, the ocean services program, and Coastal Zone Management grants, and increases for the next generation automated nautical charting system. Chart prices will be increased to pay for the new system.

**National Marine Fisheries Service.**—These programs provide for the management and conservation of the Nation's living marine resources and their environment including marine mammals and endangered species. Program changes, consistent with NOAA's priorities, will reduce information collection and analyses and re-

lated research, as well as regulatory and management operations. Programs that primarily support local and private sector interests, e.g., aquaculture research, fisheries trade, and fisheries grant programs will be terminated.

**Oceanic and Atmospheric Research.**—These programs provide: the understanding and technique development necessary to improve NOAA services (weather warnings and forecasts, solar-terrestrial services, climate predictions, and marine services); and the understanding of environmental systems necessary for national policy formulation (e.g., acid rain) and the enhanced use of ocean resources (e.g., fisheries, minerals). A proposed increase for an integrated NOAA program in Earth System Science will provide a new, coordinated approach to conducting research to improve predictions of global climate change. Other program changes principally involve decreases in research activities which primarily support State, regional or private sector interests.

**National Weather Service.**—These programs provide timely and accurate meteorologic, hydrologic, and oceanographic warnings, forecasts, and planning information to ensure the safety of the population, mitigate property losses, and improve the economic efficiency of the Nation. Additional funding is proposed for acquisition of Doppler weather radars (NEXRAD). Specialized weather services which can be conducted by the private sector will be reduced or eliminated. Proposed decreases in 1989 include a consolidation of selected regional headquarters, a reduction in staffing levels in selected offices, and a reduction in operations and maintenance for selected data buoys.

**National Environmental Satellite, Data, and Information Service.**—These programs provide for the operation of environmental polar-orbiting and geostationary satellites; provide for the subsidy of a commercially operated Landsat system; and provide global environmental data and information products and services to users in commerce, industry, agriculture, science and engineering, the general public and Federal, State and local agencies. Increases provide for procurements of replacement satellites and subsidies for one additional Landsat satellite. A decrease in Government funding for the Landsat 4 and 5 system is proposed because the satellites are expected to cease operating in 1988.

**Program support.**—These programs provide for overall NOAA management, NOAA's share of the Regional Administrative Support Centers, and the operational and logistics support of ships, marine centers, and aircraft to support NOAA missions. Proposed decreases in 1989 include the number of ships and days-at-sea. Air Force hurricane reconnaissance flights will continue to be funded directly by the Department of Defense. An increase is proposed for the consolidation of NOAA's facilities in the Washington, D.C. Metropolitan area in Silver Spring, MD.

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

Identification code	13-1450-0-1-306	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	358,249	363,508	354,093

11.5	Other personnel compensation .....	26,965	20,006	19,033
11.9	Total personnel compensation .....	385,214	383,514	373,126
12.1	Civilian personnel benefits .....	54,810	74,397	54,743
13.0	Benefits for former personnel .....	7,243	8,008	8,484
21.0	Travel and transportation of persons .....	16,094	14,570	14,065
22.0	Transportation of things .....	6,416	5,210	5,323
23.1	Rental payments to GSA .....	21,695	22,278	24,952
23.2	Rental payments to others .....	11,009	7,776	9,729
23.3	Communications, utilities, and miscellaneous charges .....	38,363	38,209	41,597
24.0	Printing and reproduction .....	4,787	5,175	6,010
25.0	Other services .....	345,447	472,830	464,689
26.0	Supplies and materials .....	47,234	37,594	37,239
31.0	Equipment .....	40,682	32,157	42,930
32.0	Land and structures .....	268	171	36
41.0	Grants, subsidies, and contributions .....	157,605	141,180	50,248
42.0	Insurance claims and indemnities .....	57	5	.....
43.0	Interest and dividends .....	27	.....	.....
99.0	Subtotal, direct obligations .....	1,136,951	1,243,074	1,133,171
99.0	Reimbursable obligations .....	160,904	286,224	238,785
99.9	Total obligations .....	1,297,855	1,529,298	1,371,956

**Personnel Summary**

Direct:				
	Total number of full-time permanent positions .....	10,329	9,873	9,286
	Total compensable workyears:			
	Full-time equivalent employment .....	10,976	10,499	9,953
	Full-time equivalent of overtime and holiday hours .....	387	387	387
Reimbursable:				
	Total number of full-time permanent positions .....	1,341	1,341	1,342
	Total compensable workyears:			
	Full-time equivalent employment .....	1,869	1,439	1,440
	Full-time equivalent of overtime and holiday hours .....	39	39	39

**CONSTRUCTION**

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

Identification code	13-1452-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Operating expenses: Sand Point .....	122	187	.....
00.02	Capital investment: Sand Point .....	91	64	.....
10.00	Total obligations .....	213	251	.....
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-1	.....	.....
21.40	Unobligated balance available, start of year .....	-463	-251	.....
24.40	Unobligated balance available, end of year .....	251	.....	.....
39.00	<b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	213	251	.....
72.40	Obligated balance, start of year .....	238	74	.....
74.40	Obligated balance, end of year .....	-74	.....	.....
78.00	Adjustments in unexpired accounts .....	-1	.....	.....
90.00	Outlays .....	375	325	.....

This account provides for the planning and construction of ship, administrative, and research facilities at Sand Point, Seattle, WA. Funding to construct additional facilities was received in 1979 and will be completed in 1988.

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

Identification code	13-1452-0-1-306	1987 actual	1988 est.	1989 est.
25.0	Other services .....	60	125	.....
26.0	Supplies and materials .....	48	48	.....
31.0	Equipment .....	14	14	.....
32.0	Land and structures .....	91	64	.....
99.9	Total obligations .....	213	251	.....

General and special funds—Continued

**[FISHERIES PROMOTIONAL FUND]**

[Of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, \$2,625,000 shall be made available as authorized by said Act, to remain available until expended, and \$375,000 shall be transferred to the fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries".] (15 U.S.C. 713c-3(b); Department of Commerce Appropriation Act, 1988.)

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....		- 47	
Receipts.....			
Interest income.....		5	
Not available for appropriation (unrealized discounts).....	- 47	- 42	
Total:			
Available for appropriation.....			
Appropriation.....			
Unappropriated balance, end of year.....	- 47		

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

Identification code 13-5124-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....		3,375	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			
21.40 Unobligated balance available, start of year.....		- 750	
24.40 Unobligated balance available, end of year.....	750		
39.00 <b>Budget authority</b> .....	750	2,625	
<b>Budget authority:</b>			
42.00 Transferred from other accounts.....	750	2,625	
43.00 <b>Appropriation (adjusted)</b> .....	750	2,625	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		3,375	
72.40 Obligated balance, start of year.....			1,179
74.40 Obligated balance, end of year.....		- 1,179	
90.00 Outlays.....		2,196	1,179

The Fish and Seafood Promotion Act of 1986 (Title II of Public Law 99-569) provided for the establishment of the National Seafood Promotional Council and the Fisheries Promotional Fund (FPF) to carry out the provisions of the Act. This account is funded by a transfer from the Promote and Develop Fishery Products Pertaining to American Fisheries account (P&D) and is subject to appropriation. In 1989, legislation will be proposed to eliminate the transfer of funds from P&D to FPF.

**PROMOTE AND DEVELOP FISHERY PRODUCTS AND RESEARCH  
PERTAINING TO AMERICAN FISHERIES**

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

Identification code 13-5139-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	1,122	16,229	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	- 823		
21.40 Unobligated balance available, start of year.....	- 2,337	- 6,914	
24.40 Unobligated balance available, end of year.....	6,914		
39.00 <b>Budget authority</b> .....	<b>4,876</b>	<b>9,315</b>	

<b>Budget authority:</b>			
<b>Current:</b>			
41.00 Transferred to other accounts.....	- 52,550	- 47,022	- 56,300
43.00 <b>Appropriation (adjusted) (special fund)</b> .....	<b>- 52,550</b>	<b>- 47,022</b>	<b>- 56,300</b>
<b>Permanent:</b>			
62.00 Transferred from other accounts.....	57,426	56,337	56,300
63.00 <b>Appropriation (adjusted) (indefinite)</b> .....	<b>57,426</b>	<b>56,337</b>	<b>56,300</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,122	16,229	
72.40 Obligated balance, start of year.....	13,892	6,473	6,266
74.40 Obligated balance, end of year.....	- 6,473	- 6,266	- 1,397
78.00 Adjustments in unexpired accounts.....	- 823		
90.00 Outlays.....	7,718	16,436	4,869

An amount equal to 30 percent of the gross receipts from customs duties on imported fishery products is transferred to the Department of Commerce annually.

In 1989, all funds in this account are proposed to be transferred to offset the cost of marine fishery resource programs in the Operations, research, and facilities account.

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

Identification code 13-5139-0-2-376	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	4	58	
23.2 Rental payments to others.....	3	43	
25.0 Other services.....	2	29	
26.0 Supplies and materials.....	1	14	
41.0 Grants, subsidies, and contributions.....	1,112	16,085	
99.9 Total obligations.....	1,122	16,229	

**FISHING VESSEL AND GEAR DAMAGE FUND**

For carrying out the provisions of section 3 of Public Law 95-376, not to exceed \$500,000, to be derived from receipts collected pursuant to 22 U.S.C. 1980(b) and 1980(f), to remain available until expended.

**Amounts Available for Appropriation**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	3,285	3,531	4,006
Receipts.....	53	50	50
Interest income.....	564	425	425
Not available for appropriation (unrealized discounts).....	- 371		
Total:			
Available for appropriation.....	3,531	4,006	4,481
Appropriation.....			- 500
Unappropriated balance, end of year.....	3,531	4,006	3,981

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

Identification code 13-5119-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	1,126	1,803	500
<b>Financing:</b>			
21.98 Unobligated balance available, start of year: Fund balance.....	- 2,929	- 1,803	
24.98 Unobligated balance available, end of year: Fund balance.....	1,803		
40.00 <b>Budget authority (appropriation) (special fund)</b> .....			<b>500</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,126	1,803	500
72.98 Obligated balance, start of year: Fund balance.....	20	32	
74.98 Obligated balance, end of year: Fund balance.....	- 32		
90.00 Outlays.....	1,114	1,835	500

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

Identification code	1987 actual	1988 est.	1989 est.
13-5119-0-2-376			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	140	121	121
11.5 Other personnel compensation.....	11	33	33
11.9 Total personnel compensation.....	151	154	154
12.1 Civilian personnel benefits.....	18	18	18
23.1 Rental payments to GSA.....	1	1	1
25.0 Other services.....	31	31	31
31.0 Equipment.....	6	6	6
42.0 Insurance claims and indemnities.....	919	1,593	290
99.9 Total obligations.....	1,126	1,803	500

**Personnel Summary**

Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	4	4	4

**FISHERMEN'S CONTINGENCY FUND**

For carrying out the provisions of title IV of Public Law 95-372, not to exceed **[\$719,000]** \$750,000, to be derived from receipts collected pursuant to that Act, to remain available until expended. (43 U.S.C. 1842-43; Department of Commerce Appropriation Act, 1988.)

**Amounts Available for Appropriation**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	744	1,533	2,364
Receipts.....	1,541	1,500	1,500
Interest income.....	50	50	50
Not available for appropriation (unrealized discounts).....	-52		
<b>Total:</b>			
Available for appropriation.....	2,283	3,083	3,914
Appropriation.....	-750	-719	-750
Unappropriated balance, end of year.....	1,533	2,364	3,164

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

Identification code	1987 actual	1988 est.	1989 est.
13-5120-0-2-376			
<b>Program by activities:</b>			
10.00 Total obligations.....	782	719	750
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-1		
21.40 Unobligated balance available, start of year.....	-40	-8	-8
24.40 Unobligated balance available, end of year.....	8	8	8
40.00 <b>Budget authority (appropriation) (special fund).....</b>	<b>750</b>	<b>719</b>	<b>750</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	782	719	750
72.40 Obligated balance, start of year.....	3	5	27
74.40 Obligated balance, end of year.....	-5	-27	-29
78.00 Adjustments in unexpired accounts.....	-1		
90.00 Outlays.....	779	697	747

This program provides compensation to commercial fishermen for damages to or loss of fishing gear, including loss of profits, related to oil and gas exploration, development, and production on the Outer Continental Shelf.

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

Identification code	1987 actual	1988 est.	1989 est.
13-5120-0-2-376			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	37	38	38
11.5 Other personnel compensation.....	3	3	3
11.9 Total personnel compensation.....	40	41	41

12.1 Civilian personnel benefits.....	5	5	5
23.2 Rental payments to others.....	1	1	1
24.0 Printing and reproduction.....		1	1
25.0 Other services.....	10	9	9
26.0 Supplies and materials.....	1	1	1
42.0 Insurance claims and indemnities.....	725	661	692
99.9 Total obligations.....	782	719	750

**Personnel Summary**

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

**FOREIGN FISHING OBSERVER FUND**

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94-265), and the American Fisheries Promotion Act (Public Law 96-561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed **[\$1,919,000]** \$2,000,000, to remain available until expended. (16 U.S.C. 1824(b)(10), 1827; Department of Commerce Appropriation Act, 1988.)

**Amounts Available for Appropriation**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	134	533	664
Receipts.....	2,360	2,000	2,000
Interest income.....	50	50	50
Not available for appropriation (unrealized discounts).....	-11		
<b>Total:</b>			
Available for appropriation.....	2,533	2,583	2,714
Appropriation.....	-2,000	-1,919	-2,000
Unappropriated balance, end of year.....	533	664	714

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

Identification code	1987 actual	1988 est.	1989 est.
13-5122-0-2-376			
<b>Program by activities:</b>			
10.00 Total obligations.....	2,041	2,228	2,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-73		
21.98 Unobligated balance, start of year.....	-277	-309	
24.98 Unobligated balance, end of year.....	309		
40.00 <b>Budget authority (appropriation) (special fund).....</b>	<b>2,000</b>	<b>1,919</b>	<b>2,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,041	2,228	2,000
72.98 Obligated balance, start of year.....	601	247	75
74.98 Obligated balance, end of year.....	-247	-75	-78
78.00 Adjustments in unexpired accounts.....	-73		
90.00 Outlays.....	2,322	2,400	1,997

This fund is financed through collections from foreign vessel owners who fish within the U.S. Fishery Conservation Zone. Collections to the fund are used by the Secretary of Commerce to pay the salaries of observers and program support personnel, and the costs of data management and analysis of the observer program. The observers collect scientific information on the foreign catch, and monitor compliance with the provisions of the Magnuson Fishery Conservation and Management Act (MFCMA) of 1976.

**General and special funds—Continued**  
**FOREIGN FISHING OBSERVER FUND—Continued**  
**Object Classification (in thousands of dollars)**

Identification code	13-5122-0-2-376	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	837	720	720
11.5	Other personnel compensation.....	63	198	198
11.9	Total personnel compensation.....	900	918	918
12.1	Civilian personnel benefits.....	97	99	99
13.0	Benefits for former personnel.....	18	18	18
21.0	Travel and transportation of persons.....	15	15	15
23.1	Rental payments to GSA.....	16	16	16
23.2	Rental payments to others.....	18	18	18
24.0	Printing and reproduction.....	5	5	5
25.0	Other services.....	917	1,084	856
26.0	Supplies and materials.....	43	43	43
31.0	Equipment.....	12	12	12
99.9	Total obligations.....	2,041	2,228	2,000

**Personnel Summary**

Total number of full-time permanent positions.....	4	4	4
Total compensable workyears:			
Full-time equivalent employment.....	36	36	36
Full-time equivalent of overtime and holiday hours.....	6	6	6

**FISHERIES LOAN FUND**

**Amounts Available for Appropriation**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	250,669		
Offsetting receipts.....	28,485		
Interest income.....			
Unappropriated receipts returned to general fund.....	279,154		

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

Identification code	13-5123-0-2-376	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			
72.10	Receivables in excess of obligations, start of year.....	-219	-188	
74.10	Receivables in excess of obligations, end of year.....	188		
77.00	Adjustments in expired accounts.....	-13		
90.00	Outlays.....	-44	-188	

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

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	11,506	10,395	9,575
1231	Disbursements: Direct loan disbursements.....			
1251	Repayments: Repayments and prepayments.....	-791	-820	
1264	Adjustments: Other adjustments, net.....	-320		
1290	Outstanding, end of year.....	10,395	9,575	9,575

**Estimate of direct loan subsidy:**

1320	Subsidy amount (in percent).....			
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The Fisheries Loan Fund expired on September 30, 1986. During 1988, the loan portfolio will be administered under the Operation, research and facilities appropriation, and the receipts from foreign fishing fees will be deposited in the General Fund of the Treasury. The loan portfolio will be administered by the Grants and Loan Administration under the Office of the Secretary in 1989.

**Public enterprise funds:**  
**COASTAL ENERGY IMPACT FUND**  
**Program and Financing (in thousands of dollars)**

Identification code	13-4315-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....			
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-16,022	-7,255	-7,280
17.00	Recovery of prior year obligations.....	-7,761	-94	
21.98	Unobligated balance available, start of year: Fund balance.....	-7,120	-13,725	-5,826
22.98	Unobligated balance transferred, net: Fund balance.....	17,178	15,248	6,500
24.98	Unobligated balance available, end of year: Fund balance.....	13,725	5,826	6,606
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	-16,022	-7,255	-7,280
72.98	Obligated balance, start of year: Fund balance.....	12,928	1,634	
74.98	Obligated balance, end of year: Fund balance.....	-1,634		
78.00	Adjustments in unexpired accounts.....	-7,761	-94	
90.00	Outlays.....	-12,489	-5,715	-7,280

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

Identification code	13-4315-0-3-452	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	96,220	88,558	85,258
1231	Disbursements: Direct loan disbursements.....	3,000		
1251	Repayments: Repayments and prepayments.....	-10,662	-3,300	-3,300
1290	Outstanding, end of year.....	88,558	85,258	81,958

Repayments to the fund are proposed for transfer to the "Operations, research, and facilities" appropriation.

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

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
Revenue.....	5,360	3,955	3,980
Expense.....	-259	-1,540	
Net operating income or loss (-).....	5,101	2,415	3,980

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	20,048	15,360	5,827	6,607
Advances made.....	147	12	12	12
Loans receivable (net).....	96,220	88,558	85,258	81,958
Accounts receivable (net).....	2,367	2,775	2,775	2,775
Total assets.....	118,782	106,705	93,872	91,352
<b>Liabilities:</b>				
Liabilities: Accounts payable (grants).....				
<b>Government equity:</b>				
Unexpended balance:				
Unobligated balance.....	7,120	13,726	5,826	6,606
Undelivered orders.....	15,442	4,421	2,788	2,788
Invested capital.....	96,220	88,558	85,258	81,958
Total Government equity.....	118,782	106,705	93,872	91,352
<b>Analysis of changes in Government equity:</b>				
<b>Paid-in capital:</b>				
Opening balance.....		113,990	96,812	81,564
Transactions: Transfers.....		-17,178	-15,248	-6,500
Closing balance.....		96,812	81,564	75,064



Retained earnings:			
Opening balance.....	4,792	9,893	12,308
Transactions: Net operating income or loss (—).....	5,101	2,415	3,980
Closing balance.....	9,893	12,308	16,288
Total Government equity (end of year).....	106,705	93,872	91,352

FEDERAL SHIP FINANCING FUND, FISHING VESSELS

During fiscal year 1989, no new commitments to guarantee loans shall be made.

Program and Financing (in thousands of dollars)

Identification code 13-4417-0-3-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Fisheries financial support services.....	1,204	1,220	1,220
00.02 Disbursements for loan guarantee claims.....	1,015	1,500	1,500
00.03 Loans.....	1,261		
10.00 Total obligations.....	3,480	2,720	2,720
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-6,213	-9,250	-7,670
21.98 Unobligated balance available, start of year: Fund balance.....	-2,596	-5,329	-11,859
24.98 Unobligated balance available, end of year: Fund balance.....	5,329	11,859	16,739
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-2,733	-6,530	-4,880
72.98 Obligated balance, start of year: Fund balance.....	192	448	336
74.98 Obligated balance, end of year: Fund balance.....	-448	-336	-49
90.00 Outlays.....	-2,989	-6,418	-4,593

Status of Direct Loans (in thousands of dollars)

Identification code 13-4417-0-3-376	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Direct loan obligations exempt from limitation.....	1,261		
1150 Total direct loan obligations.....	1,261		
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	17,311	18,563	17,063
<b>Disbursements:</b>			
1231 Direct loan disbursements.....	1,261		
1232 Disbursements for guaranteed loan claims.....	1,015	1,500	1,500
1251 Repayments: Repayments and prepayments.....	-2,626	-3,000	-3,000
<b>Adjustments:</b>			
1262 Write-offs for default.....	-2,305		
1264 Other adjustments, net.....	3,907		
1290 Outstanding, end of year.....	18,563	17,063	15,563
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....			

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders.....			
2131 Guaranteed loan commitments exempt from limitation.....	79,840	85,000	
2150 Total guaranteed loan commitments.....	79,840	85,000	
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	193,088	250,298	314,798
2231 Disbursements: Disbursements of new guaranteed loans.....	79,840	85,000	
2251 Repayments: Repayments and prepayments.....	-19,348	-19,000	-19,000
<b>Adjustments:</b>			
2261 Terminations for default that result in direct loans.....	-1,261	-1,500	-1,500
2264 Other adjustments, net.....	-2,021		
2290 Outstanding, end of year.....	250,298	314,798	294,298

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....

<sup>1</sup> Adjustments for change in method of recording loan guarantee commitments.

Premiums and fees collected under the Fishing Vessel Obligations Guarantee program are deposited in this fund for operations of this program, loans and for use in case of default. Proceeds from sale of collateral are also deposited in the fund (46 U.S.C. 1272, 1273(f), and 1274). The portfolio of guaranteed loans will be administered by the Grants and Loans Administration in the Office of the Secretary in 1989.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (—):</b>			
Revenue.....	3,552	4,600	4,600
Expense.....	-3,989	-4,000	-4,000
Net operating income or loss (—).....	-437	600	600

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	233	15	3,205	4,298
Accounts receivable (net).....	6,193	8,394	5,394	2,394
U.S. securities (par).....	2,555	5,490	7,218	9,218
Loans receivable (net).....	17,311	18,563	18,563	18,563
Real property and equipment (net).....	676	566	566	566
Other assets.....				
Total assets.....	26,968	33,028	34,946	35,039
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	937	1,185		
Debt issued under borrowing authority: Borrowing from Treasury.....				
Total liabilities.....	937	1,185		
<b>Government equity:</b>				
<b>Unexpended balances:</b>				
Unobligated balance.....	2,596	5,329	10,359	13,739
Undelivered orders.....	16	11	9	9
Invested capital.....	23,419	26,503	24,578	21,291
Total Government equity.....	26,031	31,843	34,946	35,039
<b>Analysis of changes in Government equity:</b>				
<b>Retained income:</b>				
Opening balance.....	8,776	8,434	7,997	8,597
Transactions: Net operating income or loss (—).....	-342	-437	600	600
Closing balance.....	8,434	7,997	8,597	9,197
Total Government equity (end of year).....	26,031	31,843	34,946	35,039

Object Classification (in thousands of dollars)

Identification code 13-4417-0-3-376	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	766	659	659
11.5 Other personnel compensation.....	57	180	180
11.9 Total personnel compensation.....	823	839	839
12.1 Civilian personnel benefits.....	98	100	100
21.0 Travel and transportation of persons.....	48	45	45
22.0 Transportation of things.....	6	2	2
23.1 Rental payments to GSA.....	5	5	5
23.3 Communications, utilities, and miscellaneous charges.....	4	28	28
24.0 Printing and reproduction.....	1	5	5
25.0 Other services.....	202	160	160

Public enterprise funds—Continued

FEDERAL SHIP FINANCING FUND, FISHING VESSELS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	13-4417-0-3-376	1987 actual	1988 est.	1989 est.
26.0	Supplies and materials .....	4	11	11
31.0	Equipment .....	13	25	25
33.0	Investment and loans .....	2,276	3,000	1,500
99.9	Total obligations .....	3,480	2,720	2,720

Personnel Summary

Total number of full-time permanent positions .....	20	20	
Total compensable workyears: Full-time equivalent employment .....	29	24	

Trust Funds

AVIATION WEATHER SERVICES PROGRAM

Program and Financing (in thousands of dollars)

Identification code	13-8105-0-7-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	29,000	28,291	30,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	29,000	28,291	30,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	29,000	28,291	30,000
90.00	Outlays .....	29,000	28,291	30,000

1987 Amendments to the Airport and Airway Improvement Act authorize use of the Airport and Airway Trust Fund for financing the Aviation Weather Services Program administered by the National Oceanic and Atmospheric Administration (NOAA) through 1992. Meteorological observations, forecasts, warnings, and advisories in support of the National Airspace System are provided.

PATENT AND TRADEMARK OFFICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office, including defense of suits instituted against the Commissioner of Patents and Trademarks, **[\$120,000,000]** \$122,504,000 and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, to remain available until expended. (Department of Commerce Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	13-1006-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Patent process .....	61,234	75,951	85,875
00.02	Information dissemination .....	17,298	18,430	20,407
00.03	Executive direction and administration .....	21,062	27,772	16,222
00.91	Total direct program .....	99,594	122,153	122,504
Reimbursable program:				
01.01	Patent process .....	93,275	103,374	99,148
01.02	Trademark process .....	13,105	24,608	16,828
01.03	Information dissemination .....	24,785	27,766	28,681
01.04	Executive direction and administration .....	13,551	10,569	23,188
01.91	Total reimbursable program .....	144,716	166,317	167,845
10.00	Total obligations .....	244,310	288,470	290,349

Financing:

Offsetting collections from:				
11.00	Federal funds .....	-224	-200	-200
14.00	Non-Federal sources .....	-144,684	-151,620	-167,645
17.00	Recovery of prior year obligations .....	-41		
21.40	Unobligated balance available, start of year .....	-18,011	-16,650	
24.40	Unobligated balance available, end of year .....	16,650		
40.00	<b>Budget authority (appropriation) .....</b>	<b>98,000</b>	<b>120,000</b>	<b>122,504</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	99,403	136,650	122,504
72.40	Obligated balance, start of year .....	33,080	46,543	70,650
74.40	Obligated balance, end of year .....	-46,543	-70,650	-71,777
78.00	Adjustments in unexpired accounts .....	-41		
90.00	Outlays .....	85,899	112,543	121,377

The Office administers laws governing the granting of patents for inventions and the registration of trademarks.

Public Law 99-607 provides for a portion of Office operating costs to be recovered through user fee revenues. Since 1983, all fees are retained in the PTO appropriation and are available along with appropriated funds. Collections were \$144.7 million in 1987 and are estimated to be \$151.6 million in 1988 and \$167.6 million in 1989.

The 1987 unobligated balance brought forward is \$16.7 million, of which \$6.7 million is reserved for trademark programs. Remaining funds will be utilized in 1988 for procurement actions delayed from 1987, for program requirements resulting from higher workloads, for 1988 pay raise costs, and to cover the effect of the general reduction included in the 1988 appropriation.

An Automation Master Plan provides for the automation of the majority of the functions and operations of the Office by the 1990's. The Plan proposes a phased approach to complete the progressive development and installation of system capabilities. The 1989 increases will provide for the expansion of the Automated Patent System. Automation resources are distributed among the four activities of the Office.

*Patent process.*—Applications are examined to determine inventor entitlements to a patent for the claimed invention. Patent application examination also includes quasi-judicial review in appeal and interference proceedings, and the publication of issued patents.

The 1989 increases support programs to reduce patent application pendency time to 18.9 months by 1989; and to support the automated patent system.

Key patent application workload and performance data are:

	1986 actual	1987 actual	1988 est.	1989 est.
Applications in Office (start of year) .....	237,197	235,588	230,551	228,513
Applications received .....	121,611	126,407	128,000	132,000
Application disposals by examiners:				
Allowed for grant .....	-80,921	-79,755	-83,900	-85,800
Abandoned .....	-49,151	-46,190	-44,100	-46,200
Total .....	-130,072	-125,945	-128,000	-132,000
Change in printing inventory .....	+6,852	-5,499	-2,038	+984
Total applications in Office (end of year) .....	<sup>1</sup> 235,588	230,551	228,513	229,497
Patent grants printed .....	71,791	82,635	80,100	82,200
Pendency in Office, excluding appeals and interference applications (in months) .....	21.5	21.9	18.9	18.4
Total pendency in Office, all applications (in months) .....	22.0	20.8	19.4	18.9

<sup>1</sup> Includes inventory adjustment (2,403) in 1986 to reflect new withdrawal counting procedures.

**Trademark process.**—This activity provides for the examination of applications to determine whether the statutory criteria for the Federal registration of the trademark or service mark have been met. When the criteria are met, a registration is printed and issued to the applicant. Examination also includes *inter partes* proceedings involving oppositions, cancellations, and interferences. The 1989 funding maintains the reduced pendencies in trademark examination, provides for the integrated automated trademark system, and provides increases for a Trademark quality review program.

Key trademark application workload and performance data are:

	1986 actual	1987 actual	1988 est.	1989 est.
Applications in Office (start of year) .....	76,362	74,989	77,538	77,538
Applications received (includes amendments and combined classes) .....	69,253	70,002	72,200	73,600
Application disposals by examiners .....	-68,916	-68,517	-72,200	-73,600
Change in printing inventory .....	-1,710	1,064		
Total applications in Office—end of year .....	74,989	77,538	77,538	77,538
Trademark registrations printed .....	48,971	47,522	47,800	48,800
Pending time to first action (in months) .....	2.9	3.2	3.0	3.0
Pending time to registration/abandonment (in months) .....	12.5	13.0	13.0	13.0

**Information dissemination.**—Materials and services which assist in the examination of patent and trademark applications and in the transfer of technological information are provided in this activity. Specific materials and services include the maintenance of subject matter search files of prior art documents; maintenance of a scientific library and public search rooms; preparation of copies of patents, trademark registrations, and official documents; assignment of patents and trademark rights; and administration of printing.

The 1989 increases provide funds to support micro-filming the increased volume of patent applications, to assure patent quality by providing the best search tools for the examiners and to disseminate patent information to users.

**Executive direction and administration.**—Management and administration of the Office are provided by this activity. Administrative Services which maintain program support services are expanded to keep pace with increased application filings and enhanced examiner production. The Legislation and International Affairs activity is increased to strengthen worldwide protection of intellectual property which relates to increasing America's competitiveness in the world economy. The automation function is enhanced to carry out initiatives identified in the Automation Master Plan.

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

Identification code	1987 actual	1988 est.	1989 est.
13-1006-0-1-376			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	35,590	43,445	50,737
11.3 Other than full-time permanent .....	1,029	1,244	1,096
11.5 Other personnel compensation .....	2,823	2,214	2,723
11.9 Total personnel compensation .....	39,442	46,903	54,556
12.1 Civilian personnel benefits .....	4,787	8,270	8,510
21.0 Travel and transportation of persons .....	200	167	191
22.0 Transportation of things .....	9	135	135
23.1 Rental payments to GSA .....	4,356	6,943	8,453
23.2 Rental payments to others .....	24	24	28
23.3 Communications, utilities, and miscellaneous charges .....	2,804	2,261	2,613
24.0 Printing and reproduction .....	6,916	6,827	9,890

25.0 Other services .....	39,432	48,467	36,197
26.0 Supplies and materials .....	790	1,063	1,171
31.0 Equipment .....	834	1,093	760
99.0 Subtotal, direct obligations .....	99,594	122,153	122,504
99.0 Reimbursable obligations .....	144,716	166,317	167,845
99.9 Total obligations .....	244,310	288,470	290,349

**Personnel Summary**

Total number of full-time permanent positions .....	3,093	3,530	3,715
Total compensable workyears:			
Full-time equivalent employment .....	3,256	3,426	3,521
Full-time equivalent of overtime and holiday hours .....	227	306	308

**NATIONAL BUREAU OF STANDARDS**

**Federal Funds**

**General and special funds:**

**SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES**

For necessary expenses of the National Bureau of Standards, **[\$144,783,000] \$158,039,000**, to remain available until expended, of which not to exceed **[\$4,920,000] \$6,050,000** may be transferred to the "Working Capital Fund", and of which not to exceed **[\$1,000,000] \$1,300,000** shall be available for construction of research facilities. (15 U.S.C. 272, 273, 278b-e, 278h, 290b-f 1151-57, 1454(d), 1454(e), 1501, 1512; 40 U.S.C. 759(f) 42 U.S.C. 4913(1)(B), 6962(e); Department of Commerce Appropriation Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
13-0500-0-1-376			
<b>Program by activities:</b>			
Operating expenses:			
Measurement and Engineering Research and Standards:			
00.01 Measurement research and standards .....	36,353	41,704	41,656
00.02 Materials science and engineering .....	20,090	23,364	23,928
00.03 Engineering measurements and standards .....	35,197	39,162	43,338
00.04 Computer sciences and technology .....	8,206	8,084	10,400
00.05 Industrial technology grants .....		5,000	
00.06 Technological innovation award .....			4,000
00.07 Research support activities .....	15,419	17,665	18,616
00.91 Total operating expenses .....	115,265	134,979	141,938
01.01 Capital investment: National Bureau of Standards improvements and modifications .....	2,021	11,865	10,051
10.00 Total obligations .....	117,286	146,844	151,989
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-605		
21.40 Unobligated balance available, start of year .....	-1,488	-6,056	
24.40 Unobligated balance available, end of year .....	6,056		
39.00 <b>Budget authority</b> .....	<b>121,249</b>	<b>140,788</b>	<b>151,989</b>
Budget authority:			
40.00 Appropriation .....	123,368	144,783	158,039
41.00 Transferred to other accounts .....	-2,119	-3,995	-6,050
43.00 <b>Appropriation (adjusted)</b> .....	<b>121,249</b>	<b>140,788</b>	<b>151,989</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	117,286	146,844	151,989
72.40 Obligated balance, start of year .....	23,374	20,897	32,354
74.40 Obligated balance, end of year .....	-20,897	-32,354	-35,260
78.00 Adjustments in unexpired accounts .....	-605		
90.00 <b>Outlays</b> .....	<b>119,158</b>	<b>135,387</b>	<b>149,083</b>

The National Bureau of Standards (NBS) is responsible for the measurement foundation which supports U.S. industry, government, and scientific establishments. NBS efforts are organized into the following program activities:

## General and special funds—Continued

## SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES—Continued

*Measurement and Engineering Research and Standards—*

*Measurement research and standards.*—Research in physics, radiation, analytical chemistry, and chemical properties and processes produces fundamental measurements and data that are the foundation for U.S. industry, commerce, and science to achieve levels of accuracy and compatibility required to support technological development, efficient processing, research and development, process control and quality assurance, and equity in trade. A 1989 increase will provide advanced chemical measurement science for new high-technology needs and improve quality assurance of chemical measurements.

*Materials science and engineering.*—Research in materials characterization, nondestructive evaluation, metallurgy, polymers, and ceramics produces measurement methods, standards, data and other technical information on processing, structure, properties, and performance of materials. These activities are in support of generic materials technologies which will permit industry to improve productivity and competitiveness in the manufacture of new advanced materials through increased reliability and quality at lower cost. The 1989 increase will expand the development of measurement methods and standards to produce and use high performance composite materials more reliably.

*Engineering measurements and standards.*—Research in electronic and electrical measurements, chemical engineering, manufacturing engineering, mathematical sciences, construction and performance of buildings and fire protection produces new engineering knowledge, techniques, and databases for design, development, prediction, and control of industrial processes. In 1989, increases will: (1) provide measurement technology and services for the components of fiber optic systems, (2) fund development of reliable measurement techniques and data to support the engineering design, scale-up, and optimal control of biochemical manufacturing processes, and (3) provide U.S. industry with measurement capability and research findings needed for rapid commercialization of products based on new high temperature superconductors. In 1989 the building research and fire research programs will be combined into a new Center for Fire and Building Safety Research at a funding level of \$5 million.

*Computer sciences and technology.*—Research in computer science and engineering establishes government-wide automated data processing (ADP) standards and provides technical support for the development of national and international voluntary industry standards which lead to more productive use of computers and networks, and the maintenance of the competitive posture of the U.S. computer industry. A 1989 increase will address new responsibilities assigned by the Computer Security Act of 1987.

*Industrial technology grants.*—This program provides matching grants to universities and nonprofit organizations for use as seed money to establish Tech-

nology Transfer Centers. These centers will facilitate the transfer of manufacturing technology to small and medium size businesses. The first grants will support the centers throughout 1989.

*Technological innovation awards.*—The proposed national "Thomas A. Edison Prize" will offer monetary incentives open to all Americans to develop technologies that could improve the quality of life in the United States and the world. This prize program will spur innovation in areas of great public benefit, but without strong market reward; encourage the exchange of ideas between scientific disciplines; and stimulate interest in science and technology.

*Research support activities.*—This subactivity groups the centrally managed programs that provide support to all other NBS programs. This support includes developing technical competence in NBS mission oriented areas of research and services, providing scientists and engineers from industry and universities the opportunity to participate in the Research Associate program, providing computing support to NBS programs, maintaining a satisfactory facilities environment for conducting the NBS technical programs, constructing a cold neutron research facility for advanced materials research, and formulating and implementing product standards policy and guidelines related to international standardization and legal metrology.

## Object Classification (in thousands of dollars)

Identification code	13-0500-0-1-376	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent.....	57,301	64,167	64,667
11.3	Other than full-time permanent.....	4,937	5,005	4,730
11.5	Other personnel compensation.....	1,537	1,552	1,535
	Total personnel compensation.....	63,775	70,724	70,932
12.1	Civilian personnel benefits.....	8,464	10,424	9,457
13.0	Benefits for former personnel.....	51	51	51
21.0	Travel and transportation of persons.....	2,109	2,633	3,247
22.0	Transportation of things.....	376	746	1,130
23.2	Rental payments to others.....	113	113	113
23.3	Communications, utilities, and miscellaneous charges.....	7,185	8,614	9,174
24.0	Printing and reproduction.....	402	495	788
25.0	Other services.....	14,056	19,013	23,636
26.0	Supplies and materials.....	7,750	8,581	9,593
31.0	Equipment.....	8,715	10,378	11,374
32.0	Land and structures.....	150	7,732	6,016
41.0	Grants, subsidies, and contributions.....	4,140	7,340	6,478
99.9	Total obligations.....	117,286	146,844	151,989

## Personnel Summary

Total number of full-time permanent positions.....	1,444	1,564	1,625
Total compensable workyears:			
Full-time equivalent employment.....	1,657	1,796	1,800
Full-time equivalent of overtime and holiday hours.....	14	14	14

## Intragovernmental funds:

## WORKING CAPITAL FUND

## Program and Financing (in thousands of dollars)

Identification code	13-4650-0-4-376	1987 actual	1988 est.	1989 est.
	Program by activities:			
	Measurement and Engineering Research and Standards:			
00.01	Measurement research and standards.....	31,311	32,912	32,603
00.02	Materials science and engineering.....	12,628	14,257	14,657

00.03	Engineering measurements and standards.....	49,045	51,703	54,207
00.04	Computer sciences and technology.....	7,269	10,423	10,754
00.05	Research support activities.....	8,055	12,451	14,540
10.00	<b>Total obligations</b> .....	<b>108,308</b>	<b>121,746</b>	<b>126,761</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-92,654	-100,824	-101,832
14.00	Non-Federal sources.....	-16,890	-18,241	-18,423
21.98	Unobligated balance available, start of year: Fund balance.....	-20,049	-23,404	-24,718
24.98	Unobligated balance available, end of year: Fund balance.....	23,404	24,718	24,262
39.00	<b>Budget authority</b> .....	<b>2,119</b>	<b>3,995</b>	<b>6,050</b>
Budget authority:				
42.00	Transferred from other accounts.....	2,119	3,995	6,050
43.00	<b>Appropriation (adjusted)</b> .....	<b>2,119</b>	<b>3,995</b>	<b>6,050</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-1,236	2,681	6,506
72.98	Obligated balance, start of year: Fund balance.....	9,757	14,883	14,507
74.98	Obligated balance, end of year: Fund balance.....	-14,883	-14,507	-15,991
90.00	Outlays.....	-6,363	3,057	5,022

The Working Capital Fund finances research and technical services performed for other government agencies and the public. These activities are funded through advances and reimbursements. The Working Capital Fund also handles the acquisition of equipment and stores standard reference materials and storeroom inventories until issued or sold.

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

Identification code	13-4650-0-4-376	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	47,158	47,912	49,141
11.3	Other than full-time permanent.....	4,069	4,074	4,155
11.5	Other personnel compensation.....	1,266	1,291	1,295
11.9	<b>Total personnel compensation</b> .....	<b>52,493</b>	<b>53,277</b>	<b>54,591</b>
12.1	Civilian personnel benefits.....	6,977	7,808	7,096
13.0	Benefits for former personnel.....	41	43	43
21.0	Travel and transportation of persons.....	1,762	1,797	2,197
22.0	Transportation of things.....	302	318	330
23.2	Rental payments to others.....	92	145	145
23.3	Communications, utilities, and miscellaneous charges.....	6,930	7,631	7,784
24.0	Printing and reproduction.....	320	426	435
25.0	Other services.....	15,634	20,394	21,550
26.0	Supplies and materials.....	7,664	9,765	10,260
31.0	Equipment.....	12,200	16,195	18,304
32.0	Land and structures.....	128	153	156
41.0	Grants, subsidies, and contributions.....	3,765	3,794	3,870
99.9	<b>Total obligations</b> .....	<b>108,308</b>	<b>121,746</b>	<b>126,761</b>

**Personnel Summary**

Total number of full-time permanent positions.....	1,181	1,133	1,154
Total compensable workyears:			
Full-time equivalent employment.....	1,357	1,292	1,275
Full-time equivalent of overtime and holiday hours.....	11	11	11

**NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, **[\$13,814,000, of which \$700,000 shall remain available until expended.] \$13,630,000.** (15 U.S.C. 272, 1512; 47 U.S.C. 305, 391, 606, 721; Department of Commerce Appropriation Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	13-0550-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Domestic and international policies:				
00.01	Domestic policies.....	802	963	844
00.02	International policies.....	1,502	1,705	1,572
Spectrum management:				
00.05	Spectrum plans and policies.....	1,471	1,771	1,662
00.06	Spectrum management, analysis and operations.....	6,069	6,666	6,294
Telecommunication sciences research:				
00.10	Spectrum research and analysis.....	1,907	1,875	1,798
00.11	Systems and networks research and analysis.....	1,506	1,580	1,460
00.91	<b>Total direct program</b> .....	<b>13,257</b>	<b>14,560</b>	<b>13,630</b>
01.01	Reimbursable program.....	5,371	5,200	5,200
10.00	<b>Total obligations</b> .....	<b>18,628</b>	<b>19,760</b>	<b>18,830</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-5,176	-5,044	-5,044
14.00	Non-Federal sources.....	-195	-156	-156
21.40	Unobligated balance available, start of year.....	-594	-746	
22.40	Unobligated balance transferred, net.....	-243		
24.40	Unobligated balance available, end of year.....	746		
25.00	Unobligated balance lapsing.....	40		
39.00	<b>Budget authority</b> .....	<b>13,206</b>	<b>13,814</b>	<b>13,630</b>
Budget authority:				
40.00	Appropriation.....	13,213	13,814	13,630
41.00	Transferred to other accounts.....	-7		
43.00	<b>Appropriation (adjusted)</b> .....	<b>13,206</b>	<b>13,814</b>	<b>13,630</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	13,257	14,560	13,630
72.40	Obligated balance, start of year.....	3,759	4,389	4,268
74.40	Obligated balance, end of year.....	-4,389	-4,268	-4,272
77.00	Adjustments in expired accounts.....	-80		
90.00	Outlays.....	12,548	14,681	13,626

The National Telecommunications and Information Administration (NTIA) is the principal executive branch adviser to the President on domestic and international communications policy. Additionally, it manages the Federal Government's use of the radio frequency spectrum and performs extensive research in telecommunications sciences.

*Domestic and international policies—*

*Domestic policies.*—In 1989, NTIA will continue to develop and advocate policies to decrease regulation and increase competition in the domestic telecommunications marketplace. NTIA will place special emphasis on emerging technologies and will develop and advocate policies in the common carrier and mass media fields which offer increased consumer choices.

*International policies.*—In 1989, NTIA will continue to develop and advocate policies for the advancement of U.S. interests in the international telecommunications area. In coordination with the Department of State, the agency will continue to discharge the Presidential responsibility for oversight of the Communications Satellite Corporation (COMSAT).

*Spectrum management—*

*Spectrum plans and policies.*—In 1989, NTIA will continue to prepare for, participate in, and implement the results of international, regional, and national conferences addressing spectrum allocation and utilization. In addition, NTIA will formulate, in coordination with the FCC, plans and policies for effi-

General and special funds—Continued

SALARIES AND EXPENSES—Continued

cient use of the spectrum and continue its efforts in the identification and analysis of issues affecting emergency communications planning.

**Spectrum management, analysis and operations.**—In 1989, NTIA will continue to authorize frequency assignments, review proposed Federal radio communications systems, conduct frequency band studies and compliance activities.

**Telecommunication sciences research—**

**Spectrum research and analysis.**—In 1989, NTIA will continue to conduct applied research and analysis as a basis for improving the efficiency of spectrum use.

**Systems and networks research and analysis.**—In 1989, NTIA will assess and develop domestic and international technical performance standards to facilitate competition in telecommunications products and services. Additionally, analytical methods and automated models will be employed to assist in the development of credible and defensible positions before international conferences and committees.

Object Classification (in thousands of dollars)

Identification code	13-0550-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	6,791	8,154	7,565
11.3	Other than full-time permanent .....	926	300	200
11.5	Other personnel compensation .....	150	58	58
11.9	Total personnel compensation .....	7,867	8,512	7,823
12.1	Civilian personnel benefits .....	976	1,543	1,215
21.0	Travel and transportation of persons .....	353	400	353
22.0	Transportation of things .....	5	7	7
23.1	Rental payments to GSA .....	1,008	1,028	1,190
23.2	Rental payments to others .....	10	44	44
23.3	Communications, utilities, and miscellaneous charges .....	893	982	988
24.0	Printing and reproduction .....	137	186	192
25.0	Other services .....	1,382	1,454	1,406
26.0	Supplies and materials .....	204	207	215
31.0	Equipment .....	412	197	197
41.0	Grants, subsidies, and contributions .....	10		
99.0	Subtotal, direct obligations .....	13,257	14,560	13,630
99.0	Reimbursable obligations .....	5,371	5,200	5,200
99.9	Total obligations .....	18,628	19,760	18,830

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	183	189	152
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	212	186	171
Full-time equivalent of overtime and holiday hours .....	1	3	3
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	52	72	72
Total compensable workyears: Full-time equivalent employment .....	57	80	80

[PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION]

[For grants authorized by section 392 of the Communications Act of 1934, as amended, \$21,290,000, to remain available until expended: *Provided*, That not to exceed \$1,200,000 shall be available for program management as authorized by section 391 of the Communications Act of 1934, as amended: *Provided further*, That notwithstanding the provisions of section 391 of the Communications Act of 1934, as amended, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved

during any fiscal year: *Provided further*, That notwithstanding sections 391 and 392 of the Communications Act, as amended, up to \$1,700,000 shall be available for the establishment and administration of the Pan-Pacific Educational and Cultural Experiments by Satellite program (PEACESAT).] (15 U.S.C. 272, 1512; 47 U.S.C. 305, 391, 606, 721; Department of Commerce Appropriation Act, 1988).

Program and Financing (in thousands of dollars)

Identification code	13-0551-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Grants .....	19,929	20,667	
00.02	Program management .....	1,270	1,411	
10.00	Total obligations .....	21,199	22,078	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-713		
21.40	Unobligated balance available, start of year .....	-1,017	-788	
22.40	Unobligated balance transferred, net .....	243		
24.40	Unobligated balance available, end of year .....	788		
40.00	Budget authority (appropriation) .....	20,500	21,290	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	21,199	22,078	
72.40	Obligated balance, start of year .....	41,108	39,945	40,173
74.40	Obligated balance, end of year .....	-39,945	-40,173	-21,158
78.00	Adjustments in unexpired accounts .....	-713		
90.00	Outlays .....	21,649	21,850	19,015

The public telecommunications facilities program has provided grants for planning and construction of non-commercial telecommunications facilities in areas not previously served by public television and radio. Since over 95 percent of the United States currently receives public broadcast programming, funding for this grant program is not requested in 1989.

Object Classification (in thousands of dollars)

Identification code	13-0551-0-1-503	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	598	660	
11.3	Other than full-time permanent .....	52	60	
11.5	Other personnel compensation .....	3	5	
11.9	Total personnel compensation .....	653	725	
12.1	Civilian personnel benefits .....	80	115	
21.0	Travel and transportation of persons .....	31	70	
22.0	Transportation of things .....		1	
23.1	Rental payments to GSA .....	77	40	
23.3	Communications, utilities, and miscellaneous charges .....	31	31	
24.0	Printing and reproduction .....	14	25	
25.0	Other services .....	380	386	
26.0	Supplies and materials .....	4	3	
31.0	Equipment .....		15	
41.0	Grants, subsidies, and contributions .....	19,929	20,667	
99.9	Total obligations .....	21,199	22,078	

Personnel Summary

Total number of full-time permanent positions .....	12	15	
Total compensable workyears: Full-time equivalent employment .....	13	15	

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 101. During the current fiscal year, applicable appropriations and funds available to the Department of Commerce shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act, and, notwithstanding 31 U.S.C. 3324, may be used for advance pay-

ments not otherwise authorized only upon the certification of officials designated by the Secretary that such payments are in the public interest.

SEC. 102. During the current fiscal year, appropriations to the Department of Commerce which are available for salaries and expenses shall be available for hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

【SEC. 103. No funds in this title shall be used to sell to private interests, except with the consent of the borrower, or contract with private interests to sell or administer, any loans made under the Public Works and Economic Development Act of 1965 or any loans made under section 254 of the Trade Act of 1974.】

SEC. 【104】 103. During the current fiscal year, the National Bureau of Standards is authorized to accept contributions of funds, to remain available until expended, from any public or private source to construct a facility for cold neutron research on materials, notwithstanding the limitations contained in 15 U.S.C. 278d.

【SEC. 105. In procuring information processing and telecommunications services of the National Oceanic and Atmospheric Administration for the Advanced Weather Interactive Processing System, the Secretary of Commerce may provide, in the contract or contracts for such services, for the payment for contingent liability of the Federal Government which may accrue in the event that the Government decides to terminate the contract before the expiration of the multiyear contract period. Such contract or contracts for such services shall limit the payments which the Federal Government is allowed to make under such contract or contracts to amounts provided in advance in appropriation Acts.】

SEC. 【106】 104. Notwithstanding any other provision of law, including section 257(c) of the Trade Act of 1974, as amended, and section 203 of the Public Works and Economic Development Act of 1965, as amended, principal and interest repayments from loans, proceeds from the sale of loan assets or collateral, and other receipts arising out of transactions entered into pursuant to title II, chapter 3 of the Trade Act of 1974 shall be deposited into the economic development revolving fund established under section 203 of the Public Works and Economic Development Act of 1965 beginning October 1, 1987: *Provided*, That payments of obligations in connection with loans guaranteed under the authority of the Trade Act of 1974 or the Public Works and Economic Development Act of 1965, and any related ex-

penses, shall be made from funds available in the economic development revolving fund: *Provided further*, That deposits to the economic development revolving fund of amounts appropriated for, or received in connection with, activities authorized under the Trade Act of 1974, made prior to October 1, 1987, shall be deemed valid deposits.

【SEC. 107. Notwithstanding any other provision of law, the Secretary of Commerce is authorized to negotiate and conclude an agreement to exchange properties with the necessary private and public parties for the purpose of expanding the National Oceanic and Atmospheric Administration marine facility at Pascagoula, Mississippi.】

SEC. 【108】 105. In order to maintain overseas program activity for the Department of Commerce provided for each fiscal year at the appropriated program levels, the Secretary may establish Buying Power Maintenance accounts for the International Trade Administration, the Export Administration, and the United States Travel and Tourism Administration. There are authorized to be appropriated for such accounts such sums as may be necessary to offset adverse fluctuations in foreign currency exchange rates, or unbudgeted overseas wage and price changes. To eliminate substantial gains to the approved levels of overseas operations, the Secretary shall transfer to a Buying Power Maintenance account such amounts determined to be excessive to the needs of the approved level of overseas operations because of fluctuations in foreign currency exchange rates or changes in unbudgeted overseas wages and prices, including unobligated balances associated with the overseas program. To offset adverse fluctuations in foreign currency exchange rates or unbudgeted overseas wage and price changes, the Secretary may transfer from a Buying Power Maintenance account such amounts determined to be necessary to maintain the approved level of overseas operations under an appropriation account. Funds transferred by the Secretary to or from a Buying Power Maintenance account to another account shall be merged with and be available for the same purpose, and for the same time period, as the funds in the account into which transferred. Any restriction contained in an appropriation Act or other provision of law limiting the amounts available for the Department of Commerce that may be obligated or expended shall be deemed to be adjusted to the extent necessary to offset the net effect of fluctuations in foreign currency exchange rates or unbudgeted overseas wage and price changes in order to maintain approved levels. (*Department of Commerce Appropriation Act, 1988.*)





## DEPARTMENT OF DEFENSE—MILITARY

### MILITARY PERSONNEL

#### ACTIVE FORCES

These appropriations finance the personnel costs of the active duty forces of the Army, Navy, Marine Corps, and Air Force. Changes in financial requirements are primarily related to military personnel strengths. In addition, these appropriations finance the future retirement benefits of the current active forces. While most of the entitlements financed by these appropriations are set by statute, the estimates reflect continuing efforts to improve management including implementation of audit recommendations, improved management of military travel, and prudent use of subsistence, bonus programs, and other pay programs.

The numbers of active duty military personnel provided for are shown in the following table:

	YEAREND NUMBER		
	<i>1987 actual</i>	<i>1988 est.</i>	<i>1989 est.</i>
Defense total .....	2,174,217	2,138,327	2,138,300
Officers.....	307,387	305,671	306,153
Enlisted.....	1,853,158	1,819,014	1,818,505
Academy cadets and midshipmen.....	13,672	13,642	13,642
Army.....	780,815	772,300	772,300
Officers.....	107,964	107,427	107,835
Enlisted.....	668,410	660,423	659,955
Military Academy cadets.....	4,441	4,450	4,450
Navy.....	586,842	593,200	593,200
Officers.....	72,038	72,610	72,610
Enlisted.....	510,026	515,815	515,815
Naval Academy midshipmen/aviation cadets.....	4,778	4,775	4,775
Marine Corps.....	199,525	197,224	197,200
Officers.....	20,047	20,096	20,120
Enlisted.....	179,478	177,128	177,080
Air Force.....	607,035	575,603	575,600
Officers.....	107,338	105,538	105,538
Enlisted.....	495,244	465,648	465,645
Air Force Academy cadets.....	4,453	4,417	4,417
	<b>AVERAGE NUMBER</b>		
Defense total .....	<i>2,167,437</i>	<i>2,145,256</i>	<i>2,132,114</i>
Officers.....	310,620	307,135	306,031
Enlisted.....	1,843,710	1,825,065	1,812,985
Academy cadets and midshipmen.....	13,107	13,056	13,098
Army.....	777,028	769,633	764,410
Officers.....	109,302	107,933	107,502
Enlisted.....	663,448	657,528	652,703
Military Academy cadets.....	4,238	4,172	4,205
Navy.....	582,468	584,199	591,624
Officers.....	72,125	72,224	72,539
Enlisted.....	505,819	507,361	514,472
Naval Academy midshipmen/aviation cadets.....	4,524	4,614	4,613
Marine Corps.....	198,887	197,539	196,841
Officers.....	20,258	20,021	20,223

Enlisted .....	178,629	177,518	176,618
Air Force.....	609,054	593,885	579,239
Officers.....	108,935	106,957	105,767
Enlisted.....	495,774	482,658	469,192
Air Force Academy cadets.....	4,345	4,270	4,280

#### Federal Funds

##### General and special funds:

##### MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$23,427,732,000] \$24,418,500,000.** (10 U.S.C. 701-04, 744, 956, 1035, 1037, 1047-49, 1212, 1475-80, 2389, 2421, 2634, 3687, 4561, 4562, 4741; chapters 3, 5, 7, and 9 of title 37, United States Code; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	21-2010-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Pay and allowances of officers .....	5,971,913	6,070,383	6,218,100
00.02	Pay and allowances of enlisted personnel .....	15,146,331	15,373,936	15,835,300
00.03	Pay and allowances of cadets.....	33,238	33,164	34,700
00.04	Subsistence of enlisted personnel.....	1,056,769	1,110,269	1,168,500
00.05	Permanent change of station travel .....	927,397	961,809	1,007,300
00.06	Other military personnel costs.....	172,305	151,691	154,600
00.91	Total direct program.....	23,307,953	23,701,252	24,418,500
01.01	Reimbursable program.....	157,094	182,819	184,944
10.00	Total obligations.....	23,465,047	23,884,071	24,603,444
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-49,484	-61,127	-61,817
13.00	Trust funds .....	-46,979	-55,433	-56,053
14.00	Non-Federal sources.....	-60,631	-66,259	-67,074
22.40	Unobligated balance transferred, net .....	-255,452		
39.00	<b>Budget authority.....</b>	<b>23,052,501</b>	<b>23,701,252</b>	<b>24,418,500</b>
Budget authority:				
40.00	Appropriation.....	22,353,990	23,427,732	24,418,500
40.00	Increase pursuant to P.L. 99-500.....	173,000		
42.00	Transferred from other accounts.....	525,511	273,520	
43.00	<b>Appropriation (adjusted).....</b>	<b>23,052,501</b>	<b>23,701,252</b>	<b>24,418,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	23,307,953	23,701,252	24,418,500
72.40	Obligated balance, start of year.....	201,316	1,163,325	1,234,177
74.40	Obligated balance, end of year.....	-1,163,325	-1,234,177	-1,333,277
77.00	Adjustments in expired accounts.....	-116,011		
90.00	Outlays.....	22,229,933	23,630,400	24,319,400

General and special funds—Continued

MILITARY PERSONNEL, ARMY—Continued

Object Classification (in thousands of dollars)

Identification code	21-2010-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.7	Military personnel.....	14,477,022	14,613,854	15,064,140
11.8	Special personal services payments.....	318	228	229
11.9	Total personnel compensation benefits.....	14,477,340	14,614,082	15,064,369
Military personnel benefits:				
12.2	Accrued retirement benefits.....	5,919,335	5,923,841	5,959,023
12.2	Other personnel benefits.....	1,608,558	1,760,596	1,906,972
13.0	Benefits for former personnel.....	65,422	78,621	80,699
21.0	Travel and transportation of persons.....	320,523	347,742	363,770
22.0	Transportation of things.....	488,726	509,466	533,869
25.0	Other services: Contracts.....	40,937	44,025	46,134
26.0	Supplies and materials.....	384,736	420,566	461,301
42.0	Insurance claims and indemnities.....	2,376	2,313	2,363
99.0	Subtotal, direct obligations.....	23,307,953	23,701,252	24,418,500
99.0	Reimbursable obligations.....	157,094	182,819	184,944
99.9	Total obligations.....	23,465,047	23,884,071	24,603,444

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$17,971,297,000]** \$18,965,300,000. (10 U.S.C. 600, 683-4, 701-4, 744, 956, 1035, 1037, 1047-49, 1212, 1475-80, 2421, 2634, 5413-14, 5441-42, 5444, 5446, 5450-51, 5454, 5501, 5503, 6081-86, 6221, 6911-12, 6960, 6969; 26 U.S.C. 3121; chapters 3, 5, 7, 9, and 10 of title 37, United States Code; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1453-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Pay and allowances of officers.....	4,156,189	4,250,702	4,427,990
00.02	Pay and allowances of enlisted personnel.....	12,157,088	12,545,648	13,102,780
00.03	Pay and allowances of cadets.....	36,393	38,281	39,396
00.04	Subsistence of enlisted personnel.....	757,783	777,357	817,352
00.05	Permanent change of station travel.....	516,920	521,014	540,910
00.06	Other military personnel costs.....	45,345	43,295	36,872
00.91	Total direct program.....	17,669,718	18,176,297	18,965,300
01.01	Reimbursable program.....	123,864	125,100	126,700
10.00	Total obligations.....	17,793,582	18,301,397	19,092,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-57,152	-57,721	-58,460
13.00	Trust funds.....	-24,309	-24,557	-24,871
14.00	Non-Federal sources.....	-42,403	-42,822	-43,369
22.40	Unobligated balance transferred, net.....	-44,600		
25.00	Unobligated balance lapsing.....	322		
39.00	Budget authority.....	17,625,440	18,176,297	18,965,300
Budget authority:				
40.00	Appropriation.....	17,104,850	17,971,297	18,965,300
40.00	Increase pursuant to P.L. 99-500.....	128,000		
42.00	Transferred from other accounts.....	392,590	205,000	
43.00	Appropriation (adjusted).....	17,625,440	18,176,297	18,965,300
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	17,669,718	18,176,297	18,965,300

72.40	Obligated balance, start of year.....	70,026	669,991	790,288
74.40	Obligated balance, end of year.....	-669,991	-790,288	-892,288
77.00	Adjustments in expired accounts.....	609		
90.00	Outlays.....	17,070,363	18,056,000	18,863,300

Object Classification (in thousands of dollars)

Identification code	17-1453-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.7	Military personnel.....	11,368,312	11,637,324	12,190,457
11.8	Special personal services payments.....	156	159	167
11.9	Total personnel compensation.....	11,368,468	11,637,483	12,190,624
Military personnel benefits:				
12.2	Accrued retirement benefits.....	4,364,480	4,391,327	4,528,577
12.2	Other personnel benefits.....	1,101,664	1,297,364	1,362,980
13.0	Benefits for former personnel.....	33,580	34,200	33,400
21.0	Travel and transportation of persons.....	164,960	166,238	167,249
22.0	Transportation of things.....	316,982	319,115	336,718
25.0	Other services: Other.....	14,593	14,557	15,480
26.0	Supplies and materials.....	303,210	314,330	328,577
42.0	Insurance claims and indemnities.....	1,781	1,683	1,695
99.0	Subtotal, direct obligations.....	17,669,718	18,176,297	18,965,300
99.0	Reimbursable obligations.....	123,864	125,100	126,700
99.9	Total obligations.....	17,793,582	18,301,397	19,092,000

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$5,478,266,000]** \$5,716,200,000. (10 U.S.C. 956, 1035, 1047-49, 1212, 1475-80, 2634, 5413-14, 5441, 5443, 5446, 5451, 5454, 5456, 5458, 5502-03, 6032, 6081-86, 6148, 6222; 12 U.S.C. 1715m; chapters 3, 5, 7, and 9 of title 37, United States Code; 41 U.S.C. 1594d; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1105-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Pay and allowances of officers.....	1,106,867	1,121,709	1,165,767
00.02	Pay and allowances of enlisted personnel.....	3,879,543	3,947,798	4,067,479
00.04	Subsistence of enlisted personnel.....	260,481	267,202	278,788
00.05	Permanent change of station travel.....	174,782	187,230	187,083
00.06	Other military personnel costs.....	17,113	18,903	17,083
00.91	Total direct program.....	5,438,786	5,542,842	5,716,200
01.01	Reimbursable program.....	17,611	18,200	18,600
10.00	Total obligations.....	5,456,397	5,561,042	5,734,800
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-13,130	-12,063	-12,237
13.00	Trust funds.....	-174	-240	-240
14.00	Non-Federal sources.....	-4,307	-5,897	-6,123
22.40	Unobligated balance transferred, net.....	-32,520		
25.00	Unobligated balance lapsing.....	787		
39.00	Budget authority.....	5,407,053	5,542,842	5,716,200
Budget authority:				
40.00	Appropriation.....	5,266,053	5,478,266	5,716,200
40.00	Increase pursuant to P.L. 99-500.....	40,000		
42.00	Transferred from other accounts.....	101,000	64,576	
43.00	Appropriation (adjusted).....	5,407,053	5,542,842	5,716,200

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,438,786	5,542,842	5,716,200
72.40	Obligated balance, start of year .....	95,841	241,245	306,787
74.40	Obligated balance, end of year .....	-241,245	-306,787	-372,087
77.00	Adjustments in expired accounts .....	-1,984		
90.00	Outlays .....	5,291,397	5,477,300	5,650,900

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

Identification code 17-1105-0-1-051	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation:				
11.7	Military personnel .....	3,524,221	3,572,054	3,705,531
11.8	Special personal services payments .....	159	57	58
11.9	Total personnel compensation .....	3,524,380	3,572,111	3,705,589
Military personnel benefits:				
12.2	Accrued retirement benefits .....	1,389,459	1,383,829	1,409,743
12.2	Other personnel benefits .....	246,304	291,280	305,578
13.0	Benefits for former personnel .....	15,300	17,100	15,200
21.0	Travel and transportation of persons .....	75,604	81,247	77,834
22.0	Transportation of things .....	89,235	94,366	97,620
25.0	Other services: Purchases from industrial funds .....	3,524	3,646	3,812
26.0	Supplies and materials .....	94,224	98,591	100,107
42.0	Insurance claims and indemnities .....	756	672	717
99.0	Subtotal, direct obligations .....	5,438,786	5,542,842	5,716,200
99.0	Reimbursable obligations .....	17,611	18,200	18,600
99.9	Total obligations .....	5,456,397	5,561,042	5,734,800

42.00	Transferred from other accounts .....	446,827	232,842	
43.00	<b>Appropriation (adjusted) .....</b>	<b>19,535,558</b>	<b>19,815,960</b>	<b>20,094,200</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	19,693,358	19,815,960	20,094,200
72.40	Obligated balance, start of year .....	174,476	613,735	840,595
74.40	Obligated balance, end of year .....	-613,735	-840,595	-930,995
77.00	Adjustments in expired accounts .....	-35,768		
90.00	Outlays .....	19,218,330	19,589,100	20,003,800

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

Identification code 57-3500-0-1-051	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation: Military personnel .....				
11.7	Personnel compensation: Military personnel .....	12,398,098	12,550,822	12,768,645
Military personnel benefits:				
12.2	Accrued retirement benefits .....	5,035,784	5,008,776	4,995,961
12.2	Other personnel benefits .....	1,349,347	1,356,507	1,383,469
13.0	Benefits for former personnel .....	39,469	36,902	33,926
21.0	Travel and transportation of persons .....	258,182	242,554	255,993
22.0	Transportation of things .....	501,387	468,093	501,210
25.0	Other services: Purchases from industrial funds .....	28,957	26,946	28,853
26.0	Supplies and materials .....	80,618	123,939	124,837
42.0	Insurance claims and indemnities .....	1,516	1,421	1,306
99.0	Subtotal, direct obligations .....	19,693,358	19,815,960	20,094,200
99.0	Reimbursable obligations .....	186,787	189,643	186,096
99.9	Total obligations .....	19,880,145	20,005,603	20,280,296

**MILITARY PERSONNEL, AIR FORCE**

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$19,583,118,000]** \$20,094,200,000. (10 U.S.C. 503, 504-09, 518-19, 600, 683-84, 687, 701-04, 744, 956, 1035-37, 1047-49, 1211-12, 1331, 1475-80, 2632, 2634, 8033, 8036, 8066, 8201-15, 8281, 8284-89, 8293-8303, 8305-10, 8312-13, 8441-49, 8451-52, 8491, 8494-8504, 8531, 8687, 8722, 9306, 9331-37, 9341-55, 9441, 9561-63, 9741-43; 12 U.S.C. 1715m; 33 U.S.C. 855, 858; chapters 3, 5, 7, 9, 10, and 11, of title 37, United States Code; 49 U.S.C. 1657; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 57-3500-0-1-051	1987 actual	1988 est.	1989 est.	
Program by activities:				
Direct program:				
00.01	Pay and allowances of officers .....	6,215,721	6,271,818	6,434,996
00.02	Pay and allowances of enlisted personnel .....	11,718,467	11,832,994	11,894,077
00.03	Pay and allowances of cadets .....	33,536	33,823	34,942
00.04	Subsistence of enlisted personnel .....	861,542	869,035	874,240
00.05	Permanent change of station travel .....	823,009	769,890	820,643
00.06	Other military personnel costs .....	41,083	38,400	35,302
00.91	Total direct program .....	19,693,358	19,815,960	20,094,200
01.01	Reimbursable program .....	186,787	189,643	186,096
10.00	Total obligations .....	19,880,145	20,005,603	20,280,296
Financing:				
Offsetting collections from:				
11.00	Federal funds .....	-37,183	-53,170	-52,176
13.00	Trust funds .....	-101,219	-102,739	-100,817
14.00	Non-Federal sources .....	-48,385	-33,734	-33,103
22.40	Unobligated balance transferred, net .....	-157,800		
39.00	<b>Budget authority .....</b>	<b>19,535,558</b>	<b>19,815,960</b>	<b>20,094,200</b>
Budget authority:				
40.00	Appropriation .....	18,940,731	19,583,118	20,094,200
40.00	Increase pursuant to P.L. 99-500 .....	148,000		

**RESERVE FORCES**

These appropriations finance the personnel costs of the National Guard and Reserve forces, including the future retirement benefits of the current Reserve forces. The estimates reflect continuing efforts to improve management efficiency including, for example, more economical use of training and recruiting resources as well as the undertaking of active missions at lower costs.

The number of National Guard and Reserve personnel estimated to participate in the Selected Reserve training programs and the number of full-time active duty military personnel provided for are summarized in the following table:

**YEAREND NUMBER**

	1987 actual	1988 est.	1989 est.
Defense total .....	1,150,855	1,172,370	1,172,900
Trained inactive duty .....	1,025,051	1,044,515	1,048,043
Initial active duty for training .....	56,871	56,360	53,262
Full-time active duty .....	68,933	71,495	71,595
Army Reserve .....	313,638	320,600	320,600
Trained inactive duty .....	282,528	296,312	298,252
Initial active duty for training .....	18,696	10,959	9,019
Full-time active duty .....	12,414	13,329	13,329
Navy Reserve .....	148,096	152,600	152,600
Trained inactive duty .....	124,323	126,295	126,933
Initial active duty for training .....	2,485	4,314	3,676
Full-time active duty .....	21,288	21,991	21,991
Marine Corps Reserve .....	42,253	43,600	43,600
Trained inactive duty .....	37,378	38,155	38,338
Initial active duty for training .....	3,133	3,500	3,317
Full-time active duty .....	1,742	1,945	1,945
Air Force Reserve .....	80,415	82,400	83,600
Trained inactive duty .....	77,404	79,648	80,668
Initial active duty for training .....	2,382	2,083	2,275

RESERVE FORCES—Continued

YEAREND NUMBER—Continued

	1987 actual	1988 est.	1989 est.
Full-time active duty .....	629	669	657
Army National Guard.....	451,858	457,270	457,300
Trained inactive duty.....	399,493	399,369	400,200
Initial active duty for training .....	27,128	32,176	31,375
Full-time active duty .....	25,237	25,725	25,725
Air National Guard .....	114,595	115,900	115,200
Trained inactive duty.....	103,925	104,736	103,652
Initial active duty for training .....	3,047	3,328	3,600
Full-time active duty .....	7,623	7,836	7,948

The Reserve Officers' Training Corps program provides training for reserve and regular officer candidates who have enrolled in the course while attending a college at which an ROTC unit has been established. College graduates who satisfactorily complete the advanced course of the program are commissioned and are ordinarily ordered to active duty for a minimum of 3 years.

The Reserve Officers' Training Corps Vitalization Act of 1964, as amended, authorizes a limited number of scholarships for ROTC students on a competitive basis. Successful candidates for the scholarships generally serve a minimum period of 4 years on active duty upon graduation and appointment as a commissioned officer. A number of scholarship recipients will fulfill their entire obligation in the Reserve components.

The Armed Forces health professions scholarship program provides a source of commissioned officers for the various health professions.

The numbers of commissioned officers graduated from these programs are summarized below:

	1987 actual	1988 est.	1989 est.
ROTC:			
Army .....	7,967	8,000	8,000
Navy .....	1,991	2,090	2,065
Air Force .....	3,231	2,895	2,740
Total.....	13,189	12,985	12,805
Navy officer candidates.....		32	62
Marine Corps officers candidates .....	702	932	816
Total.....	702	964	878
Health professions scholarship:			
Army .....	343	339	340
Navy .....	218	216	210
Air Force .....	443	437	457
Total.....	1,004	992	1,007

Federal Funds

General and special funds:

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 265, 3021, and 3038 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[\$2,239,365,000]** \$2,260,000,000. (10 U.S.C. 683, 1475-80, 2101-11, 3722; 37 U.S.C. 204, 206, 209, 301, 305, 402-04,

414-18, 1002; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 21-2070-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Unit and individual training .....	1,090,125	1,206,491	1,230,468
00.02 Other training and support .....	1,019,828	1,056,394	1,029,532
00.91 Total direct program .....	2,109,953	2,262,885	2,260,000
01.01 Reimbursable program.....	5,315	5,868	6,367
10.00 Total obligations.....	2,115,268	2,268,753	2,266,367
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-3,305	-3,580	-3,884
14.00 Non-Federal sources.....	-2,010	-2,288	-2,483
25.00 Unobligated balance lapsing .....	4,585		
39.00 <b>Budget authority</b> .....	<b>2,114,539</b>	<b>2,262,885</b>	<b>2,260,000</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	2,323,210	2,239,365	2,260,000
40.00 Reduction pursuant to P.L. 99-500 .....	-229,000		
41.00 Transferred to other accounts .....	-20,000		
42.00 Transferred from other accounts .....	40,329	23,520	
43.00 <b>Appropriation (adjusted)</b> .....	<b>2,114,539</b>	<b>2,262,885</b>	<b>2,260,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,109,953	2,262,885	2,260,000
72.40 Obligated balance, start of year .....	121,625	173,214	199,299
74.40 Obligated balance, end of year .....	-173,214	-199,299	-225,399
77.00 Adjustments in expired accounts.....	15,394		
90.00 <b>Outlays</b> .....	<b>2,073,758</b>	<b>2,236,800</b>	<b>2,233,900</b>

Object Classification (in thousands of dollars)

Identification code 21-2070-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
11.7 Personnel compensation: Military personnel .....	1,408,014	1,432,623	1,441,129
Military personnel benefits:			
12.2 Accrued retirement benefits .....	367,491	390,050	390,398
12.2 Other personnel benefits.....	98,413	175,054	180,079
21.0 Travel and transportation of persons .....	146,920	170,361	158,576
22.0 Transportation of things.....	7,798	9,565	8,062
26.0 Supplies and materials.....	81,267	85,184	81,708
42.0 Insurance claims and indemnities .....	50	48	48
99.0 Subtotal, direct obligations.....	2,109,953	2,262,885	2,260,000
99.0 Reimbursable obligations .....	5,315	5,868	6,367
99.9 Total obligations.....	2,115,268	2,268,753	2,266,367

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[\$1,496,522,000]** \$1,621,400,000. (10 U.S.C. 600, 683-4, 1475-80, 2031, 2101-11, 5456-57, 6081-86, 6148; 26 U.S.C. 3121; 37 U.S.C. 204, 206, 301, 305, 402-4, 415-18, 427, 1002; 38 U.S.C. 701-12; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 17-1405-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Unit and individual training .....	611,722	664,630	728,526
00.02 Other training and support .....	782,244	848,333	892,874
00.91 Total direct program .....	1,393,966	1,512,963	1,621,400
01.01 Reimbursable program .....	290	400	400
10.00 Total obligations .....	1,394,256	1,513,363	1,621,800
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-281	-236	-236
13.00 Trust funds .....	-	-136	-136
14.00 Non-Federal sources .....	-9	-28	-28
25.00 Unobligated balance lapsing .....	926	-	-
39.00 <b>Budget authority</b> .....	<b>1,394,892</b>	<b>1,512,963</b>	<b>1,621,400</b>
Budget authority:			
40.00 Appropriation .....	1,464,453	1,496,522	1,621,400
40.00 Reduction pursuant to P.L. 99-500 .....	-99,000	-	-
42.00 Transferred from other accounts .....	29,439	16,441	-
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,394,892</b>	<b>1,512,963</b>	<b>1,621,400</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,393,966	1,512,963	1,621,400
72.40 Obligated balance, start of year .....	111,852	120,856	157,919
74.40 Obligated balance, end of year .....	-120,856	-157,919	-201,419
77.00 Adjustments in expired accounts .....	-17,955	-	-
90.00 Outlays .....	1,367,007	1,475,900	1,577,900

Object Classification (in thousands of dollars)

Identification code 17-1405-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
11.7 Personnel compensation: Military personnel .....	906,540	975,969	1,042,285
Military personnel benefits:			
12.2 Accrued retirement benefits .....	278,264	294,448	307,629
12.2 Other personnel benefits .....	60,652	91,019	105,402
21.0 Travel and transportation of persons .....	102,545	104,638	115,175
22.0 Transportation of things .....	12,702	12,178	13,697
25.0 Other services: Other .....	583	549	611
26.0 Supplies and materials .....	31,738	33,066	35,435
42.0 Insurance claims and indemnities .....	942	1,096	1,166
99.0 Subtotal, direct obligations .....	1,393,966	1,512,963	1,621,400
99.0 Reimbursable obligations .....	290	400	400
99.9 Total obligations .....	1,394,256	1,513,363	1,621,800

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[\$292,209,000]** \$315,700,000. (10 U.S.C. 600, 683, 1475-80, 2031, 2101-11, 5456, 5458, 6081-86, 6148; 37 U.S.C. 206, 301, 305, 402-04, 415-18, 1002; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 17-1108-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Unit and individual training .....	177,741	188,379	196,958

00.02 Other training and support .....	99,575	107,032	118,742
00.91 Total direct program .....	277,316	295,411	315,700
01.01 Reimbursable program .....	700	700	700
10.00 Total obligations .....	278,016	296,111	316,400
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-624	-650	-650
14.00 Non-Federal sources .....	-76	-50	-50
25.00 Unobligated balance lapsing .....	631	-	-
39.00 <b>Budget authority</b> .....	<b>277,947</b>	<b>295,411</b>	<b>315,700</b>
Budget authority:			
40.00 Appropriation .....	303,968	292,209	315,700
40.00 Reduction pursuant to P.L. 99-500 .....	-31,000	-	-
42.00 Transferred from other accounts .....	4,979	3,202	-
43.00 <b>Appropriation (adjusted)</b> .....	<b>277,947</b>	<b>295,411</b>	<b>315,700</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	277,316	295,411	315,700
72.40 Obligated balance, start of year .....	45,553	25,308	31,719
74.40 Obligated balance, end of year .....	-25,308	-31,719	-37,819
77.00 Adjustments in expired accounts .....	-18,443	-	-
90.00 Outlays .....	279,117	289,000	309,600

Object Classification (in thousands of dollars)

Identification code 17-1108-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
11.7 Personnel compensation: Military personnel .....	176,087	182,357	196,372
Military personnel benefits:			
12.2 Accrued retirement benefits .....	44,344	49,691	52,539
12.2 Other personnel benefits .....	16,561	19,708	21,035
21.0 Travel and transportation of persons .....	23,266	23,644	25,347
22.0 Transportation of things .....	337	442	462
26.0 Supplies and materials .....	15,882	18,570	18,946
42.0 Insurance claims and indemnities .....	839	999	999
99.0 Subtotal, direct obligations .....	277,316	295,411	315,700
99.0 Reimbursable obligations .....	700	700	700
99.9 Total obligations .....	278,016	296,111	316,400

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 265, 8021, and 8038 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[\$608,345,000]** \$655,300,000. (10 U.S.C. 261-80, 591-95, 597-600, 651, 671-85, 687, 715, 1475-80, 2031, 2101-11, 2120-27, 2131-33, 2511, 8062, 8076, 8221-23, 8259-60, 8351-54, 8356-63, 8365-68, 8371-81, 8392-95, 8491, 8687, 8722, 9301, 9411-14, 9561-63, 9741, 9743; 37 U.S.C. 204, 206, 209, 301, 309, 402-11, 415-18, 1002; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 57-3700-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Unit and individual training .....	358,590	390,960	418,504
00.02 Other training and support .....	210,677	224,121	236,796
00.91 Total direct program .....	569,267	615,081	655,300
01.01 Reimbursable program .....	1,601	1,600	1,600
10.00 Total obligations .....	570,868	616,681	656,900

General and special funds—Continued

RESERVE PERSONNEL, AIR FORCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-1,575	-1,570	-1,570
14.00 Non-Federal sources	-26	-30	-30
25.00 Unobligated balance lapsing	333		
<b>39.00 Budget authority</b>	<b>569,600</b>	<b>615,081</b>	<b>655,300</b>
<b>Budget authority:</b>			
40.00 Appropriation	629,200	608,345	655,300
40.00 Reduction pursuant to P.L. 99-500	-75,000		
42.00 Transferred from other accounts	15,400	6,736	
<b>43.00 Appropriation (adjusted)</b>	<b>569,600</b>	<b>615,081</b>	<b>655,300</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	569,267	615,081	655,300
72.40 Obligated balance, start of year	62,057	30,639	49,320
74.40 Obligated balance, end of year	-30,639	-49,320	-62,020
77.00 Adjustments in expired accounts	-19,678		
<b>90.00 Outlays</b>	<b>581,007</b>	<b>596,400</b>	<b>642,600</b>

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
11.7 Personnel compensation: Military personnel	389,234	412,091	438,377
<b>Military personnel benefits:</b>			
12.2 Accrued retirement benefits	89,316	93,714	98,039
12.2 Other personnel benefits	28,198	42,902	49,781
21.0 Travel and transportation of persons	50,542	53,297	53,870
22.0 Transportation of things	236	749	2,001
26.0 Supplies and materials	11,720	12,271	13,073
42.0 Insurance claims and indemnities	21	57	159
<b>99.0 Subtotal, direct obligations</b>	<b>569,267</b>	<b>615,081</b>	<b>655,300</b>
99.0 Reimbursable obligations	1,601	1,600	1,600
<b>99.9 Total obligations</b>	<b>570,868</b>	<b>616,681</b>	<b>656,900</b>

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 265, 3021, or 3496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[\$3,196,386,000] \$3,325,300,000.** (10 U.S.C. 683, 1475-80, 3722; 37 U.S.C. 301, 305, 402-04, 418, 1002; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Unit and individual training	1,687,101	1,801,882	1,869,368
00.02 Other training and support	1,396,136	1,432,417	1,455,932
<b>00.91 Total direct program</b>	<b>3,083,237</b>	<b>3,234,299</b>	<b>3,325,300</b>
01.01 Reimbursable program	5,659	5,659	5,659
<b>10.00 Total obligations</b>	<b>3,088,896</b>	<b>3,239,958</b>	<b>3,330,959</b>
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-2,944	-3,108	-3,108

14.00 Non-Federal sources	-2,715	-2,551	-2,551
25.00 Unobligated balance lapsing	760		
<b>39.00 Budget authority</b>	<b>3,083,997</b>	<b>3,234,299</b>	<b>3,325,300</b>
<b>Budget authority:</b>			
40.00 Appropriation	3,323,145	3,196,386	3,325,300
40.00 Reduction pursuant to P.L. 99-500	-306,000		
41.00 Transferred to other accounts	-6,000		
42.00 Transferred from other accounts	72,852	37,913	
<b>43.00 Appropriation (adjusted)</b>	<b>3,083,997</b>	<b>3,234,299</b>	<b>3,325,300</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	3,083,237	3,234,299	3,325,300
72.40 Obligated balance, start of year	294,998	328,122	423,121
74.40 Obligated balance, end of year	-328,122	-423,121	-527,421
77.00 Adjustments in expired accounts	-80,818		
<b>90.00 Outlays</b>	<b>2,969,295</b>	<b>3,139,300</b>	<b>3,221,000</b>

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
11.7 Personnel compensation: Military personnel	2,013,998	2,125,676	2,205,751
<b>Military personnel benefits:</b>			
12.2 Accrued retirement benefits	571,374	600,279	606,722
12.2 Other personnel benefits	223,496	212,476	216,732
21.0 Travel and transportation of persons	145,275	158,294	154,980
22.0 Transportation of things	2,062	2,349	1,855
26.0 Supplies and materials	126,919	135,125	139,160
42.0 Insurance claims and indemnities	113	100	100
<b>99.0 Subtotal, direct obligations</b>	<b>3,083,237</b>	<b>3,234,299</b>	<b>3,325,300</b>
99.0 Reimbursable obligations	5,659	5,659	5,659
<b>99.9 Total obligations</b>	<b>3,088,896</b>	<b>3,239,958</b>	<b>3,330,959</b>

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 265, 8021, or 8496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty, or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[\$976,939,000] \$1,027,400,000.** (10 U.S.C. 261-812, 510, 591-95, 597-600, 651, 671-85, 2131-33, 2511, 3015, 8062, 8077-78, 8080, 8224-25, 8261, 8351-54, 8356, 8358-63, 8365-68, 8371-81, 8392-95, 8491, 8722, 9301, 9561-63, 9741; 31 U.S.C. 698; 32 U.S.C. 101-11, 301-05, 307-08, 312-33, 501-07, 701, 37 U.S.C. 201, 203-06, 301, 309, 402-11, 414-18, 501-02, 1002; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Unit and individual training	494,689	524,021	545,063
00.02 Other training and support	453,155	464,168	482,337
<b>00.91 Total direct program</b>	<b>947,844</b>	<b>988,189</b>	<b>1,027,400</b>
01.01 Reimbursable program	557	625	650
<b>10.00 Total obligations</b>	<b>948,401</b>	<b>988,814</b>	<b>1,028,050</b>
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources			
14.00	-557	-625	-650
25.00 Unobligated balance lapsing	734		
<b>39.00 Budget authority</b>	<b>948,578</b>	<b>988,189</b>	<b>1,027,400</b>
<b>Budget authority:</b>			
40.00 Appropriation	1,027,778	976,939	1,027,400

40.00	Reduction pursuant to P.L. 99-500.....	-99,000		
42.00	Transferred from other accounts.....	19,800	11,250	
43.00	<b>Appropriation (adjusted).....</b>	<b>948,578</b>	<b>988,189</b>	<b>1,027,400</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	947,844	988,189	1,027,400
72.40	Obligated balance, start of year.....	66,767	68,286	93,575
74.40	Obligated balance, end of year.....	-68,286	-93,575	-116,575
77.00	Adjustments in expired accounts.....	-6,959		
90.00	Outlays.....	939,366	962,900	1,004,400

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

Identification code 57-3850-0-1-051		1987 actual	1988 est.	1989 est.
Direct obligations:				
11.7	Personnel compensation: Military personnel.....	652,941	680,661	710,696
Military personnel benefits:				
12.2	Accrued retirement benefits.....	181,351	189,238	197,194
12.2	Other personnel benefits.....	60,000	61,762	62,400
21.0	Travel and transportation of persons.....	37,519	38,045	38,438
22.0	Transportation of things.....	2,253	2,866	2,895
26.0	Supplies and materials.....	13,678	15,515	15,675
42.0	Insurance claims and indemnities.....	102	102	102
99.0	Subtotal, direct obligations.....	947,844	988,189	1,027,400
99.0	Reimbursable obligations.....	557	625	650
99.9	Total obligations.....	948,401	988,814	1,028,050

**OPERATION AND MAINTENANCE**

These appropriations finance the costs of operating and maintaining the Armed Forces, including the Reserve components and related support activities of the Department of Defense, except military personnel costs. Included are amounts for pay of civilians, contract services for maintenance of equipment and facilities, fuel, supplies, and repair parts for weapons and equipment. Financial requirements are influenced by many factors, including the number of aircraft squadrons, Army and Marine Corps divisions, installations, military strength and deployments, rates of operational activity, and the quantity and complexity of major equipment (aircraft, ships, missiles, tanks, et cetera) in operation.

**Federal Funds**

**General and special funds:**

**OPERATION AND MAINTENANCE, ARMY**

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed **[\$17,923,000]** \$18,487,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; **[\$20,853,205,000]** \$22,085,200,000: Provided, That of the funds appropriated herein, \$150,000 shall be available only to reimburse We The People 200, Incorporated, for expenses related to the celebration of the Bicentennial of the Constitution. (5 U.S.C. 5943-44; 10 U.S.C. 127, 520b, 951-56, 1037, 1044, 1049-50, 1071-85, 1093, 1481-88, 2006-08, 2483, 2602, 2637-39, 2675, 2805, 3013-14, 3062, 4302, 4331-55, 4505, 4536, 4741; 37 U.S.C. 404-22; 39 U.S.C. 4169; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 21-2020-0-1-051		1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.02	General purpose forces.....	8,213,347	7,038,360	7,449,808
00.03	Intelligence and communications.....	1,420,822	1,389,225	1,414,409
00.07	Central supply and maintenance.....	5,282,991	5,773,693	6,028,824
00.08	Training, medical, and other general personnel activities.....	4,742,480	5,502,363	5,601,474
00.09	Administration and associated activities.....	1,159,448	994,627	1,159,603
00.10	Support of other nations.....	216,575	242,368	251,942
00.11	Special operations forces.....		190,322	179,140
00.91	Total direct program.....	21,035,663	21,130,958	22,085,200
01.01	Reimbursable program.....	3,292,963	2,838,784	2,956,877
10.00	Total obligations.....	24,328,626	23,969,742	25,042,077
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-3,009,506	-2,476,098	-2,617,121
13.00	Trust funds.....	-155,526	-237,010	-215,213
14.00	Non-Federal sources.....	-127,931	-125,676	-124,543
17.00	Recovery of prior year obligations.....	-109,278		
Unobligated balance transferred:				
22.40	Transferred, net.....	-840,933	-263,500	
22.40	Portion applied to meet foreign currency fluctuations in expired accounts.....	385,000	124,100	
25.00	Unobligated balance lapsing.....	7,858		
39.00	<b>Budget authority.....</b>	<b>20,478,310</b>	<b>20,991,558</b>	<b>22,085,200</b>
Budget authority:				
40.00	Appropriation.....	20,181,625	20,853,205	22,085,200
41.00	Transferred to other accounts.....	-20,088	-51,342	
42.00	Transferred from other accounts.....	316,773	189,695	
43.00	<b>Appropriation (adjusted).....</b>	<b>20,478,310</b>	<b>20,991,558</b>	<b>22,085,200</b>

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

Identification code 21-2020-0-1-051		1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	4,237,321	4,188,634	4,261,440
11.3	Other than full-time permanent.....	313,915	310,095	315,485
11.5	Other personnel compensation.....	202,061	199,683	203,153
11.9	Total personnel compensation.....	4,753,297	4,698,412	4,780,078
12.1	Civilian personnel benefits.....	769,532	777,635	788,334
13.0	Benefits for former personnel.....	12,465	36,239	37,487
21.0	Travel and transportation of persons.....	629,837	567,901	609,000
22.0	Transportation of things.....	649,698	792,430	822,700
23.1	Rental payments to GSA.....	176,145	133,703	135,358
23.2	Rental payments to others.....	118,949	250,537	288,431
23.3	Communications, utilities, and miscellaneous charges.....	735,656	519,542	474,111
24.0	Printing and reproduction.....	61,640	86,356	91,384
Other services:				
25.0	Payments to foreign national indirect hire personnel.....	962,822	1,365,011	1,426,712
25.0	Purchases from industrial funds.....	812,795	1,351,695	1,348,153
25.0	Contracts.....	8,045,028	7,436,122	8,099,440
25.0	Other.....	86,726	177,853	181,355
26.0	Supplies and materials.....	2,705,075	2,624,302	2,613,051
31.0	Equipment.....	503,214	313,220	389,606
32.0	Land and structures.....	12,032		
41.0	Grants, subsidies, and contributions.....	416		
42.0	Insurance claims and indemnities.....	336		
99.0	Subtotal, direct obligations.....	21,035,663	21,130,958	22,085,200
99.0	Reimbursable obligations.....	3,292,963	2,838,784	2,956,877
99.9	Total obligations.....	24,328,626	23,969,742	25,042,077

General and special funds—Continued

OPERATION AND MAINTENANCE, ARMY—Continued

Personnel Summary

Total number of full-time permanent positions.....	178,527	180,552	186,961
Total compensable workyears:			
Full-time equivalent employment.....	219,900	215,813	215,215
Full-time equivalent of overtime and holiday hours.....	5,335	5,385	5,369

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed **[\$3,886,000] \$4,014,000** can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; **[\$23,601,462,000: Provided, That from the amounts of this appropriation for the alteration, overhaul and repair of naval vessels and aircraft, funds shall be available to acquire the alteration, overhaul and repair by competition between public and private shipyards include comparable estimates of all direct and indirect costs for both public and private shipyards and air rework facilities. Competitions shall not be subject to section 502 of the Department of Defense Authorization Act, 1981, as amended, section 307 of the Department of Defense Authorization Act, 1985, or Office of Management and Budget Circular A-76: Provided further, That funds appropriated or made available in this Act shall be obligated and expended to restore the facilities, activities and personnel levels, including specifically the medical facilities, activities and personnel levels, at the Memphis Naval Complex, Millington, Tennessee, to the fiscal year 1984 levels: Provided further, That in fiscal year 1988, of the amounts from this appropriation for the alteration, overhaul and repair of naval vessels and aircraft, funds shall be available for the performance of the New Threat Upgrade program on one such vessel in the Philadelphia Naval Shipyard: Provided further, That contracting to private shipyards for the New Threat Upgrade overhaul program shall utilize full and open competition among shipyards qualified for overhaul work: Provided further, That not less than \$540,000 shall be available only to operate the Naval Investigative Service Regional Office in New Orleans, Louisiana] \$24,945,800,000. (5 U.S.C. 5943-44; 10 U.S.C. 127, 265, 276, 351, 951-56, 1037, 1044, 1049-50, 1071-85, 1125, 1481-88, 2006-08, 2110, 2127, 2483, 2602, 2632, 2637-39, 2675, 2805, 5013, 5151, 5062-63, 6022, 6029, 6153, 6201-03, 6951-52, 6968, 7041, 7043-44, 7085, 7205, 7207-09, 7212, 7214, 7229, 7293, 7297, 7303, 7361-62, 7395-96, 7421, 7432, 7571, 7580; 24 U.S.C. 14a, 16a, 21a, 21b, 37; 37 U.S.C. 404; 39 U.S.C. 406, 2601, 3208; 44 U.S.C. 1321; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 17-1804-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Strategic forces.....	1,884,918	1,429,133	1,563,161
00.02 General purpose forces.....	11,936,940	10,890,730	11,062,602
00.03 Intelligence and communications.....	1,129,542	1,037,315	1,087,947
00.04 Airlift and sealift.....	597,308	547,117	546,629
00.07 Central supply and maintenance.....	4,467,663	6,257,634	6,064,298
00.08 Training, medical, and other general personnel activities.....	2,542,008	3,665,059	3,736,123
00.09 Administration and associated activities.....	813,642	814,891	818,359
00.10 Support of other nations.....	3,335	3,788	3,754
00.11 Special operations forces.....		62,708	62,927
00.91 Total direct program.....	23,375,356	24,708,375	24,945,800
01.01 Reimbursable program.....	2,747,603	2,830,311	2,914,932
10.00 Total obligations.....	26,122,959	27,538,686	27,860,732
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-2,587,052	-2,645,382	-2,726,381
13.00 Trust funds.....	-100,468	-138,210	-142,041
14.00 Non-Federal sources.....	-60,083	-46,719	-46,510
17.00 Recovery of prior year obligations.....	-232,725		

21.40 Unobligated balance available, start of year.....	-1,341		
Unobligated balance transferred:			
22.40 Transferred, net.....	94,725	-803,700	
22.40 Portion applied to meet foreign currency fluctuations in expired accounts.....	72,100	21,000	
25.00 Unobligated balance lapsing.....	38,850		
39.00 <b>Budget authority.....</b>	<b>23,346,965</b>	<b>23,925,675</b>	<b>24,945,800</b>
Budget authority:			
40.00 Appropriation.....	23,166,904	23,601,462	24,945,800
41.00 Transferred to other accounts.....	-36,100	-14,000	
42.00 Transferred from other accounts.....	216,161	338,213	
43.00 <b>Appropriation (adjusted).....</b>	<b>23,346,965</b>	<b>23,925,675</b>	<b>24,945,800</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	23,375,356	24,708,375	24,945,800
72.40 Obligated balance, start of year.....	9,347,089	10,610,311	12,022,886
74.40 Obligated balance, end of year.....	-10,610,311	-12,022,886	-12,838,686
77.00 Adjustments in expired accounts.....	414,578	-21,000	
78.00 Adjustments in unexpired accounts.....	-232,725		
90.00 <b>Outlays.....</b>	<b>22,293,987</b>	<b>23,274,800</b>	<b>24,130,000</b>

Estimates for 1989 for the Ready Reserve Force are shown in a new account, Ready Reserve Force, in the Maritime Administration. Amounts appropriated in 1987 and 1988 for the Ready Reserve Force remain in the Operation and Maintenance, Navy account.

Object Classification (in thousands of dollars)

Identification code 17-1804-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	2,499,750	2,663,851	2,652,154
11.3 Other than full-time permanent.....	190,511	207,173	198,320
11.5 Other personnel compensation.....	132,950	129,191	125,252
11.8 Special personal services payments.....	843	696	707
11.9 Total personnel compensation.....	2,824,054	3,000,911	2,976,433
12.1 Civilian personnel benefits.....	413,835	466,482	475,364
13.0 Benefits for former personnel.....	13,629	13,436	13,827
21.0 Travel and transportation of persons.....	330,432	330,042	332,337
22.0 Transportation of things.....	403,843	426,172	432,299
23.1 Rental payments to GSA.....	136,202	142,878	144,933
23.2 Rental payments to others.....	69,383	73,903	74,965
23.3 Communications, utilities, and miscellaneous charges.....	817,865	862,198	874,594
24.0 Printing and reproduction.....	39,407	41,878	42,480
Other services:			
25.0 Payments to foreign national indirect hire personnel.....	97,128	118,564	120,366
25.0 Purchases from industrial funds.....	6,361,952	6,797,333	6,970,245
25.0 Contracts.....	7,807,386	8,155,616	8,147,470
25.0 Other.....	18,247	19,707	19,991
26.0 Supplies and materials.....	3,495,674	3,682,815	3,735,767
31.0 Equipment.....	546,319	576,440	584,729
99.0 Subtotal, direct obligations.....	23,375,356	24,708,375	24,945,800
99.0 Reimbursable obligations.....	2,747,603	2,830,311	2,914,932
99.9 Total obligations.....	26,122,959	27,538,686	27,860,732

Personnel Summary

Total number of full-time permanent positions.....	112,641	115,087	113,294
Total compensable workyears:			
Full-time equivalent employment.....	133,188	135,164	132,716
Full-time equivalent of overtime and holiday hours.....	4,764	3,910	3,898

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; **[\$1,819,188,000] \$1,792,000,000. (5 U.S.C. 5943, 5944, 7903; 10 U.S.C. 265, 276, 520b, 951-56, 1037, 1044, 1049-50, 1071-85, 1125, 1481-88, 2006-08, 2110, 6911, 7214, 7571, 7580; 37 U.S.C. 404-11; 39 U.S.C. 406, 2601, 3208; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)**



Program and Financing (in thousands of dollars)

Identification code	17-1106-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.02	General purpose forces	1,040,881	1,024,613	1,014,072
00.07	Central supply and maintenance	405,991	368,246	374,617
00.08	Training, medical, and other general personnel activities	262,665	269,799	266,055
00.09	Administration and associated activities	131,890	132,630	137,256
00.91	Total direct program	1,841,427	1,795,288	1,792,000
01.01	Reimbursable program	321,203	314,000	319,000
10.00	Total obligations	2,162,630	2,109,288	2,111,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-308,961	-291,750	-287,750
13.00	Trust funds	-768	-2,650	-2,650
14.00	Non-Federal sources	-11,474	-19,600	-28,600
17.00	Recovery of prior year obligations	-23,800		
Unobligated balance transferred:				
22.40	Transferred, net	-26,600	-7,100	
22.40	Portion applied to meet foreign currency fluctuations in expired accounts	14,000	6,000	
25.00	Unobligated balance lapsing	4,614		
39.00	<b>Budget authority</b>	<b>1,809,640</b>	<b>1,794,188</b>	<b>1,792,000</b>
Budget authority:				
40.00	Appropriation	1,802,050	1,819,188	1,792,000
41.00	Transferred to other accounts		-25,000	
42.00	Transferred from other accounts	7,590		
43.00	<b>Appropriation (adjusted)</b>	<b>1,809,640</b>	<b>1,794,188</b>	<b>1,792,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,841,427	1,795,288	1,792,000
72.40	Obligated balance, start of year	641,602	758,379	763,467
74.40	Obligated balance, end of year	-758,379	-763,467	-780,867
77.00	Adjustments in expired accounts	21,342	-6,000	
78.00	Adjustments in unexpired accounts	-23,800		
90.00	Outlays	1,722,191	1,784,200	1,774,600

Object Classification (in thousands of dollars)

Identification code	17-1106-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	319,700	335,642	333,582
11.3	Other than full-time permanent	19,731	10,643	10,972
11.5	Other personnel compensation	12,755	11,655	12,592
11.9	Total personnel compensation	352,186	357,940	357,146
12.1	Civilian personnel benefits	54,811	58,364	64,491
21.0	Travel and transportation of persons	84,052	73,879	77,199
22.0	Transportation of things	63,489	72,823	82,299
23.2	Rental payments to others	158,116	162,694	171,068
24.0	Printing and reproduction	8,848	9,328	8,828
Other services:				
25.0	Payments to foreign national indirect hire personnel	54,951	73,026	76,926
25.0	Purchases from industrial funds	118,016	109,982	108,984
25.0	Contracts	555,194	506,401	490,628
26.0	Supplies and materials	314,936	298,543	286,215
31.0	Equipment	76,828	72,308	68,216
99.0	Subtotal, direct obligations	1,841,427	1,795,288	1,792,000
99.0	Reimbursable obligations	321,203	314,000	319,000
99.9	Total obligations	2,162,630	2,109,288	2,111,000

Personnel Summary

Total number of full-time permanent positions	15,249	15,878	15,710
Total compensable workyears:			
Full-time equivalent employment	17,011	17,175	17,003
Full-time equivalent of overtime and holiday hours	190	258	276

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed **[\$6,775,000]** \$7,690,000, can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; **[\$19,661,448,000, of which \$22,000,000 shall be available only to operate a C-130E unit at McChord Air Force Base, Washington.]** \$21,950,000,000. (5 U.S.C. 5943, 5944, 7903; 10 U.S.C. 122, 127, 503, 502b, 717, 951-56, 1037, 1040, 1044, 1049-50, 1071-89, 1121-26, 1481-88, 2002, 2006-08, 2101-11, 2112-17, 2120-27, 2389, 2421, 2481, 2483, 2602, 2632-34, 2637-39, 2663, 2675, 8013, 8541, 8542, 8547, 8721-23, 8741-52, 9022, 9025, 9301-04, 9305, 9315, 9331-37, 9341-55, 9411-14, 9441, 9501, 9502, 9505, 9531, 9536, 9561, 9562, 9563, 9651-56, 9712, 9741, 9742, 9743, 9746, 9780; 20 U.S.C. 901-07; 37 U.S.C. 201, 421, 404-11e; 38 U.S.C. 5011; 39 U.S.C. 406, 3401-02; 40 U.S.C. 35; 42 U.S.C. 1856-56d, 3374, 315q; 43 U.S.C. 1241-43; 44 U.S.C. 1108; 50 U.S.C. 451-55, 491-94; Public Law 94-524 (18 U.S.C. 3056 note); Public Law 97-252; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	57-3400-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Strategic forces	2,895,834	2,960,106	3,218,889
00.02	General purpose forces	3,989,567	4,035,711	4,439,976
00.03	Intelligence and communications	2,358,262	2,243,268	2,496,643
00.04	Airlift and sealift	1,168,458	936,602	1,103,542
00.07	Central supply and maintenance	5,788,417	6,219,854	6,748,455
00.08	Training, medical, and other general personnel activities	2,284,474	2,827,647	3,142,173
00.09	Administration and associated activities	590,376	592,887	619,931
00.10	Support of other nations	6,403	6,079	9,296
00.11	Special operations forces		84,437	171,095
00.91	Total direct program	19,081,791	19,906,591	21,950,000
01.01	Reimbursable program	1,675,302	1,700,000	1,785,000
10.00	Total obligations	20,757,093	21,606,591	23,735,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-1,321,538	-1,428,000	-1,499,400
13.00	Trust funds	-293,692	-204,000	-214,200
14.00	Non-Federal sources	-60,072	-68,000	-71,400
17.00	Recovery of prior year obligations	-86,200		
Unobligated balance transferred:				
22.40	Transferred, net	-138,800	-224,400	
22.40	Portion applied to meet foreign currency fluctuations in expired accounts	95,000	58,000	
25.00	Unobligated balance lapsing	9,429		
39.00	<b>Budget authority</b>	<b>18,961,220</b>	<b>19,740,191</b>	<b>21,950,000</b>
Budget authority:				
40.00	Appropriation	18,736,920	19,661,448	21,950,000
41.00	Transferred to other accounts	-14,918	-73,000	
42.00	Transferred from other accounts	232,218	151,743	
43.00	<b>Appropriation (adjusted)</b>	<b>18,954,220</b>	<b>19,740,191</b>	<b>21,950,000</b>
50.00	<b>Reappropriation</b>	<b>7,000</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net	19,081,791	19,906,591	21,950,000
72.40	Obligated balance, start of year	6,487,195	7,471,003	7,261,394
74.40	Obligated balance, end of year	-7,471,003	-7,261,394	-8,006,794
77.00	Adjustments in expired accounts	62,317	-58,000	
78.00	Adjustments in unexpired accounts	-86,200		
90.00	Outlays	18,074,100	20,058,200	21,204,600

Object Classification (in thousands of dollars)

Identification code	57-3400-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	3,206,024	3,440,562	3,668,914
11.3	Other than full-time permanent	123,144	121,449	128,959

General and special funds—Continued

OPERATION AND MAINTENANCE, AIR FORCE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 57-3400-0-1-051	1987 actual	1988 est.	1989 est.
11.5 Other personnel compensation.....	85,429	80,966	85,973
11.9 Total personnel compensation.....	3,414,597	3,642,977	3,883,846
12.1 Civilian personnel benefits.....	377,455	364,347	385,205
13.0 Benefits for former personnel.....	47,415	40,483	42,986
21.0 Travel and transportation of persons.....	583,908	427,278	457,578
22.0 Transportation of things.....	517,314	532,369	681,017
23.1 Rental payments to GSA.....	20,373	23,939	23,066
23.2 Rental payments to others.....	146,560	126,984	131,620
23.3 Communications, utilities, and miscellaneous charges...	997,359	976,581	1,078,472
24.0 Printing and reproduction.....	44,845	51,234	54,304
Other services:			
25.0 Payments to foreign national indirect hire personnel	214,136	261,666	290,695
25.0 Purchases from industrial funds.....	3,122,748	2,664,934	3,238,281
25.0 Contracts.....	6,530,137	6,971,176	7,586,219
26.0 Supplies and materials.....	2,516,808	3,227,490	3,363,828
31.0 Equipment.....	462,391	509,703	555,279
32.0 Land and structures.....	318	51	63
41.0 Grants, subsidies, and contributions.....	1,988	2,137	2,146
42.0 Insurance claims and indemnities.....	83,035	83,214	175,367
43.0 Interest and dividends.....	404	28	28
99.0 Subtotal, direct obligations.....	19,081,791	19,906,591	21,950,000
99.0 Reimbursable obligations.....	1,675,302	1,700,000	1,785,000
99.9 Total obligations.....	20,757,093	21,606,591	23,735,000

Personnel Summary

Total number of full-time permanent positions.....	134,914	145,059	143,447
Total compensable workyears:			
Full-time equivalent employment.....	148,801	148,061	153,889
Full-time equivalent of overtime and holiday hours.....	2,843	2,912	2,872

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; **[\$7,112,951,000]** \$7,725,700,000, of which not to exceed **[\$10,789,000]** \$11,691,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; *Provided*, That \$900,000 is available to the Office of Economic Adjustment for making community planning assistance grants pursuant to section 2391 of title 10, United States Code, and joint community/military planning assistance grants for mitigation of operational impacts from encroachment; *Provided further*, That of the amounts appropriated herein, \$53,375 shall be available only to operate the procurement outreach center in North Platte, Nebraska; *Provided further*, That \$100,000 shall be made available for payment to the National Academy of Sciences for participation in the "Study of the Impact of National Security Controls on International Technology Transfer"; *Provided further*, That \$9,000,000 shall be made available to the General Services Administration for carrying out the provisions of section 2 under the heading "National Defense Stockpile Transaction Fund" as set forth in section 101(M) of this joint resolution; (Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0100-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.02 General purpose forces: Joint Chiefs of Staff..	269,469	268,220	301,818
<b>Intelligence and communications:</b>			
00.03 Defense Investigative Service.....	153,034	153,877	152,219
00.03 Defense Mapping Agency.....	483,010	501,559	515,544
00.03 Defense Nuclear Agency.....	50,344	59,815	67,338
00.03 Intelligence and communications activities..	2,248,882	2,396,329	2,551,338
00.03 On-Site Inspection Agency.....		82,900	70,600

00.07 Central supply and maintenance: Defense Logistics Agency.....	1,872,250	1,970,111	2,073,939
<b>Training, medical, and other general personnel activities:</b>			
00.08 Department of Defense Dependents Schools.....	803,953	930,072	994,848
00.08 American Forces Information Service.....	57,295	61,844	62,594
00.08 Defense Medical Systems Support Center...	109,207	94,240	107,252
00.08 Uniformed Services University of the Health Sciences.....	33,459	35,938	34,939
<b>Civilian Health and Medical Program of the Uniformed Services Administration and associated activities:</b>			
00.09 Secretary of Defense.....	114,515	129,552	149,733
00.09 Office of Economic Adjustment.....	17,347	18,765	19,207
00.09 Washington Headquarters Services.....	100,078	115,121	129,193
00.09 Joint Chiefs of Staff.....	63,335	62,045	58,379
00.09 Defense Contract Audit Agency.....	215,139	251,410	288,500
00.09 Defense Legal Services Agency.....	5,755	5,373	7,365
00.09 Office of the Inspector General.....	73,506	83,820	86,322
00.09 Defense Information Services activity.....	1,928	2,400	2,427
00.09 Defense Technology Security Administration.....	4,674	5,192	5,901
00.91 Total direct program.....	8,640,676	7,349,451	7,725,700
01.01 Reimbursable program.....	679,431	3,131,223	3,133,383
10.00 Total obligations.....	9,320,107	10,480,674	10,859,083

Financing:

<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-624,909	-3,104,467	-3,106,233
13.00 Trust funds.....	-40,778	-7,740	-7,740
14.00 Non-Federal sources.....	-14,097	-19,016	-19,410
17.00 Recovery of prior year obligations.....	-54,614		
21.40 Unobligated balance available, start of year.....	-2,676	-4,183	
<b>Unobligated balance transferred:</b>			
22.40 Transferred, net.....	10,610	-10,000	
22.40 Portion applied to meet foreign currency fluctuations in expired accounts.....	12,100	10,000	
24.40 Unobligated balance available, end of year.....	4,183		
25.00 Unobligated balance lapsing.....	33,291	4,183	
39.00 Budget authority.....	8,643,218	7,349,451	7,725,700

Budget authority:

40.00 Appropriation.....	8,544,400	7,112,951	7,725,700
41.00 Transferred to other accounts.....	-28,981	-9,000	
42.00 Transferred from other accounts.....	127,799	245,500	
43.00 Appropriation (adjusted).....	8,643,218	7,349,451	7,725,700
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	8,640,323	7,349,451	7,725,700
72.40 Obligated balance, start of year.....	1,266,750	1,609,816	1,078,967
74.40 Obligated balance, end of year.....	-1,609,816	-1,078,967	-1,245,667
77.00 Adjustments in expired accounts.....	17,493	-20,000	
78.00 Adjustments in unexpired accounts.....	-54,614		
90.00 Outlays.....	8,260,137	7,860,300	7,559,000

Note.—Operation and Maintenance, Defense Agencies reflects the operating costs of the National Defense Stockpile Transaction Fund which will be transferred to the Department of Defense from the General Services Administration. Amounts are presented on a three-year comparable basis.

Object Classification (in thousands of dollars)

Identification code 97-0100-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,294,012	2,424,275	2,530,248
11.3 Other than full-time permanent.....	71,276	82,401	75,719
11.5 Other personnel compensation.....	82,332	71,402	78,128
11.8 Special personal services payments.....	1,025	1,257	1,257
11.9 Total personnel compensation.....	2,448,645	2,579,335	2,685,352
12.1 Civilian personnel benefits.....	403,391	529,503	569,601
13.0 Benefits for former personnel.....	323	461	331
21.0 Travel and transportation of persons.....	196,485	212,608	221,371
22.0 Transportation of things.....	313,725	312,711	338,268
23.1 Rental payments to GSA.....	61,781	75,727	82,967
23.2 Rental payments to others.....	147,185	147,048	181,377
23.3 Communications, utilities, and miscellaneous charges...	141,336	156,838	162,357
24.0 Printing and reproduction.....	21,384	24,128	25,224
<b>Other services:</b>			
25.0 Payments to foreign national indirect hire personnel	43,302	54,259	57,264
25.0 Purchases from industrial funds.....	15,581	42,349	46,420

25.0	Contracts.....	1,286,278	1,388,479	1,495,629
25.0	Other.....	3,186,739	1,461,614	1,496,293
26.0	Supplies and materials.....	227,701	228,978	224,903
31.0	Equipment.....	143,995	132,089	136,331
32.0	Land and structures.....	1		
41.0	Grants, subsidies, and contributions.....	2,823	3,324	2,012
42.0	Insurance claims and indemnities.....	1		
99.0	Subtotal, direct obligations.....	8,640,676	7,349,451	7,725,700
99.0	Reimbursable obligations.....	679,431	3,131,223	3,133,383
99.9	Total obligations.....	9,320,107	10,480,674	10,859,083

**Personnel Summary**

Total number of full-time permanent positions.....	84,903	90,775	90,807
Total compensable workyears:			
Full-time equivalent employment.....	90,872	92,972	92,704
Full-time equivalent of overtime and holiday hours.....	2,253	1,514	1,592

**OPERATION AND MAINTENANCE, ARMY RESERVE**

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$857,540,000] \$794,900,000.** (5 U.S.C. 7903; 10 U.S.C. 1481-88, 3013-14, 3062, 4302, 4411-14, 4741; 37 U.S.C. 404; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 21-2080-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Mission forces.....	477,654	509,021	449,450
00.02 Depot maintenance.....	5,592	8,278	7,868
00.03 Other support.....	285,960	340,241	337,582
00.91 Total direct program.....	769,206	857,540	794,900
01.01 Reimbursable program.....	7,889	8,790	7,191
10.00 Total obligations.....	777,095	866,330	802,091
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-7,761	-8,703	-7,104
14.00 Non-Federal sources.....	-128	-87	-87
17.00 Recovery of prior year obligations.....	-12,064		
22.40 Unobligated balance transferred, net.....	12,064		
25.00 Unobligated balance lapsing.....	1,666		
39.00 <b>Budget authority</b> .....	<b>770,873</b>	<b>857,540</b>	<b>794,900</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	782,433	857,540	794,900
41.00 Transferred to other accounts.....	-16,748		
42.00 Transferred from other accounts.....	5,188		
43.00 <b>Appropriation (adjusted)</b> .....	<b>770,873</b>	<b>857,540</b>	<b>794,900</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	769,206	857,540	794,900
72.40 Obligated balance, start of year.....	190,784	239,359	298,399
74.40 Obligated balance, end of year.....	-239,359	-298,399	-309,099
77.00 Adjustments in expired accounts.....	-2,034		
78.00 Adjustments in unexpired accounts.....	-12,064		
90.00 Outlays.....	706,534	798,500	784,200

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

Identification code 21-2080-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	239,875	270,042	267,233
11.3 Other than full-time permanent.....	15,075	16,971	16,796
11.5 Other personnel compensation.....	4,970	5,589	5,531
11.9 Total personnel compensation.....	259,920	292,602	289,560

21.1	Civilian personnel benefits.....	42,799	50,746	54,324
13.0	Benefits for former personnel.....	18	29	29
21.0	Travel and transportation of persons.....	72,783	74,113	77,312
22.0	Transportation of things.....	3,024	3,208	3,276
23.2	Rental payments to others.....	41,346	77,906	75,086
24.0	Printing and reproduction.....	7,230	7,585	7,909
Other services:				
25.0	Payments to foreign national indirect hire personnel.....		92	98
25.0	Purchases from industrial funds.....	5,920	8,263	9,358
25.0	Contracts.....	160,112	159,488	137,244
26.0	Supplies and materials.....	114,468	106,238	78,607
31.0	Equipment.....	61,586	77,270	62,097
99.0	Subtotal, direct obligations.....	769,206	857,540	794,900
99.0	Reimbursable obligations.....	7,889	8,790	7,191
99.9	Total obligations.....	777,095	866,330	802,091

**Personnel Summary**

Total number of full-time permanent positions.....	11,210	12,866	12,312
Total compensable workyears:			
Full-time equivalent employment.....	12,361	13,049	12,695
Full-time equivalent of overtime and holiday hours.....	133	116	111

**OPERATION AND MAINTENANCE, NAVY RESERVE**

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$929,896,000] \$979,200,000.** (10 U.S.C. 262, 276, 503, 1481-88, 2110, 2202, 2231, 2233a, 2631-34, 5013, 5062, 5251, 6022; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 17-1806-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Mission forces.....	551,568	565,808	610,027
00.02 Depot maintenance.....	98,587	119,316	116,779
00.03 Other support.....	230,518	244,772	252,394
00.91 Total direct program.....	880,673	929,896	979,200
01.01 Reimbursable program.....	18,323	16,050	15,050
10.00 Total obligations.....	898,996	945,946	994,250
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-17,040	-15,000	-14,050
13.00 Trust funds.....	-18		
14.00 Non-Federal sources.....	-1,265	-1,050	-1,000
17.00 Recovery of prior year obligations.....	-24,454		
22.40 Unobligated balance transferred, net.....	24,454		
25.00 Unobligated balance lapsing.....	8,588		
39.00 <b>Budget authority</b> .....	<b>889,261</b>	<b>929,896</b>	<b>979,200</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	887,932	929,896	979,200
42.00 Transferred from other accounts.....	1,329		
43.00 <b>Appropriation (adjusted)</b> .....	<b>889,261</b>	<b>929,896</b>	<b>979,200</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	880,673	929,896	979,200
72.40 Obligated balance, start of year.....	408,007	456,349	522,645
74.40 Obligated balance, end of year.....	-456,349	-522,645	-582,045
77.00 Adjustments in expired accounts.....	9,877		
78.00 Adjustments in unexpired accounts.....	-24,454		
90.00 Outlays.....	817,754	863,600	919,800

General and special funds—Continued

OPERATION AND MAINTENANCE, NAVY RESERVE—Continued

Object Classification (in thousands of dollars)

Identification code 17-1806-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	59,315	61,923	62,250
11.3 Other than full-time permanent .....	2,778	3,737	2,183
11.5 Other personnel compensation .....	2,509	2,414	2,365
11.9 Total personnel compensation .....	64,602	68,074	66,798
12.1 Civilian personnel benefits .....	9,391	11,225	11,262
13.0 Benefits for former personnel .....	19		
21.0 Travel and transportation of persons .....	19,997	21,114	22,170
22.0 Transportation of things .....	1,644	1,735	1,974
23.2 Rental payments to others .....	32,089	33,882	35,569
24.0 Printing and reproduction .....	1,042	1,100	995
<b>Other services:</b>			
25.0 Purchases from industrial funds .....	106,808	112,776	118,348
25.0 Contracts .....	300,423	317,212	332,948
25.0 Other .....	9,600	10,135	10,746
26.0 Supplies and materials .....	310,805	327,037	351,456
31.0 Equipment .....	24,253	25,606	26,934
99.0 Subtotal, direct obligations .....	880,673	929,896	979,200
99.0 Reimbursable obligations .....	18,323	16,050	15,050
99.9 Total obligations .....	898,996	945,946	994,250

Personnel Summary

Total number of full-time permanent positions .....	2,798	2,904	2,833
Total compensable workyears:			
Full-time equivalent employment .....	3,062	3,062	2,952
Full-time equivalent of overtime and holiday hours .....	16	25	25

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$69,500,000]** \$77,500,000. (10 U.S.C. 262, 276, 503, 1481-88, 2110, 2202, 2231, 2233a, 2631-34, 5013, 5062, 5252, 6022; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 17-1107-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Mission forces .....	27,150	30,735	38,186
00.02 Depot maintenance .....	1,844	1,857	1,974
00.03 Other support .....	34,984	36,908	37,340
00.91 Total direct program .....	63,978	69,500	77,500
01.01 Reimbursable program .....	1,587	970	990
10.00 Total obligations .....	65,565	70,470	78,490
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,587	-970	-990
17.00 Recovery of prior year obligations .....	-1,500		
22.40 Unobligated balance transferred, net .....	1,500		
25.00 Unobligated balance lapsing .....	188		
39.00 <b>Budget authority</b> .....	<b>64,167</b>	<b>69,500</b>	<b>77,500</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	64,013	69,500	77,500
42.00 Transferred from other accounts .....	154		
43.00 <b>Appropriation (adjusted)</b> .....	<b>64,167</b>	<b>69,500</b>	<b>77,500</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	63,978	69,500	77,500
72.40 Obligated balance, start of year .....	23,435	26,112	30,512

74.40 Obligated balance, end of year .....	-26,112	-30,512	-35,712
77.00 Adjustments in expired accounts .....	-481		
78.00 Adjustments in unexpired accounts .....	-1,500		
90.00 Outlays .....	59,321	65,100	72,300

Object Classification (in thousands of dollars)

Identification code 17-1107-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,906	7,181	7,269
11.5 Other personnel compensation .....	68	64	65
11.9 Total personnel compensation .....	6,974	7,245	7,334
12.1 Civilian personnel benefits .....	1,024	1,132	1,204
21.0 Travel and transportation of persons .....	5,991	5,652	5,802
22.0 Transportation of things .....	3,528	3,723	3,864
23.2 Rental payments to others .....	8,287	9,268	9,583
24.0 Printing and reproduction .....	783	474	492
<b>Other services:</b>			
25.0 Purchases from industrial funds .....	1,812	1,857	1,974
25.0 Contracts .....	18,116	15,834	16,131
26.0 Supplies and materials .....	15,334	21,810	28,849
31.0 Equipment .....	2,129	2,505	2,267
99.0 Subtotal, direct obligations .....	63,978	69,500	77,500
99.0 Reimbursable obligations .....	1,587	970	990
99.9 Total obligations .....	65,565	70,470	78,490

Personnel Summary

Total number of full-time permanent positions .....	343	352	352
Total compensable workyears:			
Full-time equivalent employment .....	332	342	342
Full-time equivalent of overtime and holiday hours .....	3	2	2

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$1,000,981,000]** \$1,028,500,000. (5 U.S.C. 7903; 10 U.S.C. 264, 276, 510-11, 1124, 1481-88, 2231-37, 8013, 8541-42, 8721-23, 9301-04, 9315, 9411-14, 9531, 9536, 9561-63, 9593, 9741, 9743; 37 U.S.C. 404-11; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 57-3740-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Mission forces .....	591,728	645,936	674,030
00.02 Depot maintenance .....	164,397	189,576	188,503
00.03 Other support .....	168,508	165,469	165,967
00.91 Total direct program .....	924,633	1,000,981	1,028,500
01.01 Reimbursable program .....	5,068	12,600	17,200
10.00 Total obligations .....	929,701	1,013,581	1,045,700
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-4,101	-12,092	-16,686
13.00 Trust funds .....	-715		
14.00 Non-Federal sources .....	-252	-508	-514
17.00 Recovery of prior year obligations .....	-8,700		
22.40 Unobligated balance transferred, net .....	8,700		
25.00 Unobligated balance lapsing .....	2,133		
39.00 <b>Budget authority</b> .....	<b>926,766</b>	<b>1,000,981</b>	<b>1,028,500</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	923,952	1,000,981	1,028,500
41.00 Transferred to other accounts .....	-5,701		

42.00	Transferred from other accounts .....	8,515		
43.00	<b>Appropriation (adjusted) .....</b>	<b>926,766</b>	<b>1,000,981</b>	<b>1,028,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	924,633	1,000,981	1,028,500
72.40	Obligated balance, start of year .....	150,035	237,407	270,088
74.40	Obligated balance, end of year .....	-237,407	-270,088	-292,288
77.00	Adjustments in expired accounts .....	2,759		
78.00	Adjustments in unexpired accounts .....	-8,700		
90.00	<b>Outlays .....</b>	<b>831,320</b>	<b>968,300</b>	<b>1,006,300</b>

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

Identification code 57-3740-0-1-051	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	334,361	359,174	376,853
11.5	Other personnel compensation .....	9,930	10,621	11,100
11.9	Total personnel compensation .....	344,291	369,795	387,953
12.1	Civilian personnel benefits .....	56,107	65,346	71,057
13.0	Benefits for former personnel .....	64	82	97
21.0	Travel and transportation of persons .....	8,584	8,434	8,437
22.0	Transportation of things .....	6,954	9,115	9,295
23.2	Rental payments to others .....	3,075	4,268	4,411
23.3	Communications, utilities, and miscellaneous charges .....	14,387	17,795	18,189
24.0	Printing and reproduction .....	644	817	935
Other services:				
25.0	Purchases from industrial funds .....	244,059	273,564	270,758
25.0	Contracts .....	77,636	49,526	52,065
25.0	Other .....	2,547	2,897	3,144
26.0	Supplies and materials .....	140,572	187,596	189,574
31.0	Equipment .....	25,713	11,746	
99.0	Subtotal, direct obligations .....	924,633	1,000,981	1,028,500
99.0	Reimbursable obligations .....	5,068	12,600	17,200
99.9	Total obligations .....	929,701	1,013,581	1,045,700

**Personnel Summary**

Total number of full-time permanent positions .....	13,515	14,425	14,431
Total compensable workyears:			
Full-time equivalent employment .....	13,373	13,962	14,453
Full-time equivalent of overtime and holiday hours .....	176	177	177

**OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD**

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); **[\$1,856,542,000] \$1,797,000,000.** (5 U.S.C. 7903; 10 U.S.C. 261-80, 2231-38, 2511, 4651; 32 U.S.C. 701-02, 709; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 21-2065-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Training operations .....	264,525	273,295	272,044
00.02	Logistical support .....	1,282,135	1,370,533	1,314,338
00.03	Headquarters and command support .....	181,498	193,923	193,638
00.04	Medical support .....	14,049	18,791	16,980
00.91	Total direct program .....	1,742,207	1,856,542	1,797,000
01.01	Reimbursable program .....	57,610	28,600	29,200
10.00	Total obligations .....	1,799,817	1,885,142	1,826,200

<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-56,126	-27,742	-28,324
14.00	Non-Federal sources .....	-1,484	-858	-876
17.00	Recovery of prior year obligations .....	-30,033		
22.40	Unobligated balance transferred, net .....	30,033		
25.00	Unobligated balance lapsing .....	4,051		
39.00	<b>Budget authority .....</b>	<b>1,746,258</b>	<b>1,856,542</b>	<b>1,797,000</b>
Budget authority:				
40.00	Appropriation .....	1,752,398	1,856,542	1,797,000
41.00	Transferred from other accounts .....	-18,000		
42.00	Transferred from other accounts .....	11,860		
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,746,258</b>	<b>1,856,542</b>	<b>1,797,000</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,742,207	1,856,542	1,797,000
72.40	Obligated balance, start of year .....	401,398	519,936	625,678
74.40	Obligated balance, end of year .....	-519,936	-625,678	-669,078
77.00	Adjustments in expired accounts .....	-12,396		
78.00	Adjustments in unexpired accounts .....	-30,033		
90.00	<b>Outlays .....</b>	<b>1,581,240</b>	<b>1,750,800</b>	<b>1,753,600</b>

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

Identification code 21-2065-0-1-051	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	612,104	656,156	666,749
11.3	Other than full-time permanent .....	34,334	36,817	37,410
11.5	Other personnel compensation .....	4,022	4,323	4,393
11.9	Total personnel compensation .....	650,460	697,296	708,552
12.1	Civilian personnel benefits .....	110,190	126,042	132,522
13.0	Benefits for former personnel .....	556	846	856
21.0	Travel and transportation of persons .....	34,516	38,831	38,127
22.0	Transportation of things .....	20,825	23,490	21,773
23.2	Rental payments to others .....	41,784	48,145	42,775
24.0	Printing and reproduction .....	5,924	6,313	6,064
Other services:				
25.0	Purchases from industrial funds .....	48,266	59,669	49,412
25.0	Contracts .....	253,412	263,772	258,427
26.0	Supplies and materials .....	479,559	489,093	439,494
31.0	Equipment .....	91,350	97,345	93,518
32.0	Land and structures .....	5,352	5,700	5,480
41.0	Grants, subsidies, and contributions .....	5		
42.0	Insurance claims and indemnities .....	8		
99.0	Subtotal, direct obligations .....	1,742,207	1,856,542	1,797,000
99.0	Reimbursable obligations .....	57,610	28,600	29,200
99.9	Total obligations .....	1,799,817	1,885,142	1,826,200

**Personnel Summary**

Total number of full-time permanent positions .....	27,470	28,526	28,526
Total compensable workyears:			
Full-time equivalent employment .....	27,628	28,351	28,355
Full-time equivalent of overtime and holiday hours .....	1		

**OPERATION AND MAINTENANCE, AIR NATIONAL GUARD**

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National

General and special funds—Continued

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD—Continued

Guard regulations when specifically authorized by the Chief, National Guard Bureau; **[\$1,958,063,000]** \$1,965,400,000. (5 U.S.C. 7903; 10 U.S.C. 261-80, 2231-38, 2511, 8012, 8721-22, 9741, 9743; 32 U.S.C. 106, 107, 320, 701-03, 709; 37 U.S.C. 404-11; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
57-3840-0-1-051			
<b>Program by activities:</b>			
Direct program:			
00.01 Mission forces.....	1,293,617	1,461,324	1,490,814
00.02 Depot maintenance.....	367,540	389,668	367,632
00.03 Other support.....	126,347	107,071	106,954
00.91 Total direct program.....	1,787,504	1,958,063	1,965,400
01.01 Reimbursable program.....	18,096	27,444	28,642
10.00 Total obligations.....	1,805,600	1,985,507	1,994,042
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-15,812	-24,721	-25,832
13.00 Trust funds.....	-3		
14.00 Non-Federal sources.....	-2,281	-2,723	-2,810
17.00 Recovery of prior year obligations.....	-3,020		
22.40 Unobligated balance transferred, net.....	3,020		
25.00 Unobligated balance lapsing.....	6,689		
39.00 <b>Budget authority</b> .....	<b>1,794,193</b>	<b>1,958,063</b>	<b>1,965,400</b>
Budget authority:			
40.00 Appropriation.....	1,783,755	1,958,063	1,965,400
41.00 Transferred to other accounts.....	-1,335		
42.00 Transferred from other accounts.....	11,773		
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,794,193</b>	<b>1,958,063</b>	<b>1,965,400</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,787,504	1,958,063	1,965,400
72.40 Obligated balance, start of year.....	316,488	416,492	469,955
74.40 Obligated balance, end of year.....	-416,492	-469,955	-504,855
77.00 Adjustments in expired accounts.....	-2,730		
78.00 Adjustments in unexpired accounts.....	-3,020		
90.00 Outlays.....	1,681,750	1,904,600	1,930,500

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
57-3840-0-1-051			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	653,333	678,366	698,980
11.5 Other personnel compensation.....	12,467	12,688	12,969
11.9 Total personnel compensation.....	665,800	691,054	711,949
12.1 Civilian personnel benefits.....	104,604	145,422	158,764
13.0 Benefits for former personnel.....	189	192	192
21.0 Travel and transportation of persons.....	23,042	19,567	19,817
22.0 Transportation of things.....	12,590	13,136	13,406
23.2 Rental payments to others.....	8,579	6,852	4,116
23.3 Communications, utilities, and miscellaneous charges.....	38,809	34,656	33,537
24.0 Printing and reproduction.....	1,304	1,545	1,609
Other services:			
25.0 Purchases from industrial funds.....	348,457	378,755	358,288
25.0 Contracts.....	195,462	176,126	174,183
26.0 Supplies and materials.....	349,233	477,366	478,216
31.0 Equipment.....	39,435	13,392	11,323
99.0 Subtotal, direct obligations.....	1,787,504	1,958,063	1,965,400
99.0 Reimbursable obligations.....	18,096	27,444	28,642
99.9 Total obligations.....	1,805,600	1,985,507	1,994,042

Personnel Summary

Total number of full-time permanent positions.....	23,710	23,782	23,778
Total compensable workyears:			
Full-time equivalent employment.....	25,164	25,502	25,641
Full-time equivalent of overtime and holiday hours.....	79	79	79

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses and personnel services (other than pay and non-travel related allowances of members of the Armed Forces of the United States, except for members of the Reserve components thereof called or ordered to active duty to provide support for the national matches) in accordance with law, for construction, equipment, and maintenance of rifle ranges; the instruction of citizens in marksmanship; the promotion of rifle practice; the conduct of the national matches; the issuance of ammunition under the authority of title 10, United States Code, sections 4308 and 4311; the travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions; and the payment to competitors at national matches under section 4312 of title 10, United States Code, of subsistence and travel allowances in excess of the amounts provided under section 4313 of title 10, United States Code; **[not to exceed \$4,099,000]** \$4,300,000, of which not to exceed \$7,500 shall be available for incidental expenses of the National Board. (10 U.S.C. 4307-13; 32 U.S.C. 316; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
21-1705-0-1-051			
<b>Program by activities:</b>			
10.00 Total obligations.....	4,229	4,099	4,300
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-40		
22.40 Unobligated balance transferred, net.....	40		
25.00 Unobligated balance lapsing.....	103		
39.00 <b>Budget authority</b> .....	<b>4,332</b>	<b>4,099</b>	<b>4,300</b>
Budget authority:			
40.00 Appropriation.....	4,323	4,099	4,300
42.00 Transferred from other accounts.....	9		
43.00 <b>Appropriation (adjusted)</b> .....	<b>4,332</b>	<b>4,099</b>	<b>4,300</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	4,229	4,099	4,300
72.40 Obligated balance, start of year.....	266	1,206	1,505
74.40 Obligated balance, end of year.....	-1,206	-1,505	-1,605
77.00 Adjustments in expired accounts.....	14		
78.00 Adjustments in unexpired accounts.....	-40		
90.00 Outlays.....	3,263	3,800	4,200

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
21-1705-0-1-051			
Personnel compensation:			
11.1 Full-time permanent.....	545	780	820
11.3 Other than full-time permanent.....	51	73	74
11.5 Other personnel compensation.....	30	43	43
11.9 Total personnel compensation.....	626	896	937
12.1 Civilian personnel benefits.....	86	116	121
21.0 Travel and transportation of persons.....	332	340	351
22.0 Transportation of things.....	118	100	100
23.3 Communications, utilities, and miscellaneous charges.....	54	135	135
24.0 Printing and reproduction.....	3	18	18
Other services:			
25.0 Contracts.....	7	206	227
25.0 Other.....	2,542	1,848	1,971
26.0 Supplies and materials.....	352	400	400
31.0 Equipment.....	109	40	40
99.9 Total obligations.....	4,229	4,099	4,300

Personnel Summary

Total number of full-time permanent positions.....	19	37	37
Total compensable workyears:			
Full-time equivalent employment.....	22	37	37
Full-time equivalent of overtime and holiday hours.....	1	1	1

**[CLAIMS, DEFENSE]**

For payment, not otherwise provided for, of claims authorized by law to be paid by the Department of Defense (except for civil functions), including claims for damages arising under training contracts with carriers, and repayment of amounts determined by the Secretary concerned, or officers designated by him, to have been erroneously collected from military and civilian personnel of the Department of Defense, or from States, territories, or the District of Columbia, or members of the National Guard units thereof; \$193,574,000. (Department of Defense Appropriations Act, 1988.)

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

Identification code 97-0102-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Personnel claims .....	98,876	110,458	.....
00.02 Tort claims .....	43,468	80,575	.....
00.03 Admiralty claims.....	1,135	2,092	.....
00.04 Other miscellaneous claims .....	149	449	.....
10.00 Total obligations (object class 42.0) .....	143,628	193,574	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-7,744	.....	.....
22.40 Unobligated balance transferred, net.....	7,744	.....	.....
25.00 Unobligated balance lapsing .....	772	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>144,400</b>	<b>193,574</b>	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	143,628	193,574	.....
72.40 Obligated balance, start of year .....	12,268	9,256	16,030
74.40 Obligated balance, end of year .....	-9,256	-16,030	-9,430
77.00 Adjustments in expired accounts.....	6,795	.....	.....
78.00 Adjustments in unexpired accounts.....	-7,744	.....	.....
90.00 Outlays.....	145,691	186,800	6,600

**COURT OF MILITARY APPEALS, DEFENSE**

For salaries and expenses necessary for the United States Court of Military Appeals; [\$3,241,000] \$3,500,000, and not to exceed \$1,500 can be used for official representation purposes. (10 U.S.C. 867; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 97-0104-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	2,988	3,241	3,500
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	249	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>3,237</b>	<b>3,241</b>	<b>3,500</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	2,988	3,241	3,500
72.40 Obligated balance, start of year.....	439	630	771
74.40 Obligated balance, end of year .....	-630	-771	-871
77.00 Adjustments in expired accounts.....	31	.....	.....
90.00 Outlays.....	2,829	3,100	3,400

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

Identification code 97-0104-0-1-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,718	1,936	2,049
11.3 Other than full-time permanent.....	62	.....	.....
11.5 Other personnel compensation .....	2	26	26
11.9 Total personnel compensation.....	1,782	1,962	2,075
12.1 Civilian personnel benefits.....	190	215	271
21.0 Travel and transportation of persons.....	36	51	54
23.1 Rental payments to GSA.....	533	533	533
23.3 Communications, utilities, and miscellaneous charges.....	37	51	66
24.0 Printing and reproduction.....	8	10	12
25.0 Other services: Other.....	205	159	235

26.0 Supplies and materials .....	106	164	154
31.0 Equipment .....	91	96	100
99.9 Total obligations.....	2,988	3,241	3,500

**Personnel Summary**

Total number of full-time permanent positions.....	40	49	49
Total compensable workyears: Full-time equivalent employment .....	44	46	46

**FOREIGN CURRENCY FLUCTUATIONS, DEFENSE**

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

Identification code 97-0801-0-1-051	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-418,291	-501,005	-281,905
22.40 Unobligated balance transferred, net.....	-82,714	219,100	.....
24.40 Unobligated balance available, end of year.....	501,005	281,905	281,905
39.00 <b>Budget authority.....</b>	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	.....	.....	.....
90.00 Outlays.....	.....	.....	.....

The purpose of this account is to allow transfers to operation and maintenance appropriations available for Defense activities in foreign countries to finance upward adjustment of recorded obligations due to foreign currency fluctuations above the budget rate. Transfers are made, as needed, to meet disbursement requirements in excess of funds otherwise available for obligation adjustment. Net gains resulting from favorable exchange rates are returned to this appropriation and are available for subsequent transfer when needed.

**SUMMER OLYMPICS**

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

Identification code 21-2087-0-1-051	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	.....	.....	.....
72.40 Obligated balance, start of year.....	1,149	1,120	1,120
74.40 Obligated balance, end of year.....	-1,120	-1,120	-1,120
90.00 Outlays.....	29	.....	.....

**[TENTH INTERNATIONAL PAN AMERICAN GAMES]**

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

Identification code 97-0812-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	18,103	.....	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-158	.....	.....
21.40 Unobligated balance available, start of year.....	-3,000	.....	.....
25.00 Unobligated balance lapsing .....	55	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>15,000</b>	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	18,103	.....	.....
72.40 Obligated balance, start of year.....	6,424	18,963	4,763
74.40 Obligated balance, end of year.....	-18,963	-4,763	-963
77.00 Adjustments in expired accounts.....	2	.....	.....

General and special funds—Continued

【TENTH INTERNATIONAL PAN AMERICAN GAMES】—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
97-0812-0-1-051			
78.00 Adjustments in unexpired accounts	-158		
90.00 Outlays	5,409	14,200	3,800

ENVIRONMENTAL RESTORATION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense; 【\$402,800,000】 \$500,000,000, to remain available until transferred: *Provided*, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, research and development associated with hazardous wastes and removal of unsafe buildings and debris of the Department of Defense, or for similar purposes (including programs and operations at sites formerly used by the Department of Defense), transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense as the Secretary may designate, to be merged with and to be available for the same purposes and for the same time period as the appropriations of funds to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred pursuant to this provision are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation. (*Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
97-0810-0-1-051			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)			500,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-10,127		
21.40 Unobligated balance available, start of year	-1,318	-1,162	
22.40 Unobligated balance transferred, net	11,445	1,162	
24.40 Unobligated balance available, end of year		1,162	
39.00 <b>Budget authority</b>	<b>1,162</b>		<b>500,000</b>
<b>Budget authority:</b>			
40.00 Appropriation	375,900	402,800	500,000
41.00 Transferred to other accounts	-390,414	-402,800	
42.00 Transferred from other accounts	15,676		
43.00 <b>Appropriation (adjusted)</b>	<b>1,162</b>		<b>500,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			500,000
72.40 Obligated balance, start of year	103,742	48,903	48,903
74.40 Obligated balance, end of year	-48,903	-48,903	-251,116
77.00 Adjustments in expired accounts	6,814		2,213
78.00 Adjustments in unexpired accounts	-10,127		
90.00 Outlays	51,526		300,000

【HUMANITARIAN ASSISTANCE】

【For transportation for humanitarian relief for refugees of Afghanistan, acquisition and shipment of transportation assets to assist in the distribution of such relief, and for transportation and distribution of humanitarian and excess nonlethal supplies for worldwide humanitarian relief, as authorized by law; \$13,000,000, to remain available for obligation until September 30, 1989: *Provided*, That the Department of Defense shall notify the Committees on Appropriations and Armed Services of the Senate and House of Representatives 21 days prior to the shipment of humanitarian relief which is intended to be transported and distributed to countries not previously authorized by Congress.】 (*Department of Defense Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
97-0819-0-1-051			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		10,000	
<b>Financing:</b>			
25.00 Unobligated balance lapsing	7,500		
39.00 <b>Budget authority</b>	<b>7,500</b>	<b>10,000</b>	
<b>Budget authority:</b>			
40.00 Appropriation	10,000	13,000	
41.00 Transferred to other accounts	-2,500	-3,000	
43.00 <b>Appropriation (adjusted)</b>	<b>7,500</b>	<b>10,000</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		10,000	
72.40 Obligated balance, start of year			2,700
74.40 Obligated balance, end of year		-2,700	-600
90.00 Outlays		7,300	2,100

CIVILIAN AND MILITARY PAY RAISES

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
97-0823-0-1-051			
<b>Budget authority:</b>			
40.00 Appropriation	1,911,000	875,000	
41.00 Transferred to other accounts	-1,911,000	-875,000	
43.00 <b>Appropriation (adjusted)</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

This account was created to implement section 9094 of the Department of Defense Appropriations Act, 1987 and Section 8139 of the Department of Defense Appropriations Act, 1988.

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are shown in the schedules of parent appropriations, as follows:  
Funds appropriated to the President:  
“Military assistance, Executive.”  
“International military education and training.”  
“Foreign military credit sales.”  
“Advances, foreign military sales, Executive.”  
Executive Office of the President: Official residence of the Vice President, “Operating expenses.”  
Department of Energy: “Operation and research.”  
Department of Transportation, Federal Aviation Administration: “Operations, Federal Aviation Administration.”  
National Aeronautics and Space Administration: “Research and development.”

PROCUREMENT

The procurement appropriations of the Department of Defense finance the acquisition of weapons, equipment, munitions, spares, and modification of existing equipment.

Procurement continues for the Army’s Patriot and Stinger air defense missile systems, TOW and Hellfire antitank missiles, M-1 main battle tank, Bradley Fighting Vehicle System, Multiple Launch Rocket System, AH-64 attack helicopter, and improved conventional munitions.

Modernization of our naval forces in 1989 includes continued procurement of the F-18 air combat fighter



and the F-14 fleet air defense fighter. Procurement of the Trident strategic missile and submarine continues. General purpose ships to be acquired include SSN-688 and SSN-21 nuclear attack submarines, DDG-51 guided missile destroyers, LHD-1 amphibious assault ships and AOE-6 multiproduct replenishment ships.

Significant Air Force programs include procurement of the Peacekeeper ballistic missile, AMRAAM air-to-air missile, F-15 and F-16 air combat fighters, C-17 airlift aircraft, satellites and space launch vehicles, and precision guided munitions.

The 1989 budget continues emphasis on the DOD Acquisition Initiatives which include multiyear procurement, economic production rates, and productivity improvements.

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1989, it presents, by budget activity, the value of the program requested for the life of the multiple-year appropriation, with comparable amounts in 1987 and 1988.

The appropriations for procurement depend upon the enactment of authorizing legislation.

**Federal Funds**

**General and special funds:**

**AIRCRAFT PROCUREMENT, ARMY**

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$2,718,406,000]** **\$2,791,500,000**, to remain available for obligation until September 30, **[1990]** **1991**, of which **\$175,500,000** shall be available only for the Army National Guard and Army Reserve. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 21-2031-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Aircraft.....	1,815,619	1,293,367	1,327,846
00.02 Modification of aircraft.....	576,826	646,950	772,963
00.03 Spares and repair parts.....	724,126	474,432	529,951
00.04 Support equipment and facilities.....	114,640	184,347	159,583
00.91 Total direct program.....	3,231,211	2,599,096	2,790,343
01.01 Reimbursable program.....	76,950	139,722	49,300
10.00 Total obligations.....	3,308,161	2,738,818	2,839,643
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-47,062	-53,000	-26,000
13.00 Trust funds.....	-14,023	-80,800	-23,300
14.00 Non-Federal sources.....	2		
17.00 Recovery of prior year obligations.....	-167,523		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans.....	-835,468	-428,009	-547,687
21.40 Available to finance new budget plans.....	-108,200	-87,100	
22.40 Unobligated balance transferred, net.....	28,819	19,610	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans.....	428,009	547,687	548,844

24.40 Available to finance subsequent year budget plans.....	87,100		
25.00 Unobligated balance lapsing.....	6,535		
39.00 <b>Budget authority.....</b>	<b>2,686,350</b>	<b>2,657,206</b>	<b>2,791,500</b>
Budget authority:			
40.00 Appropriation.....	2,780,750	2,718,406	2,791,500
40.00 Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-94,400	-61,200	
43.00 <b>Appropriation (adjusted).....</b>	<b>2,686,350</b>	<b>2,657,206</b>	<b>2,791,500</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,247,078	2,605,018	2,790,343
72.40 Obligated balance, start of year.....	4,792,788	4,568,876	4,392,994
74.40 Obligated balance, end of year.....	-4,568,876	-4,392,994	-4,410,537
77.00 Adjustments in expired accounts.....	2,437		
78.00 Adjustments in unexpired accounts.....	-167,523		
90.00 Outlays.....	3,305,904	2,780,900	2,772,800

**Budget Plan** (in thousands of dollars)  
(amount for procurement actions programmed)

<b>Direct:</b>			
07.01 Aircraft.....	1,550,648	1,420,195	1,335,638
07.02 Modification of aircraft.....	533,129	628,116	740,065
07.03 Spares and repair parts.....	545,598	517,122	552,169
07.04 Support equipment and facilities.....	102,565	152,973	163,628
07.91 Total direct.....	2,731,940	2,718,406	2,791,500
08.01 Reimbursable.....	65,124	133,800	49,300
08.93 Total budget plan.....	2,797,064	2,852,206	2,840,800

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

Identification code 21-2031-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
25.0 Other services: Other.....	922,833	621,625	381,036
26.0 Supplies and materials.....	632,025	444,017	272,117
31.0 Equipment.....	1,676,353	1,533,454	2,137,190
99.0 Subtotal, direct obligations.....	3,231,211	2,599,096	2,790,343
99.0 Reimbursable obligations.....	76,950	139,722	49,300
99.9 Total obligations.....	3,308,161	2,738,818	2,839,643

**MISSILE PROCUREMENT, ARMY**

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$2,332,237,000]** **\$2,586,600,000**, to remain available for obligation until September 30, **[1990]** **1991**, of which **\$20,700,000** shall be available only for the Army National Guard and Army Reserve: *Provided*, That funds may be obligated and expended for procurement and advance procurement of the Forward Area Air Defense System, Line-of-Sight Forward-Heavy system without regard to the restrictions contained in section 111(d) of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) *Provided further*, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific programs, projects and activities in specific dollar amounts shall be effective, except as follows:

Army Tactical Missile System, **\$9,125,000**.  
(10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

**General and special funds—Continued**  
**MISSILE PROCUREMENT, ARMY—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code	21-2032-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Other missiles .....	1,836,789	1,861,371	2,109,214
00.02	Modification of missiles.....	128,623	160,562	151,592
00.03	Spares and repair parts.....	228,485	215,326	238,308
00.04	Support equipment and facilities.....	45,053	40,766	33,568
00.91	Total direct program.....	2,238,950	2,278,025	2,532,682
01.01	Reimbursable program.....	430,076	534,955	444,700
10.00	Total obligations.....	2,669,026	2,812,980	2,977,382
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-319,412	-386,600	-386,600
13.00	Trust funds.....	-122,209	-57,500	-57,500
14.00	Non-Federal sources.....	-474	-600	-600
17.00	Recovery of prior year obligations.....	-179,019		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-615,187	-672,200	-624,671
21.40	Available to finance new budget plans.....	-120,700	-94,900	
22.40	Unobligated balance transferred, net.....	-11,610	35,700	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	672,200	624,671	678,589
24.40	Available to finance subsequent year budget plans.....	94,900		
25.00	Unobligated balance lapsing.....	16,485		
39.00	<b>Budget authority.....</b>	<b>2,084,000</b>	<b>2,261,551</b>	<b>2,586,600</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	2,206,800	2,332,237	2,586,600
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-99,600	-59,200	
41.00	Transferred to other accounts.....	-23,200	-11,486	
43.00	<b>Appropriation (adjusted).....</b>	<b>2,084,000</b>	<b>2,261,551</b>	<b>2,586,600</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	2,226,931	2,368,280	2,532,682
72.40	Obligated balance, start of year.....	4,584,453	4,345,673	4,380,853
74.40	Obligated balance, end of year.....	-4,345,673	-4,380,853	-4,622,735
77.00	Adjustments in expired accounts.....	26,896		
78.00	Adjustments in unexpired accounts.....	-179,019		
90.00	Outlays.....	2,313,588	2,333,100	2,290,800

**Budget Plan (in thousands of dollars)**  
(amount for procurement actions programmed)

Identification code	21-2032-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct:</b>				
07.01	Other missiles.....	1,840,000	1,904,497	2,136,267
07.02	Modification of missiles.....	93,701	134,977	162,772
07.03	Spares and repair parts.....	150,326	246,600	254,302
07.04	Support equipment and facilities.....	40,873	34,677	33,259
07.91	Total direct.....	2,124,900	2,320,751	2,586,600
08.01	Reimbursable.....	476,715	444,700	444,700
08.93	Total budget plan.....	2,601,615	2,765,451	3,031,300

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

Identification code	21-2032-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
25.0	Other services.....	452,648	540,140	528,408
26.0	Supplies and materials.....	815,272	657,604	985,791
31.0	Equipment.....	971,030	1,080,281	1,018,483
99.0	Subtotal, direct obligations.....	2,238,950	2,278,025	2,532,682
99.0	Reimbursable obligations.....	430,076	534,955	444,700
99.9	Total obligations.....	2,669,026	2,812,980	2,977,382

**PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY**

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$3,207,187,000] \$2,960,600,000**, to remain available for obligation until September 30, **[1990] 1991**, of which **\$133,200,000**, shall be available only for the Army National Guard and Army Reserve. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	21-2033-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Tracked combat vehicles.....	3,649,269	3,017,377	2,880,947
00.02	Weapons and other combat vehicles.....	258,294	181,022	167,240
00.91	Total direct program.....	3,907,563	3,198,399	3,048,187
01.01	Reimbursable program.....	287,354	378,051	323,000
10.00	Total obligations.....	4,194,917	3,576,450	3,371,187
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-248,664	-260,500	-253,600
13.00	Trust funds.....	-28,963	-69,400	-69,400
14.00	Non-Federal sources.....	-11,756		
17.00	Recovery of prior year obligations.....	-337,253		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-1,184,787	-1,098,205	-1,058,842
21.40	Available to finance new budget plans.....	-380,750	-173,400	
22.40	Unobligated balance transferred, net.....	273,121	59,700	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	1,098,205	1,058,842	971,255
24.40	Available to finance subsequent year budget plans.....	173,400		
25.00	Unobligated balance lapsing.....	44,073		
39.00	<b>Budget authority.....</b>	<b>3,591,543</b>	<b>3,093,487</b>	<b>2,960,600</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	3,804,300	3,207,187	2,960,600
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-213,300	-113,700	
42.00	Transferred from other accounts.....	543		
43.00	<b>Appropriation (adjusted).....</b>	<b>3,591,543</b>	<b>3,093,487</b>	<b>2,960,600</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	3,905,534	3,246,550	3,048,187
72.40	Obligated balance, start of year.....	6,668,986	6,100,787	6,097,137
74.40	Obligated balance, end of year.....	-6,100,787	-6,097,137	-5,909,424
77.00	Adjustments in expired accounts.....	36,592		
78.00	Adjustments in unexpired accounts.....	-337,253		
90.00	Outlays.....	4,173,073	3,250,200	3,235,900

**Budget Plan (in thousands of dollars)**  
(amount for procurement actions programmed)

Identification code	21-2033-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct:</b>				
07.01	Tracked combat vehicles.....	3,433,097	3,062,081	2,797,267
07.02	Weapons and other combat vehicles.....	247,746	145,106	163,333
07.91	Total direct.....	3,680,843	3,207,187	2,960,600
08.01	Reimbursable.....	299,811	329,900	323,000
08.93	Total budget plan.....	3,980,654	3,537,087	3,283,600

Object Classification (in thousands of dollars)			
Identification code 21-2033-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:			
25.0 Other services: Other .....	1,382,887	793,002	651,369
26.0 Supplies and materials .....	543,542	504,638	414,507
31.0 Equipment .....	1,981,134	1,900,759	1,982,311
99.0 Subtotal, direct obligations .....	3,907,563	3,198,399	3,048,187
99.0 Reimbursable obligations .....	287,354	378,051	323,000
99.9 Total obligations .....	4,194,917	3,576,450	3,371,187

Budget Plan (in thousands of dollars)			
(amount for procurement actions programmed)			
Direct:			
07.01 Ammunition .....	1,731,989	1,845,650	1,799,950
07.02 Ammunition production base support .....	348,088	427,942	207,850
07.91 Total direct .....	2,080,077	2,273,592	2,007,800
08.01 Reimbursable .....	35,326	41,900	38,800
08.93 Total budget plan .....	2,115,403	2,315,492	2,046,600

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized in military construction authorization Acts or authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$2,273,592,000] \$2,007,800,000**, to remain available for obligation until September 30, **[1990] 1991**, of which **\$218,000,000** shall be available only for the Army National Guard and Army Reserve. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Object Classification (in thousands of dollars)			
Identification code 21-2034-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:			
25.0 Other services: Other .....	504,228	232,041	160,735
26.0 Supplies and materials .....	1,858,301	2,104,994	1,856,758
31.0 Equipment .....	4,735		
99.0 Subtotal, direct obligations .....	2,367,264	2,337,035	2,017,493
99.0 Reimbursable obligations .....	29,781	49,824	38,800
99.9 Total obligations .....	2,397,045	2,386,859	2,056,293

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and nontracked combat vehicles; the purchase of not to exceed 6 vehicles for replacement only required for physical security of personnel; notwithstanding price limitations applicable to passenger carrying vehicles, but not to exceed \$150,000 per vehicle and the purchase of not to exceed **[861] 206** passenger motor vehicles, of which 398 shall be for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[as follows:**

- Tactical and support vehicles, \$844,921,000;
- Communications and electronics equipment, \$3,177,739,000;
- Other support equipment, \$1,070,889,000;

In all: **\$5,093,549,000] \$4,774,000,000**, to remain available for obligation until September 30, **[1990: Provided**, That \$24,300,000 available from the fiscal year 1986 Other Procurement, Army appropriation for light division field artillery tactical data systems shall be obligated for procurement of seven LFATDS sets for seven light divisions by April 1, 1988] **1991**, of which **\$732,000,000** shall be available only for the Army National Guard and Army Reserve. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)			
Identification code 21-2034-0-1-051	1987 actual	1988 est.	1989 est.
Program by activities:			
Direct program:			
00.01 Ammunition .....	1,900,231	1,781,265	1,789,139
00.02 Ammunition production base support .....	467,033	555,770	228,354
00.91 Total direct program .....	2,367,264	2,337,035	2,017,493
01.01 Reimbursable program .....	29,781	49,824	38,800
10.00 Total obligations .....	2,397,045	2,386,859	2,056,293
Financing:			
Offsetting collections from:			
11.00 Federal funds .....	-29,926	-32,500	-28,700
13.00 Trust funds .....	-3,760	-9,400	-10,100
14.00 Non-Federal sources .....	-42		
17.00 Recovery of prior year obligations .....	-155,576		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-423,407	-250,488	-179,121
21.40 Available to finance new budget plans .....	-72,562	-7,200	
22.40 Unobligated balance transferred, net .....	36,149		
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	250,488	179,121	169,428
24.40 Available to finance subsequent year budget plans .....	7,200		
25.00 Unobligated balance lapsing .....	9,106		
39.00 Budget authority .....	2,014,715	2,266,392	2,007,800
Budget authority:			
40.00 Appropriation .....	2,087,150	2,273,592	2,007,800
40.00 Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-72,562	-7,200	
42.00 Transferred from other accounts .....	127		
43.00 Appropriation (adjusted) .....	2,014,715	2,266,392	2,007,800
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	2,363,317	2,344,959	2,017,493
72.40 Obligated balance, start of year .....	3,244,350	3,353,435	3,839,694
74.40 Obligated balance, end of year .....	-3,353,435	-3,839,694	-3,726,787
77.00 Adjustments in expired accounts .....	12,639		
78.00 Adjustments in unexpired accounts .....	-155,576		
90.00 Outlays .....	2,111,295	1,858,700	2,130,400

Program and Financing (in thousands of dollars)			
Identification code 21-2035-0-1-051	1987 actual	1988 est.	1989 est.
Program by activities:			
Direct program:			
00.01 Tactical and support vehicles .....	911,844	762,347	832,308
00.02 Communications and electronics equipment .....	3,287,999	2,901,845	2,949,679
00.03 Other support equipment .....	1,215,641	1,183,477	1,049,156
00.91 Total direct program .....	5,415,484	4,847,669	4,831,143
01.01 Reimbursable program .....	385,404	363,026	357,700
10.00 Total obligations .....	5,800,888	5,210,695	5,188,843
Financing:			
Offsetting collections from:			
11.00 Federal funds .....	-372,428	-288,800	-321,200
13.00 Trust funds .....	-17,803	-28,100	-28,100
14.00 Non-Federal sources .....	-170	-8,400	-8,400
17.00 Recovery of prior year obligations .....	-280,770		

General and special funds—Continued

OTHER PROCUREMENT, ARMY—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	21-2035-0-1-051	1987 actual	1988 est.	1989 est.
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-1,821,096	-1,453,086	-1,704,258
21.40	Available to finance new budget plans.....	-217,500	-123,254	.....
22.40	Unobligated balance transferred, net.....	160,881	-16,289	.....
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	1,453,086	1,704,258	1,647,115
24.40	Available to finance subsequent year budget plans.....	123,254	.....	.....
25.00	Unobligated balance lapsing.....	19,553	.....	.....
39.00	<b>Budget authority.....</b>	<b>4,847,894</b>	<b>4,997,024</b>	<b>4,774,000</b>
Budget authority:				
40.00	Appropriation.....	5,118,752	5,093,549	4,774,000
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-178,700	-106,893	.....
41.00	Transferred to other accounts.....	-94,560	.....	.....
42.00	Transferred from other accounts.....	2,402	10,368	.....
43.00	<b>Appropriation (adjusted).....</b>	<b>4,847,894</b>	<b>4,997,024</b>	<b>4,774,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	5,410,487	4,885,395	4,831,143
72.40	Obligated balance, start of year.....	7,133,784	8,385,320	8,799,415
74.40	Obligated balance, end of year.....	-8,385,320	-8,799,415	-8,984,558
77.00	Adjustments in expired accounts.....	55,536	.....	.....
78.00	Adjustments in unexpired accounts.....	-280,770	.....	.....
90.00	Outlays.....	3,933,716	4,471,300	4,646,000

**Budget Plan (in thousands of dollars)**  
(amount for procurement actions programmed)

Direct:		1987 actual	1988 est.	1989 est.
07.01	Tactical and support vehicles.....	733,014	844,921	895,671
07.02	Communications and electronics equipment.....	2,974,851	3,196,429	2,981,181
07.03	Other support equipment.....	1,241,835	1,071,357	897,148
07.91	Total direct.....	4,949,700	5,112,707	4,774,000
08.01	Reimbursable.....	402,548	325,300	357,700
08.93	Total budget plan.....	5,352,248	5,438,007	5,131,700

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

Identification code	21-2035-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services: Other.....	888,138	987,492	793,353
26.0	Supplies and materials.....	238,281	232,358	186,701
31.0	Equipment.....	4,289,065	3,627,819	3,851,089
99.0	Subtotal, direct obligations.....	5,415,484	4,847,669	4,831,143
99.0	Reimbursable obligations.....	385,404	363,026	357,700
99.9	Total obligations.....	5,800,888	5,210,695	5,188,843

**AIRCRAFT PROCUREMENT, NAVY**

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; **[\$9,522,299,000] \$8,980,000,000**, to remain available for obligation until September 30, **[1990: Provided, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific**

programs, projects and activities in specific dollar amounts shall be effective, except as follows:

- A-6E Program, \$0;
- EA-6B Program, \$479,413,000;
- F-14 A/D Program, \$734,289,000;
- F/A-18 Program, \$2,388,710,000;
- SH-60B Program, \$125,000,000;
- SH-60F Program, \$294,346,000;
- Long Range ASW Capable Aircraft Program, \$0;
- E-2C Program, \$380,195,000;
- A-6E Modification Series, \$219,478,000;
- H-53 Modification Series, \$22,737,000;
- H-2 Modification Series, \$55,000,000;
- P-3 Modification Series, \$136,865,000;
- S-3 Modification Series, \$74,772,000;
- ES-3 Modification Series, \$80,000,000;
- E-2 Modification Series, \$39,639,000;
- Common ECM equipment, \$16,708,000;

*Provided further, That notwithstanding section 111(e) of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) \$609,917,000 is available for the procurement of 12 A-6F aircraft. 1991, of which \$76,000,000 shall be available only for the Navy Reserve and Marine Corps Reserve. (10 U.S.C. 5013, 5063, 7201, 7341; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)*

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

Identification code	17-1506-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Combat aircraft.....	6,430,237	5,071,657	5,266,967
00.02	Airlift aircraft.....	117,731	15,361	3,391
00.03	Trainer aircraft.....	77,164	319,982	404,543
00.04	Other aircraft.....	297,670	332,759	352,691
00.05	Modification of aircraft.....	1,657,417	1,129,060	1,059,954
00.06	Aircraft spares and repair parts.....	1,668,843	1,184,104	1,168,168
00.07	Aircraft support equipment and facilities.....	550,883	607,601	537,469
00.91	Total direct program.....	10,799,945	8,660,524	8,793,183
01.01	Reimbursable program.....	4,393	24,384	1,591
10.00	Total obligations.....	10,804,338	8,684,908	8,794,774
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-3,184	-1,030	-1,061
13.00	Trust funds.....	2,102	-515	-530
14.00	Non-Federal sources.....	27	.....	.....
17.00	Recovery of prior year obligations.....	-203,627	.....	.....
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-2,832,609	-1,439,756	-2,174,692
21.40	Available to finance new budget plans.....	-620,550	-421,300	.....
22.40	Unobligated balance transferred, net.....	315,763	3,000	.....
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	1,439,756	2,174,692	2,361,509
24.40	Available to finance subsequent year budget plans.....	421,300	.....	.....
25.00	Unobligated balance lapsing.....	45,047	.....	.....
39.00	<b>Budget authority.....</b>	<b>9,368,362</b>	<b>8,999,999</b>	<b>8,980,000</b>
Budget authority:				
40.00	Appropriation.....	9,977,262	9,522,299	8,980,000
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-578,900	-418,300	.....
41.00	Transferred to other accounts.....	-30,000	-104,000	.....
43.00	<b>Appropriation (adjusted).....</b>	<b>9,368,362</b>	<b>8,999,999</b>	<b>8,980,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,803,283	8,683,363	8,793,183
72.40	Obligated balance, start of year.....	15,741,344	16,805,073	15,806,936
74.40	Obligated balance, end of year.....	-16,805,073	-15,806,936	-15,473,819
77.00	Adjustments in expired accounts.....	78,445	.....	.....
78.00	Adjustments in unexpired accounts.....	-203,627	.....	.....
90.00	Outlays.....	9,614,372	9,681,500	9,126,300

**Budget Plan** (in thousands of dollars)  
(amount for procurement actions programmed)

Direct:				
07.01	Combat aircraft.....	5,662,419	5,728,174	5,619,933
07.02	Airlift aircraft.....	98,180		
07.03	Trainer aircraft.....	55,216	368,110	415,944
07.04	Other aircraft.....	317,545	401,918	350,069
07.05	Modification of aircraft.....	1,403,648	924,016	915,993
07.06	Aircraft spares and repair parts.....	1,638,615	1,436,913	1,162,606
07.07	Aircraft support equipment and facilities.....	506,739	559,168	515,455
07.91	Total direct.....	9,682,362	9,418,299	8,980,000
08.01	Reimbursable.....	9,550	1,545	1,591
08.93	Total budget plan.....	9,691,912	9,419,844	8,981,591

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

Identification code 17-1506-0-1-051	1987 actual	1988 est.	1989 est.	
Direct obligations:				
25.0	Other services: Purchases from industrial funds.....	39,504	37,540	9,850
26.0	Supplies and materials.....	1,447,193	1,215,091	1,243,863
31.0	Equipment.....	9,313,248	7,407,893	7,539,470
99.0	Subtotal, direct obligations.....	10,799,945	8,660,524	8,793,183
99.0	Reimbursable obligations.....	4,393	24,384	1,591
99.9	Total obligations.....	10,804,338	8,684,908	8,794,774

**WEAPONS PROCUREMENT, NAVY**

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, as follows:

- Poseidon, \$181,000;
- TRIDENT I, \$6,986,000;
- TRIDENT II, \$2,041,331,000;
- Support equipment and facilities, \$194,000;
- Tomahawk, \$847,336,000;
- AIM/RIM-7 F/M Sparrow, \$79,000,000;
- AIM-9L/M Sidewinder, \$25,833,000;
- AIM-54A/C Phoenix, \$343,596,000;
- AGM-84A Harpoon, \$142,660,000;
- AGM-88A HARM, \$187,128,000;
- SM-2 MR, \$583,098,000;
- RAM, \$44,931,000;
- Stinger, \$17,765,000;
- Sidearm, \$25,381,000;
- Hellfire, \$44,154,000;
- Laser Maverick, \$263,200,000;
- IIR Maverick, \$60,000,000;
- Penguin, \$3,455,000;
- Aerial targets, \$104,104,000;
- Drones and decoys, \$24,767,000;
- Other missile support, \$19,157,000;
- Modification of missiles, \$15,513,000;
- Support equipment and facilities, \$152,407,000;
- Ordnance support equipment, \$218,436,000;
- MK-48 ADCAP torpedo program, \$243,444,000;
- MK-50 advance lightweight torpedo program, \$108,402,000;
- MK-30 mobile target program, \$31,495,000;
- Antisubmarine rocket (ASROC) program, \$9,522,000;
- Modification of torpedoes, \$42,190,000;
- Torpedo support equipment program, \$53,986,000;
- MK-15 close-in weapons system program, \$28,023,000;
- 25mm gun mount, \$4,091,000;
- Small arms and weapons, \$9,568,000;
- Modification of guns and gun mounts, \$57,589,000;
- Guns and gun mounts support equipment program, \$1,068,000;
- Spares and repair parts, \$127,028,000;

In all: \$5,967,019,000]; \$6,271,800,000, to remain available for obligation until September 30, [1990: *Provided*, That none of the funds provided herein may be used for a multiyear procurement contract of the Harpoon missile system: *Provided further*, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific programs, projects and activities in specific dollar amounts shall be effective, except as follows:

Trident II missile, \$2,041,331,000] 1991, of which \$4,004,000 shall be available for the Navy Reserve and Marine Corps Reserve. (10 U.S.C. 5013, 5063, 7201; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 17-1507-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Ballistic missiles.....	1,350,719	1,413,924	1,735,082
00.02	Other missiles.....	3,069,007	3,104,735	3,087,419
00.03	Torpedoes and related equipment.....	601,802	737,899	702,979
00.04	Other weapons.....	283,300	90,054	98,541
00.05	Spares and repair parts.....	150,264	136,586	103,465
00.91	Total direct program.....	5,455,092	5,483,198	5,727,486
01.01	Reimbursable program.....	7,934	95,783	157,988
10.00	Total obligations.....	5,463,026	5,578,981	5,885,474
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-3,143	-29,870	-30,766
13.00	Trust funds.....	-27,313	-33,360	-127,222
14.00	Non-Federal sources.....	30		
17.00	Recovery of prior year obligations.....	-45,602		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-2,171,379	-1,446,688	-1,765,556
21.40	Available to finance new budget plans.....	-274,700	-459,400	
22.40	Unobligated balance transferred, net.....	133,423	70,400	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	1,446,688	1,765,556	2,309,870
24.40	Available to finance subsequent year budget plans.....	459,400		
25.00	Unobligated balance lapsing.....	10,774		
39.00	<b>Budget authority.....</b>	<b>4,991,204</b>	<b>5,445,619</b>	<b>6,271,800</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	5,290,847	5,967,019	6,271,800
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-244,600	-389,000	
41.00	Transferred to other accounts.....	-55,043	-132,400	
43.00	<b>Appropriation (adjusted).....</b>	<b>4,991,204</b>	<b>5,445,619</b>	<b>6,271,800</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	5,432,600	5,515,751	5,727,486
72.40	Obligated balance, start of year.....	6,136,382	7,593,924	8,842,875
74.40	Obligated balance, end of year.....	-7,593,924	-8,842,875	-9,734,061
77.00	Adjustments in expired accounts.....	16,894		
78.00	Adjustments in unexpired accounts.....	-45,602		
90.00	Outlays.....	3,946,350	4,266,800	4,836,300

**Budget Plan** (in thousands of dollars)  
(amount for procurement actions programmed)

Direct:				
07.01	Ballistic missiles.....	1,354,573	2,048,692	1,872,538
07.02	Other missiles.....	2,730,160	3,085,621	3,504,356
07.03	Torpedoes and related equipment.....	571,178	489,039	699,054
07.04	Other weapons.....	174,221	100,339	108,440
07.05	Spares and repair parts.....	138,172	110,928	87,412
07.91	Total direct.....	4,968,304	5,834,619	6,271,800

General and special funds—Continued

WEAPONS PROCUREMENT, NAVY—Continued

Budget Plan (in thousands of dollars)—Continued

08.01	Reimbursable.....	30,444	63,230	157,988
08.93	Total budget plan.....	4,998,748	5,897,849	6,429,788

Object Classification (in thousands of dollars)

Identification code	17-1507-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services: Contracts.....	153,692	165,376	198,600
26.0	Supplies and materials.....	284,615	675,335	426,073
31.0	Equipment.....	5,016,785	4,642,487	5,102,813
99.0	Subtotal, direct obligations.....	5,455,092	5,483,198	5,727,486
99.0	Reimbursable obligations.....	7,934	95,783	157,988
99.9	Total obligations.....	5,463,026	5,578,981	5,885,474

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title [ ], as follows:

- TRIDENT ballistic missile submarine program, \$1,260,800,000;
- CVN nuclear aircraft carrier program, \$6,325,000,000;
- SSN-688 attack submarine program, \$1,676,900,000;
- SSN-21 attack submarine program, \$257,600,000;
- Aircraft carrier service life extension program, \$729,755,000;
- CG-47 cruiser program, \$4,127,000,000;

DDG-51 destroyer program, \$5,500,000: *Provided*, That contracts awarded for any DDG-51 class destroyers in fiscal year 1989 shall be made on the basis of a full and open competition among all technically qualified bidders regardless of prior contractual experience for construction of DDG-51 destroyers. More than two shipyards may not be utilized for this purpose unless the Secretary of the Navy certifies that the Five-Year Defense Plan is sufficient to support cost effective construction at more than two shipyards;

- LHD-1 amphibious assault ship program, \$752,900,000;
- LSD-41 cargo variant ship program, \$258,000,000;
- T-AO fleet oiler program, \$256,400,000;
- AO conversion program, \$44,100,000;
- Strategic sealift program, \$43,400,000;
- T-ACS auxiliary crane ship program, \$53,100,000;
- LCAC landing craft air cushion program, \$36,500,000;
- For craft, outfitting, and post delivery, \$328,400,000;

In all: \$16,155,355,000; \$9,130,100,000, to remain available for obligation until September 30, [1992] 1995: *Provided*, That additional obligations may be incurred after September 30, [1992,] 1995, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction [ ]; and each Shipbuilding and Conversion, Navy, appropriation that is currently available for such obligations may also hereafter be so obligated after the date of its expiration [ ]; *Provided further*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards. (10 U.S.C. 5013, 5063, 7296, 7298; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1611-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Fleet ballistic missile ships.....	1,709,713	1,059,022	1,594,283
00.02	Other warships.....	7,440,044	12,017,477	6,256,737
00.03	Amphibious ships.....	418,550	862,946	662,833
00.04	Mine warfare and patrol ships.....	246,925	180,420	236,957
00.05	Auxiliaries, craft, and prior-year program costs.....	1,915,411	741,877	1,478,681
00.91	Total direct program.....	11,730,643	14,861,742	10,229,491
01.01	Reimbursable program.....		1,446	1,167
10.00	Total obligations.....	11,730,643	14,863,188	10,230,658
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	239	-1,133	-1,167
14.00	Non-Federal sources.....	58		
17.00	Recovery of prior year obligations.....	-43,997		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-11,055,206	-8,442,876	-9,736,176
21.40	Available to finance new budget plans.....	-2,002,433	-432,300	
22.40	Unobligated balance transferred, net.....	736,397	28,000	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	8,442,876	9,736,176	8,636,785
24.40	Available to finance subsequent year budget plans.....	432,300		
25.00	Unobligated balance lapsing.....	800,612	152,300	
39.00	<b>Budget authority.....</b>	<b>9,041,489</b>	<b>15,903,355</b>	<b>9,130,100</b>
Budget authority:				
40.00	Appropriation.....	10,210,989	16,155,355	9,130,100
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-1,270,500	-404,300	
43.00	<b>Appropriation (adjusted).....</b>	<b>8,940,489</b>	<b>15,751,055</b>	<b>9,130,100</b>
50.00	<b>Reappropriation.....</b>	<b>101,000</b>	<b>152,300</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	11,730,940	14,862,055	10,229,491
72.40	Obligated balance, start of year.....	20,643,326	23,277,192	28,796,047
74.40	Obligated balance, end of year.....	-23,277,192	-28,796,047	-28,959,438
77.00	Adjustments in expired accounts.....	262,563		
78.00	Adjustments in unexpired accounts.....	-43,997		
90.00	Outlays.....	9,315,640	9,343,200	10,066,100

Budget Plan (in thousands of dollars)  
(amount for procurement actions programmed)

Direct:				
07.01	Fleet ballistic missile ships.....	1,357,100	1,260,800	1,368,100
07.02	Other warships.....	7,074,300	13,121,755	5,324,300
07.03	Amphibious ships.....	35,000	1,010,900	737,500
07.04	Mine warfare and patrol ships.....			197,200
07.05	Auxiliaries, craft, and prior-year program costs.....	1,588,989	761,900	1,503,000
07.91	Total direct.....	10,055,389	16,155,355	9,130,100
08.01	Reimbursable.....		1,133	1,167
08.93	Total budget plan.....	10,055,389	16,156,488	9,131,267

Estimates for 1989 for the Ready Reserve Force are shown in a new account, Ready Reserve Force, in the Maritime Administration. Amounts appropriated in 1987 and 1988 for the Ready Reserve Force remain in the Shipbuilding and Conversion, Navy account.

Object Classification (in thousands of dollars)

Identification code	17-1611-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services: Contracts.....	363,814	333,869	350,850
25.0	Other services.....	352,077	323,099	339,532
31.0	Equipment.....	11,014,752	14,204,774	9,539,109
99.0	Subtotal, direct obligations.....	11,730,643	14,861,742	10,229,491

99.0	Reimbursable obligations .....		1,446	1,167
99.9	Total obligations .....	11,730,643	14,863,188	10,230,658

**OTHER PROCUREMENT, NAVY**

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed 2 vehicles for physical security of personnel notwithstanding price limitations applicable to passenger carrying vehicles, but not to exceed \$115,000 per vehicle and the purchase of not to exceed [861] 492 passenger motor vehicles of which [717] 434 shall be for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway [ ], as follows:

- Ship support equipment, \$812,891,000;
- Communications and electronics equipment, \$1,656,886,000;
- Aviation support equipment, \$674,615,000;
- Ordnance support equipment, \$829,037,000;
- Civil engineering support equipment, \$94,215,000;
- Supply support equipment, \$109,194,000;
- Personnel and command support equipment, \$416,823,000;
- Spares and repair parts, \$278,800,000;

In all: \$4,872,461,000; \$4,789,700,000, to remain available for obligation until September 30, 1990, of which \$59,545,000 shall be available only for the Navy Reserve. (10 U.S.C. 5013, 5063; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	17-1810-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Ships support equipment .....	958,498	784,960	673,037
00.02	Communications and electronics equipment .....	1,859,554	1,609,932	1,869,119
00.03	Aviation support equipment .....	876,818	710,540	505,990
00.04	Ordnance support equipment .....	1,040,198	1,005,193	1,038,158
00.05	Civil engineering support equipment .....	219,209	117,458	102,580
00.06	Supply support equipment .....	88,043	96,413	59,912
00.07	Personnel and command support equipment .....	589,793	486,810	467,015
00.08	Spares and repair parts .....	279,059	279,227	288,458
00.91	Total direct program .....	5,911,172	5,090,533	5,004,269
01.01	Reimbursable program .....	5,706	91,490	65,000
10.00	Total obligations .....	5,916,878	5,182,023	5,069,269
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-8,199	-17,500	-17,500
13.00	Trust funds .....	580	-45,000	-45,000
14.00	Non-Federal sources .....	683	-2,500	-2,500
17.00	Recovery of prior year obligations .....	-48,011		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans .....	-2,564,780	-2,294,718	-1,909,045
21.40	Available to finance new budget plans .....	-267,167	-342,975	
22.40	Unobligated balance transferred, net .....	105,064	85,000	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans .....	2,294,718	1,909,045	1,694,476
24.40	Available to finance subsequent year budget plans .....	342,975		
25.00	Unobligated balance lapsing .....	29,927		
39.00	<b>Budget authority</b> .....	<b>5,802,668</b>	<b>4,473,375</b>	<b>4,789,700</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	6,033,371	4,872,461	4,789,700
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-233,203	-257,975	
41.00	Transferred to other accounts .....		-142,111	
42.00	Transferred from other accounts .....	2,500	1,000	
43.00	<b>Appropriation (adjusted)</b> .....	<b>5,802,668</b>	<b>4,473,375</b>	<b>4,789,700</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,909,942	5,117,023	5,004,269
72.40	Obligated balance, start of year .....	7,758,227	9,082,151	9,307,974
74.40	Obligated balance, end of year .....	-9,082,151	-9,307,974	-9,290,243
77.00	Adjustments in expired accounts .....	61,596		
78.00	Adjustments in unexpired accounts .....	-48,011		
90.00	<b>Outlays</b> .....	<b>4,599,603</b>	<b>4,891,200</b>	<b>5,022,000</b>

**Budget Plan (in thousands of dollars)**  
(amount for procurement actions programmed)

Direct:				
07.01	Ship support equipment .....	964,741	769,591	663,240
07.02	Communications and electronics equipment .....	1,764,773	1,645,786	1,575,264
07.03	Aviation support equipment .....	745,769	669,704	469,250
07.04	Ordnance support equipment .....	1,208,765	746,237	1,170,571
07.05	Civil engineering support equipment .....	205,321	95,215	104,475
07.06	Supply support equipment .....	69,250	109,194	105,295
07.07	Personnel and command support equipment .....	503,298	416,823	474,409
07.08	Spares and repair parts .....	285,740	278,800	227,196
07.91	Total direct .....	5,747,657	4,731,350	4,789,700
08.01	Reimbursable .....	12,124	65,000	65,000
08.93	Total budget plan .....	5,759,781	4,796,350	4,854,700

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

Identification code	17-1810-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Other services:				
25.0	Purchases from industrial funds .....	28,277	67,952	81,678
25.0	Contracts .....	60,914	146,358	175,921
25.0	Other .....	90,320	78,406	94,243
26.0	Supplies and materials .....	1,252,435	1,087,228	1,306,840
31.0	Equipment .....	4,479,226	3,710,589	3,345,587
99.0	Subtotal, direct obligations .....	5,911,172	5,090,533	5,004,269
99.0	Reimbursable obligations .....	5,706	91,490	65,000
99.9	Total obligations .....	5,916,878	5,182,023	5,069,269

**[COASTAL DEFENSE AUGMENTATION]**

[For the augmentation of United States Coast Guard inventories to meet national security requirements; \$20,000,000, to remain available until expended: Provided, That these funds shall be for the procurement by the Department of Defense of vessels, aircraft, and equipment and for modernization of existing Coast Guard assets, which assets are to be made available to the Coast Guard for operation and maintenance.] (Department of Defense Appropriations Act, 1988.)

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

Identification code	17-0380-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 31.0) .....	375,026	140,159	4,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans .....	-299,185	-124,159	-4,000
24.40	Unobligated balance available, end of year: For completion of prior year budget plans .....	124,159	4,000	
40.00	<b>Budget authority (appropriation)</b> .....	<b>200,000</b>	<b>20,000</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	375,026	140,159	4,000
72.40	Obligated balance, start of year .....	43,050	370,628	399,087
74.40	Obligated balance, end of year .....	-370,628	-399,087	-259,287
90.00	<b>Outlays</b> .....	<b>47,448</b>	<b>111,700</b>	<b>143,800</b>
<b>Budget Plan (in thousands of dollars)</b> (amount for procurement actions programmed)				
07.01	Total budget plan .....	200,000	20,000	

General and special funds—Continued

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including purchase of not to exceed [153] 150 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; **[\$1,295,599,000] \$1,157,300,000**, to remain available for obligation until September 30, [1990] 1991, of which **\$43,500,000 shall be available only for the Marine Corps Reserve. (10 U.S.C. 5013, 7201; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 17-1109-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Ammunition.....	551,989	321,652	264,287
00.02 Weapons and combat vehicles.....	116,843	79,993	90,740
00.03 Guided missiles and equipment.....	234,340	271,348	285,053
00.04 Communications and electronics equipment....	355,974	350,346	311,520
00.05 Support vehicles.....	176,388	65,727	43,160
00.06 Engineer and other equipment.....	185,432	191,420	155,064
00.07 Spares and repair parts.....	37,449	23,628	41,027
00.91 Total direct program.....	1,658,415	1,304,114	1,190,851
01.01 Reimbursable program.....	10,729	47,072	3,607
10.00 Total obligations.....	1,669,144	1,351,186	1,194,458
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-7,149	-35,749	-3,607
13.00 Trust funds.....	111		
17.00 Recovery of prior year obligations.....	-66,118		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans.....	-590,311	-324,819	-304,981
21.40 Available to finance new budget plans.....	-33,500	-71,300	
22.40 Unobligated balance transferred, net.....	52,700	8,700	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans.....	324,819	304,981	271,430
24.40 Available to finance subsequent year budget plans.....	71,300		
25.00 Unobligated balance lapsing.....	14,719		
39.00 <b>Budget authority.....</b>	<b>1,435,715</b>	<b>1,232,999</b>	<b>1,157,300</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	1,465,215	1,295,599	1,157,300
40.00 Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-26,500	-62,600	
41.00 Transferred to other accounts.....	-3,000		
43.00 <b>Appropriation (adjusted).....</b>	<b>1,435,715</b>	<b>1,232,999</b>	<b>1,157,300</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,662,106	1,315,437	1,190,851
72.40 Obligated balance, start of year.....	2,815,198	2,738,768	2,603,305
74.40 Obligated balance, end of year.....	-2,738,768	-2,603,305	-2,439,356
77.00 Adjustments in expired accounts.....	1,911		
78.00 Adjustments in unexpired accounts.....	-66,118		
90.00 <b>Outlays.....</b>	<b>1,674,330</b>	<b>1,450,900</b>	<b>1,354,800</b>
<b>Budget Plan (in thousands of dollars)</b>			
(amount for procurement actions programmed)			
<b>Direct:</b>			
07.01 Ammunition.....	566,814	362,875	225,306
07.02 Weapons and combat vehicles.....	95,703	85,867	95,981
07.03 Guided missiles and equipment.....	224,631	310,200	330,609
07.04 Communications and electronics equipment.....	243,604	278,625	294,622
07.05 Support vehicles.....	139,243	41,116	25,434
07.06 Engineer and other equipment.....	138,260	187,918	138,252
07.07 Spares and repair parts.....	30,260	28,998	47,096
07.91 Total direct.....	1,438,515	1,295,599	1,157,300

08.01 Reimbursable.....	7,694	35,749	3,607
08.93 Total budget plan.....	1,446,209	1,331,348	1,160,907

Object Classification (in thousands of dollars)

Identification code 17-1109-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:			
26.0 Supplies and materials.....	604,409	408,550	403,733
31.0 Equipment.....	1,054,006	895,564	787,118
99.0 Subtotal, direct obligations.....	1,658,415	1,304,114	1,190,851
99.0 Reimbursable obligations.....	10,729	47,072	3,607
99.9 Total obligations.....	1,669,144	1,351,186	1,194,458

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; **[\$12,956,827,000] \$16,630,000,000**, to remain available for obligation until September 30, [1990] *Provided*, That none of the funds available to the Air Force may be obligated on B-1B bomber production contracts if such contracts would cause the production portion of the Air Force's \$20,500,000,000 estimate for the B-1B bomber baseline costs expressed in fiscal year 1981 constant dollars to be exceeded] 1991, of which **\$494,149,000 shall be available only for the Air National Guard and Air Force Reserve. (10 U.S.C. 2271-79, 2353, 2386, 2663, 2672, 2672a, 8013, 8062, 9501-02, 9532, 9741-42; 50 U.S.C. 451, 453, 455; Department of Defense Appropriations Act 1988; additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 57-3010-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Combat aircraft.....	6,052,960	5,454,894	7,409,868
00.02 Airlift aircraft.....	1,715,963	555,319	825,954
00.03 Trainer aircraft.....	5,866		7,048
00.04 Other aircraft.....	180,249	152,387	83,253
00.05 Modification of inservice aircraft.....	2,967,139	2,482,250	2,562,391
00.06 Aircraft spares and repair parts.....	3,858,425	2,198,047	2,920,497
00.07 Aircraft support equipment and facilities.....	2,960,360	3,654,726	2,848,632
00.91 Total direct program.....	17,740,962	14,497,623	16,657,643
01.01 Reimbursable program.....	140,200	438,364	181,000
10.00 Total obligations.....	17,881,162	14,935,987	16,838,643
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-54,225	-57,920	-57,920
13.00 Trust funds.....	-121,762	-121,270	-121,270
14.00 Non-Federal sources.....	-39	-1,810	-1,810
17.00 Recovery of prior year obligations.....	-1,258,566		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans.....	-8,997,935	-7,857,629	-6,102,810
21.40 Available to finance new budget plans.....	-1,356,242	-989,422	
22.40 Unobligated balance transferred, net.....	908,078	-19,808	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans.....	7,857,629	6,102,810	6,075,167
24.40 Available to finance subsequent year budget plans.....	989,422		
25.00 Unobligated balance lapsing.....	275,559		
39.00 <b>Budget authority.....</b>	<b>16,123,081</b>	<b>11,990,938</b>	<b>16,630,000</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	17,253,281	12,956,827	16,630,000



40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202)	-1,132,800	-938,121	
41.00	Transferred to other accounts	-1,400	-29,180	
42.00	Transferred from other accounts	4,000	1,412	
43.00	<b>Appropriation (adjusted)</b>	<b>16,123,081</b>	<b>11,990,938</b>	<b>16,630,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred net	17,705,136	14,754,987	16,657,643
72.40	Obligated balance, start of year	32,556,879	29,031,477	26,609,964
74.40	Obligated balance, end of year	-29,031,477	-26,609,964	-27,177,507
77.00	Adjustments in expired accounts	64,164		
78.00	Adjustments in unexpired accounts	-1,258,566		
90.00	Outlays	20,036,136	17,176,500	16,090,100

**Budget Plan (in thousands of dollars)**  
(amounts for procurement actions programmed)

Direct:				
07.01	Combat aircraft	5,037,343	4,450,968	8,649,152
07.02	Airlift aircraft	1,659,891	655,300	1,003,978
07.03	Trainer aircraft			9,563
07.04	Other aircraft	90,135	12,200	63,897
07.05	Modification of inservice aircraft	3,052,053	1,942,127	2,078,401
07.06	Aircraft spares and repair parts	2,902,566	2,375,687	3,138,491
07.07	Aircraft support equipment and facilities	3,908,402	3,492,777	1,686,518
07.91	Total direct	16,650,390	12,929,059	16,630,000
08.01	Reimbursable	198,328	181,000	181,000
08.93	Total budget plan	16,848,718	13,110,059	16,811,000

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

Identification code	57-3010-0-1-051	1987 actual	1988 est.	1989 est.
31.0	Direct obligations: Equipment	17,740,962	14,497,623	16,657,643
99.0	Reimbursable obligations	140,200	438,364	181,000
99.9	Total obligations	17,881,162	14,935,987	16,838,643

**MISSILE PROCUREMENT, AIR FORCE**

For construction, procurement, and modification of missiles, space-craft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; **[\$7,290,771,000]** \$8,158,000,000, to remain available for obligation until September 30, **[1990]** 1991. (10 U.S.C. 1905, 2271-79, 2363, 2386, 2653, 2672, 2672a, 8013, 8062, 9501-02, 9531-32, 9741-42; 50 U.S.C. 451, 453, 455; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	57-3020-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Ballistic missiles	1,260,869	1,286,377	1,013,304
00.02	Other missiles	1,898,007	2,206,688	2,519,066
00.03	Modification of inservice missiles	126,152	143,324	97,663
00.04	Spares and repair parts	354,275	232,600	236,104
00.05	Other support	4,051,328	3,806,502	4,101,650
00.91	Total direct program	7,690,631	7,675,491	7,967,787
01.01	Reimbursable program	86,646	129,482	39,000
10.00	Total obligations	7,777,277	7,804,973	8,006,787
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-40,346	-122,300	-37,300
13.00	Trust funds	2,791	-1,700	-1,700

17.00	Recovery of prior year obligations	-121,110		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans	-3,271,878	-3,353,610	-3,035,208
21.40	Available to finance new budget plans	-671,838	-230,546	
22.40	Unobligated balance transferred, net	-531,365	10,800	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans	3,353,610	3,035,208	3,225,421
24.40	Available to finance subsequent year budget plans	230,546		
25.00	Unobligated balance lapsing	33,131		
39.00	<b>Budget authority</b>	<b>6,760,818</b>	<b>7,142,825</b>	<b>8,158,000</b>
Budget authority:				
40.00	Appropriation	7,446,718	7,290,771	8,158,000
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202)	-671,300	-174,046	
41.00	Transferred to other accounts	-17,600		
42.00	Transferred from other accounts	3,000	26,100	
43.00	<b>Appropriation (adjusted)</b>	<b>6,760,818</b>	<b>7,142,825</b>	<b>8,158,000</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net	7,739,722	7,680,973	7,967,787
72.40	Obligated balance, start of year	8,006,915	9,637,070	10,721,943
74.40	Obligated balance, end of year	-9,637,070	-10,721,943	-10,953,030
77.00	Adjustments in expired accounts	13,424		
78.00	Adjustments in unexpired accounts	-121,110		
90.00	Outlays	6,001,881	6,596,100	7,736,700

**Budget Plan (in thousands of dollars)**  
(amounts for procurement actions programmed)

Direct:				
07.01	Ballistic missiles	1,140,699	913,150	863,701
07.02	Other missiles	2,281,674	1,973,627	2,417,471
07.03	Modification of inservice missiles	138,840	95,175	89,021
07.04	Spares and repair parts	295,827	164,248	254,314
07.05	Other support	4,097,344	4,203,871	4,533,493
07.91	Total direct	7,954,384	7,350,071	8,158,000
08.01	Reimbursable	86,345	124,000	39,000
08.93	Total budget plan	8,040,729	7,474,071	8,197,000

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

Identification code	57-3020-0-1-051	1987 actual	1988 est.	1989 est.
31.0	Direct obligations: Equipment	7,690,631	7,675,491	7,967,787
99.0	Reimbursable obligations	86,646	129,482	39,000
99.9	Total obligations	7,777,277	7,804,973	8,006,787

**OTHER PROCUREMENT, AIR FORCE**

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; for the purchase of not to exceed **[1,313]** 517 passenger motor vehicles of which **[1,260]** 403 shall be for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, as follows:

Munitions and associated equipment, \$603,331,000;  
Vehicular equipment, \$232,830,000;  
Electronics and telecommunications equipment, including \$36,100,000 to complete procurement of relay nodes (towers) for the Ground Wave Emergency Network Program, \$1,937,906,000;  
Other base maintenance and support equipment, \$5,236,760,000;

In all: **[\$8,010,827,000]**; \$8,393,500,000, to remain available for obligation until September 30, **[1990]** 1991, of which \$124,200,000 shall be available only for the Air National Guard and Air Force Reserve. (10 U.S.C. 2110, 2353, 2386, 8013, 9505, 9531-32; 50 U.S.C. 491-94; Depart-

General and special funds—Continued

OTHER PROCUREMENT, AIR FORCE—Continued

ment of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 57-3080-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Munitions and associated equipment.....	1,013,395	577,020	622,617
00.02 Vehicular equipment.....	377,320	230,227	248,106
00.03 Electronics and telecommunications equip- ment.....	2,373,818	2,468,439	2,052,981
00.04 Other base maintenance and support equip- ment.....	5,371,253	5,018,843	5,381,947
00.91 Total direct program.....	9,135,786	8,294,529	8,305,651
01.01 Reimbursable program.....	431,389	510,888	732,200
10.00 Total obligations.....	9,567,175	8,805,417	9,037,851
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-335,104	-460,700	-720,700
13.00 Trust funds.....	-6,841	-9,444	-9,000
14.00 Non-Federal sources.....	-62,438	-2,056	-2,500
17.00 Recovery of prior year obligations.....	-267,010		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans.....	-2,344,930	-2,758,929	-2,452,839
21.40 Available to finance new budget plans.....	-213,997	-102,908	
22.40 Unobligated balance transferred, net.....	-140,156	29,108	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans.....	2,758,929	2,452,839	2,540,688
24.40 Available to finance subsequent year budget plans.....	102,908		
25.00 Unobligated balance lapsing.....	17,010		
39.00 Budget authority.....	9,075,547	7,953,327	8,393,500
<b>Budget authority:</b>			
40.00 Appropriation.....	9,326,326	8,010,827	8,393,500
40.00 Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-191,511	-58,200	
41.00 Transferred to other accounts.....	-71,698	-4,400	
42.00 Transferred from other accounts.....	12,430	5,100	
43.00 Appropriation (adjusted).....	9,075,547	7,953,327	8,393,500
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	9,162,792	8,333,217	8,305,651
72.40 Obligated balance, start of year.....	5,727,408	6,891,397	6,351,014
74.40 Obligated balance, end of year.....	-6,891,397	-6,351,014	-6,530,565
77.00 Adjustments in expired accounts.....	45,051		
78.00 Adjustments in unexpired accounts.....	-267,010		
90.00 Outlays.....	7,776,845	8,873,600	8,126,100

Budget Plan (in thousands of dollars)  
(amount for procurement actions programmed)

Direct:	1987 actual	1988 est.	1989 est.
07.01 Munitions and associated equipment.....	1,034,218	601,131	679,681
07.02 Vehicular equipment.....	307,564	232,830	289,968
07.03 Electronics and telecommunications equipment.....	2,330,471	1,937,906	1,980,047
07.04 Other base maintenance and support equipment.....	5,579,700	5,239,660	5,443,804
07.91 Total direct.....	9,251,953	8,011,527	8,393,500
08.01 Reimbursable.....	439,463	472,200	732,200
08.93 Total budget plan.....	9,691,416	8,483,727	9,125,700

Object Classification (in thousands of dollars)

Identification code 57-3080-0-1-051	1987 actual	1988 est.	1989 est.
31.0 Direct obligations: Equipment.....	9,135,786	8,294,529	8,305,651
99.0 Reimbursable obligations.....	431,389	510,888	732,200
99.9 Total obligations.....	9,567,175	8,805,417	9,037,851

PROCUREMENT, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed [535] 79 passenger motor vehicles of which [524] 72 shall be for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; [\$1,266,263,000] \$1,216,100,000, to remain available for obligation until September 30, [1990] 1991. (Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0300-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program: Major equipment.....			
00.01	1,466,238	1,244,002	1,240,988
01.01 Reimbursable program.....	159,370	270,093	232,000
10.00 Total obligations.....	1,625,608	1,514,095	1,472,988
<b>Financing:</b>			
Offsetting collections from: Federal funds.....			
11.00	-158,611	-266,400	-232,000
17.00 Recovery of prior year obligations.....	-31,550		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans.....	-384,600	-357,483	-410,951
21.40 Available to finance new budget plans.....	-18,600	-106,000	
22.40 Unobligated balance transferred, net.....	16,300		
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans.....	357,483	410,951	386,063
24.40 Available to finance subsequent year budget plans.....	106,000		
25.00 Unobligated balance lapsing.....	10,146		
39.00 Budget authority.....	1,522,175	1,195,163	1,216,100
<b>Budget authority:</b>			
40.00 Appropriation.....	1,498,256	1,266,263	1,216,100
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202).....		-106,000	
42.00 Transferred from other accounts.....	23,919	34,900	
43.00 Appropriation (adjusted).....	1,522,175	1,195,163	1,216,100
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,466,997	1,247,695	1,240,988
72.40 Obligated balance, start of year.....	1,109,788	1,210,426	1,087,521
74.40 Obligated balance, end of year.....	-1,210,426	-1,087,521	-1,026,009
77.00 Adjustments in expired accounts.....	3,431		
78.00 Adjustments in unexpired accounts.....	-31,550		
90.00 Outlays.....	1,338,239	1,370,600	1,302,500

Budget Plan (in thousands of dollars)  
(amount for procurement actions programmed)

Direct:	1987 actual	1988 est.	1989 est.
07.01 Direct: Major equipment.....	1,447,175	1,301,163	1,216,100
08.01 Reimbursable.....	162,392	266,400	232,000
08.93 Total budget plan.....	1,609,567	1,567,563	1,448,100

Object Classification (in thousands of dollars)

Identification code 97-0300-0-1-051	1987 actual	1988 est.	1989 est.
31.0 Direct obligations: Equipment.....	1,466,238	1,244,002	1,240,988
99.0 Reimbursable obligations.....	159,370	270,093	232,000
99.9 Total obligations.....	1,625,608	1,514,095	1,472,988

[NATIONAL GUARD AND RESERVE EQUIPMENT]

[For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces, as follows:

Army Reserve, \$85,000,000;  
Navy Reserve, \$258,800,000;  
Marine Corps Reserve, \$40,000,000;  
Air Force Reserve, \$202,100,000;  
Army National Guard, \$273,100,000;  
Air National Guard, \$341,000,000;

In all: \$1,200,000,000, to remain available for obligation until September 30, 1990: *Provided*, That notwithstanding section 112(b) of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) \$193,800,000 is available only for the procurement of six P-3 aircraft. ] (*Department of Defense Appropriations Act, 1988.*)

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

Identification code	97-0350-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Reserve equipment	543,306	765,513	106,335
00.02	National Guard equipment	290,010	469,085	237,388
10.00	Total obligations (object class 31.0)	833,316	1,234,598	343,723
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-59,906		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans	-743,369	-494,321	-463,723
21.40	Available to finance new budget plans		-17,900	
22.40	Unobligated balance transferred, net	5,397	-4,000	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans	494,321	463,723	120,000
24.40	Available to finance subsequent year budget plans	17,900		
25.00	Unobligated balance lapsing	9,341		
39.00	<b>Budget authority</b>	<b>557,000</b>	<b>1,182,100</b>	
Budget authority:				
40.00	Appropriation	557,000	1,200,000	
40.00	Appropriation rescinded (unobligated balance) (P.L. 100-202)		-17,900	
43.00	<b>Appropriation (adjusted)</b>	<b>557,000</b>	<b>1,182,100</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	833,316	1,234,598	343,723
72.40	Obligated balance, start of year	1,250,921	1,522,690	2,172,388
74.40	Obligated balance, end of year	-1,522,690	-2,172,388	-1,716,411
77.00	Adjustments in expired accounts	4,976		
78.00	Adjustments in unexpired accounts	-59,906		
90.00	Outlays	506,617	584,900	799,700

**Budget Plan** (in thousands of dollars)  
(amounts for procurement actions programmed)

07.01	Reserve equipment	361,000	585,900	
07.02	National Guard equipment	196,000	614,100	
08.93	Total budget plan	557,000	1,200,000	
Distribution of budget authority by account: National Guard and Reserve equipment, Defense				
		557,000	1,200,000	
Distribution of outlays by account:				
	National Guard and Reserve equipment, Defense	504,858	584,885	799,700
	Army National Guard equipment	1,759		

**DEFENSE PRODUCTION ACT PURCHASES**

For purchases or commitments to purchase metals, minerals, or other materials by the Department of Defense pursuant to section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093); **[\$13,000,000]** \$27,500,000, to remain available for obligation until September 30, **[1990]** 1991. (*Department of Defense Appropriations Act, 1988.*)

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

Identification code	97-0360-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 26.0)	9,510	37,281	13,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans	-38,991	-42,481	-18,200
24.40	Unobligated balance available, end of year: For completion of prior year budget plans	42,481	18,200	32,700
40.00	<b>Budget authority (appropriation)</b>	<b>13,000</b>	<b>13,000</b>	<b>27,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	9,510	37,281	13,000
72.40	Obligated balance, start of year		9,510	45,991
74.40	Obligated balance, end of year	-9,510	-45,991	-56,891
90.00	Outlays		800	2,100

**Budget Plan** (in thousands of dollars)  
(amounts for procurement actions programmed)

07.01	Total budget plan	13,000	13,000	27,500
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**[NATO COOPERATIVE DEFENSE PROGRAMS]**

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

Identification code	97-0370-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)		14,265	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans	-14,265	-14,265	
24.40	Unobligated balance available, end of year: For completion of prior year budget plans	14,265		
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net		14,265	
72.40	Obligated balance, start of year			14,165
74.40	Obligated balance, end of year		-14,165	-13,465
90.00	Outlays		100	700

**CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE**

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986; **[\$198,500,000]** \$162,900,000, of which **[\$97,000,000]** \$88,200,000 shall remain available for obligation until September 30, **[1988, \$4,900,000]** 1989, \$700,000 shall remain available for obligation until September 30, **[1989]** 1990, and **[\$96,600,000]** \$74,000,000 shall remain available for obligation until September 30, **[1990]** 1991. (*Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

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

Identification code	97-0390-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Research, development, test, and evaluation	9,531	3,569	2,100
00.02	Procurement	32,130	83,319	75,477
00.03	Operation and maintenance	59,894	97,000	88,200
10.00	Total obligations	101,555	183,888	165,777
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans		-17,139	-31,751

**General and special funds—Continued**  
**CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE—**  
**Continued**

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

Identification code	1987 actual	1988 est.	1989 est.
97-0390-0-1-051			
24.40 Unobligated balance available, end of year: For completion of prior year budget plans.....	17,139	31,751	28,874
25.00 Unobligated balance lapsing.....	6		
<b>40.00 Budget authority (appropriation).....</b>	<b>118,700</b>	<b>198,500</b>	<b>162,900</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	101,555	183,888	165,777
72.40 Obligated balance, start of year.....		55,243	115,031
74.40 Obligated balance, end of year.....	-55,243	-115,031	-143,508
90.00 Outlays.....	46,313	124,100	137,300

**Budget Plan (in thousands of dollars)**  
(amount for procurement actions programmed)

07.01 Research, development, test, and evaluation.....	9,600	4,900	700
07.02 Procurement.....	49,200	96,600	74,000
07.03 Operation and maintenance.....	59,894	97,000	88,200
<b>08.93 Total budget plan.....</b>	<b>118,694</b>	<b>198,500</b>	<b>162,900</b>

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

Identification code	1987 actual	1988 est.	1989 est.
97-0390-0-1-051			
11.8 Personnel compensation: Special personal services payments.....	3,415	4,996	6,283
21.0 Travel and transportation of persons.....	591	842	863
22.0 Transportation of things.....	12	36	56
23.2 Rental payments to others.....	39	42	45
25.0 Other services: Contracts.....	96,881	177,046	157,641
26.0 Supplies and materials.....	111	225	236
31.0 Equipment.....	506	701	653
<b>99.9 Total obligations.....</b>	<b>101,555</b>	<b>183,888</b>	<b>165,777</b>

**PROCUREMENT OF AIRCRAFT AND MISSILES, NAVY**

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

Identification code	1987 actual	1988 est.	1989 est.
17-1505-0-1-051			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	49,740	45,362	45,362
74.40 Obligated balance, end of year.....	-45,362	-45,362	-45,362
77.00 Adjustments in expired accounts.....	-1,232		
90.00 Outlays.....	3,146		

**PROCUREMENT OF EQUIPMENT AND MISSILES, ARMY**

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

Identification code	1987 actual	1988 est.	1989 est.
21-2030-0-1-051			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.10 Receivables in excess of obligations, start of year.....	-130		
72.40 Obligated balance, start of year.....		104	104
74.40 Obligated balance, end of year.....	-104	-104	-104
77.00 Adjustments in expired accounts.....	99		
90.00 Outlays.....	-135		

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

Programs in this title support modernization through military research, exploratory development, fabrication of technology-demonstration devices, and development and testing of prototypes and full-scale preproduction hardware. This work is performed by industrial contractors, Government laboratories and facilities, universities and nonprofit organizations. Research and development programs are funded to cover annual needs.

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1989 it presents, by budget activity, the value of the program requested for the life of these multiple-year appropriations, with comparable amounts in 1987 and 1988.

During the development of weapon systems, special management emphasis is placed on achieving savings through increased testing, increased competition, and developing realistic budgets.

The 1989 program provides for major development efforts on the National Aerospace Plane, Balanced Technology Initiative, Peacekeeper Rail Garrison, the Short-Range Attack Missile, the B-2 Advanced Technology Bomber, the MILSTAR Communications Satellite System, the Strategic Defense Initiative, as well as an advanced Anti-Tank Weapon, a new light helicopter, a Forward Area Air Defense system, the Advanced Tactical Fighter, the next generation airlifter (C-17), the new research and nuclear attack submarine and NATO Cooperative Research and Development. Funds are also requested for product improvement to systems which have already been fielded or are in production, such as the F-14D, F-15, and the M1A1.

**Federal Funds**

**General and special funds:**

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY**

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; **[\$4,687,513,000]** \$5,030,700,000, to remain available for obligation until September 30, **[1989: Provided, That \$3,500,000 shall be available as a one-time appropriation to conduct nutrition research activities at the Pennington Biomedical Research Center: Provided further, That none of the funds provided by this Act for the fiscal year 1988 support of the AFATDS program office shall be available for obligation beyond April 1, 1988 unless the LFATDS procurement contract has been executed: Provided further, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific programs, projects and activities in specific dollar amounts shall be effective, except as follows:**

Army Tactical Missile System, \$102,208,000;

Electronic Warfare Programs, \$85,000,000]

1990. (10 U.S.C. 2353, 4503; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	1987 actual	1988 est.	1989 est.
21-2040-0-1-051			
<b>Program by activities:</b>			
Direct program:			
00.01	891,651	693,474	749,849
00.02	448,736	388,938	372,867
00.03	255,093	127,883	82,367
00.04	1,987,208	2,289,175	2,631,705
00.05	90,204	111,085	55,161
00.06	1,157,785	1,077,749	1,115,099
00.91	4,830,677	4,688,304	5,007,048
01.01	1,399,958	1,400,500	1,470,500
10.00	6,230,635	6,088,804	6,477,548
<b>Financing:</b>			
Offsetting collections from:			
11.00	-1,336,854	-1,383,300	-1,452,400
13.00	-2,003	-2,100	-2,200
14.00	-10,970	-15,100	-15,900
17.00	-154,783		
Unobligated balance available, start of year:			
21.40	-358,987	-273,147	-333,913
21.40	-45,523	-14,000	
22.40	-47,300	-78,411	
Unobligated balance available, end of year:			
24.40	273,147	333,913	357,565
24.40	14,000		
25.00	27,739		
39.00	<b>4,589,101</b>	<b>4,656,659</b>	<b>5,030,700</b>
Budget authority:			
40.00	4,571,367	4,687,513	5,030,700
40.00	(P.L. 99-500, P.L. 99-591, P.L. 100-202)		
	-45,523	-14,000	
41.00	-550	-19,904	
42.00	63,807	3,050	
43.00	<b>4,589,101</b>	<b>4,656,659</b>	<b>5,030,700</b>
Relation of obligations to outlays:			
71.00	4,880,808	4,688,304	5,007,048
72.40	3,020,496	3,067,417	3,217,221
74.40	-3,067,417	-3,217,221	-3,422,369
77.00	41,632		
78.00	-154,783		
90.00	4,720,736	4,538,500	4,801,900

**Budget Plan** (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

Identification code	1987 actual	1988 est.	1989 est.
21-2040-0-1-051			
<b>Direct:</b>			
07.01	856,509	717,858	751,965
07.02	432,797	353,969	374,357
07.03	227,219	118,462	80,108
07.04	1,971,227	2,294,469	2,653,115
07.05	95,429	107,718	52,403
07.06	1,115,854	1,078,183	1,118,752
07.91	4,699,035	4,670,659	5,030,700
08.01	1,365,399	1,400,500	1,470,500
08.93	6,064,434	6,071,159	6,501,200

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

Identification code	1987 actual	1988 est.	1989 est.
21-2040-0-1-051			
<b>Direct obligations:</b>			
Personnel compensation:			
11.1	624,887	531,096	545,799
11.3	20,633	17,504	17,988
11.5	31,960	27,176	27,929
11.9	677,480	575,776	591,716
12.1	91,240	77,924	82,015
13.0	129	193	186
21.0	42,431	58,621	57,182
22.0	4,813	10,751	10,150

Identification code	1987 actual	1988 est.	1989 est.
21-2040-0-1-051			
23.1	727	3,613	3,402
23.2	22,323	23,441	22,015
23.3	7,162	15,627	14,939
24.0	899	2,538	2,345
Other services:			
25.0			500
25.0	117,400	143,120	144,612
25.0	3,577,300	3,466,996	3,783,372
26.0	147,563	159,247	152,317
31.0	133,859	141,657	133,805
32.0	773	2,438	2,345
41.0	6,578	6,362	6,147
99.0	4,830,677	4,688,304	5,007,048
99.0	1,399,958	1,400,500	1,470,500
99.9	6,230,635	6,088,804	6,477,548

**Personnel Summary**

Identification code	1987 actual	1988 est.	1989 est.
21-2040-0-1-051			
Total number of full-time permanent positions	24,995	25,631	25,891
Total compensable workyears:			
Full-time equivalent employment	29,297	26,175	26,558
Full-time equivalent of overtime and holiday hours	1,476	1,288	1,299

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY**

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; **[\$9,493,546,000]** \$9,216,200,000, to remain available for obligation until September 30, **[1989: Provided, That \$112,899,000 shall be made available only for the Advanced Submarine Technology Program as described in section 211 of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) and not less than \$90,000,000 of this amount is to be allocated to development of hull, mechanical, electrical, and non-nuclear propulsion systems: Provided further, That funds made available for the SSN-21 Combat System shall not be obligated or expended except for a system design which incorporates at least four units of the Enhanced Modular Signal Processor: Provided further, That \$1,800,000 shall be made available for personnel and other expenses for the Institute for Technology Development, as a grant, for the National Center for Physical Acoustics: Provided further, That notwithstanding section 203(a) of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180), \$111,023,000 of funds provided in this section may be obligated or expended for the purpose of configuring the A-6 aircraft in the F model configuration: Provided further, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific programs, projects and activities in specific dollar amounts shall be effective, except as follows: Trident II, \$1,050,463,000; Electronic Warfare Programs, \$198,691,000: Provided further, That not less than \$2,100,000 shall be available only for the National Bone Marrow Donor Registry and of that amount, \$200,000 shall be available only to integrate independent bone marrow donor centers into the National Registry] 1990. (10 U.S.C. 174, 2352-54, 7201, 7203, 7522; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

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

Identification code	1987 actual	1988 est.	1989 est.
17-1319-0-1-051			
<b>Program by activities:</b>			
Direct program:			
00.01	790,901	725,823	771,508
00.02	136,264	236,553	205,494
00.03	1,827,418	1,192,821	804,568
00.04	5,209,632	5,586,938	5,975,706
00.05	600,699	935,578	759,825
00.06	763,290	770,393	713,685
00.91	9,328,204	9,448,106	9,230,786
01.01	166,993	199,696	200,000
10.00	9,495,197	9,647,802	9,430,786

General and special funds—Continued

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	17-1319-0-1-051	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-168,775	-186,300	-191,300
13.00	Trust funds .....	-149	-7,300	-7,300
14.00	Non-Federal sources .....	664	-1,400	-1,400
17.00	Recovery of prior year obligations .....	-15,294		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans .....	-464,842	-425,281	-485,396
21.40	Available to finance new budget plans .....	-54,878	-67,495	
22.40	Unobligated balance transferred, net .....	-1,180		
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans .....	425,281	485,396	470,810
24.40	Available to finance subsequent year budget plans .....	67,495		
25.00	Unobligated balance lapsing .....	21,530		
39.00	<b>Budget authority</b> .....	<b>9,305,050</b>	<b>9,445,422</b>	<b>9,216,200</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	9,334,928	9,493,546	9,216,200
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-54,878	-67,495	
41.00	Transferred to other accounts .....		-84,629	
42.00	Transferred from other accounts .....	25,000	104,000	
43.00	<b>Appropriation (adjusted)</b> .....	<b>9,305,050</b>	<b>9,445,422</b>	<b>9,216,200</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	9,326,937	9,452,802	9,230,786
72.40	Obligated balance, start of year .....	5,029,772	5,155,072	6,268,474
74.40	Obligated balance, end of year .....	-5,155,072	-6,268,474	-6,695,860
77.00	Adjustments in expired accounts .....	-9,997		
78.00	Adjustments in unexpired accounts .....	-15,294		
90.00	<b>Outlays</b> .....	<b>9,176,346</b>	<b>8,339,400</b>	<b>8,803,400</b>

Budget Plan (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

Identification code	07-01	07-02	07-03	07-04	07-05	07-06	07-91	08-01	08-93
<b>Direct:</b>									
07.01	Technology base .....	785,121	749,967	772,639					
07.02	Advanced technology development .....	143,949	233,356	204,024					
07.03	Strategic programs .....	1,813,145	1,252,122	781,011					
07.04	Tactical programs .....	5,173,554	5,663,053	5,992,440					
07.05	Intelligence and communications .....	625,769	913,856	751,713					
07.06	Defensewide mission support .....	750,895	700,563	714,373					
07.91	<b>Total direct</b> .....	<b>9,292,433</b>	<b>9,512,917</b>	<b>9,216,200</b>					
08.01	Reimbursable .....	166,126	195,000	200,000					
08.93	<b>Total budget plan</b> .....	<b>9,458,559</b>	<b>9,707,917</b>	<b>9,416,200</b>					

Object Classification (in thousands of dollars)

Identification code	17-1319-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	48,876	55,051	55,509
11.3	Other than full-time permanent .....	3,633	2,390	2,433
11.5	Other personnel compensation .....	2,233	1,828	1,721
11.9	<b>Total personnel compensation</b> .....	<b>54,742</b>	<b>59,269</b>	<b>59,663</b>
12.1	Civilian personnel benefits .....	7,317	7,684	7,565
13.0	Benefits for former personnel .....	6		
21.0	Travel and transportation of persons .....	14,969	17,471	16,857
22.0	Transportation of things .....	1,577	2,851	2,751
23.3	Communications, utilities, and miscellaneous charges .....	8,075	11,102	10,712
24.0	Printing and reproduction .....	1,035	1,534	1,480
<b>Other services:</b>				
25.0	Payments to foreign national indirect hire personnel .....	97	119	126
25.0	Purchases from industrial funds .....	1,792,228	1,781,197	1,718,592
25.0	Contracts .....	6,547,101	6,410,673	6,297,515
25.0	Other .....	855,873	1,099,493	1,060,805
26.0	Supplies and materials .....	7,089	10,528	10,158
31.0	Equipment .....	14,834	21,421	20,668
32.0	Land and structures .....	4,459	8,547	8,247

41.0	Grants, subsidies, and contributions .....	18,802	16,217	15,647
99.0	Subtotal, direct obligations .....	9,328,204	9,448,106	9,230,786
99.0	Reimbursable obligations .....	166,993	199,696	200,000
99.9	<b>Total obligations</b> .....	<b>9,495,197</b>	<b>9,647,802</b>	<b>9,430,786</b>

Personnel Summary

Total number of full-time permanent positions .....	2,120	2,321	2,310
Total compensable workyears:			
Full-time equivalent employment .....	2,567	2,726	2,696
Full-time equivalent of overtime and holiday hours .....	47	47	42

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; **[\$15,002,095,000] \$14,932,100,000**, to remain available for obligation until September 30, **[1989: Provided, That \$91,500,000 of funds made available for the National Aerospace Plane (NASP) Program may not be obligated or expended until the Secretary of Defense certifies that the Department of Defense and the National Aeronautics and Space Administration (NASA) have negotiated revised funding arrangements for NASP development which significantly increase NASA investment as a percentage of total NASP research, development, test and evaluation costs: Provided further, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific programs, projects and activities in specific dollar amounts shall be effective, except as follows:**

Pave Tiger, \$0;

Industrial Preparedness, \$85,000,000; Electronic Warfare Programs, \$179,800,000  
*1990. (10 U.S.C. 174, 1581, 1584, 2271-79, 2352-54, 2386, 2663, 2672, 2672a, 8012, 9503-04, 9532; 42 U.S.C. 1891-92; 50 U.S.C. App. 2093(g); Department of Defense Appropriations Act, 1988; additional authorization legislation to be proposed.)*

Program and Financing (in thousands of dollars)

Identification code	57-3600-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Technology base .....	784,793	710,858	779,818
00.02	Advanced technology development .....	671,071	734,147	781,284
00.03	Strategic programs .....	5,664,069	5,713,283	5,426,081
00.04	Tactical programs .....	3,315,622	4,351,525	4,217,133
00.05	Intelligence and communications .....	2,384,364	2,024,500	2,036,153
00.06	Defensewide mission support .....	2,028,614	1,661,653	1,699,586
00.91	<b>Total direct program</b> .....	<b>14,848,533</b>	<b>15,195,966</b>	<b>14,940,055</b>
01.01	Reimbursable program .....	1,891,000	2,231,300	2,392,500
10.00	<b>Total obligations</b> .....	<b>16,739,533</b>	<b>17,427,266</b>	<b>17,332,555</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-1,826,956	-2,143,379	-2,304,966
13.00	Trust funds .....	-36,975	-7,529	-8,133
14.00	Non-Federal sources .....	-23,752	-80,392	-79,401
17.00	Recovery of prior year obligations .....	-44,410		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans .....	-1,578,110	-1,753,247	-1,739,669
21.40	Available to finance new budget plans .....	-181,000	-282,100	
22.40	Unobligated balance transferred, net .....	-215,316	-212,562	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans .....	1,753,247	1,739,669	1,731,714
24.40	Available to finance subsequent year budget plans .....	282,100		
25.00	Unobligated balance lapsing .....	34,322		
39.00	<b>Budget authority</b> .....	<b>14,902,684</b>	<b>14,687,726</b>	<b>14,932,100</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	15,076,698	15,002,095	14,932,100
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-167,000	-266,000	

41.00	Transferred to other accounts.....	-10,902	-51,332	
42.00	Transferred from other accounts.....	3,888	2,963	
43.00	<b>Appropriation (adjusted).....</b>	<b>14,902,684</b>	<b>14,687,726</b>	<b>14,932,100</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	14,851,850	15,195,966	14,940,055
72.40	Obligated balance, start of year.....	6,979,199	8,400,434	10,691,600
74.40	Obligated balance, end of year.....	-8,400,434	-10,691,600	-11,389,755
77.00	Adjustments in expired accounts.....	-38,709		
78.00	Adjustments in unexpired accounts.....	-44,410		
90.00	<b>Outlays.....</b>	<b>13,347,496</b>	<b>12,904,800</b>	<b>14,241,900</b>

**Budget Plan (in thousands of dollars)**

(amount for research, development, test, and evaluation actions programmed)

Direct:				
07.01	Technology base.....	783,131	755,371	782,532
07.02	Advanced technology development.....	687,487	754,813	784,225
07.03	Strategic programs.....	5,592,700	5,886,847	5,258,886
07.04	Tactical programs.....	3,631,177	4,031,360	4,265,852
07.05	Intelligence and communications.....	2,293,434	2,132,074	2,025,497
07.06	Defensewide mission support.....	2,062,594	1,604,923	1,715,108
07.91	Total direct.....	15,050,523	15,165,388	14,832,100
08.01	Reimbursable.....	1,891,000	2,231,300	2,392,500
08.93	<b>Total budget plan.....</b>	<b>16,941,523</b>	<b>17,396,688</b>	<b>17,224,600</b>

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

Identification code 57-3600-0-1-051		1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	508,611	281,416	248,975
11.3	Other than full-time permanent.....	6,087	3,211	7,412
11.5	Other personnel compensation.....	9,032	6,472	12,145
11.9	Total personnel compensation.....	523,730	291,099	268,532
12.1	Civilian personnel benefits.....	79,020	32,332	36,435
21.0	Travel and transportation of persons.....	77,060	80,915	71,788
22.0	Transportation of things.....	3,298	2,536	2,251
23.2	Rental payments to others.....	11,468	62,351	55,319
24.0	Printing and reproduction.....	1,680	1,730	1,535
Other services:				
25.0	Purchases from industrial funds.....	75,281	43,143	38,277
25.0	Contracts.....	13,867,947	14,541,162	14,341,088
26.0	Supplies and materials.....	94,511	85,189	75,581
31.0	Equipment.....	114,538	55,509	49,249
99.0	Subtotal, direct obligations.....	14,848,533	15,195,966	14,940,055
99.0	Reimbursable obligations.....	1,891,000	2,231,300	2,392,500
99.9	<b>Total obligations.....</b>	<b>16,739,533</b>	<b>17,427,266</b>	<b>17,332,555</b>

**Personnel Summary**

Total number of full-time permanent positions.....	19,053	10,757	10,769
Total compensable workyears:			
Full-time equivalent employment.....	19,086	11,062	10,346
Full-time equivalent of overtime and holiday hours.....	152	141	136

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES**

(INCLUDING TRANSFER OF FUNDS)

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test, and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; **[\$7,631,825,000] \$8,667,800,000**, to remain available for obligation until September 30, **[1989] 1990**: *Provided*, That such amounts as may be determined by the Secretary of Defense to have been available in other appropriations available to the Department of Defense during the current fiscal year [or the following fiscal year, as appropriate,] for programs related to advanced research may be transferred to and merged with [either of the foregoing appropriations, as

appropriate] *this appropriation*, to be available for the same purposes and time period [as the appropriation to which transferred]: *Provided further*, That [during their period of availability,] such amounts of [the foregoing appropriations] *this appropriation* as may be determined by the Secretary of Defense may be transferred to carry out the purposes of advanced research to those appropriations for military functions under the Department of Defense which are being utilized for related programs to be merged with and to be available for the same time period as the appropriation to which transferred[: *Provided further*, That \$285,000,000 shall be made available only for the Defense Mapping Agency Exploitation Modernization Program: *Provided further*, That of the total amount available for obligation, \$15,000,000 shall be made available only for the X-Ray Lithography Program: *Provided further*, That of the total amount available for obligation, \$16,500,000 shall be made available through the Office of the Under Secretary of Defense for Acquisition only for bioenvironmental hazards research activities at universities, for associated facilities, and for other related purposes: *Provided further*, That of the total amount available for obligation, \$7,000,000 shall be made available, as a grant, only for development of an engineering, sciences, and technology center to promote defense industry involvement in manpower training and education, for associated facilities, and for related purposes: *Provided further*, That of the total amount available for obligation; \$5,000,000 is available only to complete a program begun in fiscal year 1986 for developing advanced semiconductor materials and devices, and to establish a program in parallel processing computing technology at that institution: *Provided further*, That of the total amount available for obligation, \$25,000,000 shall be made available, as a grant, only to support a program of advanced compound and other semiconductor research, and related materials research at university centers of excellence for design and test of semiconductors, micro-fabrication techniques (microfabritech/MARTECH), and materials technologies sciences (microfabritech/MARTECH): *Provided further*, That of the total amount available for obligation for the Strategic Technology Program, \$19,040,000 shall be made available only for an innovative manufacturing technology initiative in the Strategic Computing Program of the Defense Advanced Research Projects Agency, of which \$13,000,000 shall be made available only for the Concurrent Design and Assembly Science and Technology Program: *Provided further*, That of the total amount available for obligation, \$10,000,000 shall be made available only for a proposed Center for Compound Semiconductor Technology, at a major Department of Energy national weapons laboratory with a demonstrated expertise in both silicon and compound semiconductor microelectronics and possessing a state-of-the-art clean room and crystal growth facilities, to perform the materials processing and instrumentation studies necessary to develop compound semiconductor technology for high-speed optoelectronics: *Provided further*, That not more than 14 percent of funds made available in this Act for the University Research Initiative Program may be obligated or expended within any one State: *Provided further*, That of the total amount available for the Strategic Defense Initiative, not less than \$150,000,000 may be obligated or expended only for the Advanced Launch System (ALS) Program under Air Force management, and that of the funds made available for the ALS Program, not less than \$70,000,000 shall be transferred to the National Aeronautics and Space Administration only for ALS propulsion activities: *Provided further*, That the funds appropriated by this Act for any activities associated directly or indirectly with the Advanced Launch System or any ALS variant shall be subject to the terms and conditions of section 5 of chapter II of title I of Public Law 100-71 (Supplemental Appropriations Act, 1987): *Provided further*, That of the amount available for obligation, \$25,000,000 is available only for the Joint Standoff Weapons Program and may not be obligated or expended until the Secretary of Defense reports to the Committees on Appropriations of the Senate and the House of Representatives which standoff weapons will be supported with the available funds: *Provided further*, That of the amount available for obligation, \$50,291,000 is available only for the Joint Remotely Piloted Vehicles (RPV) Program and may not be obligated or expended until the Secretary of Defense submits to the Committees on Appropriations of the Senate and House of Representatives an updated RPV Master Plan fully explaining his decisions as to which RPVs will be supported with the available funds, and assessing the cooperation by the military services with efforts to coordinate RPV programs and to eliminate duplication within and among these programs: *Provided further*, That none of the funds provided for the activities of the Semiconductor Manufacturing Technology consortium known as "SE-

General and special funds—Continued

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE  
AGENCIES—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

MATECH" may be obligated or expended until the Secretary of Defense has entered into a memorandum of understanding with SEMATECH governing the use of such funds for research, development, test, and evaluation activities in the field of semiconductor manufacturing technology, and the Secretary of Defense submits, no later than March 31, 1988, a report to the Committees on Appropriations of the Senate and House of Representatives containing a copy of this memorandum: *Provided further, That with regard to programs, projects and activities funded by this appropriation, provisions of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) which provide that funds appropriated pursuant to such Act shall be available only for specific programs, projects and activities in specific dollar amounts shall be effective, except as follows:*

- LightSat, \$35,000,000;
- University Research Initiatives, \$85,000,000;
- Bioenvironmental Hazards Research, \$16,500,000;
- High Temperature Superconductivity, \$15,000,000].

(Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0400-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Technology base.....	849,304	1,011,264	1,009,791
00.02	Advanced technology development.....	3,598,828	4,174,614	5,028,900
00.03	Strategic programs.....	69,922	128,197	291,529
00.04	Tactical programs.....	248,634	280,889	183,713
00.05	Intelligence and communications.....	1,726,669	1,726,245	1,647,694
00.06	Defensewide mission support.....	143,481	392,945	430,372
00.91	Total direct program.....	6,636,838	7,714,154	8,591,999
01.01	Reimbursable program.....	112,222	193,500	198,200
10.00	Total obligations.....	6,749,060	7,907,654	8,790,199
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-104,476	-193,250	-197,900
13.00	Trust funds.....	-1,503		
14.00	Non-Federal sources.....	-6,285	-250	-300
17.00	Recovery of prior year obligations.....	-20,340		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-486,381	-641,478	-589,149
21.40	Available to finance new budget plans.....	-48,400	-8,900	
22.40	Unobligated balance transferred, net.....	-64,750		
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	641,478	589,149	664,950
24.40	Available to finance subsequent year budget plans.....	8,900		
25.00	Unobligated balance lapsing.....	48,667		
39.00	<b>Budget authority.....</b>	<b>6,715,971</b>	<b>7,652,925</b>	<b>8,667,800</b>
Budget authority:				
40.00	Appropriation.....	6,822,371	7,631,825	8,667,800
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202).....	-48,400	-8,900	
41.00	Transferred to other accounts.....	-58,000	-70,000	
42.00	Transferred from other accounts.....		100,000	
43.00	<b>Appropriation (adjusted).....</b>	<b>6,715,971</b>	<b>7,652,925</b>	<b>8,667,800</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	6,636,796	7,714,154	8,591,999
72.40	Obligated balance, start of year.....	3,048,406	3,394,900	3,933,754
74.40	Obligated balance, end of year.....	-3,394,900	-3,933,754	-4,342,853
77.00	Adjustments in expired accounts.....	-1,212		
78.00	Adjustments in unexpired accounts.....	-20,340		
90.00	<b>Outlays.....</b>	<b>6,268,750</b>	<b>7,175,300</b>	<b>8,182,900</b>

Budget Plan (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

Direct:				
07.01	Technology base.....	812,034	1,070,513	970,221
07.02	Advanced technology development.....	3,767,570	4,091,534	5,144,687
07.03	Strategic programs.....	70,236	133,243	304,602
07.04	Tactical programs.....	255,597	222,833	181,252
07.05	Intelligence and communications.....	1,687,707	1,728,513	1,640,209
07.06	Defensewide mission support.....	174,966	415,189	426,829
07.91	Total direct.....	6,768,110	7,661,825	8,667,800
08.01	Reimbursable.....	111,332	193,500	198,200
08.93	Total budget plan.....	6,879,442	7,855,325	8,866,000

Object Classification (in thousands of dollars)

Identification code 97-0400-0-1-051	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	79,259	99,763	106,088
11.3	Other than full-time permanent.....	2,972	1,492	1,371
11.5	Other personnel compensation.....	509	1,699	1,793
11.8	Special personal services payments.....	774	560	560
11.9	Total personnel compensation.....	83,514	103,514	109,812
12.1	Civilian personnel benefits.....	10,049	12,071	12,367
21.0	Travel and transportation of persons.....	20,784	22,054	22,941
22.0	Transportation of things.....	696	1,302	1,262
23.1	Rental payments to GSA.....	2,859	3,430	3,490
23.2	Rental payments to others.....	13,271	15,923	16,993
23.3	Communications, utilities, and miscellaneous charges.....	14,765	18,134	16,246
24.0	Printing and reproduction.....	837	2,538	2,766
Other services:				
25.0	Purchases from industrial funds.....	65,213	61,685	66,000
25.0	Contracts.....	5,970,802	7,021,911	7,865,002
25.0	Other.....	247,951	231,181	244,351
26.0	Supplies and materials.....	19,870	17,403	17,608
31.0	Equipment.....	183,945	201,333	211,471
41.0	Grants, subsidies, and contributions.....	2,282	1,675	1,690
99.0	Subtotal, direct obligations.....	6,636,838	7,714,154	8,591,999
99.0	Reimbursable obligations.....	112,222	193,500	198,200
99.9	Total obligations.....	6,749,060	7,907,654	8,790,199

Personnel Summary

Total number of full-time permanent positions.....	1,206	1,425	1,431
Total compensable workyears:			
Full-time equivalent employment.....	1,344	1,501	1,499
Full-time equivalent of overtime and holiday hours.....	25	19	19

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Deputy Under Secretary of Defense, Developmental Test and Evaluation in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; **[\$182,116,000]** \$166,900,000, to remain available for obligation until September 30, **[1989]** 1990. (Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0450-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.06	Total direct obligations—Defensewide mission support.....	128,514	168,473	169,182
01.01	Reimbursable program.....		32,500	32,500
10.00	Total obligations.....	128,514	200,973	201,682
<b>Financing:</b>				
11.00	Federal funds.....		-32,500	-32,500
17.00	Recovery of prior year obligations.....		-10,169	
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-17,892	-18,549	-32,192
21.40	Available to finance new budget plans.....	-200		



Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans .....	18,549	32,192	29,910
25.00	Unobligated balance lapsing .....	904		
39.00	<b>Budget authority</b> .....	<b>119,706</b>	<b>182,116</b>	<b>166,900</b>
Budget authority:				
40.00	Appropriation .....	105,546	182,116	166,900
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-200		
42.00	Transferred from other accounts .....	14,360		
43.00	<b>Appropriation (adjusted)</b> .....	<b>119,706</b>	<b>182,116</b>	<b>166,900</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	128,514	168,473	169,182
72.40	Obligated balance, start of year .....	80,227	117,027	148,700
74.40	Obligated balance, end of year .....	-117,027	-148,700	-139,182
77.00	Adjustments in expired accounts .....	-2,783		
78.00	Adjustments in unexpired accounts .....	-10,169		
90.00	<b>Outlays</b> .....	<b>78,763</b>	<b>136,800</b>	<b>178,700</b>

**Budget Plan** (in thousands of dollars)  
(amount for research, development, test, and evaluation actions programmed)

07.06	Defensewide mission support .....	119,906	182,116	166,900
08.01	Reimbursable .....		32,500	32,500
08.93	<b>Total budget plan</b> .....	<b>119,906</b>	<b>214,616</b>	<b>199,400</b>

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

Identification code 97-0450-0-1-051				
Direct obligations:				
21.0	Travel and transportation of persons .....	100	80	95
Other services:				
25.0	Contracts .....	3,350	3,550	3,850
25.0	Other .....	125,064	164,843	165,237
99.0	Subtotal, direct obligations .....	128,514	168,473	169,182
99.0	Reimbursable obligations .....		32,500	32,500
99.9	<b>Total obligations</b> .....	<b>128,514</b>	<b>200,973</b>	<b>201,682</b>

**OPERATIONAL TEST AND EVALUATION, DEFENSE**

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; **[\$70,221,000]** *\$143,400,000*, to remain available for obligation until September 30, **[1989]** *1990*. (Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 97-0460-0-1-051				
<b>Program by activities:</b>				
10.00	Defensewide mission support—Total obligations .....	8,399	59,078	128,764
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans .....		-2,901	-14,044
24.40	Unobligated balance available, end of year: For completion of prior year budget plans .....	2,901	14,044	28,680
40.00	<b>Budget authority (appropriation)</b> .....	<b>11,300</b>	<b>70,221</b>	<b>143,400</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	8,399	59,078	128,764
72.40	Obligated balance, start of year .....		4,003	31,181
74.40	Obligated balance, end of year .....	-4,003	-31,181	-74,145
90.00	<b>Outlays</b> .....	<b>4,396</b>	<b>31,900</b>	<b>85,800</b>

**Budget Plan** (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

07.06	Defensewide mission support—Total budget plan .....	11,300	70,221	143,400
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**Object Classification** (in thousands of dollars)

Identification code 97-0460-0-1-051					
1987 actual				1988 est.	1989 est.
21.0	Travel and transportation of persons .....	88	80	85	
25.0	Other services: Contracts .....	8,311	58,998	128,679	
99.9	<b>Total obligations</b> .....	<b>8,399</b>	<b>59,078</b>	<b>128,764</b>	

**MILITARY CONSTRUCTION**

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1989 it presents, by budget activity, the value of the program requested for the life of the multiple-year appropriation, with comparable amounts in 1987 and 1988.

The direct military construction programs for the Armed Forces, both Active and Reserve, shown in the individual schedules of this title are summarized in the following table (in thousands of dollars):

**MILITARY CONSTRUCTION PROGRAM**

1987 actual				1988 est.	1989 est.
Active Forces .....	3,954,235	3,962,024	4,056,100		
Reserve Forces .....	479,957	583,833	472,900		
Interservice activities .....	832,580	1,074,844	1,254,100		
<b>Total</b> .....	<b>5,266,772</b>	<b>5,620,701</b>	<b>5,783,100</b>		

The 1989 military construction program will support new construction needed to accommodate force structure changes such as the Navy's strategic homeporting initiative and the Army's conversion to light infantry divisions. The Military Construction programs are also intended to provide facilities required as a result of new weapon systems entering the inventory including naval vessels, B-2's, Peacekeeper, and the Trident II Weapon System. The program continues initiatives to improve living and working conditions, to reduce operating costs, increase productivity, and conserve energy by upgrading or replacing facilities which have become functionally obsolete or can be made more efficient through relatively modest investments in improvements.

**Federal Funds**

**General and special funds:**

**MILITARY CONSTRUCTION, ARMY**

**[(INCLUDING RESCISSION)]**

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, and for construction and operation of facilities in support of the functions of the Commander-in-Chief, **[\$977,590,000]** *\$930,300,000*, to remain available until September 30, **[1992]** *1993*, *Provided*, That of this amount, not to exceed **[\$120,120,000]** *\$98,323,000*, shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds

General and special funds—Continued

MILITARY CONSTRUCTION, ARMY—Continued  
【(INCLUDING RESCISSION)】—Continued

appropriated for "Military Construction, Army" under Public Law 98-473, \$6,800,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Army" under Public Law 99-173, \$28,000,000 is hereby rescinded【. (10 U.S.C. 2675, 2802-05, 2807, 2828, 2851-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	21-2050-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Major construction .....	1,074,817	1,206,883	1,037,705
00.02	Minor construction .....	18,043	17,539	15,145
00.03	Planning .....	119,239	107,794	93,215
00.04	Supporting activities .....	367		834
00.91	Total direct program .....	1,212,466	1,332,216	1,146,899
01.01	Reimbursable program .....	1,827,076	1,850,000	1,900,000
10.00	Total obligations .....	3,039,542	3,182,216	3,046,899
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-1,600,399	-1,735,000	-1,770,000
13.00	Trust funds .....	-57,295	-65,000	-70,000
14.00	Non-Federal sources .....	-44,743	-50,000	-60,000
17.00	Recovery of prior year obligations .....	-146,834		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans .....	-522,141	-503,911	-431,691
21.40	Available to finance new budget plans .....	-36,400	-42,452	
22.40	Unobligated balance transferred, net .....	32,251	-53,754	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans .....	503,911	431,691	429,092
24.40	Available to finance subsequent year budget plans .....	42,452		
25.00	Unobligated balance lapsing .....	557		
39.00	<b>Budget authority</b> .....	<b>1,210,902</b>	<b>1,163,790</b>	<b>1,144,300</b>
Budget authority:				
Current:				
40.00	Appropriation .....	1,264,246	977,590	930,300
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-36,400	-34,800	
41.00	Transferred to other accounts .....	-47,029		
42.00	Transferred from other accounts .....	30,085		
43.00	<b>Appropriation (adjusted)</b> .....	<b>1,210,902</b>	<b>942,790</b>	<b>930,300</b>
Permanent:				
60.00	Appropriation .....		221,000	214,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,337,105	1,332,216	1,146,899
72.40	Obligated balance, start of year .....	2,065,688	1,460,791	1,195,707
74.40	Obligated balance, end of year .....	-1,460,791	-1,195,707	-890,206
77.00	Adjustments in expired accounts .....	11,895		
78.00	Adjustments in unexpired accounts .....	-146,834		
90.00	Outlays .....	1,807,063	1,597,300	1,452,400

Budget Plan (in thousands of dollars)  
(amount for construction actions programmed)

Direct:				
07.01	Major construction .....	1,173,114	1,124,276	1,028,772
07.02	Minor construction .....	20,000	15,600	16,200
07.03	Planning .....	124,500	120,120	98,328
07.04	Supporting activities .....			1,000
07.91	Total direct .....	1,317,614	1,259,996	1,144,300
08.01	Reimbursable .....	1,820,309	1,850,000	1,900,000
08.93	Total budget plan .....	3,137,923	3,109,996	3,044,300

Object Classification (in thousands of dollars)

Identification code	21-2050-0-1-051	1987 actual	1988 est.	1989 est.
DEPARTMENT OF THE ARMY				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	95,414	89,650	103,785
11.3	Other than full-time permanent .....	560	527	609
11.5	Other personnel compensation .....	634	599	694
11.9	Total personnel compensation .....	96,608	90,776	105,088
12.1	Civilian personnel benefits .....	11,679	9,232	10,880
13.0	Benefits for former personnel .....		82	115
21.0	Travel and transportation of persons .....	2,635	4,476	4,538
22.0	Transportation of things .....	116	392	385
23.3	Communications, utilities, and miscellaneous charges .....	191	3,740	3,825
24.0	Printing and reproduction .....	254	1,105	968
Other services:				
25.0	Payments to foreign national indirect hire personnel .....	1,754	11,613	12,228
25.0	Other .....	545,268	442,239	236,259
26.0	Supplies and materials .....	966	1,736	1,856
31.0	Equipment .....	2,739	3,462	3,542
32.0	Land and structures .....	547,942	763,363	766,215
99.0	Subtotal, direct obligations, Army .....	1,210,152	1,332,216	1,145,899
99.0	Reimbursable obligations, Army .....	1,827,076	1,850,000	1,900,000
ALLOCATION TO DEPARTMENT OF TRANSPORTATION				
Personnel compensation:				
11.1	Full-time permanent .....	45		51
11.5	Other personnel compensation .....	6		7
11.9	Total personnel compensation .....	51		58
12.1	Civilian personnel benefits .....	6		7
21.0	Travel and transportation of persons .....	6		7
22.0	Transportation of things .....	3		
25.0	Other services: Other .....	36		39
26.0	Supplies and materials .....	4		5
31.0	Equipment .....	4		4
32.0	Land and structures .....	2,204		880
99.0	Subtotal, obligations, allocation accounts .....	2,314		1,000
99.9	Total obligations .....	3,039,542	3,182,216	3,046,899

Personnel Summary

DEPARTMENT OF THE ARMY			
Total number of full-time permanent positions .....	8,167	8,518	10,221
Total compensable workyears:			
Full-time equivalent employment .....	9,730	8,696	9,940
Full-time equivalent of overtime and holiday hours .....	53	69	69
ALLOCATION TO DEPARTMENT OF TRANSPORTATION			
Total number of full-time permanent positions .....	2	2	2
Total compensable workyears: Full-time equivalent employment .....	2	2	2

MILITARY CONSTRUCTION, NAVY

【(INCLUDING RESCISSIONS)】

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personal services necessary for the purposes of this appropriation, **【\$1,417,311,000】** \$1,611,200,000, to remain available until September 30, **【1992】** 1993: *Provided*, That of this amount, not to exceed **【\$130,000,000】** \$148,276,000, shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor【: *Provided further*, That of the funds appropriated for "Military Construction, Navy" under Public Law 98-473, \$6,800,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Navy" under Public Law 99-173, \$19,400,000 is hereby rescinded【. (10 U.S.C. 2675, 2802-05, 2807,

2828, 2851-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)				
Identification code	17-1205-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Major construction	1,636,621	1,001,712	1,304,948
00.02	Minor construction	18,215	13,683	16,536
00.03	Planning	143,154	93,157	129,065
00.04	Supporting activities	1,396	674	10,648
00.91	Total direct program	1,799,386	1,109,226	1,461,197
01.01	Reimbursable program	311,737	355,800	355,800
10.00	Total obligations	2,111,123	1,465,026	1,816,997
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-207,705	-260,600	-260,600
14.00	Non-Federal sources	-82,792	-95,200	-95,200
17.00	Recovery of prior year obligations	-24,790		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans	-842,412	-392,098	-706,591
21.40	Available to finance new budget plans	-25,800	-31,355	
22.40	Unobligated balance transferred, net:	4,017	-1,055	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans	392,098	706,591	856,594
24.40	Available to finance subsequent year budget plans	31,355		
25.00	Unobligated balance lapsing	1,509		
39.00	<b>Budget authority</b>	<b>1,356,603</b>	<b>1,391,309</b>	<b>1,611,200</b>
Budget authority:				
40.00	Appropriation	1,378,451	1,417,311	1,611,200
40.00	Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202)	-25,800	-26,200	
41.00	Transferred to other accounts		-14,010	
42.00	Transferred from other accounts	3,952	14,208	
43.00	<b>Appropriation (adjusted)</b>	<b>1,356,603</b>	<b>1,391,309</b>	<b>1,611,200</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,820,626	1,109,226	1,461,197
72.40	Obligated balance, start of year	1,526,903	1,797,789	1,529,615
74.40	Obligated balance, end of year	-1,797,789	-1,529,615	-1,527,912
77.00	Adjustments in expired accounts	-1,790		
78.00	Adjustments in unexpired accounts	-24,790		
90.00	Outlays	1,523,160	1,377,400	1,462,900

**Budget Plan (in thousands of dollars)**  
(amount for construction actions programmed)

Direct:				
07.01	Major construction	1,216,851	1,277,021	1,434,805
07.02	Minor construction	15,000	16,500	16,300
07.03	Planning	145,140	130,000	148,276
07.04	Supporting activities	5,400		11,819
07.91	Total direct	1,382,391	1,423,521	1,611,200
08.01	Reimbursable	311,737	355,800	355,800
08.93	Total budget plan	1,694,128	1,779,321	1,967,000

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

Identification code	17-1205-0-1-051	1987 actual	1988 est.	1989 est.
DEPARTMENT OF THE NAVY				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	73,394	87,695	86,532
11.3	Other than full-time permanent	2,757	9,915	2,521
11.5	Other personnel compensation	2,656	2,397	2,455
11.8	Special personal services payments	9		3
11.9	Total personnel compensation	78,816	100,007	91,511
12.1	Civilian personnel benefits	13,070	22,156	17,016
21.0	Travel and transportation of persons	7,362	4,400	4,500
22.0	Transportation of things		3,700	4,100

23.2	Rental payments to others	6,401	7,500	8,200
24.0	Printing and reproduction	4,032	3,400	3,700
Other services:				
25.0	Payments to foreign national indirect hire personnel	1,861	2,288	2,399
25.0	Contracts	34,642	37,800	41,500
26.0	Supplies and materials	2,075	2,800	3,200
31.0	Equipment	2,348	1,500	1,600
32.0	Land and structures	1,647,934	919,000	1,276,088
99.0	Subtotal, direct obligations, Navy	1,798,541	1,104,551	1,453,814
99.0	Reimbursable obligations, Navy	311,737	355,800	355,800

**ALLOCATION TO DEPARTMENT OF TRANSPORTATION**

Personnel compensation:				
11.1	Full-time permanent	23	22	22
11.3	Other than full-time permanent	17	11	11
11.5	Other personnel compensation		5	5
11.9	Total personnel compensation	40	38	38
12.1	Civilian personnel benefits	4	4	4
21.0	Travel and transportation of persons	22	23	23
22.0	Transportation of things	12	12	12
25.0	Other services: Other	125	125	125
26.0	Supplies and materials	4	4	4
32.0	Land and structures	638	4,469	7,177
99.0	Subtotal, obligations, allocation accounts	845	4,675	7,383
99.9	Total obligations	2,111,123	1,465,026	1,816,997

**Personnel Summary**

DEPARTMENT OF THE NAVY				
Total number of full-time permanent positions	3,163	3,223	3,173	
Total compensable workyears:				
Full-time equivalent employment	3,289	3,664	3,404	
Full-time equivalent of overtime and holiday hours	60	62	61	

**ALLOCATION TO DEPARTMENT OF TRANSPORTATION**

Total number of full-time permanent positions	1	1	1
Total compensable workyears: Full-time equivalent employment	2	2	2

**MILITARY CONSTRUCTION, AIR FORCE**

**[(INCLUDING RESCISSION)]**

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, **[\$1,241,254,000]** \$1,300,600,000, to remain available until September 30, **[1992]** 1993: *Provided*, That of this amount, not to exceed **[\$115,000,000]** \$124,800,000, shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for "Military Construction, Air Force" under Public Law 98-473, \$6,300,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Air Force" under Public Law 99-173, \$18,500,000 is hereby rescinded: *Provided further*, That none of the funds appropriated for planning, design, or construction of military facilities or family housing may be used to support the relocation of the 401st Tactical Fighter Wing from Spain to another country. (10 U.S.C. 2675, 2802-05, 2807, 2828, 2852-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	57-3300-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Major construction	1,200,875	1,181,183	1,164,252
00.02	Minor construction	16,588	12,472	16,000
00.03	Planning	124,710	111,286	124,213
00.04	Supporting activities	21,489	23,397	2,700
00.91	Total direct program	1,363,662	1,328,338	1,307,165

**General and special funds—Continued**  
**MILITARY CONSTRUCTION, AIR FORCE—Continued**  
**[(INCLUDING RESCISSION)]—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code 57-3300-0-1-051	1987 actual	1988 est.	1989 est.
01.01 Reimbursable program .....	736	7,000	5,000
10.00 Total obligations .....	1,364,398	1,335,338	1,312,165
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-486	-7,000	-5,000
17.00 Recovery of prior year obligations .....	-22,374		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-989,138	-783,899	-734,068
21.40 Available to finance new budget plans.....	-24,700	-72,200	
22.40 Unobligated balance transferred, net .....	30,575	10,147	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	783,899	734,068	727,503
24.40 Available to finance subsequent year budget plans .....	72,200		
25.00 Unobligated balance lapsing.....	3,456		
39.00 <b>Budget authority</b> .....	<b>1,217,830</b>	<b>1,216,454</b>	<b>1,300,600</b>
Budget authority:			
40.00 Appropriation .....	1,242,530	1,241,254	1,300,600
40.00 Appropriation rescinded (unobligated balance) (P.L. 99-500, P.L. 99-591, P.L. 100-202) .....	-24,700	-24,800	
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,217,830</b>	<b>1,216,454</b>	<b>1,300,600</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,363,912	1,328,338	1,307,165
72.40 Obligated balance, start of year.....	1,753,744	1,552,454	1,559,492
74.40 Obligated balance, end of year .....	-1,552,454	-1,559,492	-1,453,957
77.00 Adjustments in expired accounts .....	18,219		
78.00 Adjustments in unexpired accounts.....	-22,374		
90.00 Outlays .....	1,561,047	1,321,300	1,412,700

**Budget Plan (in thousands of dollars)**  
(amounts for procurement actions programmed)

<b>Direct:</b>			
07.01 Major construction .....	1,088,270	1,143,407	1,159,300
07.02 Minor construction .....	16,000	16,000	16,500
07.03 Planning.....	117,260	115,000	124,800
07.04 Supporting activities .....	32,700	4,100	
07.91 Total direct.....	1,254,230	1,278,507	1,300,600
08.01 Reimbursable.....	736	7,000	5,000
08.93 Total budget plan.....	1,254,966	1,285,507	1,305,600

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

Identification code 57-3300-0-1-051	1987 actual	1988 est.	1989 est.
<b>DEPARTMENT OF THE AIR FORCE</b>			
Direct obligations:			
25.0 Other services: Other .....		7,000	5,000
32.0 Land and structures.....	141,298	226,781	107,768
99.0 Subtotal, direct obligations, Air Force .....	141,298	233,781	112,768
99.0 Reimbursable obligations, Air Force .....	736	7,000	5,000
<b>ALLOCATION ACCOUNTS</b>			
25.0 Other services: Other .....	115,498	117,535	127,488
32.0 Land and structures.....	1,106,866	977,022	1,066,909
99.0 Subtotal, obligations, allocation accounts.....	1,222,364	1,094,557	1,194,397
99.9 Total obligations .....	1,364,398	1,335,338	1,312,165

Obligations are distributed as follows:

<b>Defense—Military:</b>			
Army .....	960,700	926,752	841,146
Navy .....	240,175	276,543	265,516
Air Force.....	142,034	107,500	202,803
Department of Transportation .....	21,489	24,543	2,700

**MILITARY CONSTRUCTION, DEFENSE AGENCIES**  
(INCLUDING TRANSFER OF FUNDS)  
**[(INCLUDING RESCISSIONS)]**

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, **[\$558,446,000] \$712,000,000**, to remain available until September 30, **[1992] 1993: Provided**, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: **Provided further**, That of the amount appropriated, not to exceed **[\$55,000,000] \$62,229,000** shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: **Provided further**, That of the funds appropriated for "Military Construction, Defense Agencies" under Public Law 98-473, \$1,900,000 is hereby rescinded: **Provided further**, That of the funds appropriated for "Military Construction, Defense Agencies" under Public Law 99-173, \$5,300,000 is hereby rescinded. (10 U.S.C. 2802-05, 2807, 2852-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 97-0500-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Major construction .....	450,951	431,272	596,085
00.02 Minor construction .....	3,612	4,026	1,648
00.03 Planning.....	52,168	78,035	57,168
00.91 Total direct program.....	506,731	513,333	654,901
01.01 Reimbursable program .....	1,065		
10.00 Total obligations .....	507,796	513,333	654,901
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-1,065		
17.00 Recovery of prior year obligations .....	-10,975		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-193,648	-209,474	-264,985
21.40 Available to finance new budget plans .....		-11,100	
22.40 Unobligated balance transferred, net .....	3,873	-6,498	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	209,474	264,985	322,084
24.40 Available to finance subsequent year budget plans .....	11,100		
25.00 Unobligated balance lapsing.....	3,216		
39.00 <b>Budget authority</b> .....	<b>529,770</b>	<b>551,246</b>	<b>712,000</b>
Budget authority:			
40.00 Appropriation .....	534,170	558,446	712,000
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202) .....		-7,200	
41.00 Transferred to other accounts.....	-4,400		
43.00 <b>Appropriation (adjusted)</b> .....	<b>529,770</b>	<b>551,246</b>	<b>712,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	506,731	513,333	654,901
72.40 Obligated balance, start of year.....	391,783	586,035	662,468
74.40 Obligated balance, end of year .....	-586,035	-662,468	-733,169
77.00 Adjustments in expired accounts .....	2,339		
78.00 Adjustments in unexpired accounts.....	-10,975		
90.00 Outlays .....	303,843	436,900	584,200

**Budget Plan (in thousands of dollars)**  
(amounts for procurement actions programmed)

<b>Direct:</b>			
07.01 Major construction .....	446,901	507,844	643,771
07.02 Minor construction .....	4,000	6,000	6,000

07.03	Planning.....	81,230	55,000	62,229
07.91	Total direct.....	532,131	568,844	712,000
08.01	Reimbursable.....	1,065		
08.93	Total budget plan.....	533,196	568,844	712,000

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

Identification code 97-0500-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
21.0	Travel and transportation of persons.....	75		
23.3	Communications, utilities, and miscellaneous charges.....	2		
24.0	Printing and reproduction.....	2		
25.0	Other services: contracts.....	12,033		
26.0	Supplies and materials.....	8		
32.0	Land and structures.....	494,611	513,333	654,901
99.0	Subtotal, direct obligations.....	506,731	513,333	654,901
99.0	Reimbursable obligations.....	1,065		
99.9	Total obligations.....	507,796	513,333	654,901

**NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE**

[(INCLUDING RESCISSION)]

For the United States share of the cost of North Atlantic Treaty Organization Infrastructure programs for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in military construction Acts and section 2806 of title 10, United States Code, [381,000,000] \$502,100,000, to remain available until expended: Provided, That of the funds appropriated for "North Atlantic Treaty Organization Infrastructure" under Public Law 99-173, \$8,000,000 is hereby rescinded]. (Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 97-0804-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
10.00	Total obligations (object class 32.0).....	344,061	294,177	454,267
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-76,449	-40,000	-40,000
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-100,628	-57,016	-183,839
21.40	Unobligated balance available, start of year.....		-8,000	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	57,016	183,839	271,672
24.40	Available to finance subsequent year budget plans.....	8,000		
39.00	<b>Budget authority</b> .....	<b>232,000</b>	<b>373,000</b>	<b>502,100</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	232,000	381,000	502,100
40.00	Appropriation rescinded (unobligated balance) (P.L. 100-202).....		-8,000	
43.00	<b>Appropriation (adjusted)</b> .....	<b>232,000</b>	<b>373,000</b>	<b>502,100</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	267,612	254,177	414,267
72.40	Obligated balance, start of year.....	490,960	535,561	559,738
74.40	Obligated balance, end of year.....	-535,561	-559,738	-744,005
90.00	Outlays.....	223,010	230,000	230,000

**Budget Plan** (in thousands of dollars)  
(amounts for construction actions programmed)

07.01	Total budget plan.....	300,449	421,000	542,100
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**MILITARY CONSTRUCTION, ARMY NATIONAL GUARD**

[(INCLUDING RESCISSION)]

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [184,405,000] 138,300,000, to remain available until September 30, [1992: Provided, That of the funds appropriated for "Military Construction, Army National Guard" under Public Law 99-173, \$2,500,000 is hereby rescinded] 1993. (Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 21-2085-0-1-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Major construction.....	112,530	168,493	121,083
00.02	Minor construction.....	3,875	5,750	7,394
00.03	Planning.....	11,594	20,662	11,930
10.00	Total obligations.....	127,999	194,905	140,407
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-1,240		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-12,138	-23,637	-13,137
21.40	Available to finance new budget plans.....		-2,500	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	23,637	13,137	11,030
24.40	Available to finance subsequent year budget plans.....	2,500		
25.00	Unobligated balance lapsing.....	121		
39.00	<b>Budget authority</b> .....	<b>140,879</b>	<b>181,905</b>	<b>138,300</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	140,879	184,405	138,300
40.00	Appropriation rescinded (unobligated balance) (P.L. 100-202).....		-2,500	
43.00	<b>Appropriation (adjusted)</b> .....	<b>140,879</b>	<b>181,905</b>	<b>138,300</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	127,999	194,905	140,407
72.40	Obligated balance, start of year.....	111,491	123,871	206,676
74.40	Obligated balance, end of year.....	-123,871	-206,676	-191,483
77.00	Adjustments in expired accounts.....	-34		
78.00	Adjustments in unexpired accounts.....	-1,240		
90.00	Outlays.....	114,346	112,100	155,600

**Budget Plan** (in thousands of dollars)  
(amounts for procurement actions programmed)

07.01	Major construction.....	117,232	165,144	120,776
07.02	Minor construction.....	4,647	5,400	6,900
07.03	Planning.....	19,000	13,861	10,624
08.93	Total budget plan.....	140,879	184,405	138,300

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

Identification code 21-2085-0-1-051	1987 actual	1988 est.	1989 est.	
25.0	Other services: Other.....	55,356	12,122	14,422
26.0	Supplies and materials.....		80	86
31.0	Equipment.....		30	35
32.0	Land and structures.....	72,643	182,673	125,864
99.9	Total obligations.....	127,999	194,905	140,407

**MILITARY CONSTRUCTION, AIR NATIONAL GUARD**

[(INCLUDING RESCISSIONS)]

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authori-

General and special funds—Continued

MILITARY CONSTRUCTION, AIR NATIONAL GUARD—Continued

[(INCLUDING RESCISSIONS)]—Continued

zation Acts, [\$151,291,000] \$147,500,000, to remain available until September 30, [1992: *Provided*, That of the funds appropriated for "Military Construction, Air National Guard" under Public Law 98-473, \$200,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Military Construction, Air National Guard" under Public Law 99-173, \$3,300,000 is hereby rescinded] 1993. (*Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 57-3830-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Major construction .....	142,426	133,041	135,234
00.02 Minor construction .....	4,698	920	1,776
00.03 Planning .....	9,196	12,269	16,546
10.00 Total obligations .....	156,320	146,230	153,556
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-165		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-46,633	-35,697	-40,758
21.40 Available to finance new budget plans .....		-3,500	
22.40 Unobligated balance transferred to other accounts .....	165		
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	35,697	40,758	34,702
24.40 Available to finance subsequent year budget plans .....	3,500		
25.00 Unobligated balance lapsing .....	41		
39.00 Budget authority .....	148,925	147,791	147,500
<b>Budget authority:</b>			
40.00 Appropriation .....	148,925	151,291	147,500
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202) .....		-3,500	
43.00 Appropriation (adjusted) .....	148,925	147,791	147,500
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	156,320	146,230	153,556
72.40 Obligated balance, start of year .....	152,408	155,854	163,884
74.40 Obligated balance, end of year .....	-155,854	-163,884	-183,840
77.00 Adjustments in expired accounts .....	251		
78.00 Adjustments in unexpired accounts .....	-165		
90.00 Outlays .....	152,961	138,200	133,600

Budget Plan (in thousands of dollars)  
(amounts for procurement actions programmed)

07.01 Major construction .....	131,375	135,306	132,600
07.02 Minor construction .....	2,130	2,202	2,300
07.03 Planning .....	15,420	13,783	12,600
08.93 Total budget plan .....	148,925	151,291	147,500

Object Classification (in thousands of dollars)

Identification code 57-3830-0-1-051	1987 actual	1988 est.	1989 est.
<b>DEPARTMENT OF THE AIR FORCE</b>			
25.0 Other services: Contracts .....	7,953	14,054	14,335
32.0 Land and structures .....	124,482	116,176	115,821
99.0 Subtotal, direct obligations, Air Force .....	132,435	130,230	130,156
<b>ALLOCATION ACCOUNTS</b>			
25.0 Other services: Contracts .....	1,243	1,000	1,400
32.0 Land and structures .....	22,642	15,000	22,000
99.0 Subtotal, obligations, allocation accounts .....	23,885	16,000	23,400
99.9 Total obligations .....	156,320	146,230	153,556

Obligations are distributed as follows:

Army .....	4,465	1,500	400
Navy .....	19,420	14,500	23,000
Air Force .....	132,435	130,230	130,156

MILITARY CONSTRUCTION, ARMY RESERVE

(INCLUDING RESCISSION)

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [\$95,100,000] \$79,900,000, to remain available until September 30, [1992: *Provided*, That of the funds appropriated for "Military Construction, Army Reserve" under Public Law 99-173, \$1,800,000 is hereby rescinded] 1993. (*Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 21-2086-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Major construction .....	57,719	91,395	67,338
00.02 Minor construction .....	514	2,532	1,890
00.03 Planning .....	9,296	12,155	11,837
10.00 Total obligations .....	67,529	106,082	81,065
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-409		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-12,634	-30,084	-19,102
21.40 Available to finance new budget plans .....		-1,800	
22.40 Unobligated balance transferred to other accounts .....	125		
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	30,084	19,102	17,937
24.40 Available to finance subsequent year budget plans .....	1,800		
25.00 Unobligated balance lapsing .....	258		
39.00 Budget authority .....	86,753	93,300	79,900
<b>Budget authority:</b>			
40.00 Appropriation .....	86,753	95,100	79,900
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202) .....		-1,800	
43.00 Appropriation (adjusted) .....	86,753	93,300	79,900
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	67,529	106,082	81,065
72.40 Obligated balance, start of year .....	56,139	65,662	96,944
74.40 Obligated balance, end of year .....	-65,662	-96,944	-95,309
77.00 Adjustments in expired accounts .....	143		
78.00 Adjustments in unexpired accounts .....	-409		
90.00 Outlays .....	57,740	74,800	82,700

Budget Plan (in thousands of dollars)  
(amounts for construction actions programmed)

07.01 Major construction .....	74,300	84,200	67,500
07.02 Minor construction .....	1,100	1,600	1,700
07.03 Planning .....	11,353	9,300	10,700
08.93 Total budget plan .....	86,753	95,100	79,900

Object Classification (in thousands of dollars)

Identification code 21-2086-0-1-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	3,446	3,531	3,584
11.3 Other than full-time permanent .....	8	9	9
11.5 Other personnel compensation .....	15	16	16
11.9 Total personnel compensation .....	3,469	3,556	3,609
12.1 Civilian personnel benefits .....	567	402	405
21.0 Travel and transportation of persons .....	1,241	260	320
22.0 Transportation of things .....	1	3	3
23.1 Rental payments to GSA .....	10	70	85
24.0 Printing and reproduction .....	4	98	120
25.0 Other services: Other .....	15,637	15,129	16,933

26.0	Supplies and materials .....	29	120	140
31.0	Equipment .....		5	5
32.0	Land and structures .....	46,571	86,439	59,445
99.9	Total obligations .....	67,529	106,082	81,065

32.0	Land and structures .....	50,478	61,797	51,171
99.9	Total obligations .....	53,416	65,051	54,018

**Personnel Summary**

Total number of full-time permanent positions .....	71	121	121
Total compensable workyears:			
Full-time equivalent employment .....	132	119	119
Full-time equivalent of overtime and holiday hours .....	2		

**MILITARY CONSTRUCTION, NAVAL RESERVE**

**[(INCLUDING RESCISSION)]**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, **[\$73,737,000] \$48,400,000**, to remain available until September 30, **[1992: Provided, That of the funds appropriated for "Military Construction, Naval Reserve" under Public Law 99-173, \$1,200,000 is hereby rescinded] 1993. (Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

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

Identification code 17-1235-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Major construction .....	46,827	59,662	47,421
00.02 Minor construction .....	1,907	1,372	1,821
00.03 Planning .....	4,682	4,017	4,776
10.00 Total obligations .....	53,416	65,051	54,018
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-24,900	-14,697	-23,383
21.40 Available to finance new budget plans .....		-1,200	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	14,697	23,383	17,765
24.40 Available to finance subsequent year budget plans .....	1,200		
25.00 Unobligated balance lapsing .....	87		
39.00 <b>Budget authority</b> .....	<b>44,500</b>	<b>72,537</b>	<b>48,400</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	44,500	73,737	48,400
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202) .....		-1,200	
43.00 <b>Appropriation (adjusted)</b> .....	<b>44,500</b>	<b>72,537</b>	<b>48,400</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	53,416	65,051	54,018
72.40 Obligated balance, start of year .....	38,525	46,177	64,628
74.40 Obligated balance, end of year .....	-46,177	-64,628	-59,846
77.00 Adjustments in expired accounts .....	76		
90.00 Outlays .....	45,840	46,600	58,800

**Budget Plan (in thousands of dollars)**

(amounts for procurement actions programmed)

07.01 Major construction .....	37,700	67,467	40,975
07.02 Minor construction .....	1,500	1,500	1,985
07.03 Planning .....	5,300	4,770	5,440
08.93 Total budget plan .....	44,500	73,737	48,400

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

Identification code 17-1235-0-1-051	1987 actual	1988 est.	1989 est.
<b>Other services:</b>			
25.0 Contracts .....	2,203	2,552	2,233
25.0 Other .....	735	702	614

**MILITARY CONSTRUCTION, AIR FORCE RESERVE**

**[(INCLUDING RESCISSIONS)]**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, **[\$79,300,000] \$58,800,000**, to remain available until September 30, **[1992: Provided, That of the funds appropriated for "Military Construction, Air Force Reserve" under Public Law 98-473, \$200,000 is hereby rescinded: Provided further, That of the funds appropriated for "Military Construction, Air Force Reserve" under Public Law 99-173, \$1,800,000 is hereby rescinded] 1993. (Military Construction Appropriations Act, 1988 additional authorizing legislation to be proposed.)**

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

Identification code 57-3730-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Major construction .....	43,890	64,680	55,549
00.02 Minor construction .....	1,682	3,825	2,765
00.03 Planning .....	6,573	5,145	5,677
10.00 Total obligations .....	52,145	73,650	63,991
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-176		
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-20,140	-24,789	-30,439
21.40 Available to finance new budget plans .....		-2,000	
22.40 Unobligated balance transferred to other accounts .....	176		
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	24,789	30,439	25,248
24.40 Available to finance subsequent year budget plans .....	2,000		
25.00 Unobligated balance lapsing .....	105		
39.00 <b>Budget authority</b> .....	<b>58,900</b>	<b>77,300</b>	<b>58,800</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	58,900	79,300	58,800
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202) .....		-2,000	
43.00 <b>Appropriation (adjusted)</b> .....	<b>58,900</b>	<b>77,300</b>	<b>58,800</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	52,145	73,650	63,991
72.40 Obligated balance, start of year .....	67,654	56,249	71,499
74.40 Obligated balance, end of year .....	-56,249	-71,499	-66,190
77.00 Adjustments in expired accounts .....	253		
78.00 Adjustments in unexpired accounts .....	-176		
90.00 Outlays .....	63,627	58,400	69,300

**Budget Plan (in thousands of dollars)**

07.01 Major construction .....	49,760	70,482	49,725
07.02 Minor construction .....	2,580	2,688	2,852
07.03 Planning .....	6,560	6,130	6,223
08.93 Total budget plan .....	58,900	79,300	58,800

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

Identification code 57-3730-0-1-051	1987 actual	1988 est.	1989 est.
<b>DEPARTMENT OF THE AIR FORCE</b>			
25.0 Other services: Contracts .....	679	575	450
32.0 Land and structures .....	7,020	7,201	7,952
99.0 Subtotal, direct obligations, Air Force .....	7,699	7,776	8,402

**ALLOCATION ACCOUNTS**

25.0 Other services: Contracts .....	5,892	4,570	5,211
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General and special funds—Continued

MILITARY CONSTRUCTION, AIR FORCE RESERVE—Continued  
[(INCLUDING RESCISSIONS)]—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 57-3730-0-1-051	1987 actual	1988 est.	1989 est.
32.0 Land and structures .....	38,554	61,304	50,378
99.0 Subtotal, obligations, allocation accounts .....	44,446	65,874	55,589
99.9 Total obligations .....	52,145	73,650	63,991
Obligations are distributed as follows: Defense—Military:			
Army .....	37,861	57,174	46,695
Navy .....	6,585	8,700	5,894
Air Force .....	7,699	7,776	8,402

FOREIGN CURRENCY FLUCTUATIONS, CONSTRUCTION, DEFENSE

[For foreign currency fluctuations, construction, Defense, \$85,000,000, to remain available until expended.] (Military Construction Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 97-0803-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Reserved for transfer (total obligations) (object class 32.0) .....		85,000	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....		-144,473	
22.40 Unobligated balance transferred to other accounts .....	-78,299	144,473	
24.40 Unobligated balance available, end of year .....	144,473		
39.00 <b>Budget authority</b> .....	<b>66,174</b>	<b>85,000</b>	
Budget authority:			
40.00 Appropriation .....		85,000	
41.00 Transferred to other accounts .....	-162,582	-74,319	
42.00 Transferred from other accounts .....	228,756	74,319	
43.00 <b>Appropriation (adjusted)</b> .....	<b>66,174</b>	<b>85,000</b>	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		85,000	
72.40 Obligated balance, start of year .....			59,500
74.40 Obligated balance, end of year .....		-59,500	-34,000
90.00 <b>Outlays</b> .....		25,500	25,500

FAMILY HOUSING, DEFENSE

These appropriations finance all costs associated with construction, improvements, operations, maintenance and leasing of all military family housing. The family housing indebtedness information schedules show the status of indebtedness assumed by each military department to acquire family housing for assignment as public quarters. The program contains initiatives to reduce operating costs and conserve energy by upgrading or replacing facilities which can be made more efficient through relatively modest investments in improvements.

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1989 it presents, by budget activity, the value of the program requested for the life of the multiple-year appropriation, with comparable amounts in 1987 and 1988.

Federal Funds

General and special funds:

FAMILY HOUSING, ARMY

[(INCLUDING RESCISSIONS)]

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, [ \$305,890,000 ] \$188,178,000; for Operation and maintenance, and for debt payment, [ \$1,255,121,000 ] \$1,339,722,000; in all [ \$1,561,011,000 ] \$1,528,271,000. *Provided, That* the amount provided for construction shall remain available until September 30, [1992: *Provided further, That* of the funds appropriated for "Family Housing, Army" under Public Law 98-473, \$900,000 is hereby rescinded: *Provided further, That* of the funds appropriated for "Family Housing, Army" under Public Law 99-173, \$19,400,000 is hereby rescinded] 1993. (10 U.S.C. 2824, 2827-29, 2831, 2851-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 21-0702-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Construction:			
01.01 Construction of new housing .....	266,228	190,128	130,669
01.02 Construction improvements .....	95,817	111,790	65,986
01.03 Planning .....	14,382	26,000	13,014
01.91 Total construction .....	376,427	327,918	209,669
Operation, maintenance, and interest payment:			
Operation:			
02.01 Operating expenses .....	478,431	542,085	563,881
02.02 Leasing .....	146,193	180,130	227,700
02.03 Maintenance of real property .....	604,235	556,864	548,061
02.04 Interest payments .....	342	120	49
02.05 Mortgage insurance premiums .....	60	40	31
02.91 Total operation, maintenance, and interest payment .....	1,229,261	1,279,239	1,339,722
03.01 Reimbursable program .....	11,164	14,800	15,200
10.00 Total obligations .....	1,616,852	1,621,957	1,564,591
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-2,059	-4,400	-4,600
13.00 Trust funds .....		-20	-20
14.00 Non-Federal sources .....	-9,105	-10,380	-10,580
17.00 Recovery of prior year obligations .....	-76,581	-4,997	
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans .....	-116,054	-98,715	-105,341
21.40 Available to finance new budget plans .....		-28,127	
22.40 Unobligated balance transferred, net .....	6,716	-42,694	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans .....	98,715	105,341	83,850
24.40 Available to finance subsequent year budget plans .....	28,127		
25.00 Unobligated balance lapsing .....	9,350		
39.00 <b>Budget authority</b> .....	<b>1,555,961</b>	<b>1,537,965</b>	<b>1,527,900</b>
Budget authority:			
40.00 Appropriation .....	1,598,092	1,561,011	1,528,271
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202) .....		-20,300	
40.47 Portion applied to debt reduction .....	-6,154	-2,746	-371
41.00 Transferred to other accounts .....	-165,447	-60,000	
42.00 Transferred from other accounts .....	129,470	60,000	
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,555,961</b>	<b>1,537,965</b>	<b>1,527,900</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,605,688	1,607,157	1,549,391
72.40 Obligated balance, start of year .....	754,197	841,016	955,776
74.40 Obligated balance, end of year .....	-841,016	-955,776	-917,967
77.00 Adjustments in expired accounts .....	2,258		



78.00	Adjustments in unexpired accounts.....	- 76,581	- 4,997	
90.00	Outlays.....	1,444,546	1,487,400	1,587,200

**Budget Plan** (in thousands of dollars)

Direct:				
Construction:				
06.01	Construction of new housing.....	242,633	207,644	105,250
06.02	Construction improvements.....	100,000	105,000	72,300
06.03	Planning.....	15,000	21,900	10,628
06.91	Total construction.....	357,633	334,544	188,178
Operation, maintenance, and interest payment:				
Operation:				
07.01	Operating expenses.....	478,431	542,085	563,881
07.02	Leasing.....	146,193	180,130	227,700
07.03	Maintenance of real property.....	604,235	556,864	548,061
07.04	Interest payments.....	342	120	49
07.05	Mortgage insurance premiums.....	60	40	31
07.91	Total operation, maintenance, and interest payment.....	1,229,261	1,279,239	1,339,722
08.01	Reimbursable.....	11,164	14,800	15,200
08.93	Total budget plan.....	1,598,058	1,628,583	1,543,100

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

Identification code 21-0702-0-1-051				
Direct obligations:				
11.1	Personnel compensation: Full-time permanent.....	22,033	21,694	22,480
11.3	Other than full-time permanent.....	2,671	2,630	2,725
11.5	Other personnel compensation.....	927	913	947
11.9	Total personnel compensation.....	25,631	25,237	26,152
12.1	Civilian personnel benefits.....	5,003	4,723	5,626
13.0	Benefits for former personnel.....	62	70	81
21.0	Travel and transportation of persons.....	1,325	2,000	2,000
22.0	Transportation of things.....	7,721	9,000	10,000
23.2	Rental payments to others.....	106,816	150,281	192,274
24.0	Printing and reproduction.....	73	100	100
Other services:				
25.0	Payments to foreign national indirect hire personnel.....	23,646	28,714	31,446
25.0	Purchases from industrial funds.....	7,500	8,000	9,000
25.0	Contracts.....	575,200	582,315	648,265
25.0	Other.....	75,701	142,526	135,626
26.0	Supplies and materials.....	19,464	20,000	30,000
31.0	Equipment.....	52,164	75,213	85,292
32.0	Land and structures.....	705,378	558,818	373,449
41.0	Grants, subsidies, and contributions.....	4		
43.0	Interest and dividends.....		160	80
99.0	Subtotal, direct obligations.....	1,605,688	1,607,157	1,549,391
99.0	Reimbursable obligations.....	11,164	14,800	15,200
99.9	Total obligations.....	1,616,852	1,621,957	1,564,591

**Personnel Summary**

Total number of full-time permanent positions.....	842	978	998
Total compensable workyears:			
Full-time equivalent employment.....	1,299	1,239	1,262
Full-time equivalent of overtime and holiday hours.....	30	32	33

**STATEMENT OF FAMILY HOUSING INDEBTEDNESS, ARMY**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Remaining debt, start of year.....	12,287	5,425	2,679
Less:			
Debt retirement:			
(a) During year.....	6,154	2,746	371
(b) Adjustment of prior years.....	707		
Remaining debt, end of year.....	5,425	2,679	2,308

**FAMILY HOUSING, NAVY AND MARINE CORPS**

**[( INCLUDING RESCISSIONS )]**

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion,

extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, **[\$237,914,000] \$240,440,000**; for Operation and maintenance, and for debt payment, **[\$530,028,000] \$554,860,000**; in all **[\$767,942,000] \$795,428,000**. *Provided*, That the amount provided for construction shall remain available until September 30, **[1992: Provided further**, That of the funds appropriated for "Family Housing, Navy and Marine Corps" under Public Law 98-473, \$400,000 is hereby rescinded: *Provided further*, That of the funds appropriated for "Family Housing, Navy and Marine Corps" under Public Law 99-173, \$8,800,000 is hereby rescinded] 1993. (10 U.S.C. 2824, 2827-29, 2831, 2851-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 17-0703-0-1-051				
1987 actual				
1988 est.				
1989 est.				
<b>Program by activities:</b>				
Direct program:				
Construction:				
01.01	Construction of new housing.....	87,532	194,834	170,607
01.02	Construction improvements.....	22,197	47,896	51,868
01.03	Planning.....	4,556	6,020	2,679
01.91	Total construction.....	114,285	248,750	225,154
Operation, maintenance, and interest payment:				
Operation:				
02.01	Operating expenses.....	248,135	260,930	270,274
02.02	Leasing.....	17,323	36,000	42,416
02.03	Maintenance of real property.....	258,407	237,628	241,950
02.04	Interest payments.....	255	42	2
02.05	Mortgage insurance premiums.....	189	179	218
02.91	Total operation, maintenance, and interest payment.....	524,309	534,779	554,860
03.01	Reimbursable program.....	10,795	12,987	13,241
10.00	Total obligations.....	649,389	796,516	793,255
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	- 10,795	- 12,987	- 13,241
17.00	Recovery of prior year obligations.....	- 16,228		
Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	- 58,005	- 106,763	- 96,266
21.40	Available to finance new budget plans.....		- 9,230	
22.40	Unobligated balance transferred, net.....	6,302	- 6,937	
Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	106,763	96,266	111,552
24.40	Available to finance subsequent year budget plans.....	9,230		
25.00	Unobligated balance lapsing.....	12,908		
39.00	<b>Budget authority.....</b>	<b>699,563</b>	<b>756,865</b>	<b>795,300</b>
Budget authority:				
40.00	Appropriation.....	708,693	767,866	795,428
40.00	Appropriation rescinded (unobligated balance) (P.L. 100-202).....		- 9,200	
40.47	Portion applied to debt reduction.....	- 8,495	- 1,801	- 128
41.00	Transferred to other accounts.....	- 800	- 309	
42.00	Transferred from other accounts.....	165	309	
43.00	<b>Appropriation (adjusted).....</b>	<b>699,563</b>	<b>756,865</b>	<b>795,300</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	638,594	783,529	780,014
72.40	Obligated balance, start of year.....	451,170	447,992	581,321
74.40	Obligated balance, end of year.....	- 447,992	- 581,321	- 643,435
77.00	Adjustments in expired accounts.....	- 672		
78.00	Adjustments in unexpired accounts.....	- 16,228		
83.00	Prior year deficiencies, start of year.....	- 59	- 76	
83.10	Adjustments, net.....	- 17		
84.00	Prior year deficiencies, end of year.....	76		
85.00	Deficiency appropriation.....		76	
90.00	Outlays.....	624,872	650,200	717,900

**Budget Plan** (in thousands of dollars)

Direct:				
Construction:				
06.01	Construction of new housing.....	120,977	192,666	176,536
06.02	Construction improvements.....	48,550	39,339	61,589

**General and special funds—Continued**  
**FAMILY HOUSING, NAVY AND MARINE CORPS—Continued**  
**[(INCLUDING RESCISSIONS)]—Continued**  
**Budget Plan (in thousands of dollars)—Continued**

	1987 actual	1988 est.	1989 est.
06.03 Planning.....	2,000	6,248	2,315
06.91 Total construction.....	171,527	238,253	240,440
Operation, maintenance, and interest payment:			
Operation:			
07.01 Operating expenses.....	248,135	260,930	270,274
07.02 Leasing.....	17,323	36,000	42,416
07.03 Maintenance of real property.....	258,407	237,628	241,950
07.04 Interest payments.....	255	42	2
07.05 Mortgage insurance premiums.....	189	179	218
07.91 Total operation, maintenance, and interest pay- ment.....	524,309	534,779	554,860
08.01 Reimbursable.....	10,795	12,987	13,241
08.93 Total budget plan.....	706,631	786,019	808,541

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

Identification code 17-0703-0-1-051	1987 actual	1988 est.	1989 est.
Direct obligations:			
21.0 Travel and transportation of persons.....	1,701	1,995	2,197
23.3 Communications, utilities, and miscellaneous charges... Other services:	163,057	174,997	179,127
25.0 Purchases from industrial funds.....	107,307	101,628	104,970
25.0 Contracts.....	133,164	125,283	139,452
25.0 Other.....	111,318	128,123	124,525
31.0 Equipment.....	13,414	15,073	16,910
32.0 Land and structures.....	108,189	236,209	212,613
43.0 Interest and dividends.....	444	221	220
99.0 Subtotal, direct obligations.....	638,594	783,529	780,014
99.0 Reimbursable obligations.....	10,795	12,987	13,241
99.9 Total obligations.....	649,389	796,516	793,255

**STATEMENT OF FAMILY HOUSING INDEBTEDNESS, NAVY AND MARINE CORPS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Remaining debt, start of year.....	14,757	1,972	171
Less:			
Debt retirement:			
(a) During year.....	8,495	1,801	128
(b) Adjustment of prior years.....	4,290		
Remaining debt, end of year.....	1,972	171	43

**FAMILY HOUSING, AIR FORCE**

**[(INCLUDING RESCISSIONS)]**

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, **[\$152,310,000]** \$181,200,000; for Operation and maintenance, and for debt payment, **[\$691,983,000]** \$741,700,00; in all **[\$844,293,000]** \$922,966,000. *Provided*, That the amount provided for construction shall remain available until September 30, **[1992: Provided further, That of the funds appropriated for "Family Housing, Air Force" under Public Law 98-473, \$2,400,000 is hereby rescinded: Provided further, That of the funds appropriated for "Family Housing, Air Force" under Public Law 99-173, \$12,300,000 is hereby rescinded] 1993. (10 U.S.C. 2824, 2827-29, 2831, 2852-54, 2857; Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

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

Identification code 57-0704-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Construction:			
01.01 Construction of new housing.....	94,176	125,496	34,338
01.02 Construction improvements.....	55,409	102,466	134,408
01.03 Planning.....	4,751	7,082	5,900
01.91 Total construction.....	154,336	235,044	174,646
Operation, maintenance, and interest payment:			
Operation:			
02.01 Operating expenses.....	313,888	346,557	355,519
02.02 Leasing.....	49,243	76,842	90,881
02.03 Maintenance of real property.....	366,858	302,600	295,199
02.04 Interest payments.....	204	31	1
02.05 Mortgage insurance premiums.....	140	120	100
02.91 Total operation, maintenance, and interest pay- ment.....	730,333	726,150	741,700
03.01 Reimbursable program.....	16,122	19,000	19,000
10.00 Total obligations.....	900,791	980,194	935,346
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-3,701	-1,900	-1,900
13.00 Trust funds.....	-15		
14.00 Non-Federal sources.....	-12,411	-17,100	-17,100
17.00 Recovery of prior year obligations.....	-45,312	-1,600	
Unobligated balance available, start of year:			
21.40 For completion of prior year budget plans.....	-208,124	-152,871	-79,137
21.40 Available to finance new budget plans.....		-14,700	
22.40 Unobligated balance transferred, net.....	-8,913	-43,000	
Unobligated balance available, end of year:			
24.40 For completion of prior year budget plans.....	152,871	79,137	85,691
24.40 Available to finance subsequent year budget plans.....	14,700		
25.00 Unobligated balance lapsing.....	7,776		
39.00 <b>Budget authority.....</b>	<b>797,661</b>	<b>828,160</b>	<b>922,900</b>
Budget authority:			
40.00 Appropriation.....	815,420	844,293	922,966
40.00 Appropriation rescinded (unobligated balance) (P.L. 100-202).....		-14,700	
40.47 Portion applied to debt reduction.....	-6,909	-1,433	-66
41.00 Transferred to other accounts.....	-14,850		
42.00 Transferred from other accounts.....	4,000		
43.00 <b>Appropriation (adjusted).....</b>	<b>797,661</b>	<b>828,160</b>	<b>922,900</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	884,664	961,194	916,346
72.40 Obligated balance, start of year.....	453,538	513,782	607,676
74.40 Obligated balance, end of year.....	-513,782	-607,676	-621,022
77.00 Adjustments in expired accounts.....	24,565		
78.00 Adjustments in unexpired accounts.....	-45,312	-1,600	
90.00 Outlays.....	803,672	865,700	903,000

**Budget Plan (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Construction:			
06.01 Construction of new housing.....	45,196	35,120	19,920
06.02 Construction improvements.....	58,644	119,190	154,280
06.03 Planning.....	7,000	7,000	7,000
06.91 Total construction.....	110,840	161,310	181,200
Operation, maintenance, and interest payment:			
Operation:			
07.01 Operating expenses.....	313,888	346,557	355,519
07.02 Leasing.....	49,243	76,842	90,881
07.03 Maintenance of real property.....	366,858	302,600	295,199
07.04 Interest payments.....	204	31	1
07.05 Mortgage insurance premiums.....	140	120	100
07.91 Total operation, maintenance, and interest pay- ment.....	730,333	726,150	741,700
08.01 Reimbursable program.....	16,122	19,000	19,000
08.93 Total obligations.....	857,295	906,460	941,900

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

Identification code 57-0704-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
21.0 Travel and transportation of persons.....	140	166	167
22.0 Transportation of things.....	2,045	2,376	2,511
23.2 Rental payments to others.....	249,315	217,185	207,933
<b>Other services:</b>			
25.0 Contracts.....	181,817	193,710	203,061
25.0 Other.....	103,180	105,978	110,786
26.0 Supplies and materials.....	9,156	10,611	11,217
31.0 Equipment.....	30,016	33,101	34,990
32.0 Land and structures.....	285,986	381,438	328,102
43.0 Interest and dividends.....	23,014	16,629	17,579
99.0 Subtotal, direct obligations.....	884,669	961,194	916,346
99.0 Reimbursable obligations.....	16,122	19,000	19,000
99.9 Total obligations.....	900,791	980,194	935,346

**STATEMENT OF FAMILY HOUSING INDEBTEDNESS, AIR FORCE**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Remaining debt, start of year.....	9,722	1,499	66
Less:			
Debt retirement:			
(a) During year.....	6,909	1,433	66
(b) Adjustment of prior years.....	1,314		
Remaining debt, end of year.....	1,499	66	

**FAMILY HOUSING, DEFENSE AGENCIES**

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, **[\$1,186,000] \$513,000**; for Operation and maintenance, **[\$19,514,000] \$20,187,000**; in all **[\$20,700,000] \$20,700,000**. *Provided, That the amount provided for construction shall remain available until September 30, [1992] 1993. (Military Construction Appropriations Act, 1988; additional authorizing legislation to be proposed.)*

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

Identification code 97-0706-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Construction:</b>			
01.01 Construction of new housing.....	1,829	253	223
01.02 Construction improvements.....	3	21	126
01.91 Total construction.....	1,832	274	349
<b>Operation, maintenance, and interest payment:</b>			
<b>Operation:</b>			
02.01 Operating expenses.....	1,943	3,618	2,457
02.02 Leasing.....	13,398	15,188	17,179
02.03 Maintenance of real property.....	579	1,308	551
02.91 Total operation, maintenance, and interest payment.....	15,920	20,114	20,187
03.01 Reimbursable program.....	351	700	800
10.00 Total obligations.....	18,103	21,088	21,336
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-347	-700	-800
14.00 Non-Federal sources.....	-4		
17.00 Recovery of prior year obligations.....	-3,245		
21.40 Unobligated balance available, start of year: For completion of prior year budget plans.....	-2,142	-487	-1,481
22.40 Unobligated balance transferred, net.....	3,012	-682	
24.40 Unobligated balance available, end of year: For completion of prior year budget plans.....	487	1,481	1,645
25.00 Unobligated balance lapsing.....	448		
39.00 Budget authority.....	16,313	20,700	20,700

<b>Budget authority:</b>			
40.00 Appropriation.....	16,643	20,700	20,700
41.00 Transferred to other accounts.....	-330		
43.00 <b>Appropriation (adjusted).....</b>	<b>16,313</b>	<b>20,700</b>	<b>20,700</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	17,752	20,388	20,536
72.40 Obligated balance, start of year.....	19,341	7,851	9,839
74.40 Obligated balance, end of year.....	-7,851	-9,839	-10,075
77.00 Adjustments in expired accounts.....	2,414		
78.00 Adjustments in unexpired accounts.....	-3,245		
90.00 Outlays.....	28,411	18,400	20,300

**Budget Plan (in thousands of dollars)**

<b>Direct:</b>			
<b>Construction:</b>			
06.01 Construction of new housing.....	240	1,082	400
06.02 Construction improvements.....		186	113
06.91 Total construction.....	240	1,268	513
<b>Operation, maintenance, and interest payment:</b>			
<b>Operation:</b>			
07.01 Operating expenses.....	1,943	3,618	2,457
07.02 Leasing.....	13,398	15,188	17,179
07.03 Maintenance of real property.....	579	1,308	551
07.91 Total operation, maintenance, and interest payment.....	15,920	20,114	20,187
08.01 Reimbursable program.....	351	700	800
08.93 Total budget plan.....	16,511	22,082	21,500

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

Identification code 97-0706-0-1-051	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
22.0 Transportation of things.....	181	547	200
23.2 Rental payments to others.....	11,125	14,523	15,287
23.3 Communications, utilities, and miscellaneous charges.....	1,100	1,157	1,162
25.0 Other services: Contracts.....	2,608	2,721	2,810
26.0 Supplies and materials.....	905	1,166	728
31.0 Equipment.....	1		
32.0 Land and structures.....	1,832	274	349
99.0 Subtotal, direct obligations.....	17,752	20,388	20,536
99.0 Reimbursable obligations.....	351	700	800
99.9 Total obligations.....	18,103	21,088	21,336

**Public enterprise funds:**

**HOMEOWNERS ASSISTANCE FUND, DEFENSE**

For use in the Homeowners Assistance Fund established pursuant to section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (Public Law 89-754, as amended), **[\$2,800,000] \$2,000,000**, to remain available until expended. *(Military Construction Appropriations Act, 1988; Additional authorizing legislation to be proposed.)*

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

Identification code 97-4090-0-3-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
01.01 Payment to homeowners (private sale and foreclosure assistance).....	125	164	164
01.02 Other operating costs.....	1,283	992	992
01.91 Total operating expenses.....	1,408	1,156	1,156
<b>Capital investment:</b>			
02.01 Acquisition of real property.....	2,013	944	944
02.02 Mortgages assumed.....	3,999	3,000	3,000
02.91 Total capital investment.....	6,012	3,944	3,944
10.00 Total obligations.....	7,420	5,100	5,100

**Public enterprise funds—Continued**  
**HOMEOWNERS ASSISTANCE FUND, DEFENSE—Continued**

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

Identification code 97-4090-0-3-051	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....		-2,832	-2,832
17.00 Recovery of prior year obligations .....	-303		
21.98 Unobligated balance available, start of year: Fund balance .....	-3,065	-1,947	-2,479
24.98 Unobligated balance available, end of year: Fund balance .....	1,947	2,479	2,211
32.47 Balance of authority to borrow withdrawn .....		3,000	3,000
<b>39.00 Budget authority .....</b>	<b>5,999</b>	<b>5,800</b>	<b>5,000</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation .....</b>	<b>2,000</b>	<b>2,800</b>	<b>2,000</b>
67.10 <b>Authority to borrow (permanent, indefinite) .....</b>	<b>3,999</b>	<b>3,000</b>	<b>3,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	7,420	2,268	2,268
72.98 Obligated balance, start of year: Fund balance .....	356	1,392	2,860
74.98 Obligated balance, end of year: Fund balance .....	-1,392	-2,860	-4,328
78.00 Adjustments in unexpired accounts .....	-303		
<b>90.00 Outlays .....</b>	<b>6,080</b>	<b>800</b>	<b>800</b>

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

Operating loss: Operating program: Expense .....	-1,408	-1,156	-1,156
<b>Capital program:</b>			
Revenue .....		2,832	2,832
Expense .....		-3,944	-3,944
Net capital gain or loss (-) .....	303	-1,112	-1,112
Net gain or loss (-) for the year .....	-1,105	-2,268	-2,268

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	3,421	3,339	5,339	6,539
Real property on hand .....	6,010	12,022	12,022	12,022
<b>Total assets .....</b>	<b>9,431</b>	<b>15,361</b>	<b>17,361</b>	<b>18,561</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable .....	356	1,392	2,860	4,328
Mortgages outstanding .....	2,989	6,989	6,989	6,989
<b>Total liabilities .....</b>	<b>3,345</b>	<b>8,381</b>	<b>9,849</b>	<b>11,317</b>
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance .....	3,065	1,947	2,479	2,211
Invested capital .....	3,021	5,033	5,033	5,033
<b>Total Government equity .....</b>	<b>6,086</b>	<b>6,980</b>	<b>7,512</b>	<b>7,244</b>

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

Identification code 97-4090-0-3-051	1987 actual	1988 est.	1989 est.
11.8 Personnel compensation: Special personal services payments .....		238	238
21.0 Travel and transportation of persons .....	5	25	25
24.0 Printing and reproduction .....		1	1
25.0 Other services: Other .....	1,312	725	725
26.0 Supplies and materials .....	1	3	3
32.0 Land and structures .....	32	3,944	3,944
42.0 Insurance claims and indemnities .....	6,070	164	164
<b>99.9 Total obligations .....</b>	<b>7,420</b>	<b>5,100</b>	<b>5,100</b>

**SPECIAL FOREIGN CURRENCY PROGRAM**

*Federal Funds*

**General and special funds:**

**[SPECIAL FOREIGN CURRENCY PROGRAM]**

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

Identification code 97-0800-0-1-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Research—Total obligations .....	1,156	3,416	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-3		
21.40 Unobligated balance available, start of year: For completion of prior year budget plans .....	-1,085	-3,416	
24.40 Unobligated balance available, end of year: For completion of prior year budget plans .....		3,416	
25.00 Unobligated balance lapsing .....	15		
<b>40.00 Budget authority (appropriation) .....</b>	<b>3,500</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,156	3,416	
72.40 Obligated balance, start of year .....	10,137	9,604	10,220
74.40 Obligated balance, end of year .....	-9,604	-10,220	-9,020
77.00 Adjustments in expired accounts .....	-1		
78.00 Adjustments in unexpired accounts .....	-3		
<b>90.00 Outlays .....</b>	<b>1,685</b>	<b>2,800</b>	<b>1,200</b>

**Budget Plan (in thousands of dollars)**

(amount for foreign currency undertakings programmed)

07.03 Research—Total budget plan .....	3,500		
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This appropriation provided dollars to be used exclusively for purchase from the Treasury of excess foreign currencies.

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

Identification code 97-0800-0-1-051	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons .....	99	116	
25.0 Other services: Contracts .....	1,057	2,600	
41.0 Grants, subsidies, and contributions .....		700	
<b>99.9 Total obligations .....</b>	<b>1,156</b>	<b>3,416</b>	

**REVOLVING AND MANAGEMENT FUNDS**

*Federal Funds*

**Public enterprise funds:**

**NATIONAL DEFENSE STOCKPILE TRANSACTION FUND**

**[SEC. 1.** During the fiscal year ending September 30, 1988, not to exceed \$35,000,000, in addition to amounts previously appropriated, all to remain available until expended, may be obligated from amounts in the National Defense Stockpile Transaction Fund, for the acquisition and upgrading of strategic and critical materials under section 6(a) (1) and (3) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a) (1) and (3)), transportation, storage, and other incidental expenses related to such acquisition and upgrades, development of current specifications of stockpile materials and the upgrading of existing stockpile materials to meet current specifications (including transportation, when economical, related to such upgrading), testing and quality studies of stockpile materials, studying future material and mobilization requirements for the stockpile and other reasonable requirements for management of the stockpile, including relocation, operating, and management expenses incident to operating the stockpile, are hereby authorized to the extent provided in Appropriations Acts.]

**[SEC. 2.** For the fiscal year ending September 30, 1988, in addition to the funds previously appropriated for the National Defense Stock-

pile Transaction Fund, notwithstanding the provisions of 50 U.S.C. 98h, there are hereby appropriated \$10,000,000 under this heading and \$9,000,000 in section 101(b) of this joint resolution, to remain available until expended, the amounts to be allocated for the following projects:

University of Hawaii at Manoa pursuant to 50 U.S.C. 98a and 98g(a), for a grant for construction of a strategic materials research facility, \$5,000,000;

University of Utah pursuant to 50 U.S.C. 98a and 98g(a)(2)(C) for a grant to pay the Federal share of the cost of construction and equipment for a Center for Biomedical Polymers, \$4,000,000;

University of Massachusetts at Amherst pursuant to 50 U.S.C. 98a and 98g(a) for a grant for continued construction of a strategic materials research facility, \$5,000,000;

University of Arizona pursuant to 50 U.S.C. 98a and 98g(a)(2)(C) for a grant to pay the Federal share of the cost of construction and equipment for a Center for Advanced Studies for Copper Recovery and Utilization, \$4,000,000; and

University of New Mexico pursuant to 50 U.S.C. 98a and g for a grant to study replacements for metallic alloys that use critical materials, \$1,000,000. (Independent Agencies Appropriation Act, 1988.)

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

Identification code 97-4550-0-3-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Program expenses:			
00.01 Acquisition, upgrade, and relocation	89,523	95,000	
00.02 Operating expenses		30,000	
00.03 Research grants	1	19,000	
10.00 Total obligations	89,524	144,000	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-71,265	-60,000	-50,000
Unobligated balance, start of year: Fund balance			
21.98 Available	-215,409	-136,219	-11,219
21.98 Unavailable	-383,251	-454,182	-514,182
Unobligated balance, end of year: Fund balance			
24.98 Available	136,219	11,219	11,219
24.98 Unavailable	454,182	514,182	564,182
39.00 <b>Budget authority</b>	<b>10,000</b>	<b>19,000</b>	
Budget authority:			
40.00 Appropriation	10,000	10,000	
42.00 Transferred from other accounts		9,000	
43.00 <b>Appropriation (adjusted)</b>	<b>10,000</b>	<b>19,000</b>	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	18,259	84,000	-50,000
72.98 Obligated balance, start of year: Fund balance	18,189	105,873	156,873
74.98 Obligated balance, end of year: Fund balance	-105,873	-156,873	-156,873
90.00 Outlays	-69,425	33,000	-50,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	10,000	19,000	
Outlays	-69,425	33,000	-50,000
Proposed for later transmittal under proposed legislation:			
Budget authority			
Outlays			-40,000
Total:			
Budget authority	10,000	19,000	
Outlays	-69,425	33,000	-90,000

Note.—Responsibility for the National Defense Stockpile will be transferred to the Department of Defense from the General Services Administration. Amounts are presented above on a three year comparable basis.

The National Defense Stockpile is planned and operated under the authority of the Strategic and Critical Materials Stockpiling Act. The purpose of the Stockpile is to decrease or preclude a dangerous and costly dependence by the United States upon foreign sources for supplies of strategic and critical materials in times of national emergency. The quantities of the materials

stockpiled are to be sufficient to sustain the United States for a period of not less than three years during a national emergency situation that would necessitate a total mobilization of the economy for a sustained conventional global war of indefinite duration.

The National Defense Stockpile Transaction Fund provides for the financing of the following activities:

**Acquisition and upgrade of materials.**—This activity finances the acquisition and upgrade of strategic and critical stockpile materials, and all related expenses such as transportation, development of specifications, testing, quality studies, and relocations of materials.

**Research grants.**—In 1988, this activity finances the construction of strategic materials research facilities, equipment, and studies at the University of Massachusetts, the University of Hawaii at Manoa, the University of Utah, the University of Arizona, and the University of New Mexico.

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

	1987 actual	1988 est.	1989 est.
Revenue	143,531	275,000	180,000
Expense	66,147	106,255	90,000
Net operating gain or loss (-)	77,384	168,745	90,000
Non-operating gain or loss (-):			
Transfer of assets to other GSA funds	1,186		
Prior year adjustment	-827		
Other income	84		
Other expenses			
Net income or loss (-) for the year	77,827	168,745	90,000

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Treasury balance	616,888	696,055	851,475	941,475
Accounts receivable	179	24,642	2,000	2,000
Inventories	3,742,333	3,724,356	3,662,101	3,574,462
Deferred charges	117	105		
Total assets	4,359,517	4,445,158	4,515,576	4,517,937
<b>Liabilities:</b>				
Accounts payable		146		
Deferred credits	298	40		
Advances	233,533	231,464	230,000	230,000
Total liabilities	233,832	231,650	230,000	230,000
<b>Government equity:</b>				
Unexpected balance:				
Unobligated balances	764,245	842,068	998,568	1,088,568
Undelivered orders				
Invested capital	3,361,440	3,371,440	3,287,008	3,199,369
Total Government equity	4,125,685	4,213,508	4,285,576	4,287,937

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

Identification code 97-4550-0-3-051	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons	1		
22.0 Transportation of things	905	9,500	
25.0 Other services		1,557	30,000
26.0 Supplies and materials	87,052	85,500	
31.0 Equipment	9		
41.0 Grants, subsidies, and contributions		19,000	
99.9 Total obligations	89,524	144,000	

Public enterprise funds—Continued

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND  
(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)			
Identification code 97-4550-2-3-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0)			90,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources			-130,000
Unobligated balance, end of year: Fund balance			
24.98 Available			-11,219
24.98 Unavailable			51,219
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net			-40,000
90.00 Outlays			-40,000

Proposed legislation will support stockpile modernization and provide adequate resources for strategic and critical material acquisition and upgrade.

WILLIAM LANGER JEWEL BEARING PLANT REVOLVING FUND

Program and Financing (in thousands of dollars)			
Identification code 97-4092-0-3-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
01.01 Operating expenses: Sales program	3,388	3,500	3,500
01.02 Capital investment: Sales program-purchase of equipment	723		
10.00 Total obligations	4,111	3,500	3,500
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-1,898	-1,400	-1,400
14.00 Non-Federal sources	-2,234	-2,100	-2,100
21.98 Unobligated balance available, start of year	-4,108	-4,128	-4,128
24.98 Unobligated balance available, end of year	4,128	4,128	4,128
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	-21		
72.10 Receivables in excess of obligations, start of year	-1,373	-2,180	-2,180
74.10 Receivables in excess of obligations, end of year	2,180	2,180	2,180
90.00 Outlays	786		

Note.—Responsibility for the William Langer Jewel Bearing Plant will be transferred to the Department of Defense from the General Services Administration. Amounts are presented above on a three year comparable basis.

The Government-owned William Langer Jewel Bearing Plant at Rolla, ND, is the only facility of its kind in the United States which has the capability to produce all types of jewel bearings in quantity.

Object Classification (in thousands of dollars)			
Identification code 97-4092-0-3-051	1987 actual	1988 est.	1989 est.
25.0 Other services	3,388	3,500	3,500
31.0 Equipment	723		
99.9 Total obligations	4,111	3,500	3,500

DEFENSE PRODUCTION GUARANTEES

Program and Financing (in thousands of dollars)

Identification code 97-9931-0-3-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	9,289		
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-1		
14.00 Non-Federal sources	-9,057		
21.98 Unobligated balance available, start of year: Fund balance	-9,759	-471	-471
24.98 Unobligated balance available, end of year: Fund balance	471	471	471
31.00 Redemption of debt	9,057		
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	231		
90.00 Outlays	231		

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	9,918		
1231 Disbursements: Direct loan disbursements			
1251 Repayments: Repayments and prepayments	-9,057		
1262 Adjustments: Write-offs for default	-861		
1290 Outstanding, end of year			

Object Classification (in thousands of dollars)

Identification code 97-9931-0-3-051	1987 actual	1988 est.	1989 est.
25.0 Other services	4,014		
33.0 Investments and loans	5,275		
99.9 Total obligations	9,289		

LAUNDRY SERVICE, NAVAL ACADEMY

Program and Financing (in thousands of dollars)

Identification code 17-4002-0-3-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	2,121	2,292	2,302
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-275	-321	-324
14.00 Non-Federal sources	-1,869	-1,971	-1,978
21.98 Unobligated balance available, start of year: Fund balance	-75	-98	-98
24.98 Unobligated balance available, end of year: Fund balance	98	98	98
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	-23		
72.10 Receivables in excess of obligations, start of year	-83		
72.98 Obligated balance, start of year: Fund balance		107	107
74.98 Obligated balance, end of year: Fund balance	-107	-107	-107
90.00 Outlays	-212		

The Naval Academy laundry is operated to provide laundry service for Naval Academy activities and personnel.

Object Classification (in thousands of dollars)

Identification code 17-4002-0-3-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	985	1,502	1,540
11.3 Other than full-time permanent	452	30	

11.5	Other personnel compensation .....	97	74	74
11.9	Total personnel compensation.....	1,534	1,606	1,614
12.1	Civilian personnel benefits.....	164	186	187
13.0	Benefits for former personnel.....	4		
21.0	Travel and transportation of persons.....	4	4	4
23.2	Rental payments to others.....	139	150	148
24.0	Printing and reproduction.....	28	30	30
25.0	Other services: Other.....	50	55	55
26.0	Supplies and materials.....	132	191	194
31.0	Equipment.....	66	70	70
99.9	Total obligations.....	2,121	2,292	2,302

**Personnel Summary**

Total number of full-time permanent positions.....	42	66	66
Total compensable workyears:			
Full-time equivalent employment.....	78	104	104
Full-time equivalent of overtime and holiday hours.....			

**DEPARTMENT OF DEFENSE STOCK FUNDS**

Department of Defense stock funds finance the purchase of materials for resale to the military services and other authorized customers (10 U.S.C. 2208). These inventories are stocked at various Defense activities. Mobilization reserve materials are also purchased through the stock funds.

**Budget program.**—Inventories rise in 1988 and 1989 over 1987 for increased non-fuel inventory levels to support an expanding force structure, the modernization of the existing force, and other logistics initiatives. Efforts continue to achieve efficiencies in spare parts procurement through acquisition reform. The following table shows the stock fund inventories (in millions of dollars) resulting from the budget program.

	1987 actual	1988 est.	1989 est.
<b>Army stock fund:</b>			
Operating and other stocks.....	3,575.2	3,742.6	4,042.8
Mobilization reserve stocks.....	1,512.6	1,755.2	1,938.4
Other stocks.....	2,436.8	2,225.4	2,163.7
Total.....	7,524.6	7,723.2	8,144.9
<b>Navy stock fund:</b>			
Operating and other stocks.....	11,441.9	12,200.6	12,097.8
Mobilization reserve stocks.....	1,700.2	1,189.5	1,257.9
Other stocks.....	14,984.6	14,334.8	13,422.4
Total.....	28,126.7	27,724.9	26,778.1
<b>Marine Corps stock fund: <sup>1</sup></b>			
Operating and other stocks.....	181.5		
Mobilization reserve stocks.....	138.0		
Other stocks.....	52.2		
Total.....	371.7		
<b>Air Force stock fund:</b>			
Operating and other stocks.....	4,644.8	5,058.1	5,478.8
Mobilization reserve stocks.....	984.7	1,048.0	1,180.9
Other stocks.....	2,403.7	2,518.0	2,838.1
Total.....	8,033.2	8,624.1	9,497.8
<b>Defense stock fund:</b>			
Operating and other stocks.....	4,526.0	4,863.6	5,546.8
Mobilization reserve stocks.....	2,883.0	2,997.4	3,067.0
Other stocks.....	4,009.4	4,817.2	5,259.2
Total.....	11,418.4	12,678.2	13,873.0
<b>Total Department of Defense stock funds:</b>			
Operating and other stocks.....	24,369.4	25,864.9	27,166.2
Mobilization reserve stocks.....	7,218.5	6,990.1	7,444.2
Other stocks.....	23,886.7	23,895.4	23,683.4
Total.....	55,474.6	56,750.4	58,293.8

<sup>1</sup> Combined with Navy Stock Fund in 1988 and beyond.

**Financing the budget program.**—The budget program is financed primarily from sales to customers. Gross expenditures in 1988 and 1989 are projected to be higher than in 1987 to support an expanding force. Estimated expenditures are shown below (in millions of dollars):

	Gross outlays		
	1987 actual	1988 est.	1989 est.
Army stock fund.....	7,071.2	7,274.2	7,345.4
Navy stock fund.....	8,383.7	9,480.0	8,897.0
Marine Corps stock fund.....	370.4		
Air Force stock fund.....	10,121.5	9,896.1	9,674.9
Defense stock fund.....	10,276.9	11,186.1	10,916.5
Total Department of Defense stock funds.....	36,223.7	37,836.4	36,833.8

Procurement leadtime for material acquisition is greater than the time required to fill and collect customers' orders. As a result, Department of Defense stock funds are authorized to incur obligations in anticipation of future years' sales (10 U.S.C. 2210(b)). Pursuant to this authority, the outstanding balance of contract authority was \$13,210.8 million at the end of 1987, and is estimated to remain at \$13,210.8 million in 1989.

**Operating results and financial conditions.**—Revenue and expenses for 1987, 1988, and 1989 are projected on a break-even basis. It is estimated that by the end of 1989, there will be \$62,585.5 million in inventory and other assets. Liabilities will be \$3,405.7 million and invested capital from appropriations, capitalized resources and retained income will be \$59,179.8 million.

**Intragovernmental funds:**

**ARMY STOCK FUND**

For the Army stock fund; **[\$193,207,000] \$321,900,000.** (10 U.S.C. 2208; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code 21-4991-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
01.01 Ground equipment parts and supplies.....	194,535	179,700	201,500
01.02 Aeronautical supplies.....	387,286	338,000	351,900
01.03 Missile parts.....	52,891	75,700	90,900
01.04 Tank and automotive supplies.....	641,362	553,207	648,600
01.05 Japan area supplies.....	28,467	22,100	22,300
01.06 Korea area supplies.....	196,028	208,200	203,400
01.07 Electronics supplies.....	252,223	265,700	322,700
01.08 Retail, map, and reserves.....	30,479	17,800	34,900
01.09 Commissary resale.....	2,003,009	1,797,600	1,863,000
01.10 Defense supply service.....	20,577	23,800	25,800
01.11 Western command supplies.....	89,885	94,100	84,100
01.12 Other continental U.S. supplies.....	442,842	408,000	417,000
01.13 European area supplies.....	892,463	787,500	773,300
01.17 Weapons, special weapons, chemical and fire control supplies.....	305,503	286,500	309,600
01.18 Forces command supplies.....	1,114,997	1,116,400	1,138,100
01.19 Training and doctrine command supplies.....	823,259	860,600	847,500
10.00 Total obligations.....	7,475,806	7,034,907	7,334,600
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-4,870,752	-4,890,990	-4,899,149
13.00 Trust funds.....	-157,382	-183,501	-202,397
14.00 Non-Federal sources.....	-1,763,368	-1,845,709	-1,911,154
17.00 Recovery of prior year obligations.....	-593,788		
22.98 Unobligated balance transferred, net.....		78,500	
32.49 Balance of contract authority withdrawn.....	19,584		
40.00 Budget authority (appropriation).....	110,100	193,207	321,900

**Intragovernmental funds—Continued**

**ARMY STOCK FUND—Continued**

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

Identification code	21-4991-0-4-051	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	684,304	114,707	321,900
Obligated balance, start of year:				
72.49	Contract authority.....	2,061,822	2,042,238	2,042,238
72.98	Fund balance.....	854,157	691,114	527,621
Obligated balance, end of year:				
74.49	Contract authority.....	-2,042,238	-2,042,238	-2,042,238
74.98	Fund balance.....	-691,114	-527,621	-665,821
78.00	Adjustments in unexpired accounts.....	-593,788		
90.00	Outlays.....	273,143	278,200	183,700

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

Identification code	21-4991-0-4-051	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....				
		2,061,822	2,042,238	2,042,238
Balance of contract authority withdrawn.....				
		-19,584		
Unfunded balance, end of year.....				
		2,042,238	2,042,238	2,042,238

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

Identification code	21-4991-0-4-051	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	30,693	29,192	30,096
25.0	Other services: Other.....	41,483	39,327	40,545
26.0	Supplies and materials.....	7,368,789	6,932,842	7,229,374
31.0	Equipment.....	34,841	33,546	34,585
99.9	Total obligations.....	7,475,806	7,034,907	7,334,600

**NAVY STOCK FUND**

For the Navy stock fund; **[\$329,400,000]** \$204,700,000. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	17-4911-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01	Ships, ordnance, and electronics repair parts.....	367,551	367,500	383,600
01.02	Forms and printed matter.....	12,276	14,800	15,000
01.03	Ships store and commissary store stock.....	936,968	1,251,816	1,310,220
01.04	Profits from sale of ships' stores paid to ships' store profits, Navy.....	28,203	22,900	23,000
01.05	Ship overhaul material.....	141,628	118,200	108,300
01.06	Special clearance account.....	832	1,000	1,000
01.07	Fleet material support office—Retail commodities.....	1,441,773	1,791,788	1,890,840
01.08	Aviation consumable material.....	823,763	717,500	760,200
01.09	Fuels and related items.....	1,466,303	1,357,872	1,339,270
01.10	Ship depot level reparables.....	1,247,398	959,600	905,000
01.11	Aviation depot level reparables.....	1,973,753	1,904,100	1,604,600
01.14	Amphibious supplies.....		21,095	14,370
10.00	Total obligations.....	8,440,448	8,528,171	8,355,400
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-6,808,785	-7,475,071	-6,763,800
13.00	Trust funds.....	-92,831	-91,600	-87,800
14.00	Non-Federal sources.....	-1,021,361	-1,251,600	-1,299,100
22.98	Unobligated balance transferred, net.....		619,500	
39.00	<b>Budget authority.....</b>	<b>517,472</b>	<b>329,400</b>	<b>204,700</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation.....</b>	<b>352,570</b>	<b>329,400</b>	<b>204,700</b>
69.10	<b>Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....</b>	<b>164,902</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	517,471	-290,100	204,700

Obligated balance, start of year:				
72.49	Contract authority.....	5,615,870	5,780,771	5,819,331
72.98	Fund balance.....	1,806,583	1,482,028	808,274
Obligated balance transferred, net:				
73.49	Contract authority.....		38,560	
73.98	Fund balance.....		44,546	
Obligated balance, end of year:				
74.49	Contract authority.....	-5,780,771	-5,819,331	-5,819,331
74.98	Fund balance.....	-1,482,028	-808,274	-551,274
90.00	Outlays.....	677,126	428,200	461,700

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

	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....	5,615,870	5,780,771	5,819,331
Contract authority.....	164,902		
Transferred from other accounts.....		38,560	
Unfunded balance, end of year.....	5,780,771	5,819,331	5,819,331

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

Identification code	17-4911-0-4-051	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	51,485	66,400	70,030
25.0	Other services: Other.....	1,308,244	1,322,600	1,261,800
26.0	Supplies and materials.....	7,052,516	7,116,271	7,000,570
42.0	Insurance claims and indemnities.....	28,203	22,900	23,000
99.9	Total obligations.....	8,440,448	8,528,171	8,355,400

**[MARINE CORPS STOCK FUND]**

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

Identification code	17-4913-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01	Amphibious supplies.....	14,249		
01.02	Retail-All other (less fuel).....	97,700		
01.03	Fuels and related items.....	23,196		
01.04	Subsistence-commissary.....	225,610		
10.00	Total obligations.....	360,755		
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-196,872		
14.00	Non-Federal sources.....	-165,802		
32.49	Balance of contract authority withdrawn.....	2,741		
40.00	<b>Budget authority (appropriation).....</b>	<b>822</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-1,919		
Obligated balance, start of year:				
72.49	Contract authority.....	41,302	38,560	
72.98	Fund balance.....	52,155	44,546	
Obligated balance transferred, net:				
73.49	Contract authority.....		-38,560	
73.98	Fund balance.....		-44,546	
Obligated balance, end of year:				
74.49	Contract authority.....	-38,560		
74.98	Fund balance.....	-44,546		
90.00	Outlays.....	8,431		
<b>Status of Unfunded Contract Authority (in thousands of dollars)</b>				
Identification code	17-4913-0-4-051	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....				
		41,302	38,560	
Balance of contract authority withdrawn.....				
		-2,741		
Transferred to other accounts.....				
			-38,560	
Unfunded balance, end of year.....				
		38,560		



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

Identification code	17-4913-0-4-051	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	2,613		
26.0	Supplies and materials.....	358,142		
99.9	Total obligations.....	360,755		

**AIR FORCE STOCK FUND**

For the Air Force stock fund; **[\$226,007,000]** \$206,900,000. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	57-4921-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.02	Commissary.....	2,380,749	2,464,973	2,567,600
01.03	Fuels and related items.....	3,506,122	2,949,416	2,931,600
01.04	Air Force Academy cadet store.....	8,539	9,100	9,100
01.05	Medical-dental.....	324,391	360,973	385,860
01.06	General support.....	2,230,291	2,232,985	2,343,300
01.07	Systems support.....	1,526,451	1,284,629	1,414,340
10.00	Total obligations.....	9,976,543	9,302,076	9,651,800
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal Funds.....	-7,303,795	-6,714,369	-6,809,800
13.00	Trust funds.....	-178,293	-174,200	-177,200
14.00	Non-Federal sources.....	-2,292,814	-2,318,500	-2,457,900
22.98	Unobligated balance transferred, net.....		131,000	
39.00	Budget authority.....	201,641	226,007	206,900
Budget authority:				
40.00	Appropriation.....	139,980	226,007	206,900
69.10	Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....	61,661		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	201,641	95,007	206,900
Obligated balance, start of year:				
72.49	Contract authority.....	1,267,161	1,328,822	1,328,822
72.98	Fund balance.....	845,388	684,348	294,655
Obligated balance, end of year:				
74.49	Contract authority.....	-1,328,822	-1,328,822	-1,328,822
74.98	Fund balance.....	-684,348	-294,655	-221,255
90.00	Outlays.....	301,020	484,700	280,300

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

Identification code	57-4921-0-4-051	1987 actual	1988 est.	1989 est.
	Unfunded balance, start of year.....	1,267,161	1,328,822	1,328,822
	Contract authority.....	61,661		
	Unfunded balance, end of year.....	1,328,822	1,328,822	1,328,822

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

Identification code	57-4921-0-4-051	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	40,069	37,444	38,853
25.0	Other services: Contracts.....	20,271	18,722	19,426
26.0	Supplies and materials.....	9,731,683	9,072,730	9,411,826
31.0	Equipment.....	184,520	173,180	181,695
99.9	Total obligations.....	9,976,543	9,302,076	9,651,800

**DEFENSE STOCK FUND**

For the Defense stock fund; **[\$132,600,000]** \$30,000,000. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1988; additional authorizing legislation to be proposed.)

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

Identification code	97-4961-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01	Clothing and textiles.....	1,295,916	980,000	994,000
01.02	Medical and dental material.....	667,860	560,000	532,000
01.03	Subsistence.....	1,659,626	1,786,300	1,739,800
01.04	General supplies.....	783,312	775,000	790,900
01.05	Industrial supplies.....	611,250	639,000	609,900
01.06	Construction supplies.....	804,711	725,000	745,100
01.07	Electronics.....	616,822	600,000	622,100
01.08	Base operating supplies.....	97,592	117,300	128,000
01.10	Fuels and related items.....	4,211,945	4,852,700	4,800,000
10.00	Total obligations.....	10,749,034	11,035,300	10,961,800
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-8,533,585	-10,658,400	-10,616,400
13.00	Trust funds.....	-336,107	-178,500	-181,500
14.00	Non-Federal sources.....	-187,063	-135,800	-133,900
21.98	Unobligated balance available, start of year: Fund balance.....	-396	-2,393	-2,393
24.98	Unobligated balance available, end of year: Fund balance.....	2,393	2,393	2,393
39.00	Budget authority.....	1,694,275	62,600	30,000
Budget authority:				
Current:				
40.00	Appropriation.....	47,200	132,600	30,000
41.00	Transferred to other accounts.....		-70,000	
43.00	Appropriation (adjusted).....	47,200	62,600	30,000
Permanent:				
69.10	Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....	1,647,075		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,692,279	62,600	30,000
Obligated balance, start of year:				
72.49	Contract authority.....	2,373,341	4,020,417	4,020,417
72.98	Fund balance.....	1,272,495	284,028	211,428
Obligated balance, end of year:				
74.49	Contract authority.....	-4,020,417	-4,020,417	-4,020,417
74.98	Fund balance.....	-284,028	-211,428	-251,128
90.00	Outlays.....	1,033,671	135,200	-9,700

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

Identification code	97-4961-0-4-051	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	1,210		
1262	Adjustments: Write-offs for default.....	-1,210		
1290	Outstanding, end of year.....			

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

Unfunded balance, start of year.....	2,373,341	4,020,417	4,020,417
Contract authority.....	1,647,075		
Unfunded balance, end of year.....	4,020,417	4,020,417	4,020,417

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

Identification code	97-4961-0-4-051	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	486,695	491,925	506,425
24.0	Printing and reproduction.....	1,466		
25.0	Other services: Other.....	193,805	320,675	395,925
26.0	Supplies and materials.....	10,054,482	10,222,700	10,059,450
31.0	Equipment.....	12,586		
99.9	Total obligations.....	10,749,034	11,035,300	10,961,800

**INDUSTRIAL FUNDS**

Department of Defense industrial funds finance various Defense activities that perform industrial or commercial type functions on a reimbursable basis (10 U.S.C. 2208). Workload at these activities is generated by orders from various customers who provide reimbursement through progress payments for the full cost of the work performed. This enables the industrial funds to maintain the level of working capital needed for continued operations.

*Budget program.*—The policy of stabilizing the rates charged to customers will continue. Estimated total obligations are projected to decrease by over \$188 million and \$527 million in 1988 and 1989 respectively, reflecting changes in customer workload requirements. Year-end totals are shown in the following table (in thousands of dollars):

TOTAL OBLIGATIONS			
	1987 actual	1988 est.	1989 est.
Army industrial fund.....	3,322,818	3,329,000	3,006,000
Navy industrial fund.....	14,240,159	14,310,700	13,832,700
Marine Corps industrial fund.....	102,436	120,500	116,700
Air Force industrial fund.....	5,986,626	5,669,700	6,033,800
Defense industrial fund.....	1,229,894	1,263,700	1,365,100
<b>Total.....</b>	<b>24,881,933</b>	<b>24,693,600</b>	<b>24,354,300</b>

The U.S. Army activities financed through the Army industrial fund include depot supply and maintenance operations, arsenals, missile material development and acquisition, and port handling of Defense cargo.

The Navy industrial fund finances a variety of activities, including aircraft maintenance facilities, ordnance stations, research laboratories, shipyards, printing plants, public works centers, and the Military Sealift Command.

The Marine Corps industrial fund finances maintenance depots engaged in repairing or overhauling Marine Corps equipment and providing technical engineering support.

The activities financed under the Air Force industrial fund include laundries, depot maintenance activities, a real property maintenance facility, and airlift services.

The Defense industrial fund finances the Defense Clothing and Textile Center and leased communications procured by the Defense Commercial Communications Office.

**Intragovernmental funds:**

**ARMY INDUSTRIAL FUND**

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

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
01.01 Depot maintenance activities.....	1,931,364	1,933,300	1,833,000
01.02 Missile command.....	586,416	558,600	432,900
01.05 Transportation and terminal activity.....	246,070	245,300	214,500
01.08 Armaments command.....	558,968	591,800	525,600
<b>10.00 Total obligations.....</b>	<b>3,322,818</b>	<b>3,329,000</b>	<b>3,006,000</b>
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	—3,006,569	—2,961,236	—2,716,593
13.00 Trust funds.....	—15,036	—17,529	—17,529
14.00 Non-Federal sources.....	—11,418	—11,400	—11,400

17.00 Recovery of prior year obligations.....	—35,636		
21.98 Unobligated balance available, start of year: Fund balance.....	—1,406,033	—1,147,081	—747,346
22.98 Unobligated balance transferred, net: Fund balance.....	4,793	60,900	
24.98 Unobligated balance available, end of year: Fund balance.....	1,147,081	747,346	486,868
<b>39.00 Budget authority.....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	289,795	338,835	260,478
72.10 Receivables in excess of obligations, start of year.....	—983,472	—895,717	—556,882
74.10 Receivables in excess of obligations, end of year	895,717	556,882	296,404
78.00 Adjustments in unexpired accounts.....	—35,636		
<b>90.00 Outlays.....</b>	<b>166,405</b>		

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

Identification code	1987 actual	1988 est.	1989 est.
21-4992-0-4-051			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,320,603	1,246,759	1,048,616
11.3 Other than full-time permanent.....	43,465	40,967	34,456
11.5 Other personnel compensation.....	152,852	144,243	121,318
11.8 Special personal services payments.....	679	430	361
<b>11.9 Total personnel compensation.....</b>	<b>1,517,599</b>	<b>1,432,399</b>	<b>1,204,751</b>
12.1 Civilian personnel benefits.....	202,507	225,979	197,786
13.0 Benefits for former personnel.....	52	126	125
21.0 Travel and transportation of persons.....	51,677	47,500	47,551
22.0 Transportation of things.....	68,067	64,000	64,000
23.2 Rental payments to others.....	77,870	79,341	80,524
24.0 Printing and reproduction.....	1,485	2,252	2,255
<b>Other services:</b>			
25.0 Payments to foreign national indirect hire personnel....	2,194	12,411	7,747
25.0 Other.....	603,699	608,780	599,069
26.0 Supplies and materials.....	649,028	663,712	650,562
31.0 Equipment.....	148,640	192,500	151,630
<b>99.9 Total obligations.....</b>	<b>3,322,818</b>	<b>3,329,000</b>	<b>3,006,000</b>

**Personnel Summary**

Total number of full-time permanent positions.....	54,114	54,102	45,580
Total compensable workyears:			
Full-time equivalent employment.....	57,753	54,457	45,624
Full-time equivalent of overtime and holiday hours.....	2,833	2,915	2,594

**NAVY INDUSTRIAL FUND**

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

Identification code	1987 actual	1988 est.	1989 est.
17-4912-0-4-051			
<b>Program by activities:</b>			
01.01 Printing.....	243,559	229,100	229,000
01.02 Ordnance.....	1,581,597	1,414,800	1,215,100
01.03 Shipyards.....	3,704,855	3,945,900	3,578,200
01.04 Military Sealift Command.....	1,656,129	1,929,400	2,067,100
01.05 Research.....	3,926,698	3,596,600	3,552,900
01.06 Base services.....	1,077,673	1,082,300	1,079,700
01.07 Aircraft maintenance facilities.....	1,783,703	1,867,700	1,856,300
01.08 Data services.....	228,534	244,900	254,400
01.10 Direct loan program (FFB).....	37,411		
<b>10.00 Total obligations.....</b>	<b>14,240,159</b>	<b>14,310,700</b>	<b>13,832,700</b>
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	—12,519,071	—13,356,102	—13,223,159
13.00 Trust funds.....	—60,607	—104,649	—109,581
14.00 Non-Federal sources.....	—84,129	—73,805	—87,931
21.98 Unobligated balance available, start of year: Fund balance.....	—2,969,527	—1,432,964	—464,220
22.98 Unobligated balance transferred, net.....		163,200	
24.98 Unobligated balance available, end of year: Fund balance.....	1,432,964	464,220	13,891

31.00	Redemption of debt .....	37,411	29,400	38,300
67 10	<b>Budget authority (authority to borrow)</b> (permanent, indefinite) (12 U.S.C. 2281-96).....	<b>77,200</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,576,352	776,144	412,029
72.10	Receivables in excess of obligations, start of year.....	-1,021,462	-291,351	
72.98	Obligated balance, start of year: Fund balance.....			484,793
74.10	Receivables in excess of obligations, end of year.....	291,351		
74.98	Obligated balance, end of year: Fund balance.....		-484,793	-896,822
90.00	Outlays.....	846,240		

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

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	1,748,475	1,788,264	1,758,864
1231	Disbursements: Direct loan disbursements.....	77,200		
1251	Repayments: Repayments and prepayments.....	-37,411	-29,400	-38,300
1290	Outstanding, end of year.....	1,788,264	1,758,864	1,720,564

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

Identification code	17-4912-0-4-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	4,661,565	4,765,860	4,749,166
11.3	Other than full-time permanent.....	184,103	200,970	143,653
11.5	Other personnel compensation.....	461,352	435,391	430,285
11.8	Special personal services payments.....	7,296	2,908	3,207
11.9	Total personnel compensation.....	5,314,316	5,405,129	5,326,311
12.1	Civilian personnel benefits.....	704,991	808,082	815,709
13.0	Benefits for former personnel.....	320	38	23,641
21.0	Travel and transportation of persons.....	225,818	226,308	223,565
22.0	Transportation of things.....	20,059	28,291	28,054
23.1	Rental payments to GSA.....	4,481	4,218	3,647
23.2	Rental payments to others.....	103,573	90,600	88,721
23.3	Communications, utilities, and miscellaneous charges.....	666,795	666,321	670,120
24.0	Printing and reproduction.....	130,013	137,980	139,345
<b>Other services:</b>				
25.0	Payments to foreign national indirect hire personnel.....	1,897	1,891	1,909
25.0	Other.....	4,434,358	4,129,379	3,670,694
26.0	Supplies and materials.....	2,107,178	2,254,268	2,254,996
31.0	Equipment.....	488,949	558,195	585,988
33.0	Investments and loans.....	37,411		
99.9	Total obligations.....	14,240,159	14,310,700	13,832,700

**Personnel Summary**

Total number of full-time permanent positions.....	166,801	162,302	158,250
Total compensable workyears:			
Full-time equivalent employment.....	177,961	177,864	172,955
Full-time equivalent of overtime and holiday hours.....	12,294	10,958	10,596

**MARINE CORPS INDUSTRIAL FUND**

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

Identification code	17-4914-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Depot maintenance activities—Total obligations.....	102,436	120,500	116,700
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-102,378	-107,550	-120,509
21.98	Unobligated balance available, start of year: Fund balance.....	-50,058	-50,000	-35,950
22.98	Unobligated balance transferred, net.....		1,100	
24.98	Unobligated balance available, end of year: Fund balance.....	50,000	35,950	39,759
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	58	12,950	-3,809
72.10	Receivables in excess of obligations, start of year.....	-39,417	-31,051	-18,101
74.10	Receivables in excess of obligations, end of year.....	31,051	18,101	21,910
90.00	Outlays.....	-8,308		

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

Identification code	17-4914-0-4-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	39,853	42,296	42,859
11.3	Other than full-time permanent.....	1,518	1,153	1,175
11.5	Other personnel compensation.....	3,690	4,449	4,591
11.9	Total personnel compensation.....	45,061	47,898	48,625
12.1	Civilian personnel benefits.....	6,679	8,055	8,420
21.0	Travel and transportation of persons.....	1,207	1,197	1,210
23.2	Rental payments to others.....	24	40	41
23.3	Communications, utilities, and miscellaneous charges.....	2,339	3,564	3,601
24.0	Printing and reproduction.....	104	88	85
25.0	Other services: Other.....	8,972	17,634	11,040
26.0	Supplies and materials.....	35,835	39,705	41,166
31.0	Equipment.....	2,215	2,319	2,512
99.9	Total obligations.....	102,436	120,500	116,700

**Personnel Summary**

Total number of full-time permanent positions.....	1,604	1,744	1,744
Total compensable workyears:			
Full-time equivalent employment.....	1,641	1,776	1,776
Full-time equivalent of overtime and holiday hours.....	95	103	104

**AIR FORCE INDUSTRIAL FUND**

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

Identification code	57-4922-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.02	Laundry and drycleaning.....	6,313	6,000	6,200
01.03	Military airlift command.....	2,018,079	1,904,000	1,829,700
01.04	San Antonio real property maintenance agency.....	226,249	200,800	212,100
01.05	Depot maintenance.....	3,735,985	3,558,900	3,985,800
10.00	Total obligations.....	5,986,626	5,669,700	6,033,800
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-5,810,577	-5,551,929	-5,918,983
13.00	Trust funds.....	-54,911	-56,309	-58,979
14.00	Non-Federal sources.....	-25,836	-22,523	-23,592
21.98	Unobligated balance available, start of year: Fund balance.....	-218,007	-122,705	-66,366
22.98	Unobligated balance transferred, net.....		17,400	
24.98	Unobligated balance available, end of year: Fund balance.....	122,705	66,366	34,120
39.00	<b>Budget authority.....</b>			

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	95,302	38,939	32,246
72.98	Obligated balance start of year: Fund balance.....	577,448	521,195	560,134
74.98	Obligated balance, end of year: Fund balance.....	-521,195	-560,134	-592,380
90.00	Outlays.....	151,555		

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

Identification code	57-4922-0-4-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,017,725	963,844	988,860
11.3	Other than full-time permanent.....	11,973	11,339	11,633
11.5	Other personnel compensation.....	17,960	17,009	17,451
11.9	Total personnel compensation.....	1,047,658	992,192	1,017,944
12.1	Civilian personnel benefits.....	119,733	113,393	116,337
21.0	Travel and transportation of persons.....	53,880	51,026	52,352
22.0	Transportation of things.....	1,796	1,701	1,744
23.3	Communications, utilities, and miscellaneous charges.....	119,733	113,436	116,318
24.0	Printing and reproduction.....	1,796	1,701	1,744
<b>Other services:</b>				
25.0	Payments to foreign national indirect hire personnel.....	5,987	5,670	5,816
25.0	Contracts.....	2,155,185	2,041,077	2,180,855
26.0	Supplies and materials.....	2,420,992	2,292,807	2,482,522

**Intragovernmental funds—Continued**

**AIR FORCE INDUSTRIAL FUND—Continued**

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

Identification code 57-4922-0-4-051	1987 actual	1988 est.	1989 est.
31.0 Equipment .....	59,866	56,697	58,168
99.9 Total obligations .....	5,986,626	5,669,700	6,033,800

**Personnel Summary**

Total number of full-time permanent positions.....	43,549	40,204	40,142
Total compensable workyears:			
Full-time equivalent employment .....	45,462	43,661	43,602
Full-time equivalent of overtime and holiday hours .....	2,197	2,018	2,019

**DEFENSE INDUSTRIAL FUND**

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

Identification code 97-4962-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
01.01 Clothing and textile center.....	35,879	36,100	35,800
01.02 Communication services.....	1,194,015	1,227,600	1,329,300
10.00 Total obligations .....	1,229,894	1,263,700	1,365,100
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-1,246,946	-1,293,281	-1,357,250
14.00 Non-Federal sources .....	-990	-1,070	-1,200
21.98 Unobligated balance available, start of year: Fund balance.....	-36,902	-54,943	-85,594
24.98 Unobligated balance available, end of year: Fund balance .....	54,943	85,594	78,944
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-18,042	-30,651	6,650
72.98 Obligated balance, start of year: Fund balance....	84,921	33,773	3,122
74.98 Obligated balance, end of year: Fund balance .....	-33,773	-3,122	-9,772
90.00 Outlays .....	33,106		

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

Identification code 97-4962-0-4-051	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	31,348	29,297	29,554
11.3 Other than full-time permanent.....	543	912	945
11.5 Other personnel compensation .....	4,130	4,218	3,744
11.9 Total personnel compensation.....	36,021	34,427	34,243
12.1 Civilian personnel benefits .....	937	846	653
21.0 Travel and transportation of persons.....	570	552	569
22.0 Transportation of things .....	4	10	400
23.2 Rental payments to others .....	1,026	2,821	2,920
23.3 Communications, utilities, and miscellaneous charges.....	1,163,582	1,190,650	1,283,316
24.0 Printing and reproduction .....	37	61	66
<b>Other services:</b>			
25.0 Payments to foreign national indirect hire personnel....	320	274	285
25.0 Other .....	6,494	710	46
26.0 Supplies and materials .....	4,289	5,949	6,102
31.0 Equipment .....	16,614	27,400	36,500
99.9 Total obligations.....	1,229,894	1,263,700	1,365,100

**Personnel Summary**

Total number of full-time permanent positions.....	1,686	1,630	1,479
Total compensable workyears:			
Full-time equivalent employment .....	1,769	1,639	1,589
Full-time equivalent of overtime and holiday hours .....	43	49	49

**MANAGEMENT FUNDS**

These funds were created to simplify the financing and accounting for operations supported by 2 or more appropriations. The corpus of each fund consists of \$1 million except for the ADP Equipment Management Fund which was established in 1986 with a corpus of \$100 million.

**ADP EQUIPMENT MANAGEMENT FUND**

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

Identification code 97-3910-0-4-051	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.98 Unobligated balance available, start of year: Fund balance.....	-75,145	-65,269	-56,479
22.98 Unobligated balance transferred to other accounts.....	9,876	8,790	
24.98 Unobligated balance available, end of year: Fund balance.....	65,269	56,479	56,479
39.00 Budget authority .....			
Budget authority:			
41.00 Transferred to other accounts .....	-24,684	-3,865	
42.00 Transferred from other accounts .....	24,684	3,865	
43.00 Appropriation (adjusted) .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

**ARMY MANAGEMENT FUND**

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

Identification code 21-3970-0-4-051	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	70,105		
14.00 Non-Federal sources.....	933		
17.00 Recovery of prior year obligations .....	-71,038		
21.98 Unobligated balance available, start of year: Fund balance.....	-1,000		
27.00 Capital transfer to general fund.....	1,000		
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	71,038		
72.98 Obligated balance, start of year: Fund balance .....	20,637		
78.00 Adjustments in unexpired accounts.....	-71,038		
90.00 Outlays.....	20,637		

**NAVY MANAGEMENT FUND**

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

Identification code 17-3980-0-4-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Transportation of things (total obligations) (object class 22.0).....	568,492	607,300	627,900
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-568,492	-607,300	-627,900
21.98 Unobligated balance available, start of year: Fund balance.....	-1,000	-1,000	-1,000
24.98 Unobligated balance available, end of year: Fund balance.....	1,000	1,000	1,000
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			

72.98	Obligated balance, start of year: Fund balance .....	6,638	4,213	4,213
74.98	Obligated balance, end of year: Fund balance .....	-4,213	-4,213	-4,213
90.00	Outlays .....	2,425		

**AIR FORCE MANAGEMENT FUND**

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

Identification code	1987 actual	1988 est.	1989 est.	
<b>Financing:</b>				
21.98	Unobligated balance available, start of year: Fund balance .....	-1,003	-1,003	-1,003
24.98	Unobligated balance available, end of year: Fund balance .....	1,003	1,003	1,003
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
90.00	Outlays .....			

**ARMY CONVENTIONAL AMMUNITION WORKING CAPITAL FUND**

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

Identification code	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
01.01	Load, assemble and pack .....	1,572,517	1,894,700	1,482,300
01.02	Components .....	2,032,160	1,677,600	1,312,300
01.03	Quality assurance, proof and acceptance testing .....	36,958	35,300	27,600
01.04	Rework cost .....	53,108	108,400	84,800
10.00	<b>Total obligations</b> .....	3,694,743	3,716,000	2,907,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-3,339,756	-3,372,800	-2,817,700
13.00	Trust funds .....	-46,635	-47,200	-47,200
14.00	Non-Federal sources .....	-2,215		
17.00	Recovery of prior year obligations .....	-288,975		
21.98	Unobligated balance available, start of year: Fund balance .....	-754,335	-737,174	-441,174
24.98	Unobligated balance available, end of year: Fund balance .....	737,174	441,174	399,074
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	306,137	296,000	42,100
72.10	Receivables in excess of obligations, start of year .....	-411,350	-411,095	-115,095
74.10	Receivables in excess of obligations, end of year .....	411,095	115,095	72,995
78.00	Adjustments in unexpired accounts .....	-288,975		
90.00	Outlays .....	16,906		

The Army conventional ammunition working capital fund was established to simplify the accounting system for procurement of conventional ammunition. It is used to procure ammunition for all the Services and other customers. It will provide for payment of load, assemble and pack (LAP) operations, component purchases for metal parts and explosive materials, quality assurance and rework effort.

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

Identification code	1987 actual	1988 est.	1989 est.	
25.0	Other services: Other .....	326,032	158,900	120,775
26.0	Supplies and materials .....	3,368,711	3,557,100	2,786,225
99.9	<b>Total obligations</b> .....	3,694,743	3,716,000	2,907,000

**TRUST FUNDS**

**DEPARTMENT OF THE ARMY TRUST FUNDS**

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

Identification code	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
10.00	Department of the Army general gift fund—Total obligations (object class 41.0) .....	323	117	127
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-349	-807	-799
U.S. Securities:				
21.40	Par value .....	-439	-2,011	-2,022
21.40	Unrealized discounts .....	-12	-7	-7
Unobligated balance available, end of year:				
24.40	Treasury balance .....	807	799	811
U.S. Securities:				
24.40	Par value .....	2,011	2,022	1,993
24.40	Unrealized discounts .....	7	7	7
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>2,347</b>	<b>120</b>	<b>110</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	323	117	127
72.40	Obligated balance, start of year .....	14	236	253
74.40	Obligated balance, end of year .....	-236	-253	-280
90.00	Outlays .....	101	100	100

This fund includes gifts and bequests limited to specific purposes by the donor such as the Evangeline G. Bovard, Cormack medal fund, Quartermaster Foundation, Inc., and the Henry C. McLean bequest. In addition, it accounts for gifts and bequests, not limited to specific use by the donor, which may be used for purposes as determined by the Secretary of the Army.

**DEPARTMENT OF THE NAVY TRUST FUNDS**

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

Identification code	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
02.12	Naval Academy general gift fund .....	475	410	410
02.13	Naval Academy Museum fund .....	189	190	190
02.14	Department of the Navy general gift fund .....	370	298	302
02.15	Ships' stores profits, Navy .....	23,670	22,900	23,000
02.16	Office of Naval Records and History fund .....	46	50	50
10.00	<b>Total obligations</b> .....	<b>24,750</b>	<b>23,848</b>	<b>23,952</b>
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-4,043	-8,390	-8,422
U.S. Securities:				
21.40	Par value .....	-5,321	-5,812	-5,825
21.40	Unrealized discounts .....		-4	-1
Unobligated balance available, end of year:				
24.40	Treasury balance .....	8,390	8,422	8,380
U.S. Securities:				
24.40	Par value .....	5,812	5,825	5,925
24.40	Unrealized discounts .....	4	1	1
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>29,592</b>	<b>23,890</b>	<b>24,010</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	24,750	23,848	23,952
72.40	Obligated balance, start of year .....	87	180	228
74.40	Obligated balance, end of year .....	-180	-228	-280
90.00	Outlays .....	24,657	23,800	23,900
Distribution of budget authority by account:				
	Naval Academy general gift fund .....	888	372	384
	Naval Academy Museum fund .....	190	190	190

DEPARTMENT OF THE NAVY TRUST FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 17-9972-0-7-051	1987 actual	1988 est.	1989 est.
Department of the Navy general gift fund .....	277	370	378
Ships' stores profits, Navy .....	28,203	22,900	23,000
Office of Naval Records and History fund .....	34	58	58
Distribution of outlays by account:			
Naval Academy general gift fund .....	499	400	400
Naval Academy Museum fund .....	194	190	190
Department of the Navy general gift fund .....	222	280	280
Ships' stores profits, Navy .....	23,670	22,900	23,000
Office of Naval Records and History fund .....	72	30	30

**Gift funds.**—These activities consist primarily of contributions from individuals subject to conditions specified by the donor for the benefit of the Naval Academy, the Naval Academy Museum, and other institutions of the Navy.

**Ships' stores profits, Navy.**—Profits earned in the operation of ships' stores are expended at the discretion of the Secretary of the Navy for the amusement, comfort, contentment, and welfare of officers and enlisted personnel on ships or outside the United States.

**Office of Naval Records and History fund.**—This fund represents gifts of money for the benefit of the Office of Naval Records and History, Navy Department, and royalties received from sale of histories of U.S. Naval Operations.

Object Classification (in thousands of dollars)

Identification code 17-9972-0-7-051	1987 actual	1988 est.	1989 est.
24.0 Printing and reproduction .....	67	67	67
25.0 Other services: Other .....	282	255	255
26.0 Supplies and materials .....	351	305	309
31.0 Equipment .....	1,776	1,827	1,889
41.0 Grants, subsidies, and contributions .....	22,274	21,394	21,432
99.9 Total obligations .....	24,750	23,848	23,952

DEPARTMENT OF THE AIR FORCE GENERAL GIFT FUND

Program and Financing (in thousands of dollars)

Identification code 57-8928-0-7-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Air Force Academy—total obligations (object class 31.0) .....	177	75	100
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance .....			—15
U.S. Securities:			
21.40 Purchase price .....	—603	—644	—644
21.40 Unrealized discounts .....	—109	—28	—28
Unobligated balance available, end of year:			
24.40 Treasury balance .....		15	
U.S. Securities:			
24.40 Par value .....	644	644	639
24.40 Unrealized discounts .....	28	28	28
60.00 Budget authority (appropriation) (permanent, indefinite) .....	137	90	80
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	177	75	100
Obligated balance, start of year:			
72.40 Treasury balance .....	1,172		
72.40 U.S. securities (par) .....	2,204	319	194
Obligated balance, end of year:			
74.40 Treasury balance .....			—100

74.40 U.S. securities (par) .....	—319	—194	—94
90.00 Outlays .....	3,234	200	100

This fund is for gifts or bequests to the Air Force, some of which are limited to use for specific purposes by the donors.

SURCHARGE COLLECTIONS, SALES OF COMMISSARY STORES, ARMY

Program and Financing (in thousands of dollars)

Identification code 21-8420-0-8-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Operation of commissary stores—Total obligations .....	117,304	90,495	87,572
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	—513		
14.00 Non-Federal sources .....	—84,735	—86,755	—89,572
17.00 Recovery of prior year obligations .....	—9,505		
21.98 Unobligated balance available, start of year: Fund balance .....	—38,260	—15,710	—11,970
24.98 Unobligated balance available, end of year: Fund balance .....	15,710	11,970	13,970
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	32,056	3,740	—2,000
72.98 Obligated balance, start of year: Fund balance .....	122,522	144,252	145,892
74.98 Obligated balance, end of year: Fund balance .....	—144,252	—145,892	—141,792
78.00 Adjustments in unexpired accounts .....	—9,505		
90.00 Outlays .....	821	2,100	2,100

This fund was established to reimburse certain appropriations for payments made on behalf of commissary stores of the Department of the Army for operating equipment and supplies, such as utilities, laundry services, and inventory losses, in accordance with the annual Department of Defense Appropriation Act. Surcharge funds are also utilized for both minor and major construction of commissaries.

Object Classification (in thousands of dollars)

Identification code 21-8420-0-8-051	1987 actual	1988 est.	1989 est.
22.0 Transportation of things .....	12	30	35
23.3 Communications, utilities, and miscellaneous charges .....	10,517	10,900	11,100
25.0 Other services: Other .....	79,697	56,165	53,137
26.0 Supplies and materials .....	17,390	15,400	15,600
31.0 Equipment .....	9,688	8,000	7,700
99.9 Total obligations .....	117,304	90,495	87,572

DEPARTMENT OF THE NAVY TRUST REVOLVING FUNDS

Program and Financing (in thousands of dollars)

Identification code 17-9981-0-8-051	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
02.22 Midshipmen's store, U.S. Naval Academy .....	21,776	22,000	22,500
02.23 Surcharge collections, sales of commissary stores, Navy ..	48,702	49,400	52,800
02.24 Surcharge collections, sales of commissary stores, Marine Corps .....	8,491	9,900	13,200
10.00 Total obligations .....	78,969	81,300	88,500
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	—10,014		
14.00 Non-Federal sources .....	—76,527	—78,189	—81,303
21.98 Unobligated balance available, start of year: Fund balance .....	—20,179	—27,751	—24,640

24.98	Unobligated balance available, end of year: Fund balance.	27,751	24,640	17,443
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-7,572	3,111	7,197
72.98	Obligated balance, start of year: Fund balance	33,825	46,168	42,279
74.98	Obligated balance, end of year: Fund balance	-46,168	-42,279	-45,976
90.00	Outlays	-19,915	7,000	3,500
Distribution of outlays by account:				
	Midshipmen's store, U.S. Naval Academy	-178		
	Surcharge collections, sales of commissary stores, Navy	-15,917	5,000	2,500
	Surcharge collections, sales of commissary stores, Marine Corps	-3,820	2,000	1,000

The midshipmen's store is operated to: (1) Procure clothing and other necessary supplies for the midshipmen, (2) provide barber, cobbler, and tailor shop facilities for the midshipmen, and (3) operate the dairy farm at the Naval Academy. Funds collected from the above-mentioned operations are deposited in the Treasury and are available for operating expenses of such activities and any other expenditures as the Superintendent of the Naval Academy considers necessary for the interest of the health, comfort, and education of the midshipmen.

Surcharge collections, sales of commissary stores, Navy and Marine Corps.—These funds finance procurement of operating supplies, utility expenses, inventory losses, equipment, and facility construction and renovation.

Object Classification (in thousands of dollars)

Identification code 17-9981-0-8-051	1987 actual	1988 est.	1989 est.	
22.0	Transportation of things	813	900	1,003
23.2	Rental payments to others	148	122	126
23.3	Communications, utilities, and miscellaneous charges	10,336	11,100	11,500
25.0	Other services: Other	17,505	15,756	16,174
26.0	Supplies and materials	19,854	22,645	28,385
31.0	Equipment	9,412	10,266	8,480
32.0	Land and structures	20,070	19,828	22,134
33.0	Investments and loans	616	508	523
41.0	Grants, subsidies, and contributions	215	175	175
99.9	Total obligations	78,969	81,300	88,500

Obligated balance, end of year:				
74.49	Contract authority	-31,454	-25,654	-18,754
74.98	Fund balance	-26,086	-16,950	-7,819
90.00	Outlays	16,929	9,300	9,300
Distribution of outlays by account:				
	Surcharge collections, sales of commissary stores, Air Force	21,363	10,000	10,000
	Air Force cadet fund	-4,434	-700	-700

Surcharge collections, sales of commissary stores.—This fund was established to reimburse appropriations for payments made on behalf of commissary stores of the Department of the Air Force for operating equipment and supplies such as utilities, laundry services, and inventory losses, in accordance with the annual Department of Defense Appropriation Act. Surcharge funds are also utilized for both minor and major construction of commissaries.

Air Force cadet fund.—The cadet fund is maintained at the U.S. Air Force Academy, Colorado Springs, Colo. Cadet pay is deposited directly into the account and disbursements are made from it for cadet credit charges for uniforms and other clothing, cash payments to cadets, transportation, and sundry other items of personal maintenance.

STATUS OF UNFUNDED CONTRACT AUTHORITY

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year	60,212	31,454	25,654
Balance of contract authority withdrawn	-28,758	-5,800	6,900
Unfunded balance, end of year	31,454	25,654	18,754

Object Classification (in thousands of dollars)

Identification code 57-9982-0-8-051	1987 actual	1988 est.	1989 est.	
22.0	Transportation of things	18	18	18
23.3	Communications, utilities, and miscellaneous charges	8,777	16,220	16,220
25.0	Other services: Other	22,923	15,095	22,752
26.0	Supplies and materials	13,166	21,867	15,110
31.0	Equipment	7,021	10,700	17,500
32.0	Land and structures	35,862	46,500	40,000
44.0	Refunds	36,742	37,844	38,979
99.9	Total obligations	124,509	148,244	150,579

DEPARTMENT OF THE AIR FORCE TRUST REVOLVING FUNDS

Program and Financing (in thousands of dollars)

Identification code 57-9982-0-8-051	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
02.25	Surcharge collections, sales of commissary stores, Air Force	87,767	110,400	111,600
02.26	Air Force cadet fund	36,742	37,844	38,979
10.00	Total obligations	124,509	148,244	150,579
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-162,291	-153,880	-157,310
21.98	Unobligated balance available, start of year: Fund balance	-4,463	-13,488	-13,324
24.98	Unobligated balance available, end of year: Fund balance	13,488	13,324	13,155
32.49	Balance of contract authority withdrawn	28,758	5,800	6,900
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-37,782	-5,636	-6,731
Obligated balance, start of year:				
72.49	Contract authority	60,212	31,454	25,654
72.98	Fund balance	52,040	26,086	16,950

GENERAL PROVISIONS

SEC. 8001. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. [8002] 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. [8003] 8002. During the current fiscal year, the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force, respectively, if they should deem it advantageous to the national defense, and if in their opinions the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 3109 of title 5, United States Code, under regulations prescribed by the Secretary of Defense, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty stations and

return as may be authorized by law: *Provided*, That such contracts may be renewed annually.

SEC. [8004] 8003. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense.

SEC. [8005] 8004. The Secretary of Defense and each purchasing and contracting agency of the Department of Defense shall assist American small and minority-owned business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this Act by increasing, to an optimum level, the resources and number of personnel jointly assigned to promoting both small and minority business involvement in purchases financed with funds appropriated herein, and by making available or causing to be made available to such businesses, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this Act, and by assisting small and minority business concerns to participate equitably as subcontractors on contracts financed with funds appropriated herein, and by otherwise advocating and providing small and minority business opportunities to participate in the furnishing of commodities and services financed with funds appropriated by this Act.

SEC. [8006] 8005. 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. [8007] 8006. No part of the appropriations in this Act shall be available for any expense of operating aircraft under the jurisdiction of the armed forces for the purpose of proficiency flying, as defined in Department of Defense Directive 1340.4, except in accordance with regulations prescribed by the Secretary of Defense. Such regulations (1) may not require such flying except that required to maintain proficiency in anticipation of a member's assignment to combat operations and (2) such flying may not be permitted in cases of members who have been assigned to a course of instruction of ninety days or more.

SEC. [8008] 8007. No part of any appropriation contained in this Act shall be available for expense of transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects in any one shipment having a net weight in excess of eighteen thousand pounds.

SEC. [8009] 8008. No more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of civilian components or summer camp training of the Reserve Officers' Training Corps, or the National Board for the Promotion of Rifle Practice, Army, or to the appropriations provided in this Act for Claims, Defense.

SEC. [8010] 8009. During the current fiscal year, the agencies of the Department of Defense may accept the use of real property from foreign countries for the United States in accordance with mutual defense agreements or occupational arrangements and may accept services furnished by foreign countries as reciprocal international courtesies or as services customarily made available without charge; and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor.

In addition to the foregoing, agencies of the Department of Defense may accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and such agencies may use the same for the support of the United States forces in such areas, without specific appropriations therefor: *Provided*, [That except as provided in 10 U.S.C. 2690, the foregoing authority shall not be available for the conversion of heating plants from coal to oil or coal to natural gas at defense facilities in Europe: *Provided further*,] That within thirty days after the end of each quarter the Secretary of Defense shall render to Congress and to the Office of Management and Budget a full report of such property, supplies, and commodities received during such quarter.

SEC. [8011] 8010. No part of any appropriation contained in this Act, except for small purchases in amounts not exceeding [[\$10,000] \$25,000], shall be available for the procurement of any article or item of food, clothing, [tents, tarpaulins, covers,] cotton [and other natural fiber products], woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric,

[canvas products,] or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles), [or any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials,] or specialty metals including stainless steel flatware, or hand or measuring tools, not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that satisfactory quality and sufficient quantity of any articles [or items] of food [], individual equipment, tents, tarpaulins, covers,] or clothing or any form of cotton [or other natural fiber products], woven silk and woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, [canvas products,] wool, or specialty metals including stainless steel flatware, grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters, and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States or its possessions when such procurement is necessary to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements or where such procurement is necessary in furtherance of the standardization and interoperability of equipment requirements within NATO so long as such agreements with foreign governments comply, where applicable, with the requirements of section 36 of the Arms Export Control Act and with section 2457 of title 10, United States Code: *Provided further*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions: *Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations: *Provided further*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

SEC. [8012] 8011. During the current fiscal year, appropriations available to the Department of Defense for pay of civilian employees shall be available for uniforms, or allowances therefor, as authorized by section 5901 of title 5, United States Code.

SEC. [8013] 8012. Funds provided in this Act for legislative liaison activities of the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense shall not exceed [[\$14,362,000] 15,800,000] for the current fiscal year: *Provided*, That this amount shall be available for apportionment to the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense as determined by the Secretary of Defense: *Provided further*, That costs for military retired pay accrual shall be included within this limitation.

SEC. [8014] 8013. Of the funds made available by this Act for the services of the Military Airlift Command, \$100,000,000 shall be available only for procurement of commercial transportation service from carriers participating in the civil reserve air fleet program; and the Secretary of Defense shall utilize the services of such carriers which qualify as small businesses to the fullest extent found practicable: *Provided*, That the Secretary of Defense shall specify in such procurement, performance characteristics for aircraft to be used based upon modern aircraft operated by the civil reserve air fleet.

(TRANSFER OF FUNDS)

SEC. [8015] 8014. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed [[\$1,500,000,000] \$3,000,000,000] during the current fiscal year of working capital funds of the Department of Defense or funds [made] available [in this Act] to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for



which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

## (TRANSFER OF FUNDS)

Sec. [8016] 8015. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that transfers between a stock fund account and an industrial fund account may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

[Sec. 8017. Except as provided in 10 U.S.C. 2690, none of the funds available to the Department of Defense shall be utilized for the conversion of heating plants from coal to oil or coal to natural gas at defense facilities in Europe.]

[Sec. 8018. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 days in advance to the Committees on Appropriations and Armed Services of the Senate and House of Representatives.]

Sec. [8019] 8016. No part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

Sec. [8020] 8017. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services under the provisions for section 1079(a) of title 10, United States Code, shall be available for reimbursement of any physician or other authorized individual provider of medical care in excess of the eightieth percentile of the customary charges made for similar services in the same locality where the medical care was furnished, as determined for physicians in accordance with section 1079(h) of title 10, United States Code.

Sec. [8021] 8018. No appropriation contained in this Act may be used to pay for the cost of public affairs activities of the Department of Defense in excess of [\$46,951,000] \$51,600,000: *Provided*, That costs for military retired pay accrual shall be included within this limitation.

Sec. [8022] 8019. None of the funds provided in this Act shall be available for the planning or execution of programs which utilize amounts credited to Department of Defense appropriations or funds pursuant to the provisions of section 37(a) of the Arms Export Control Act representing payment for the actual value of defense articles specified in section 21(a)(1)(A) of that Act: *Provided*, That such amounts shall be credited to the Special Defense Acquisition Fund, as authorized by law, or, to the extent not so credited shall be deposited in the Treasury as miscellaneous receipts as provided in section 3302(b) of title 31, United States Code.

Sec. [8023] 8020. No appropriation contained in this Act shall be available to fund any costs of a Senior Reserve Officers' Training Corps unit—except to complete training of personnel enrolled in Military Science 4—which in its junior year class (Military Science 3) has for the four preceding academic years, and as of September 30, 1983, enrolled less than (a) seventeen students where the institution prescribes a four-year or a combination four- and two-year program; or (b) twelve students where the institution prescribes a two-year program: *Provided*, That, notwithstanding the foregoing limitation, funds shall be available to maintain one Senior Reserve Officers' Training Corps unit in each State and at each State-operated maritime academy: *Provided further*, That units under the consortium system shall be considered as a single unit for purposes of evaluation of productivity under this provision: *Provided further*, That enrollment standards contained in Department of Defense Directive 1215.8 for Senior Reserve Officers' Training Corps units, as revised during fiscal year 1981, may be used to determine compliance with this provision, in lieu of the standards cited above.

Sec. [8024] 8021. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, [1989] 1990.

Sec. [8025] 8022. None of the funds appropriated by this Act may be used to support more than 9,901 full-time and 2,603 part-time military personnel assigned to or used in the support of Morale, Welfare, and Recreation activities as described in Department of Defense Instruction 7000.12 and its enclosures, dated September 4, 1980.

Sec. [8026] 8023. All obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

Sec. [8027] 8024. None of the funds appropriated by this Act or heretofore appropriated by any other Act shall be obligated or expended for the payment of anticipatory possession compensation claims to the Federal Republic of Germany other than claims listed in the 1973 agreement (commonly referred to as the Global Agreement) between the United States and the Federal Republic of Germany.

Sec. [8028] 8025. During the current fiscal year, the Department of Defense may enter into contracts to recover indebtedness to the United States pursuant to section 3718 of title 31, United States Code.

Sec. [8029] 8026. None of the funds appropriated by this Act shall be available for a contract for studies, analyses, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines:

(a) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work, or

(b) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(c) where the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

*Provided*, That this limitation shall not apply to contracts in an amount of less than \$25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

Sec. [8030] 8027. None of the funds appropriated by this Act shall be available to provide medical care in the United States on an inpatient basis to foreign military and diplomatic personnel or their dependents unless the Department of Defense is reimbursed for the costs of providing such care: *Provided*, That reimbursements for medical care covered by this section shall be credited to the appropriations against which charges have been made for providing such care, except that inpatient medical care may be provided in the United States without cost to military personnel and their dependents from a foreign country if comparable care is made available to a comparable number of United States military personnel in that foreign country.

Sec. [8031] 8028. None of the funds appropriated by this Act shall be obligated for the second career training program authorized by Public Law 96-347.

Sec. [8032] 8029. None of the funds appropriated or otherwise made available in this Act shall be obligated or expended for salaries or expenses during the current fiscal year for the purposes of demilitarization of surplus nonautomatic firearms less than .50 caliber.

[Sec. 8033. None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of \$20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year, unless the Committees on Appropriations and Armed Services of the Senate and House of Representatives have been notified at least thirty days in advance of the proposed contract award: *Provided*, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: *Provided further*, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement

contracts for any systems or component thereof if the value of the multiyear contract would exceed \$500,000,000 unless specifically provided in this Act: *Provided further*, That no multiyear procurement contract can be terminated without 10-day prior notification to the Committees on Appropriations and Armed Services of the House of Representatives and the Senate: *Provided further*, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement. Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:

HEMTT (for two years);

High mobility multipurpose wheeled vehicle;

HAWK missile system;

TOW II missile system: *Provided*, That a multiyear procurement contract shall not be awarded for TOW II until the Secretary of Defense has certified to the Congress that a multiyear procurement will be more economical than a second source acquisition.]

SEC. [8034] 8030. None of the funds appropriated by this Act which are available for payment of travel allowances for per diem in lieu of subsistence to enlisted personnel shall be used to pay such an allowance to any enlisted member in an amount that is more than the amount of per diem in lieu of subsistence that the enlisted member is otherwise entitled to receive minus the basic allowance for subsistence, or pro rata portion of such allowance, that the enlisted member is entitled to receive during any day, or portion of a day, that the enlisted member is also entitled to be paid a per diem in lieu of subsistence.

SEC. [8035] 8031. None of the funds appropriated by this Act shall be available to approve a request for waiver of the costs otherwise required to be recovered under the provisions of section 21(e)(1)(C) of the Arms Export Control Act unless the Committees on Appropriations have been notified in advance of the proposed waiver.

SEC. [8036] 8032. None of the funds in this Act may be used to transfer any article of military equipment or data related to the manufacture of such equipment to a foreign country prior to the approval in writing of such transfer by the Secretary of the military service involved.

(TRANSFER OF FUNDS)

SEC. [8037] 8033. None of the funds appropriated in this Act may be made available through transfer, reprogramming, or other means between the Central Intelligence Agency and the Department of Defense for any intelligence or special activity different from that previously justified to the Congress unless the Director of Central Intelligence or the Secretary of Defense has notified the House and Senate Appropriations Committees of the intent to make such funds available for such activity.

[SEC. 8038. None of the funds available to the Department of Defense during the current fiscal year shall be used by the Secretary of a military department to purchase coal or coke from foreign nations for use at United States defense facilities in Europe when coal from the United States is available.]

[SEC. 8039. None of the funds appropriated by this Act may be used to appoint or compensate more than 39 individuals in the Department of Defense in positions in the Executive Schedule (as provided in sections 5312-5316 of title 5, United States Code).]

SEC. [8040] 8034. Notwithstanding section 213(b) of the Joint Chiefs of Staff Reorganization Act of 1985 or any other provision of law, none of the funds in this or any other Act may be used to alter the command structure for military forces in Alaska.

SEC. [8041] 8035. None of the funds appropriated by this Act shall be available to convert a position in support of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard occupied by, or programmed to be occupied by, a (civilian) military technician to a position to be held by a person in an active Guard or Reserve status if that conversion would reduce the total number of positions occupied by, or programmed to be occupied by, (civilian) military technicians of the component concerned, below 69,935: *Provided*, That none of the funds appropriated by this Act shall be available to support more than 46,890 positions in support of the Army Reserve, Army National Guard or Air National Guard occupied by, or programmed to be occupied by, persons in an active Guard or Reserve status: *Provided further*, That none of the funds appropriated by this Act may be used to include (civilian) military technicians in computing civilian personnel ceilings, including statutory or administratively imposed ceilings, on activities in support of the Army Re-

serve, Air Force Reserve, Army National Guard or Air National Guard.

[SEC. 8042. No later than April 8, 1988, and not later than April 8 of each year thereafter, the Secretary of Defense, in consultation with the Secretary of Commerce, shall submit to the Committees on Appropriations of the Senate and House of Representatives, a report detailing: (a) the full cost of stationing United States troops overseas, including costs incurred in the United States and overseas in connection with such stationing, (b) the overseas costs incurred in connection with operating, maintaining, and supporting United States troops overseas, including direct and indirect expenditures of United States funds in connection with such stationing, and (c) the effect of such overseas expenditures on the United States' balance-of-payments.]

[SEC. 8043. (a) The provisions of section 115(b)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1988 or with respect to the appropriation of funds for that year.]

[ (b) During fiscal year 1988, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.]

[SEC. 8044. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department to exceed, outside the fifty States of the United States and the District of Columbia, 188,496 civilian workyears: *Provided*, That workyears shall be applied as defined in the Federal Personnel Manual Supplement 298-2, Book IV: *Provided further*, That workyears expended in dependent summer hiring programs or hiring programs for disadvantaged youth shall not be included in this workyear limitation.]

(TRANSFER OF FUNDS)

SEC. [8045] 8036. Appropriations during the current fiscal year may be transferred to appropriations provided in this Act for research, development, test, and evaluation to the extent necessary to meet increased pay costs authorized by or pursuant to law, to be merged with and to be available for the same purposes, and the same time period, as the appropriation to which transferred.

[SEC. 8046. Notwithstanding any other provision of law, each contract awarded by the Department of Defense in fiscal year 1988 for construction or services performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: *Provided*, That the Secretary of Defense may waive the requirements of this section in the interest of national security.]

[SEC. 8047. None of the funds appropriated by this or any other Act for fiscal year 1988 shall be available to pay the variable housing allowance authorized members of the uniformed services under section 403a of title 37, United States Code, in a total amount in excess of \$1,115,261,000 or the amount computed for the current fiscal year under section 403a(d) of such title, whichever is less: *Provided*, That any reduction in the rates of the variable housing allowance necessitated by the foregoing limitation shall be made as provided in section 403a of title 37, United States Code.]

(RESCISSIONS)

[SEC. 8048. (a) The following funds are hereby rescinded from the following accounts in the specified amounts:

Aircraft procurement, Army, 1986/1988, \$32,000,000;  
Aircraft procurement, Army, 1987/1989, \$29,200,000;  
Missile procurement, Army, 1986/1988, \$25,100,000;  
Missile procurement, Army, 1987/1989, \$34,100,000;  
Procurement of weapons and tracked combat vehicles, Army, 1986/1988, \$41,700,000;  
Procurement of weapons and tracked combat vehicles, Army, 1987/1989, \$72,000,000;  
Procurement of ammunition, Army, 1987/1989, \$7,200,000;  
Other procurement, Army, 1986/1988, \$41,300,000;  
Other procurement, Army, 1987/1989, \$65,593,000;

Aircraft procurement, Navy, 1986/1988, \$156,400,000;  
 Aircraft procurement, Navy, 1987/1989, \$261,900,000;  
 Weapons procurement, Navy, 1986/1988, \$161,200,000;  
 Weapons procurement, Navy, 1987/1989, \$227,800,000;  
 Shipbuilding and conversion, Navy, 1984/1988, \$134,100,000;  
 Shipbuilding and conversion, Navy, 1985/1989, \$94,600,000;  
 Shipbuilding and conversion, Navy, 1986/1990, \$20,000,000;  
 Shipbuilding and conversion, Navy, 1987/1991, \$155,600,000;  
 Other procurement, Navy, 1986/1988, \$32,361,000;  
 Other procurement, Navy, 1987/1989, \$225,614,000;  
 Procurement, Marine Corps, 1986/1988, \$47,600,000;  
 Procurement, Marine Corps, 1987/1989, \$15,000,000;  
 Aircraft procurement, Air Force, 1986/1988, \$278,521,000;  
 Aircraft procurement, Air Force, 1987/1989, \$659,600,000;  
 Missile procurement, Air Force, 1985/1989, \$40,100,000;  
 Missile procurement, Air Force, 1986/1988, \$122,446,000;  
 Missile procurement, Air Force, 1987/1989, \$11,500,000;  
 Other procurement, Air Force, 1986/1988, \$58,200,000;  
 Procurement, Defense Agencies, 1986/1988, \$31,000,000;  
 Procurement, Defense Agencies, 1987/1989, \$75,000,000;  
 National Guard and Reserve Equipment, 1986/1988,  
 \$17,900,000;  
 Research, development, test, and evaluation, Army, 1987/1988,  
 \$14,000,000;  
 Research, development, test, and evaluation, Navy, 1987/1988,  
 \$67,495,000;  
 Research, development, test, and evaluation, Air Force, 1987/  
 1988, \$266,000,000;  
 Research, development, test, and evaluation, Defense Agencies,  
 1987/1988, \$8,900,000;

(b) Section 1305 of Public Law 99-661 is amended in subsection (b) by striking "that are enacted before December 31, 1986" and inserting in lieu thereof "and/or fiscal year 1988".

【(TRANSFER OF FUNDS)】

【Sec. 8049. In addition to any other transfer authority contained in this Act, amounts from working capital funds may be transferred to the Operation and Maintenance appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided*, That such transfers shall not exceed \$451,036,000 for Operation and Maintenance, Army; \$813,400,000 for Operation and Maintenance, Navy; \$14,738,000 for Operation and Maintenance, Marine Corps; and \$888,881,000 for Operation and Maintenance, Air Force.】

Sec. 【8050】 8037. None of the funds made available by this Act shall be used in any way for the leasing to non-Federal agencies in the United States aircraft or vehicles owned or operated by the Department of Defense when suitable aircraft or vehicles are commercially available in the private sector: *Provided*, That nothing in this section shall affect authorized and established procedures for the sale of surplus aircraft or vehicles: *Provided further*, That nothing in this section shall prohibit the leasing of helicopters authorized by section 1463 of the Department of Defense Authorization Act of 1986.

Sec. 【8051】 8038. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

【Sec. 8052. No funds available to the Department of Defense during the current fiscal year may be used to enter into any contract with a term of eighteen months or more or to extend or renew any contract for a term of eighteen months or more, for any vessel, aircraft or vehicles, through a lease, charter, or similar agreement without previously having been submitted to the Committees on Appropriations of the House of Representatives and the Senate in the budgetary process: *Provided*, That any contractual agreement which imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) on the Government exceeding 50 per centum of the original purchase value of the vessel, aircraft, or vehicle must have specific authority in an appropriation Act for the obligation of 10 per centum of such termination liability.】

Sec. 【8053】 8039. None of the funds made available by this Act shall be available to operate in excess of 247 commissaries in the contiguous United States.

Sec. 【8054】 8040. None of the funds provided in this Act shall be used to procure aircraft ejection seats manufactured in any foreign nation that does not permit United States manufacturers to compete for ejection seat procurement requirements in that foreign nation.

This limitation shall apply only to ejection seats procured for installation on aircraft produced or assembled in the United States.

Sec. 【8055】 8041. None of the funds appropriated by this Act shall be obligated for the pay of any individual who is initially employed after the date of enactment of this Act as a technician in the administration and training of the Army Reserve and the maintenance and repair of supplies issued to the Army Reserve unless such individual is also a military member of the Army Reserve troop program unit that he or she is employed to support. Those technicians employed by the Army Reserve in areas other than Army Reserve troop program units need only be members of the Selected Reserve.

Sec. 【8056】 8042. None of the funds appropriated by this Act shall be used to purchase dogs or cats or otherwise fund the use of dogs or cats for the purpose of training Department of Defense students or other personnel in surgical or other medical treatment of wounds produced by any type of weapon: *Provided*, That the standards of such training with respect to the treatment of animals shall adhere to the Federal Animal Welfare Law and to those prevailing in the civilian medical community.

Sec. 【8057】 8043. None of the funds made available by this Act shall be used to initiate full-scale engineering development of any major defense acquisition program until the Secretary of Defense has provided to the Committees on Appropriations of the House and Senate—

(a) a certification that the system or subsystem being developed will be procured in quantities that are not sufficient to warrant development of two or more production sources, or

(b) a plan for the development of two or more sources for the production of the system or subsystem being developed.

Sec. 8058. None of the funds available to the Department of Defense may be used for the floating storage of petroleum or petroleum products except in vessels of or belonging to the United States.

【Sec. 8059. No more than \$182,402,000 of the funds appropriated by this Act shall be available for the payment of unemployment compensation benefits.】

【Sec. 8060. Of the funds made available to the Department of the Air Force in this Act, not less than \$11,600,000 shall be available for the Civil Air Patrol.】

Sec. 【8061】 8044. Funds available to the Department of Defense may be used by the Department of Defense for the use of helicopters and motorized equipment at Defense installations for removal of feral burros and horses.

【Sec. 8062. (a) None of the funds appropriated by this Act shall be available to compensate foreign selling costs as described in Federal Acquisition Regulation 31.205-38(b) as in effect on April 1, 1984.

(b) Notwithstanding section 2324(e)(1)(H) of title 10, United States Code, and subsection (a) of this section, appropriations contained in this Act shall be available for, and the Secretary of Defense shall pay, reasonable costs under covered contracts incurred to promote American aerospace exports at domestic and international exhibits.】

Sec. 【8063】 8045. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 403(a) of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 403(b) of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239.

Sec. 【8064】 8046. Notwithstanding any other provision of law, the Secretaries of the Army and Air Force may authorize the retention in an active status until age sixty of any officer who would otherwise be removed from an active status and who is employed as a National Guard or Reserve technician in a position in which active status in a reserve component of the Army or Air Force is required as a condition of that employment.

Sec. 【8065】 8047. It is the sense of the Congress that competition, which is necessary to enhance innovation, effectiveness, and efficiency, and which has served our Nation so well in other spheres of political and economic endeavor, should be expanded and increased in the provision of our national defense.

SEC. [8066] 8048. None of the funds appropriated by this Act shall be available to pay a dislocation allowance pursuant to section 407 of title 37, United States Code, in excess of one month's basic allowance for quarters.

SEC. [8067]. None of the funds available to the Department of Defense shall be obligated or expended to contract out any activity currently performed by the Defense Personnel Support Center in Philadelphia, Pennsylvania: *Provided*, That this provision shall not apply after notification to the Committees on Appropriations of the House of Representatives and the Senate of the results of the cost analysis of contracting out any such activity.]

SEC. [8068] 8049. Funds available for operation and maintenance under this Act, may be used in connection with demonstration projects and other activities authorized by section 1092 of title 10, United States Code.

[SEC. 8069. None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 1415(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act, receives an enlistment bonus under section 308a or 308f of title 37, United States Code; nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Administrator of Veterans' Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Administrator pay such benefits to any such member.]

[SEC. 8070. None of the funds appropriated by this or any other Act for the Navy may be used to carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator for Ships (EMPRESS) program unless or until the Secretary of Defense certifies to the Congress that conduct of the EMPRESS program is essential to the national security of the United States and to achieving requisite military capability for United States naval vessels, and that the economic, environmental, and social costs to the United States of conducting the EMPRESS program in the Chesapeake Bay area are far less than the economic, environmental, and social costs caused by conducting the EMPRESS program elsewhere.]

SEC. [8071] 8050. Notwithstanding any other provision of law, during fiscal year [1988] 1989, the Department of Defense shall conduct an expanded pilot project of providing home health care as part of an individualized case-managed range of benefits that may reasonably deviate from otherwise payable types, amounts and levels of care, in up to four geographic areas containing no more than one-fourth of the Department's beneficiaries, for dependents entitled to health care under sections 1079 and 1086 of title 10, United States Code, with the patients selected from those with exceptionally serious, long-range, costly and incapacitating physical or mental conditions defined by the Secretary of Defense as likely to benefit from the range of demonstration benefits: *Provided*, That although the cost may be greater in a specific case, the net benefit cost to the Department of Defense shall not exceed that which could reasonably have been expected to occur in the absence of the demonstration: *Provided further*, That outside of the areas selected, the home health care pilot project as directed and implemented in fiscal years 1986 and 1987 shall be continued.

SEC. [8072] 8051. Funds appropriated in this Act shall be available for the payment of not more than 75 percent of the charges of a postsecondary educational institution for the tuition or expenses of an officer in the Ready Reserve of the Army National Guard or Army Reserve for education or training during his off-duty periods, except that no part of the charges may be paid unless the officer agrees to remain a member of the Ready Reserve for at least four years after completion of such training or education.

SEC. [8073] 8052. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 percent of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.

[SEC. 8074. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organizational analysis is completed on such activity or function and certifica-

tion of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate.]

## (TRANSFER OF FUNDS)

SEC. [8075] 8053. Upon a determination by the Secretary of Defense that such action will result in a more economical acquisition of automatic data processing equipment, funds provided in this Act under one appropriation account for the lease or purchase of such equipment may be transferred through the Automatic Data Processing Equipment Management Fund to another appropriation account in this Act for the lease or purchase of automatic data processing equipment to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred: *Provided*, That within thirty days after the end of each quarter the Secretary of Defense shall report transfers made under this section to the Committees on Appropriations of the Senate and the House of Representatives: *Provided further*, That the authority to transfer funds under this section shall be in addition to any other transfer authority contained in this Act.

SEC. [8076] 8054. Appropriations available to the Department of Defense during the current fiscal year shall be available, under such regulations as the Secretary of Defense may deem appropriate, to exchange or furnish mapping, charting, and geodetic data, supplies or services to a foreign country pursuant to an agreement for the production or exchange of mapping, charting, and geodetic data.

[SEC. 8077. None of the funds appropriated in this Act to the Department of the Army may be obligated for procurement of 120mm mortars or 120mm mortar ammunition manufactured outside of the United States: *Provided*, That this limitation shall not apply to procurement of such mortars or ammunition required for testing, evaluation, type classification or equipping the Army's Ninth Infantry Division (Motorized).]

SEC. [8078] 8055. Appropriations made available to the Department of Defense by this Act may be used at sites formerly used by the Department of Defense for removal of unsafe buildings or debris of the Department of Defense: *Provided*, That such removal must be completed before the property is released from Federal Government control, other than property conveyed to State or local government entities or native corporations.

[SEC. 8079. Within the funds made available under title II of this Act, the military departments may use such funds as necessary, but not to exceed \$2,400,000, to carry out the provisions of section 430 of title 37, United States Code.]

[SEC. 8080. None of the funds appropriated in this Act may be obligated or expended to carry out a program to paint any naval vessel with paint known as organotin or with any other paint containing the chemical compound tributyltin until such time as the Environmental Protection Agency certifies to the Department of Defense that whatever toxicity as generated by organotin paints as included in Navy specifications does not pose an unacceptable hazard to the marine environment: *Provided*, That the Navy may use these funds to paint aluminum-hulled craft as necessary, and, in addition, the Navy may paint no more than fifteen steel-hulled ships to conduct research as described in the "Navy Organotin Program Plan for Two Case Study Harbors".]

[SEC. 8081. None of the funds appropriated by this Act shall be used for the support of any nonappropriated fund activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States, unless such malt beverages and wine are procured in that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: *Provided*, That in a case in which a military installation is located in more than one State, purchases may be made in any State in which the installation is located: *Provided further*, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages for military installations in States which are not contiguous with another State: *Provided further*, That alcoholic beverages other than wine and malt beverages in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.]

SEC. [8082] 8056. Notwithstanding any other provision of law, funds available in this Act shall be available to the Defense Logistics Agency to grant civilian employees participating in productivity-based incentive award programs paid administrative time off in lieu of cash payment as compensation for increased productivity.

SEC. [8083] 8057. None of the funds appropriated in this Act to the Department of the Army may be obligated for depot maintenance of equipment unless such funds provide for civilian personnel strengths at the Army depots performing communications-electronics depot maintenance at an amount above the strengths assigned to those depots on September 30, 1985: *Provided*, That the foregoing limitation shall not apply to civilian personnel who perform caretaker-type functions at these installations: *Provided further*, That nothing in this provision shall cause undue reductions of other Army depots, as determined by the Secretary of the Army.

【SEC. 8084. (a) The Secretary of Defense shall award to a United States firm a contract pursuant to a solicitation issued on or after the date of enactment of this Act under the Department of Defense overseas fuel procurement programs that would otherwise be awarded to a foreign firm if such United States firm—

- (1) has a crude oil refining capacity of not more than 85,000 barrels a day;
- (2) participates in the Department of Defense overseas fuel procurement program;
- (3) agrees to the contract on the terms proposed by the foreign firm to which the contract would otherwise be awarded; and
- (4) does not use processing agreements in order to fulfill the contract.】

【(b) This provision shall not apply if the total cost of supplies offered by the United States firm, including transportation as specified in the solicitation, would exceed the total evaluated cost to the government if the contract were awarded to the foreign firm.】

【(c) This provision shall not supersede any status of forces agreement and shall not apply to acquisitions subject to the Agreement on Government Procurement of 1979 and the Trade Agreements Act of 1979 (19 U.S.C. 2501-2582) and including acquisitions from countries designated under the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.).】

【(d) For purposes of this section, the term "United States firm" means a corporation, partnership, association, joint stock company, business trust, unincorporated organization, or sole proprietorship which has its principal place of business in the United States, or which is organized under the laws of a State of the United States or a territory, possession, or commonwealth of the United States.】

【SEC. 8085. (a) None of the funds made available by this Act to the Department of Defense may be used to procure the Federal Supply Classes of machine tools set forth in subsection (b) of this section, for use in any government-owned facility or property under control of the Department of Defense, which machine tools were not manufactured in the United States or Canada.】

【(b) The procurement restrictions contained in subsection (a) shall apply to Federal Supply Classes of metalworking machinery in categories numbered 3408, 3410-3419, 3426, 3433, 3441-3443, 3446, 3448, 3449, 3460, and 3461.】

【(c) When adequate domestic supplies of the classifications of machine tools identified in subsection (b) are not available to meet Department of Defense requirements on a timely basis, the procurement restrictions contained in subsection (a) may be waived on a case by case basis by the Secretary of the Service responsible for the procurement.】

【(d) Subsection (a) shall not apply to contracts which are binding as of the date of enactment of this Act.】

【SEC. 8086. None of the funds appropriated or made available by this Act may be obligated for acquisition of major automated information systems which have not successfully completed oversight reviews required by Defense Department regulations: *Provided*, That none of the funds appropriated or made available by this Act may be obligated on Composite Health Care System acquisition contracts if such contracts would cause the total life cycle cost estimate of \$1,100,000,000 expressed in fiscal year 1986 constant dollars to be exceeded.】

【SEC. 8087. Notwithstanding any other provision of law, appropriations available to the Department of Defense during the current fiscal year shall be available to make payments to a hospital that obtains 6 percent or more of its operating funds from contributions and that limits the care it provides to the treatment of heart and lung conditions: *Provided*, That payment may not be denied for a claim for otherwise reimbursable services submitted under a plan contracted for under sections 1079(a) and 1086(a) of title 10, United States Code, solely on the basis that such hospital does not impose a legal obligation, including a patient cost share or deductible, on its patients to pay for such services.】

【SEC. 8088. The Secretary of Defense shall take such action as necessary to assure that a minimum of 50 percent of the polyacrylonitrile (PAN) carbon fiber requirement be procured from domestic sources by 1992: *Provided*, That the annual goals to achieve this requirement be as follows: 15 percent of the total DOD requirement by 1988; 15 percent of the total DOD requirement by 1989; 20 percent of the total DOD requirement by 1990; 25 percent of the total DOD requirement by 1991; and 50 percent of the total DOD requirement by 1992.】

【SEC. 8089. (a) Section 9102 of the Department of Defense Appropriations Act, 1987 (as included in Public Laws 99-500 and 99-591) is repealed; (b) of the funds appropriated by this Act not more than \$1,190,923,000 may be obligated for morale, welfare, and recreation activities: *Provided*, That such funds may be spent in accordance with the criteria set forth in the Report of the Assistant Secretary of Defense (Force Management and Personnel) to the Congress entitled "Reassessment of the Department of Defense Morale, Welfare and Recreation Programs" dated August 10, 1987: *Provided further*, That nonappropriated funds may be used to reimburse appropriated funds for expenses of civilian employees employed on January 1, 1987, by revenue-generating recreation activities and such reimbursed expenses shall not be included in the dollar limitation of this section.】

【SEC. 8090. (a) The Secretary of the Navy (hereinafter in this section referred to as the "Secretary") is authorized to convey to the Philadelphia Municipal Authority, a State authority, (hereinafter in this section referred to as the "PMA"), all right, title, and interest of the United States in and to approximately 29 acres of land located in the United States Naval Base, Philadelphia, Pennsylvania, together with any improvements thereon.】

【(b) The exact acreage and legal description of the lands to be conveyed under this section shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the PMA.】

【(c) In consideration for any conveyance authorized under subsection (a), the PMA shall pay to the United States an amount equal to the fair market value of the property to be conveyed (as determined by the Secretary).】

【(d) The Secretary may require such additional terms and conditions with respect to the conveyance under this section as he considers appropriate to protect the interests of the United States.】

【(e) In addition to the authority provided in subsection (a) and pursuant to section 2394 of title 10, United States Code, the Secretary, upon his determination that there is an economic advantage to the Navy, is authorized to enter into a long-term contract with the PMA for the purchase of steam generated from a facility to be constructed upon the land authorized to be conveyed herein.】

【SEC. 8091. Notwithstanding any other provision of law, appropriations made available in this Act may be used for the procurement, product improvement and modification of the Copperhead projectile, without regard to whether or not a second production source program or contract has been established for this program if the Secretary of Defense determines that such expenditures are in the interest of the Government of the United States: *Provided*, That prior year unobligated balances of funds appropriated for Other Procurement, Navy for procurement of the five inch guided projectile (other than those required for production qualification efforts) shall be available for obligation only after the Secretary of the Navy certifies to the Committees on Appropriations of the House of Representatives and Senate that (1) procurement funding is included in the fiscal year 1989 Navy five-year budget, (2) it will be competitively procured, and (3) procurement will be on a firm fixed price contract with a procurement unit cost of not to exceed \$29,000 per round.】

SEC. [8092] 8058. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or provisions affecting appropriations or other funds, available during fiscal year [1988] 1989, limiting the amount which may be expended for personnel services, and including pay and allowances of military personnel and civilian employees, or for purposes involving personal services, or amounts which may be transferred between appropriations or authorizations available for or involving such services, are hereby increased to the extent necessary to meet increased pay costs authorized by or pursuant to law.

【SEC. 8093. None of the funds appropriated or made available by this or any other Act with respect to any fiscal year may be used by any Department, agency, or instrumentality of the United States to purchase electricity in a manner inconsistent with state law governing the provision of electric utility service, including state utility

commission rulings and electric utility franchises or service territories established pursuant to state statute, state regulation, or state-approved territorial agreements: *Provided*, That nothing in this section shall preclude the head of a Federal agency from entering into a contract pursuant to 42 U.S.C. 8287; nor shall it preclude the Secretary of a military department from entering into a contract pursuant to 10 U.S.C. 2394 or from purchasing electricity from any provider when the utility or utilities having applicable state-approved franchise or other service authorizations are found by the Secretary to be unwilling or unable to meet unusual standards for service reliability that are necessary for purposes of national defense.]

SEC. [8094] 8059. None of the funds provided by this Act may be used to pay the salaries of any person or persons who authorize the transfer of unobligated and deobligated appropriations into the Reserve for Contingencies of the Central Intelligence Agency.

SEC. [8095] 8060. Funds appropriated by this Act for construction projects of the Central Intelligence Agency, which are transferred to another Agency for execution, shall remain available until expended.

[SEC. 8096. The Secretary of Defense shall submit a quarterly report of cumulative reprogrammings from any project or program in excess of an initial \$10,000,000 in total for procurement and an initial \$4,000,000 in total for research and development. The initial report shall cover the quarter ending March 31, 1988, and include funds in this and prior appropriation Acts.]

[SEC. 8097. (a) The Secretary of Defense shall conduct through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) a demonstration project on the treatment of alcoholism designed to compare the use of chemical aversion therapy with the use of other treatments. At the conclusion of the demonstration project, the Secretary shall submit to the Committees on Appropriations and Armed Services of the Senate and House of Representatives a report on the results of the project: *Provided*, That the demonstration project shall be conducted at only one location: *Provided further*, That coverage for chemical aversion therapy under this demonstration project is extended to those beneficiaries referred for such treatment by a physician, psychiatrist or psychologist recognized as an authorized provider under CHAMPUS.]

[(b) Until the report required by subsection (a) is submitted, the Secretary of Defense shall ensure that coverage of beneficiaries under section 1079(a) or 1086(a) of title 10, United States Code, shall continue under the provisions of subsection (a).]

[SEC. 8098. Notwithstanding the provisions of section 2401, title 10, United States Code, or of any other provision of law which would limit lease or charter terms to less than five years, the Navy is authorized to enter into agreements to construct and charter up to six clean product tankers of adequate cargo capacity to replace the SEA-LIFT-class tankers now in service. Tankers constructed under the terms of this section must be constructed in a shipyard of the United States in accordance with section 10-(d), title 41, United States Code.]

SEC. [8099] 8061. The Secretary of the Army, as Executive Agent for the Department of Defense, may authorize activities on the part of the Armed Forces in celebration of the Bicentennial of the Constitution, and in support of Congressional Bicentennial activities. Such sums as are necessary to pay the expenses of these activities shall be made available from funds otherwise appropriated to the Department of Defense, except that such funds shall not be counted against the limitation on funds available for public affairs or legislative liaison activities of the Department of Defense.

[SEC. 8100. Upon a certification by the Chief, National Guard Bureau, to the Committees on Appropriations and Armed Services of the Senate and House of Representatives that complete delivery of 530 M939A2 trucks cannot be accomplished by February 1, 1989, and that the total cost of a contract for M939A1 trucks will not exceed the cost of a contract for M939A2 trucks for the same number of trucks to be acquired under the M939A1 contract, appropriations made in this Act, or in the Department of Defense Appropriations Acts for fiscal year 1986 and for fiscal year 1987 under the heading "National Guard and Reserve Equipment", may be used to acquire M939A1 trucks.]

SEC. [8101] 8062. None of the funds appropriated by this Act shall be available for the operation and maintenance of contractor-owned, contractor-operated primary health care facilities unless the Department of Defense Inspector General agrees to conduct an inspection, audit and evaluation of these clinics.

[SEC. 8102. Funds provided by this Act for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) may be

used by the Office of CHAMPUS to conduct a pilot project to provide program modifications and efficiencies by amending up to two existing fiscal intermediary contracts: *Provided*, That the Secretary of Defense conducts a separate health care demonstration project, if it is in the best interests of the Government, in the New Orleans, Louisiana area (the area described in Solicitation Number MDA903-87-R-0047) that uses a managed health care network, including health care enrollment (as provided for in section 1099, title 10, United States Code): *Provided further*, That the Secretary shall implement this demonstration project no later than September 30, 1988.]

SEC. [8103] 8063. Notwithstanding any other provision of law, the Secretary of the Navy may use funds appropriated to charter ships to be used as auxiliary minesweepers providing that the owner agrees that these ships may be activated as Navy Reserve ships with Navy Reserve crews used in training exercises conducted in accordance with law and policies governing Naval Reserve forces.

[SEC. 8104. (a) None of the funds in this Act may be used to award a contract for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) Reform Initiative that exceeds the total fiscal year 1987 costs for CHAMPUS care provided in California and Hawaii, plus normal and reasonable adjustments for price and program growth.]

[(b) Notwithstanding section 725 of Public Law 100-180, the pre-emption provisions of title 10, United States Code, chapter 55, section 1103, shall not be limited to contractual provisions relating to coverage of benefits, but shall apply to any and all contracts entered into pursuant to Solicitation Number MDA-903-87-R-0047 and shall preempt any and all State and local laws or regulations which relate to health insurance or to prepaid health care plans.]

[SEC. 8105. None of the funds appropriated by this Act may be used by the Defense Logistics Agency to assign a supervisor's title or grade when the number of people he or she supervises is considered as a basis for this determination: *Provided*, That savings that result from this provision are represented as such in future budget proposals.]

[SEC. 8106. Appropriations made available in this Act by the appropriation "Operation and maintenance, Army" shall be available for logistical support and personnel services required to complete Department of Defense support for the Tenth International Pan American Games.]

[SEC. 8107. Of funds identified in chapter IIIA, section 5(b) of the Urgent Supplemental Appropriations Act, 1986 (Public Law 99-349), the \$18,500,000 made available for purchase of an HC-130 tanker and the \$12,000,000 made available for purchase of an aerostat radar system shall be available only for procurement and installation, including site preparations, of aerostat radars.]

[SEC. 8108. None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 1415(c) of title 38, United States Code, for any member of the armed services who, on or after the date of the enactment of this Act, enlists in the armed services for less than three years; nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Administrator of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Administrator pay such benefits to any such member: *Provided*, That these limitations shall not apply to members in combat arms skills.]

[SEC. 8109. Of the funds made available in this Act, the Department of Defense shall transfer \$1,342,000 to the Bureau of Land Management appropriation account for fire management to be used for repair and replacement of materials destroyed by fire, to be merged with, and such funds are to be awarded for the same purposes and for the same time period as the appropriation to which transferred.]

[SEC. 8110. None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Administrator of Veterans Affairs from the Department of Defense Education Benefits Fund when the time spent as a full-time student is credited toward completion of a service commitment: *Provided*, That this provision shall not apply to those members who have reenlisted with this option prior to October 1, 1987: *Provided further*, That this provision applies to active components of the Army.]

【Sec. 8111. Of the funds made available in this Act for military personnel appropriations, up to \$2,800,000 may be available for the purposes of section 638 of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180).】

【Sec. 8112. Funds appropriated or made available in this Act shall be obligated and expended to continue to fully utilize the facilities at the United States Army Engineer's Waterways Experiment Station, including the continued availability of the supercomputer capability and the planned upgrade of this capability: *Provided*, That none of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the Armed Services and Appropriations Committees of Congress that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.】

【Sec. 8113. The Secretary of Defense shall take such action as may be necessary to implement at the earliest practicable date and with funds provided for such purpose by section 8110 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of Public Law 99-190; 99 Stat. 1222), the program proposed by the Department of Defense in a letter dated August 30, 1985, from the Assistant Secretary of Defense for Acquisition and Logistics to rehabilitate and convert current steam generating plants at defense facilities in the United States to coal burning facilities in order to achieve a coal consumption target of 1,600,000 short tons of coal per year (including at least 300,000 short tons of anthracite coal) above current consumption levels at Department of Defense facilities in the United States by fiscal year 1994: *Provided*, That such action shall be subject to the use of only the most cost effective fuel system in the construction of new plants or the conversion of existing plants: *Provided further*, That during fiscal year 1988, the amount of anthracite coal purchased by the Department shall be at least 300,000 short tons: *Provided further*, That the funds identified in section 8110 of Public Law 99-190 shall continue to be made available until expended to be used on a non-reimbursable basis for the administrative costs of this program.】

【Sec. 8114. For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 1988, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes, and the P-1 and R-1 budget justification documents as subsequently modified by Congressional action: *Provided, however*, That the following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act.】

【Sec. 8115. (a) Of the funds appropriated to the Army, \$90,895,000 shall be available only for the Reserve Component Automation System (RCAS): *Provided*, That none of these funds can be expended:

- (1) except as approved by the Chief of the National Guard Bureau;
- (2) unless RCAS resource management functions are performed by the National Guard Bureau;
- (3) unless the RCAS contract source selection official is the Chief of the National Guard Bureau;
- (4) to pay the salary of an RCAS program manager who has not been selected and approved by the Chief of the National Guard Bureau and chartered by the Chief of the National Guard Bureau and the Secretary of the Army;
- (5) unless the Program Manager (PM) charter makes the PM accountable to the source selection official and fully defines his authority, responsibility, reporting channels and organizational structure;
- (6) to pay the salaries of individuals assigned to the RCAS program management office, source selection evaluation board, and source selection advisory board unless such organizations are comprised of personnel chosen jointly by the Chiefs of the National Guard Bureau and the Army Reserve;
- (7) to award a contract for development or acquisition of RCAS unless such contract is competitively awarded under procedures of OMB Circular A-109 for an integrated system consisting of

software, hardware, and communications equipment and unless such contract precludes the use of Government furnished equipment, operating systems, and executive and applications software; and

(8) unless RCAS performs its own classified information processing.】

【(b) None of the funds appropriated in this Act are available for procurement of Tactical Army Combat Service Support Computer Systems (TACCS) unless at least fifty percent of the TACCS computers procured with Army fiscal year 1988 funds are provided to the Reserve Component.】

【(c) None of the funds appropriated in this Act are available for procurement of mini- and micro-computers for the Army Reserve Component until the RCAS contract is awarded.】

【Sec. 8116. Whereas a verifiable treaty eliminating United States and Soviet medium- and short-range nuclear ballistic missiles in Europe would enhance United States and European security;

Whereas the Congress supports the President's goal of reducing United States and Soviet conventional forces in Europe and reducing United States and Soviet strategic nuclear forces;

Whereas it is important the Congress and the President be in agreement on United States national security goals and objectives in order for the United States to be in the strongest possible position to negotiate with the Soviet Union future reductions in conventional and strategic nuclear forces;

Whereas the Congress strongly opposes the undercutting of these arms reduction negotiations by either the United States or the Soviet Union through unnecessary military initiatives or counter-productive arms control proposals;

Whereas no decision has been made on the development or deployment of strategic defenses;

Therefore, it is the sense of the Congress that—

(1) in order to maintain the basis for strong deterrence, the Strategic Defense Initiative (SDI) should be a long-term and robust research program to provide the United States with expanded options for responding to a Soviet breakout from the 1972 Anti-Ballistic Missile Treaty and to respond to other future Soviet arms initiatives that might pose a grave threat to United States national security;

(2) by expanding potential United States strategic options the SDI research program can enhance United States leverage in the United States-Soviet arms reduction negotiations and serve as a safeguard for ensuring that negotiated agreements are kept;

(3) future research plans and budgets for SDI must be established using realistic projections of available resources in the overall defense budget and must not undercut other important Department of Defense programs; and

(4) in matching research priorities against available resources, the primary emphasis of SDI should be to explore promising new technologies, such as directed energy technologies, which might have long-term potential to defend against a responsive Soviet offensive nuclear threat.】

【Sec. 8117. From funds available in this Act for Research, Development, Test, and Evaluation, Army, the Army shall expeditiously and without further delay complete development and operational testing of the M72E4, type classify the weapon, and acquire a technical data package.】

【Sec. 8118. None of the funds provided for the Department of Defense in this Act may be obligated or expended for fixed price-type contracts in excess of \$10,000,000 for the development of a major system or subsystem unless the Under Secretary of Defense for Acquisition determines, in writing, that program risk has been reduced to the extent that realistic pricing can occur, and that the contract type permits an equitable and sensible allocation of program risk between the contracting parties: *Provided*, That the Under Secretary may not delegate this authority to any persons who hold a position in the Office of the Secretary of Defense below the level of Assistant Secretary of Defense: *Provided further*, That the Under Secretary report to the Committees on Appropriations of the Senate and House of Representatives in writing, on a quarterly basis, the contracts which have obligated funds under such a fixed price-type developmental contract.】

Sec. 【8119】 8064. Monetary limitations on the purchase price of a passenger motor vehicle shall not apply to vehicles purchased for intelligence activities conducted pursuant to Executive Order 12333 or successor orders.

【SEC. 8120. Not to exceed \$25,000,000 of the funds appropriated in this Act to the Department of the Army may be used to fund the construction of classified military projects within the Continental United States, including design, architecture, and engineering services.】

【SEC. 8121. From the amounts appropriated in this Act, funds shall be available for Naval Air Rework Facilities to perform manufacturing in order to compete for production contracts of Defense articles: *Provided*, That the Navy shall certify that successful bids between Naval Air Rework Facilities and private companies for such production contracts include comparable estimates of all direct and indirect costs: *Provided further*, That competitions conducted under this authority shall not be subject to section 502 of the Department of Defense Authorization Act, 1981, as amended, section 307 of the Department of Defense Authorization Act, 1985, or Office of Management and Budget Circular A-76.】

【SEC. 8122. Nothing in section 102d(1) of Public Law 100-178, section 601(b)(2)(A) of Public Law 99-433 (100 Stat. 1065), or section 601(d) of Public Law 99-433 (100 Stat. 1065) shall be construed as opposing or suggesting that the Secretary of Defense avoid allocating personnel reductions to the Defense Intelligence Agency.】

SEC. 【8123】 8065. Notwithstanding any other provision of law, the Department of Defense may waive Federal regulations concerning wage rates for authorized civilian employees hired for certain health care occupations: *Provided*, That only those occupations cited in the June 30, 1988, report 【to be】 submitted by the Assistant Secretary of Defense for Health Affairs shall be covered by this provision.

【SEC. 8124. None of the funds available to the Department of Defense are available for obligation or expenditure to procure either directly or indirectly any goods or services from Toshiba Corporation or any of its subsidiaries, or from Kongsberg Vapenfabrikk or any of its subsidiaries: *Provided*, That the Secretary of Defense may, on a case-by-case basis, waive the preceding prohibition upon a written determination to the Committees on Appropriations of the House of Representatives and the Senate that compliance would be detrimental to United States national security interests: *Provided further*, That the above provision shall not be effective until ninety days after enactment of this Act.】

【SEC. 8125. (a) None of the funds available to the Department of Defense may be used for procurement of welded shipboard anchor chain and mooring chain (of all types four or less inches in diameter) manufactured outside of the United States or Canada.】

【(b) When adequate domestic supplies of welded shipboard anchor chain and mooring chain (of all types four or less inches in diameter) are not available to meet Department of Defense requirements on a timely basis, the procurement restrictions contained in subsection (a) may be waived on a case-by-case basis by the Secretary of the Service responsible for the procurement.】

【(c) Subsection (a) shall not apply to contracts which are binding as of the date of enactment of this Act.】

【SEC. 8126. Except as provided in section 2690 of title 10, United States Code, none of the funds available to the Department of Defense may be used for the consolidation or conversion of heating plants at defense facilities in Europe from coal to district heating distribution systems: *Provided*, That this provision shall not apply to facilities for which consolidation or construction contracts were entered into before September 30, 1987.】

SEC. 【8127】 8066. During the current fiscal year, notwithstanding any other provision of law, the Department of Defense shall exclude from diagnosis related groups regulations: (a) inpatient hospital services in a hospital whose patients are predominantly under 18 years of age and (b) such services in any hospital with respect to (1) discharges involving newborns and infants who are less than 29 days old upon admission (other than discharges classified to diagnosis related group 391), (2) discharges involving pediatric bone marrow transplants, (3) discharges involving children who have been determined to be HIV seropositive, and (4) discharges involving pediatric cystic fibrosis: *Provided*, That the Department of Defense shall ensure that beneficiaries not be required to pay more in cost-shares under the foregoing exclusions than those which would have been imposed if the diagnosis related group system had been instituted: *Provided further*, That notwithstanding any other provision of law, appropriations available to the Department of Defense may be used to pay the difference between the cost-shares paid by beneficiaries under the foregoing and the billed charges for services covered by this provision.

【SEC. 8128. None of the funds available for programs administered by the Assistant Secretary of the Army for Civil Works in this or any other Act hereafter are available to continue, initiate, review, complete, or approve A-76 studies on contracting out for any reservoir area in the State of Mississippi administered by the Corps of Engineers unless specified in appropriation bills.】

【SEC. 8129. None of the funds in this Act or any other funds available to commissaries and exchanges may be used to purchase or sell any Toshiba products in those commissaries or exchanges: *Provided*, That the above provision shall not be effective until ninety days after enactment of this Act.】

(TRANSFER OF FUNDS)

【SEC. 8130. Of the funds appropriated in this Act and from funds appropriated to the Department of Defense in prior years that remain available for obligation, \$316,000,000 may be transferred from any appropriation, except appropriations made available to the Department of the Army, to any appropriate Air Force appropriation, and thirty legislative days after notification of such transfers to the Committees on Appropriations and Armed Services of the House of Representatives and the Senate and without objection of the Committees within that thirty legislative day period, such transfers may be used for activities related to the space launch recovery program, to be merged with and to be available for the same purposes, and the same time period, as the appropriation to which transferred: *Provided*, That none of the funds transferred pursuant to this paragraph may be obligated or expended for the space launch recovery program until the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration have submitted the plan required by section 5(a) of chapter II of title I of Public Law 100-71 (101 Stat. 398): *Provided further*, That the authority to transfer funds under this section shall be in addition to any other transfer authority contained in this Act.】

【SEC. 8131. Notwithstanding any other provision of law, the Secretary of the Air Force shall, from existing prior year funds, make available the additional \$18,000,000 necessary to complete the \$28,700,000 development and qualification program of the next generation trainer engine (F-109) over the next three-year period: *Provided*, That none of the funds may be obligated or expended until the Air Force submits a report to the Committees on Appropriations which identifies the specific Air Force aircraft on which the F-109 engine will be used.】

【(TRANSFER OF FUNDS)】

【SEC. 8132. Notwithstanding any other provision of law, the Department of Defense may transfer prior year unobligated balances and funds appropriated in this Act to the operation and maintenance appropriations of the reserve components for the purpose of providing military technician pay the same exemption from sequestration set forth in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) as that granted the other military personnel accounts: *Provided*, That any transfer made pursuant to any use of the authority provided by this provision shall be limited so that the amounts reprogrammed to the operation and maintenance appropriations of the reserve components do not exceed the amounts sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119): *Provided further*, That the authority to make transfers pursuant to this section is in addition to the authority to make transfers under other provisions of this Act: *Provided further*, That the Secretary of Defense may proceed with such transfer after notifying the Appropriations Committees of the House of Representatives and the Senate twenty legislative days before any such transfer of funds under this provision and if no objection is expressed within that twenty legislative day period.】

【(TRANSFER OF FUNDS)】

【SEC. 8133. Funds appropriated in this Act and from funds appropriated to the Department of Defense in prior years that remain available for obligation, \$100,000,000 may be transferred from any such appropriation to Aircraft Procurement, Air Force, for the procurement of six replacement aircraft for the Flight Inspection Program, to be merged with and to be available for the same purposes, and the same time period, as the appropriation to which transferred: *Provided*, That the authority to transfer funds under this section



shall be in addition to any other transfer authority contained in this Act.】

【SEC. 8134. None of the funds appropriated by this Act may be used to carry out full-scale engineering, development or deployment on the project under the Strategic Defense Initiative designated on September 1, 1987, as the Space-Based Interceptor (SBI) Project.】

【SEC. 8135. Sections 4, 431, and 634 of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180) are hereby repealed.】

【SEC. 8136. Notwithstanding any other provision of law, during fiscal year 1988, the Secretary of Defense shall make available to the United States Coast Guard without reimbursement not less than \$105,000,000 in supplies, fuel, training assistance, and other operational support, exclusive of administrative costs, including \$5,000,000 for the completion of development of a low-frequency, lightweight, portable sonar for the Coast Guard's antisubmarine warfare mission requirements, in addition to such assistance as would ordinarily be provided in the absence of this provision: *Provided*, That such items shall be deemed Department of Defense expenditures for Coast Guard defense related activities: *Provided further*, That from funds provided for "Aircraft Procurement, Navy, fiscal year 1987", \$33,000,000 shall be available for procurement and installation of APG-66 radar and other sensors for HU-25 aircraft and seabased aerostat radar systems in support of the Coast Guard Drug Interdiction Program.】

【SEC. 8137. The President shall submit in his budget proposals to the Congress for fiscal year 1989 an arrangement for the Ready Reserve Fleet in which funding and program responsibilities are consolidated in a single Federal organization.】

【SEC. 8138. It is the sense of the Congress that the Secretary of Defense should name one of the new nuclear aircraft carriers appropriated in fiscal year 1988 the U.S.S. JOHN C. STENNIS.】

【(TRANSFER OF FUNDS)】

【SEC. 8139. In addition to the amounts appropriated or otherwise made available in this Act, \$875,000,000 is appropriated to fully fund the military pay raise with any remaining balance of the appropriation available to fund the civilian pay raise as authorized by law: *Provided*, That such amounts shall be transferred and merged with "Military Personnel" and "Operation and Maintenance" appropriations accounts as applicable and that such transfer authority shall be in addition to that provided elsewhere in this Act: *Provided further*, That such sums as may be necessary for authorized pay raise costs in excess of this appropriation shall be accommodated within the levels appropriated in this Act.】

【SEC. 8140. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.】

【SEC. 8141. No naval vessel or any vessel owned and operated by the Department of Defense homeported in the United States may be overhauled, repaired, or maintained in a foreign owned and operated shipyard located outside of the United States, except for voyage repairs.】

【SEC. 8142. (a) Section 38(b)(1) of the Arms Export Control Act (22 U.S.C. 2778(b)(1)) is amended—

(1) by inserting "(A)" before "As prescribed in"; and

(2) by adding at the end the following:

"(B) The prohibition under such regulations required by the second sentence of subparagraph (A) shall not extend to any military firearms (or ammunition, components, parts, accessories, and attachments for such firearms) of United States manufacture furnished to any foreign government by the United States under this Act or any other foreign assistance or sales program of the United States if—

"(i) such firearms are among those firearms that the Secretary of the Treasury is, or was at any time, required to authorize the importation of by reason of the provisions of section 925(e) of title 18, United States Code (including the requirement for the listing of such firearms as curios or relics under section 921(a)(13) of that title); and

"(ii) such foreign government certifies to the United States Government that such firearms are owned by such foreign government."】

【(b)(1) Except as provided in paragraphs (2) and (3), subparagraph (B) of section 38(b)(1) of the Arms Export Control Act, as added by subsection (a), shall take effect at the end of the ninety-day period beginning on the date of the enactment of this Act.

(2)(A) Such subparagraph shall take effect on the date of the enactment of this Act with respect to any military firearms or ammunition (or components, parts, accessories and attachments for such firearms) with respect to which an import permit was issued by the Secretary of the Treasury on or after July 1, 1986, irrespective of whether such import permit was subsequently suspended, revoked, or withdrawn by the Secretary of the Treasury based on the application of section 38(b)(1) of the Arms Export Control Act as in effect on the day before the date of the enactment of this Act.

(B) In the case of an import permit described in subparagraph (A) which was suspended, revoked, or withdrawn by the Secretary of the Treasury during the period beginning on July 1, 1986, and ending on the date of the enactment of this Act under the conditions described in such subparagraph, such import permit shall be reinstated and reissued immediately upon the enactment of this Act, and in any event not later than ten days after the date of the enactment of this Act.

(3) During the period preceding the revision of regulations issued under section 38(b)(1) of the Arms Export Control Act to reflect the provisions of subparagraph (B) of such section, as added by subsection (a), such regulations may not be applied with respect to matters covered by paragraph (2) of this subsection so as to prohibit or otherwise restrict the importation of firearms described in that paragraph or in any other manner inconsistent with that paragraph, notwithstanding that such regulations have not yet been so revised: *Provided*, That this section shall not take effect if during the twenty day period beginning on the date of enactment of this section the Secretary of State, the Secretary of Defense, or the Secretary of the Treasury notifies Congress that he has an objection to the intent of this section: *Provided further*, That the Attorney General shall, within the period of time stated in the first proviso, submit a certification to Congress indicating whether the enactment of this section will interfere with any ongoing criminal investigation with respect to this section. If a certification of criminal investigative interference or an objection to the intent of this section is made, as herein provided, no permit shall be issued to anyone.】

【SEC. 8143. (a) EXTENSION OF PROGRAM.—Section 516(a) of the Foreign Assistance Act of 1961 is amended in the first sentence by striking out "and 1988" and inserting in lieu thereof ", 1988, and 1989."】

【(b) MAJOR NON-NATO ALLIES.—Section 516(a) of that Act is amended in the first sentence by inserting ", and to major non-NATO allies on the southern and southeastern flank of NATO which are eligible for United States security assistance," after "military structure".】

【(c) EXCESS DEFENSE ARTICLES.—Section 516 of that Act is amended—

(1) in subsection (a)—

(A) in the first sentence, by inserting "excess" before "defense articles", and

(B) in the second sentence, by inserting "excess defense" before "articles"; and

(2) in the text of subsection (b) preceding paragraph (1), in subsection (c), and in subsection (d), by inserting "excess" before "defense articles".】

【SEC. 8144. None of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States Government may be obligated or expended during fiscal year 1988 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance unless in accordance with the terms and conditions specified by section 104 of the Intelligence Authorization Act (Public Law 100-178) for fiscal year 1988.】

*SEC. 8067. During the current fiscal year and hereafter, appropriations available to the Department of Defense for operation and maintenance shall be available for payment of claims authorized by law to be paid by the Department of Defense (except for civil functions), including claims for damages arising under training contracts with carriers, and repayment of amounts determined by the Secretary concerned, or officers designated by him, to have been erroneously collected from military and civilian personnel of the Department of Defense, or from States, territories, or the District of Columbia, or members of the National Guard units thereof.*

*SEC. 8068. The appropriation "Foreign Currency Fluctuations, Defense" shall be available hereafter to transfer funds between that account and appropriations available to the Department of Defense for*

*military personnel expenses with regard to obligations incurred after September 30, 1987: Provided, That in transferring funds between the "Foreign Currency Fluctuations, Defense" appropriation and appropriations for military personnel expenses, the substantial gains and losses to the appropriations for military personnel expenses caused by fluctuations in foreign currency exchange rates that vary substantially from those used in preparing budget submissions may be based on budgetary estimates rather than accounting records: Provided further, That no later than the end of the second fiscal year following the fiscal year appropriations made to the Department of Defense have expired for obligation, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Defense" to be merged with and be available for the same time period and the same purposes as the appropriation to which transferred. (Department of Defense Appropriations Act, 1988.)*

### GENERAL PROVISIONS—MILITARY CONSTRUCTION

SEC. 101. None of the funds appropriated in this Act shall be expended for payments under a cost-plus-a-fixed-fee contract for work, where cost estimates exceed \$25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. Funds herein appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. No part of the funds provided in this Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Naval Facilities Engineering Command, except [;] (a) where there is a determination of value by a Federal court, or (b) purchases negotiated by the Attorney General or his designee, or (c) where the estimated value is less than \$25,000, or (d) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. None of the funds appropriated in this Act shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual military construction appropriation Acts.

[SEC. 107. None of the funds appropriated in this Act for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.]

SEC. [108] 107. No part of the funds appropriated in this Act may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. [109] 108. No part of the funds appropriated in this Act for dredging in the Indian Ocean may be used for the performance of the work by foreign contractors: *Provided*, That the low responsive and responsible bid of a United States contractor does not exceed the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.

SEC. [110] 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation *except where required by nation-to-nation agreements*.

[SEC. 111. No part of the funds appropriated in this Act may be used to pay the compensation of an officer of the Government of the United States or to reimburse a contractor for the employment of a person for work in the continental United States by any such person if such person is an alien who has not been lawfully admitted to the United States.]

[SEC. 112. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5

U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.]

SEC. [113] 110. None of the funds in this Act may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

[SEC. 114. None of the funds appropriated in this Act may be obligated for architect and engineer contracts estimated by the Government to exceed \$500,000 for projects to be accomplished in Japan or in any NATO member country, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.]

SEC. [115] 111. None of the funds appropriated in this Act for military construction in the United States territories and possessions in the Pacific and on Kwajalein Island may be used to award any contract estimated by the Government to exceed \$1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.

[SEC. 116. The Secretary of Defense is to inform the Committees on Appropriations and Committees on Armed Services of the plans and scope of any proposed military exercise involving United States personnel 30 days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed \$100,000.]

#### (TRANSFER OF FUNDS)

SEC. [117] 112. Unexpended balances in the Military Family Housing Management Account established pursuant to section 2831 of title 10, United States Code, as well as any additional amounts which would otherwise be transferred to the Military Family Housing Management Account during fiscal year [1988] 1989, shall be transferred to the appropriations for Family Housing provided in this Act, as determined by the Secretary of Defense, based on the sources from which the funds were derived, and shall be available for the same purposes, and for the same time period, as the appropriation to which they have been transferred.

SEC. [118] 113. Not more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year.

#### (TRANSFER OF FUNDS)

SEC. [119] 114. Funds appropriated to the Department of Defense for construction in prior years are hereby made available for construction authorized for each such military department by the authorizations enacted into law during the [first] second session of the One Hundredth Congress.

[SEC. 120. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with a report by February 15, 1988, containing details of the specific actions proposed to be taken by the Department of Defense during fiscal year 1988 to encourage other member nations of the North Atlantic Treaty Organization and Japan to assume a greater share of the common defense burden of such nations and the United States.]

SEC. [121] 115. For military construction or family housing projects that are being completed with funds otherwise expired or lapsed for obligation, expired or lapsed funds may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims, if any.

[SEC. 122. Notwithstanding any other provision of law, the Secretary of the Air Force is required to maintain legislative liaison to the House and Senate Appropriations Subcommittees on Military Construction and budgetary and fiscal management of the Military Construction and Military Family Housing appropriations in a manner identical to the method employed as of September 30, 1986.]

[SEC. 123. Notwithstanding any other provision of law, including the certification requirements provided in section 210 of title 23, United States Code, the Secretary of Defense is directed to provide for the design of access roads for the New Cumberland Army Depot, Pennsylvania and for the Tobyhanna Army Depot, Pennsylvania, as well as design of replacement bridges at Broad Creek and at Gales Creek on North Carolina Highway 24, within funds provided in this Act.]

【SEC. 124. None of the funds appropriated in this Act for planning and design activities may be used to initiate design of the Pentagon Annex.】

【SEC. 125. None of the funds appropriated by this or any other Act for the Department of Defense may be obligated or expended for the National Test Bed Components of the National Test Facility at Falcon Air Station, Colorado, until the Strategic Defense Initiative Organization (SDIO) has begun the development of the Phase One Strategic Defense System (SDS) Architecture and the Follow-on Strategic Defense System Architecture and the Committees on Appropriations of the Senate and the House of Representatives have thereafter received an interim report from SDIO on the Phase One System Architecture and follow-on architecture that the National Test Facility will be testing and evaluating; and until SDIO has provided a detailed report to the Committees on Appropriations of the Senate and the House of Representatives on the capability of the National Test Facility and the other components of the National Test Bed to produce the simulation, evaluation, and demonstration data needed to determine whether a proposed ballistic missile defense system satisfies the criteria of technical feasibility, cost effectiveness at the margin, and survivability: *Provided*, That, none of the funds appropriated by this or any other Act for the National Test Facility or any other components of the National Test Bed may be used to provide any operational battle management, command, control or communications capabilities for an early deployment of a ballistic missile defense system: *Provided further*, That, the goal of the National Test Facility and other components of the National Test Bed shall be to simulate, evaluate, and demonstrate architectures and technologies that are technically feasible, cost effective at the margin, and survivable.】

【SEC. 126. None of the funds appropriated in this Act may be obligated or expended for the purpose of transferring any equipment, operation, or personnel from the Edgewood Arsenal, Maryland, to any other facility during fiscal year 1988.】

【SEC. 127. In addition to the purposes for which it is now available, the property account established by section 12(b) of the Act of January 2, 1976, as amended (43 U.S.C. 1611 note) shall be available hereafter for purposes involving any public sale of property by any agency of the United States, including the Department of Defense, or any element thereof.】

【SEC. 128. Of the amounts appropriated by this Act for "Family Housing, Navy and Marine Corps", not to exceed \$150,000 shall be available to liquidate obligations incurred for debt payment during fiscal year 1986.】

【SEC. 129. (a) Subject to subsections (b) through (d), the Secretary of the Army is authorized to convey to the city of New York, New York, all right, title, and interest of the United States in and to its 7-acre parcel of land in the Brooklyn Navy Yard, Brooklyn, New York.】

【(b) In consideration for the conveyance by the Secretary under subsection (a), the city of New York shall pay to the United States the fair market value, as determined by the Secretary, of the property to be conveyed.】

【(c) The Secretary shall include in the deed of conveyance a condition that the United States may reenter and use the property without compensation in the event of war or other national emergency declared by the President or Congress.】

【(d) The Secretary may require such additional terms and conditions under this section as the Secretary considers appropriate to protect the interests of the United States.】

【SEC. 130. (a) Subject to subsections (b) through (f), the Secretary of the Army (hereinafter in this section referred to as the "Secretary") is authorized to convey to the State of New Jersey (hereinafter in this section referred to as the "State"), and the city of Jersey City, New Jersey (hereinafter in this section referred to as the "City"), all right, title, and interest of the United States in and to a tract of land located in Jersey City, New Jersey, consisting of approximately 40 acres of unimproved real property, comprising a portion of the United States Army Reserve Center, Caven Point, New Jersey.】

【(b)(1) The conveyance authorized by subsection (a) shall be subject to the following conditions—

(A) that the City convey to the United States a tract of unimproved real property consisting of approximately 9 acres, located immediately adjacent to the Caven Point Army Reserve Center's northeast boundary;

(B) that the State and City stabilize approximately 30 acres of real property west of the proposed highway; and

(C) that the State and City remove and store the existing railroad track.

(2) If the fair market value (as determined by the Secretary) of the real property conveyed by the United States to the State and City under subsection (a) exceeds the sum of fair market values (as determined by the Secretary) of the real property conveyed by the City to the United States and the improvements made by the State and the City, the State and City shall pay the amount of the difference to the Secretary.】

【(c) The exact acreages and legal description of properties to be conveyed under subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary. The cost of any surveys shall be borne by the State and City.】

【(d) The Secretary may require such additional terms and conditions as the Secretary considers appropriate to carry out the provisions of this section and to protect the interests of the United States.】

【(e)(1) The Secretary may use any funds paid to the Secretary by the State and City in accordance with subsection (b)(2) to repair, expand, and improve, or replace the United States Army Reserve Center facilities at Caven Point, New Jersey, whichever is most cost effective.

(2) The Secretary shall deposit any remaining funds into miscellaneous receipts of the Treasury.】

【(f) This section shall be implemented in accordance with an agreement to be entered into by the Secretary, the State, and the City.】

【SEC. 131. (a) AUTHORITY TO CONVEY.—Subject to subsections (b) through (f), the Secretary of the Navy may convey to the City of San Diego, California, all right, title, and interest of the United States in and to three parcels of real property (including improvements thereon) comprising approximately 680 acres located in the Mission Trails Regional Park area of the City of San Diego, California.】

【(b) CONSIDERATION.—In consideration for the conveyance authorized by subsection (a), the City of San Diego shall pay to the United States the fair market value, as determined by the Secretary, of the property to be conveyed by the United States.】

【(c) USE OF FUNDS.—(1) The Secretary may use proceeds from the sale of property under this section solely for the purpose of acquiring suitable sites for military family housing or constructing military family housing units, or both, in the San Diego area.

(2) Any funds received by the Secretary under this section and not used for the acquisition of a site for military family housing or the construction of military family housing units within 60 months after the receipt of such funds shall be deposited into the general fund of the Treasury.】

【(d) LEGAL DESCRIPTION OF LAND.—The exact acreages and legal description of the property to be conveyed under this section shall be determined by surveys satisfactory to the Secretary. The cost of any such survey shall be borne by the city.】

【(e) NOTIFICATION.—The Secretary may not enter into any contract under this section to—

- (1) convey any property;
- (2) acquire a site for military family housing; or
- (3) construct housing,

until after the 21-day period beginning on the date on which the Secretary transmits to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report of the details of the contract.】

【(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions under this section as the Secretary considers appropriate to protect the interest of the United States.】

【(g) AMENDMENTS.—Section 833 of the Military Construction Authorization Act, 1986 (Public Law 99-167), is amended—

(1) in subsection (d)(1), by inserting the following before the period: "or constructing military family housing, or both",

(2) in subsection (d)(2), by striking out "within 30 months" and inserting in lieu thereof "or constructing military family housing within 60 months"; and

(3) by adding at the end the following new subsection:

“(g) NOTIFICATION.—After the date of the enactment of this subsection, the Secretary may not enter into any contract under this section to—

- (1) convey any property;
- (2) acquire a site for military family housing; or
- (3) construct housing,

until after the 21-day period beginning on the date on which the Secretary transmits to the Committees on Armed Services and the

Committees on Appropriations of the Senate and House of Representatives a report of the details of the contract.”.]

[(h) LIMITATION.—The total number of military family housing units constructed under the section and under section 833 of the Military Construction Authorization Act, 1986 (Public Law 99-167) shall not exceed 300 units.]

[SEC. 132. (a) AUTHORITY TO EXCHANGE REAL PROPERTY.—Subject to subsections (b) through (d), the Secretary of the Army may transfer to the City of Copperas Cove, Texas, approximately 112 acres of real property (including improvements thereon) at Fort Hood, Texas, in exchange for approximately 600 acres of real property (including improvements thereon) which are of at least equal value to the property being transferred by the Secretary.]

[(b) DESCRIPTION OF REAL PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the City.]

[(c) REPORT.—The Secretary may not transfer any property under this section until after the 21-day period beginning on the date on which the Secretary transmits a report of the details of such transfer to the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives.]

[(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions as the Secretary considers appropriate to protect the interests of the United States in any transfer made under this section.]

[SEC. 133. (a) AUTHORITY TO CONVEY.—Subject to subsection (b), the Secretaries of the Army and Navy may convey, without consideration, to the State of North Carolina all right, title, and interest of the United States in and to—

(1) approximately 51 acres of real property, with improvements thereon, located in the FARTC area of Ft. Bragg, North Carolina; and

(2) approximately 50 acres of real property, with improvements thereon, located in the Montford Point/Camp Johnson area of Camp Lejeune, North Carolina.]

[(b) CONDITIONS.—(1) The conveyances authorized by subsection (a) shall be subject to the condition that the properties conveyed by the Secretaries be used by the State to establish State veterans' cemeteries.

(2) If either of the properties conveyed pursuant to subsection (a) is not used for the purpose described in paragraph (1), all right, title, and interest in and to such property shall revert at no cost to the United States, which shall have the right of immediate entry thereon.]

[(c) LEGAL DESCRIPTION OF LAND.—The exact acreage and legal description of the properties to be conveyed under subsection (a) shall be determined by surveys that are satisfactory to the Secretaries. The cost of such surveys shall be borne by the State.]

[(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretaries may require such other terms and conditions with respect to the conveyances authorized by this section as the Secretaries consider appropriate to protect the interests of the United States.]

[SEC. 134. Notwithstanding any other provision of this or of any other law, any limitation on the obligation or expenditure of funds appropriated for fiscal year 1987 for military construction for homeporting at Everett, Washington, shall not apply unless such limitation was expressly stated in a law which was enacted on or before September 30, 1987.]

[SEC. 135. (a) In addition to other military construction projects and land acquisition authorized by any other law for fiscal year 1988—

(1) the Secretary of the Navy may acquire real property and may increase military construction projects at Naval Air Station, Adak, Alaska, in the amount of \$20,000,000;

(2) the Secretary of the Air Force may acquire real property and may carry out military construction projects at Hanscom Air Force Base, Massachusetts, in the amount of \$15,000,000; and

(3) the Secretary of Defense may acquire real property and may carry out military construction projects at Falcon Air Force Station, Colorado, in the amount of \$35,000,000.]

[(b) Funds are hereby authorized to be appropriated for fiscal year 1988 for the projects and land acquisitions described in subsection (a) of this section. The amount authorized for each such project and land acquisition is the amount listed for each in paragraphs (1), (2) and (3), respectively, of such subsection.]

*SEC. 116. Section 121 of the Military Construction Appropriations Act, 1987 (Public Law 99-500, 100 Stat. 1873-293-94; and Public Law 99-591, 100 Stat. 3341-293-94) is amended by adding the following proviso at the end thereof: “: at the discretion of the Secretary of Defense, unobligated balances of appropriations for Military Construction, Family Housing Operation and Maintenance, and Family Housing Construction withdrawn pursuant to section 1552(a)(2) of title 31, United States Code, may be restored and transferred to this appropriation.” (Military Construction Appropriations Act, 1988.)*

## DEPARTMENT OF DEFENSE—CIVIL

### CEMETERIAL EXPENSES, ARMY

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of [one] three passenger motor vehicles for replacement only, and not to exceed \$1,000 for official reception and representation expenses; [\$8,164,000] \$13,195,000, to remain available until expended: Provided, That in addition to the foregoing appropriation, \$1,000,000 of unobligated balances of funds previously appropriated to the Department of the Army, Corps of Engineers—Civil for "Construction, general" shall, upon enactment of this Act, be transferred to and merged with the funds available under this head and such transferred funds shall remain available until expended]. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

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

Identification code 21-1805-0-1-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operation and maintenance .....	6,295	6,476	6,652
00.02 Administration .....	313	330	330
00.03 Special construction, Arlington National Cemetery .....	9,078	2,546	6,213
10.00 Total obligations .....	15,686	9,352	13,195
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-45		
21.40 Unobligated balance available, start of year .....	-6	-188	
22.40 Unobligated balance transferred, net: Appropriation .....		-1,000	
24.40 Unobligated balance available, end of year .....	188		
40.00 Budget authority (appropriation) .....	15,823	8,164	13,195
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	15,686	9,352	13,195
72.40 Obligated balance, start of year .....	9,990	16,158	11,842
74.40 Obligated balance, end of year .....	-16,158	-11,842	-9,084
78.00 Adjustments in unexpired accounts .....	-45		
90.00 Outlays .....	9,473	13,668	15,953

**Operation and maintenance.**—Funds requested will provide for contractual services, necessary operating supplies and equipment, and personnel.

**Administration.**—Provision is made for determining eligibility for burial; management of Arlington and Soldiers' Home National Cemeteries; and administrative support.

**Special construction, Arlington National Cemetery.**—Funds requested will provide for construction of a 10,000 niche Columbarium.

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

Identification code 21-1805-0-1-705	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	3,061	3,028	2,970
11.3 Other than full-time permanent .....	100	90	70
11.5 Other personnel compensation .....	80	40	40
11.9 Total personnel compensation .....	3,241	3,158	3,080
12.1 Civilian personnel benefits .....	540	751	630
21.0 Travel and transportation of persons .....	4	3	3

22.0 Transportation of things .....	4	2	2
23.3 Communications, utilities, and miscellaneous charges .....	140	217	216
24.0 Printing and reproduction .....		15	24
25.0 Other services .....	1,963	2,369	2,145
26.0 Supplies and materials .....	498	464	473
31.0 Equipment .....	226	245	386
32.0 Land and structures .....	9,070	2,128	6,236
99.9 Total obligations .....	15,686	9,352	13,195

#### Personnel Summary

Total number of full-time permanent positions .....	140	141	141
Total compensable workyears:			
Full-time equivalent employment .....	149	148	146
Full-time equivalent of overtime and holiday hours .....	2	2	2

#### Public enterprise fund:

#### ARLINGTON NATIONAL CEMETERY PARKING FUND

(Proposed for later transmittal, proposed legislation)

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

Identification code 21-4158-2-3-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			210
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....			-1,250
27.00 Capital transfer to general fund .....			1,040
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-1,040
90.00 Outlays .....			-1,040

Legislation will be proposed to establish a revolving fund for the collection of parking fees at the Arlington National Cemetery to defray the costs of operating and maintaining a new parking facility. Excess collections will be returned to the Treasury to offset the construction costs of the new parking facility.

## CORPS OF ENGINEERS—CIVIL

#### Federal Funds

#### General and special funds:

#### GENERAL INVESTIGATIONS CONSOLIDATED PROGRAM

(Obligations in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>General investigations:</b>			
Direct program .....	132,644	156,139	136,271
Reimbursable program .....	561	575	600
Rivers and harbors contributed funds (permanent appropriation) .....	4,465	10,000	14,000
Total obligations .....	137,670	166,714	150,871

**DEPARTMENT OF THE ARMY**

**CORPS OF ENGINEERS—CIVIL**

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes. (*Energy and Water Development Appropriation Act, 1988.*)

**GENERAL INVESTIGATIONS**

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, **[\$138,767,000] \$129,271,000**, to remain available until expended: *Provided*, That the Secretary of the Army is directed to proceed expeditiously with the feasibility study for the multipurpose project at Sunset Harbor, California, to demonstrate the feasibility of the financing mechanism of section 916 of Public Law 99-662 and to undertake the wetlands restoration and other project purposes set forth in section 1119 of Public Law 99-662: *Provided further*, That not to exceed \$19,700,000 shall be available for obligation for research and development activities: *Provided further*, That the amounts appropriated under this heading \$220,000 shall be available for a reconnaissance study of the South Fork of the Sangamon River, Illinois.]

Using funds previously appropriated in the Energy and Water Development Appropriation Act, 1987, Public Law 99-591, the Secretary of the Army is directed to undertake the following study: Indiana Shoreline Erosion, including preconstruction engineering and design, Indiana.]

The Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1988:

- Greenwood Lake, New Jersey;
- East Bank Stabilization, New Jersey;
- Beatties Dam, New Jersey;
- Olcott Harbor Improvements, New York;
- Atlantic Coast of New York City from Rockaway Inlet to Norton Point, New York (Coney Island Area);
- Red River Waterway, Shreveport, Louisiana to Index, Arkansas;
- Beaver Lake, Arkansas;
- Brunswick County Beaches, North Carolina;
- Westwego to Harvey Canal, Louisiana;
- McCook and Thornton Reservoirs (CUP), Illinois;
- Miami Harbor, Florida (cleanup);
- St. Petersburg, Florida (coastal areas);
- Little River, Horatio, Arkansas.]

The Secretary of the Army is directed to expand the scope of the Denison Dam-Lake Texoma, Texas and Oklahoma, General Investigation study, authorized by United States Senate Public Works Committee Resolutions on April 30, 1960, and April 12, 1965, to consider alternatives for improving management and utilization of water resources of the Red River Basin at and above the Denison Dam-Lake Texoma project and to include consideration of the feasibility of additional reservoirs upstream of Denison Dam and direct current interconnections between the Southwest Power Pool and the Electric Reliability Council of Texas.]

Funds are included herein for the Arthur Kill extension to Fresh Kills, near Carteret, New Jersey, to continue the ongoing post authorization planning, engineering and design provided that the level of detail shall be commensurate with General Design Memorandum level so that at the conclusion of the current effort and Secretary of the Army approval under section 202(b) of Public Law 99-662, only the preparation of plans and specifications will be necessary before construction.]

The Secretary of the Army shall allocate \$395,000 to continue preconstruction engineering and design and develop and execute a local cooperative agreement covering all elements of the Roanoke River Upper Basin, Virginia, project as described in the report of the Chief of Engineers dated August 5, 1985, and authorized in section 401(a) of the Water Resources Development Act, 1986 (Public Law 99-662).]

The Secretary of the Army, acting through the Chief of Engineers, is directed to include preconstruction engineering and design

for the upper Green Brook Sub-Basin and the Stony Brook Tributary, as authorized in the Water Resources Development Act of 1986, as part of preconstruction engineering and design for the flood control project for the Raritan River Basin, Green Brook Sub-Basin, New Jersey]. (*Energy and Water Development Appropriation Act, 1988.*)

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

Identification code 96-3121-0-1-301	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
Surveys and planning:				
00.01	Navigation, flood damage prevention, and shoreline protection studies .....	45,430	50,175	38,475
00.02	Comprehensive basin studies .....	4,586	4,852	2,306
00.03	Special studies .....	1,646	2,750	1,550
00.04	Review of authorized projects .....	748	1,980	1,060
00.05	Cooperation with other Federal agencies and non-Federal interests .....	6,266	8,800	11,100
00.06	Phase I, advance engineering and design .....	2,565	1,402	280
00.07	Preconstruction engineering and design .....	40,549	51,240	43,330
Collection and study of basic data:				
00.08	Flood plain management services .....	7,368	9,200	10,000
00.09	Other programs .....	5,036	6,040	6,170
00.10	Research and development .....	18,450	19,700	22,000
00.91	Total direct program .....	132,644	156,139	136,271
01.01	Reimbursable program .....	561	575	600
10.00	Total obligations .....	133,206	156,714	136,871
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-518	-575	-600
14.00	Non-Federal sources .....	43		
21.40	Unobligated balance available, start of year .....	-20,854	-24,372	-7,000
24.40	Unobligated balance available, end of year .....	24,372	7,000	
40.00	Budget authority (appropriation) .....	136,162	138,767	129,271
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	132,644	156,139	136,271
72.40	Obligated balance, start of year .....	15,518	23,029	39,955
74.40	Obligated balance, end of year .....	-23,029	-39,955	-43,581
90.00	Outlays .....	125,133	139,213	132,645

Funds are requested to continue and initiate surveys, preconstruction engineering and design, data collection, interagency coordination and research activities to determine the need, engineering feasibility, economic justification, and the environmental and social suitability of solutions to water and related land resource problems.

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

Identification code 96-3121-0-1-301	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	67,242	71,511	74,213
11.3	Other than full-time permanent .....	3,155	3,355	3,482
11.5	Other personnel compensation .....	1,150	1,223	1,269
11.7	Military personnel .....	1,340	2,404	2,452
11.9	Total personnel compensation .....	72,887	78,493	81,416
12.1	Civilian personnel benefits .....	8,972	9,366	9,720
Military personnel benefits:				
12.2	Accrued retirement .....	583	1,045	1,066
12.2	Other personnel .....	86	155	158
21.0	Travel and transportation of persons .....	2,040	2,100	2,150
22.0	Transportation of things .....	95	100	100
23.1	Rental payments to GSA .....	2,857	3,440	3,510
23.2	Rental payments to others .....	339	352	365
23.3	Communications, utilities, and miscellaneous charges .....	1,172	1,420	1,490
24.0	Printing and reproduction .....	981	1,080	1,120
25.0	Other services .....	40,212	55,868	32,356
26.0	Supplies and materials .....	1,767	1,840	1,910
31.0	Equipment .....	591	720	790
32.0	Land and structures .....	8	110	80
43.0	Interest and dividends .....	54	50	40
99.0	Subtotal, direct obligations .....	132,644	156,139	136,271

99.0	Reimbursable obligations .....	561	575	600
99.9	Total obligations .....	133,206	156,714	136,871

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions .....	2,368	2,388	2,383
	Total compensable workyears:			
	Full-time equivalent employment .....	2,313	2,333	2,328
	Full-time equivalent of overtime and holiday hours .....	38	38	
<b>Reimbursable:</b>				
	Total compensable workyears: Full-time equivalent employment.	2	2	2

**CONSTRUCTION, GENERAL CONSOLIDATED PROGRAM**

(Obligations in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Construction, general:</b>			
<b>Direct program:</b>			
General fund .....	1,106,666	1,259,111	1,270,103
Transfer from Inland waterway trust fund .....	33,609	25,452	58,727
Reimbursable program .....	228,077	320,000	350,000
Rivers and harbors contributed funds (permanent appropriation) ...	59,849	185,000	185,000
Total obligations .....	1,428,201	1,789,563	1,863,830

**CONSTRUCTION, GENERAL**

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), **[\$1,077,985,000]** **\$1,227,570,000**, of which such sums as are necessary pursuant to Public Law 99-662 shall be derived from the Inland Waterways Trust Fund, to remain available until expended, and of which not more than \$7,000,000 shall be available to pay the authorized governing body of the Tohono O'odham Nation in accordance with the provisions of section 4(a) of Public Law 99-469; and in addition, \$103,690,000, to remain available until expended, for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, \$87,000,000 for work presently scheduled and \$16,690,000 with which the Secretary of the Army is directed, as a minimum to award continuing contracts in fiscal year 1988 for construction and completion of each of the following features of the Red River Waterway: in Pool 3, Nantachie/Red Bayou Revetment Extension and Crain and Eureka Revetments; in Pool 4, Gahagan, Piermont, Nichols and Howard Realignment and Coughatta Capout; and in Pool 5, Cuples Revetment; and the amount provided herein includes \$2,000,000 with which the Secretary of the Army is directed to initiate an accelerated design schedule for Locks and Dams 4 and 5 in order to initiate the first phase construction of Locks and Dams 4 and 5 by April 1990 and to complete construction of the Locks and Dams by 1994. None of these contracts are to be considered fully funded and contracts are to be initiated with funds herein provided; and in addition, \$13,500,000, to remain available until expended, together with funds heretofore or hereafter appropriated, with which the Secretary of the Army is directed to award a single continuing contract for construction and completion of the Cooper River Seismic modification, South Carolina, project authorized by Public Law 98-63: *Provided*, That no fully allocated funding policy shall apply with respect to the construction of this project; and in addition, \$5,000,000, to be made available to Metropolitan Dade County, Florida, for the purpose of a 50 per centum, cost-shared project, including environmental restoration, hurricane protection facilities and approximately one mile of dock space, establishing public access and a regional public park along the Miami River in the Allapatah community across from Curtis Park. ]

[The Secretary of the Army is directed to initiate construction of the Presque Isle Peninsula, Erie, Pennsylvania (Permanent Project), authorized in section 501(a) of Public Law 99-662. The project to be constructed is described in the report of the Chief of Engineers dated October 2, 1981. Of amounts provided herein, \$500,000 is to be used to initiate construction of the Presque Isle Peninsula project in fiscal year 1988.]

[Within available funds, the Secretary of the Army is hereby directed to construct streambank protection measures along the west shoreline of the city of Guntersville, Alabama, on Guntersville Lake, under the authority of section 14 of Public Law 79-526.]

[The Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1988:

Sandy Hook to Barnegat Inlet, including Sea Bright to Ocean Township and Asbury Park to Manasquan, New Jersey;

New Melones Lake, California;

Barbourville, Kentucky (Levisa/Tug Forks of Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky);

Harlan, Kentucky (Levisa/Tug Forks of Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky); *Provided*, That no fully allocated funding policy shall apply with respect to the construction of Barbourville, Kentucky, and Harlan, Kentucky (Levisa/Tug Forks of Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky);

Walnut and Cherry Street Bridges, Massillon, Ohio;

Mill Creek, Fort Smith, Arkansas;

Cape May Inlet to Lower Township, New Jersey;

Ouachita River Levees, Louisiana;

Gentilly, Minnesota;

Century Park, Lorain, Ohio;

Community Park, Sheffield Lake, Ohio;

Tangier Island, Virginia;

Shelburne Bay, Vermont.]

[The Secretary of the Army, using funds provided by this resolution, is directed to initiate construction of the Parker Lake Project, and is directed, as a minimum, to award continuing contracts in fiscal year 1988 for construction and completion of construction of the access road and project office and the purchase of necessary land for the Parker Lake Project.]

[The Secretary of the Army, using funds provided by this resolution, is directed to construct in accordance with Public Law 99-662 the Mud Creek Bridge Replacement Project at Eufaula Lake, Oklahoma.]

[The Secretary of the Army is authorized and directed to use the sum of \$11,000,000 herein appropriated and which is to remain available until expended to carry out the provisions for the harbor modifications of the Cleveland Harbor, Ohio project contained in Public Law 99-662. The provisions include bulkheading and other necessary repairs at Pier 34 and approach channels and necessary protective structures for mooring basins for transient vessels in the area south of Pier 34 with necessary material to fill the area between Piers 34 and 36 with remaining fill to be disposed in the existing containment site 14. The local sponsor will provide the Corps of Engineers with the design plans for these projects. The Corps of Engineers shall also conduct a study, pursuant to section 992, of the Cuyahoga River and harbor modifications required by the Cleveland Cuyahoga County Port Authority. The Corps of Engineers shall also be directed to provide technical assistance for these harbor modifications to the Cleveland-Cuyahoga County Port Authority and Pier 34. Congress hereby finds the project justified; and, for all elements in this appropriation, the funds expended by the Ohio Department of Natural Resources beginning with the first quarter of fiscal year 1986 in the area south of Pier 34 shall be considered eligible as non-Federal share consistent with the provisions of section 215 of Public Law 90-483, as amended. The Corps of Engineers shall inform the Congress of any delays in the project.]

[The Secretary of the Army is directed to dredge Saxon Harbor, Wisconsin, and to construct wood cribs as a permanent solution to the damages being caused by the Federal navigation project under the provisions of section 111 of the 1968 River and Harbor Act, Public Law 90-483, as amended.]

[The Secretary of the Army is directed to accomplish channel rehabilitation, repair and rehabilitation of fourteen pump stations and appurtenant works and rehabilitation and replacement of bridge structures in the vicinity of the East Side Levee and Sanitary District in East St. Louis, Illinois, by making available \$1,000,000 in fiscal year 1988.]

[The Secretary of the Army, because of the Federal trust relationship that links the United States and Indian people, is directed to expend within available funds not to exceed \$50,000 to plan and not to exceed \$700,000 to design and engineer appropriate works and

CONSTRUCTION, GENERAL—Continued

alleviate high ground water problems on agricultural lands owned by Cochiti Pueblo, New Mexico, directly downriver from Cochiti Dam: *Provided, however,* That no such funds shall be expended by the Secretary for design and engineering until the Secretary and the Tribal Council of the Pueblo have agreed in writing to a plan of design that, in the judgment of both parties, will resolve the problems related to such high ground water: And, *Provided further,* That the Secretary and the Tribal Council of the Pueblo shall continue to negotiate, and, if the parties so agree, the Secretary shall submit to Congress, if appropriate, a proposed settlement that would be in lieu of, or in addition to, any construction of works for the purposes of alleviating high ground water problems. For the purposes of this negotiation only, the provisions of section 3 of the Act of May 15, 1928 (45 Stat. 535, ch. 569; 33 U.S.C. 702c) and sections 2401(a), 2401(b), and 2680(a) of title 28, United States Code, are waived. Nothing in this paragraph shall be construed to prejudice the rights, responsibilities, and defense of either party in any litigation between the Pueblo and the United States, nor commit the Secretary of the Army to a structural solution of the controversy.】

【The project for flood protection on the Lower San Joaquin River, California, authorized by section 10 of the Flood Control Act approved December 22, 1944 (58 Stat. 901), is modified—

(1) to authorize the Secretary of the Army, acting through the Chief of Engineers, to perform, in connection with the clearing and snagging authorized to be performed on such river from Stockton, California, to Friant Dam as part of such project by the Supplemental Appropriations Act, 1983 (97 Stat. 310)—

(A) clearing and snagging in the area of the North Fork of the Kings River in Mendota Pool from the southernly boundary of the James Reclamation District Number 1606 to Mendota Dam;

(B) fish and wildlife mitigation; and

(C) such rip-rapping in the area of the clearing and snagging on such rivers as may be necessary to prevent erosion from such clearing and snagging; and

(2) to increase the estimated cost of the clearing and snagging on the Lower San Joaquin River, including the activities authorized by paragraph (1), from \$5,000,000 to \$8,000,000.】

【The Secretary of the Army, acting through the Chief of Engineers, is directed to continue with planning, design, engineering and construction of the Des Moines Recreational River and Greenbelt project in accordance with the General Design Memorandum dated September 1987 and Public Law 99-591 using funds heretofore, herein, or hereafter appropriated.】

【The following portion of the Hudson River in New York County, State of New York, is hereby declared not to be part of the federally authorized Channel Deepening Project: that portion of the Hudson River lying to the west of the United States Pierhead Line as it exists on the effective date of this Act, more specifically described as beginning at a point at the intersection of the north side of North Cove and the existing pierhead line, proceeding in a northerly direction along the existing pierhead line to a point formed by the pierhead line and the southerly side of Vesey Street if extended; thence in a westerly direction on a line perpendicular to the existing pierhead line 200 feet to a point; thence southerly on a line parallel to the existing pierhead line to a point on the northerly line of the North Cove if extended; thence in an easterly direction 200 feet to the point and place of beginning. This declaration shall apply to all or any part of the above-described area used or needed for trans-Hudson passenger ferry boat service as such may be operated by or contracted for operation by a bistate agency created by Compact between the States of New York and New Jersey.】

【The Secretary of the Army shall allocate \$2,800,000 heretofore appropriated, and is directed to initiate and complete construction of the breakwater for the Port Austin Harbor project in Michigan in accordance with the provisions for economic justification of the project contained in the River and Harbor Act approved 2 March 1945 (Public Law 14, 79th Congress, 1st Session).】

【Of funds available to the Army Corps of Engineers, Flood Control and Navigation, Research and Development, \$250,000 shall be made available for research to prevent ice jamming and related flooding in the Dump Creek area of the Salmon River in Idaho.】 (*Energy and Water Development Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)				
Identification code	96-3122-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Advance engineering and design.....	136		
Navigation projects:				
Channels and harbors:				
00.04	Projects specifically authorized by Congress.....	113,338	205,638	188,220
00.05	Projects not specifically authorized by Congress..	7,437	13,154	14,710
00.06	Mitigation of shore damages attributable to navigation projects.....	542	531	510
00.09	Locks and dams.....	241,167	278,522	343,150
Beach erosion control projects:				
00.12	Projects specifically authorized by Congress.....	8,163	37,453	36,330
00.13	Projects not specifically authorized by Congress.....	1,179	5,880	4,010
Flood control projects:				
Local protection:				
00.16	Projects specifically authorized by Congress.....	316,277	375,174	456,160
00.17	Projects not specifically authorized by Congress..	24,529	33,516	34,220
00.18	Emergency streambank and shoreline protection.	9,501	9,376	9,380
00.19	Snagging and clearing.....	247	1,438	1,160
00.22	Reservoirs.....	233,631	182,452	146,350
00.25	Multiple-purpose power projects.....	92,546	74,706	69,510
Major rehabilitation and dam safety assurance projects:				
00.27	Navigation.....	20,066	8,510	
00.28	Flood control.....	27,491	34,663	10,300
00.29	Multiple-purpose power projects.....	721	15,103	7,650
00.32	Recreation facilities at completed projects.....	1,629	713	
00.33	Streambank erosion control evaluation and demonstration.....	29	71	
00.34	Shoreline erosion control demonstration.....	15	70	
00.35	Aquatic plant control.....	8,022	7,593	7,170
00.91	Total direct program.....	1,106,666	1,284,563	1,328,830
01.01	Reimbursable program.....	261,686	320,000	350,000
10.00	Total obligations.....	1,368,352	1,604,563	1,678,830
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-308,882	-261,774	-349,840
13.00	Trust funds.....	-33,609	-25,452	-58,727
14.00	Non-Federal sources.....	-116	-150	-160
21.40	Unobligated balance available, start of year.....	-278,839	-376,012	-220,000
22.40	Unobligated balance transferred, net.....		1,000	
24.40	Unobligated balance available, end of year.....	376,012	220,000	100,000
40.00	Budget authority (appropriation).....	1,122,918	1,162,175	1,150,103
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,025,745	1,317,187	1,270,103
72.40	Obligated balance, start of year.....	189,815	264,663	465,493
74.40	Obligated balance, end of year.....	-264,663	-465,493	-567,950
90.00	Outlays.....	950,897	1,116,357	1,167,646

Funds are requested for construction and related activity for water resource development projects having navigation, flood control, water supply, hydroelectric, and other attendant benefits to the Nation.

Object Classification (in thousands of dollars)				
Identification code	96-3122-0-1-301	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	161,398	180,202	201,480
11.3	Other than full-time permanent.....	10,343	11,548	12,912
11.5	Other personnel compensation.....	5,237	5,847	6,538
11.7	Military personnel.....	5,714	10,251	10,456
11.9	Total personnel compensation.....	182,692	207,848	231,385
12.1	Civilian personnel benefits.....	23,078	24,835	27,767
Military personnel benefits:				
12.2	Accrued retirement.....	2,485	4,458	4,547
12.2	Other personnel.....	368	659	673
21.0	Travel and transportation of persons.....	3,559	4,150	4,760
22.0	Transportation of things.....	455	475	485
23.1	Rental payments to GSA.....	7,591	9,183	9,574
23.2	Rental payments to others.....	558	575	580
23.3	Communications, utilities, and miscellaneous charges..	3,351	3,580	3,740



24.0	Printing and reproduction .....	1,627	1,825	1,930
25.0	Other services.....	321,859	515,785	519,269
26.0	Supplies and materials.....	5,622	5,790	5,920
31.0	Equipment.....	4,681	4,960	5,370
32.0	Land and structures.....	548,046	500,440	512,830
43.0	Interest and dividends.....	694		
99.0	Subtotal, direct obligations.....	1,106,666	1,284,563	1,328,830
99.0	Reimbursable obligations.....	261,686	320,000	350,000
99.9	Total obligations.....	1,368,352	1,604,563	1,678,830

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions .....	4,810	4,939	4,890
	Total compensable workyears:			
	Full-time equivalent employment.....	4,940	5,075	5,037
	Full-time equivalent of overtime and holiday hours.....	95	99	107
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	650	767	1,244
	Total compensable workyears:			
	Full-time equivalent employment.....	770	892	1,378
	Full-time equivalent of overtime and holiday hours.....	10	10	11

**OPERATION AND MAINTENANCE, GENERAL CONSOLIDATED PROGRAM**

[Obligations in thousands of dollars]

<b>Operation and maintenance, general:</b>				
<b>Direct program:</b>				
	General fund.....	1,333,424	1,251,704	1,209,894
	Special recreation use fees.....	12,500	12,000	15,000
	Transfer from Harbor maintenance trust fund.....	35,000	122,010	154,470
	Reimbursable program.....	33,002	34,000	35,000
	Rivers and harbors contributed funds, (permanent appropriation).....	2,735	3,500	3,900
	Total obligations.....	1,416,661	1,423,214	1,418,264

**OPERATION AND MAINTENANCE, GENERAL**

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, **[\$1,400,000,000] \$1,372,894,000**, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund, and of which **[\$12,000,000] \$15,000,000** shall be for construction, operation, and maintenance of outdoor recreation facilities, to be derived from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601): *Provided*, That not to exceed \$8,000,000 shall be available for obligation for national emergency preparedness programs: *Provided further*, That none of the funds made available under "Operation and Maintenance, General" shall be used to pay the expenses of the Department of the Army regulatory activities].

[The Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1988: Sauk Lake, Minnesota; and Yaquina North Jetty, Oregon]. (Energy and Water Development Appropriation Act, 1988.)

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year (special recreation use fees).....	17,205	16,100	16,100
Receipts (net) authorized.....	11,395	12,000	13,000
Total available for appropriation.....	28,600	28,100	29,100
Appropriation.....	-12,500	-12,000	-15,000
Unappropriated balance, end of year (special recreation use fees).....	16,100	16,100	14,100

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

Identification code	96-3123-0-1-300	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
Navigation projects:				
00.01	Channels and harbors.....	438,583	511,066	472,194
00.02	Locks and dams.....	289,192	286,985	295,020
Flood control projects:				
00.05	Reservoirs.....	229,121	230,641	254,220
00.06	Channel improvements, inspections, and miscellaneous maintenance.....	13,806	13,921	14,380
00.09	Multiple-purpose power projects.....	320,397	307,607	307,970
00.91	Total operation and maintenance of projects.....	1,291,099	1,350,220	1,343,784
01.01	Protection of navigation.....	82,113	26,678	26,080
01.02	National emergency preparedness.....	7,712	8,816	9,500
01.92	Total direct program.....	1,380,924	1,385,714	1,379,364
02.01	Reimbursable program.....	33,002	34,000	35,000
10.00	Total obligations.....	1,413,926	1,419,714	1,414,364
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-31,593	-26,496	-28,435
13.00	Trust funds.....	-35,000	-122,010	-154,470
14.00	Non-Federal sources.....	-6,826	-4,330	-4,565
21.40	Unobligated balance available, start of year.....	-12,205	-26,669	-10,000
24.40	Unobligated balance available, end of year.....	26,669	10,000	
25.00	Unobligated balance lapsing.....		2,791	
39.00	<b>Budget authority.....</b>	<b>1,354,971</b>	<b>1,253,000</b>	<b>1,216,894</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation.....</b>	<b>1,342,471</b>	<b>1,241,000</b>	<b>1,201,894</b>
40.00	<b>Appropriation (special recreation use fees).....</b>	<b>12,500</b>	<b>12,000</b>	<b>15,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,340,507	1,266,878	1,226,894
72.40	Obligated balance, start of year.....	183,763	213,988	203,615
74.40	Obligated balance, end of year.....	-213,988	-203,615	-207,627
90.00	Outlays.....	1,310,282	1,277,251	1,222,882

Note.—Beginning in 1988, the general regulatory functions program will be included in a separate appropriation account.

Funds are requested for operation, maintenance, and related activities of the Corps of Engineers at the navigation, flood control and multiple purpose projects for which it is responsible. Work to be accomplished consists of dredging, repair, and operation of structures and other facilities, including recreation, all as authorized in the various River and Harbor and Flood Control Acts. Related activities include aquatic plant control, monitoring of completed coastal projects, river ice management, maintenance research, removal of sunken vessels, and the collection of domestic waterborne commerce statistics. This request also includes funds for Mobilization Readiness Planning as directed in Executive Order 11490. Proposed legislation would expand authority to collect recreation user fees on a comparable basis with other agencies. The increase in revenues, to become effective on October 1, 1989, would allow improvement of the program for construction, operation and maintenance of recreation facilities consistent with public demand.

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

Identification code	96-3123-0-1-300	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	372,012	353,461	353,620
11.3	Other than full-time permanent.....	36,822	34,986	35,002
11.5	Other personnel compensation.....	15,643	14,863	14,870
11.7	Military personnel.....	2,212	3,967	4,047
11.9	Total personnel compensation.....	426,689	407,277	407,539

OPERATION AND MAINTENANCE, GENERAL—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	96-3123-0-1-300	1987 actual	1988 est.	1989 est.
12.1	Civilian personnel benefits.....	53,781	50,927	50,822
	Military personnel benefits:			
12.2	Accrued retirement.....	962	1,725	1,760
12.2	Other personnel.....	142	255	260
21.0	Travel and transportation of persons.....	11,215	10,770	10,990
22.0	Transportation of things.....	2,293	2,220	2,300
23.1	Rental payments to GSA.....	13,170	14,830	14,680
23.2	Rental payments to others.....	1,686	1,580	1,550
23.3	Communications, utilities, and miscellaneous charges.....	16,501	17,170	18,120
24.0	Printing and reproduction.....	4,349	4,510	4,670
25.0	Other services.....	671,931	646,260	620,663
26.0	Supplies and materials.....	49,584	52,420	55,990
31.0	Equipment.....	29,971	31,400	33,100
32.0	Land and structures.....	97,601	144,370	156,920
42.0	Insurance claims and indemnities.....	39		
43.0	Interest and dividends.....	1,010		
99.0	Subtotal, direct obligations.....	1,380,924	1,385,714	1,379,364
99.0	Reimbursable obligations.....	33,002	34,000	35,000
99.9	Total obligations.....	1,413,926	1,419,714	1,414,364

Personnel Summary

Direct:	Total number of full-time permanent positions.....	14,445	13,192	13,101
	Total compensable workyears:			
	Full-time equivalent employment.....	15,096	13,786	13,692
	Full-time equivalent of overtime and holiday hours.....	402	367	365
Reimbursable:	Total number of full-time permanent positions.....	30	27	27
	Total compensable workyears: Full-time equivalent employment.....	50	46	45

GENERAL REGULATORY FUNCTIONS

For expenses necessary for administration of laws pertaining to [preservation] regulation of navigable waters and wetlands, [\$55,262,000] \$60,427,000, to remain available until expended. (Energy and Water Development Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	96-3126-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Permit evaluation.....		40,100	43,689
00.03	Environmental impact statements.....		1,800	2,000
00.05	Enforcement.....		12,100	13,000
00.07	Studies.....		700	1,300
00.09	Other regulations.....		500	500
10.00	Total obligations.....		55,200	60,489
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....			-62
24.40	Unobligated balance available, end of year.....		62	
40.00	Budget authority (appropriation).....		55,262	60,427
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		55,200	60,489
72.40	Obligated balance, start of year.....			9,333
74.40	Obligated balance, end of year.....		-9,333	-10,273
90.00	Outlays.....		45,867	59,549

Note.—This program was included in Operation and maintenance, general, appropriation prior to fiscal year 1988.

The U.S. Army Corps of Engineers General Regulatory Functions were formerly financed as part of the Operation and Maintenance, General, Appropriation. This appropriation provides for salaries and related costs to administer laws pertaining to regulation of navigable waters and wetlands of the United States in

accordance with the Rivers and Harbors Act of 1899, the Clean Water Act of 1977, and the Marine Protection Act of 1972.

Object Classification (in thousands of dollars)

Identification code	96-3126-0-1-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....		26,565	28,581
11.3	Other than full-time permanent.....		2,629	2,858
11.5	Other personnel compensation.....		1,160	1,261
11.9	Total personnel compensation.....		30,354	32,700
12.1	Civilian personnel benefits.....		3,823	4,155
21.0	Travel and transportation of persons.....		890	960
22.0	Transportation of things.....		180	200
23.1	Rental payments to GSA.....		1,248	1,274
23.2	Rental payments to others.....		20	20
23.3	Communications, utilities, and miscellaneous charges.....		2,440	2,620
24.0	Printing and reproduction.....		1,690	1,730
25.0	Other services.....		12,185	14,411
26.0	Supplies and materials.....		1,520	1,540
31.0	Equipment.....		850	879
99.9	Total obligations.....		55,200	60,489

Personnel Summary

Total number of full-time permanent positions.....	994	1,038
Total compensable workyears:		
Full-time equivalent employment.....	1,040	1,086
Full-time equivalent of overtime and holidays hours.....	28	29

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, [\$20,000,000] \$25,000,000, to remain available until expended. (Energy and Water Development Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	96-3125-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Disaster preparedness.....	7,908	11,821	12,550
00.02	Emergency operations.....	3,211	5,882	6,410
00.03	Rehabilitation.....	17,617	18,408	14,740
00.04	Advances measures.....	7,772	8,088	6,300
00.91	Total direct program.....	36,508	44,199	40,000
01.01	Reimbursable program.....	497	7,000	5,000
10.00	Total obligations.....	37,005	51,199	45,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	4,238	-7,000	-5,000
21.40	Unobligated balance available, start of year.....	-70,442	-39,199	-15,000
24.40	Unobligated balance available, end of year.....	39,199	15,000	
40.00	Budget authority (appropriation).....	10,000	20,000	25,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	41,243	44,199	40,000
72.40	Obligated balance, start of year.....	-6,055	-2,909	5,000
74.40	Obligated balance, end of year.....	2,909	-5,000	-25,000
90.00	Outlays.....	38,097	36,290	20,000

This activity provides for flood emergency preparation, flood fighting and rescue operations, and repair of flood control and Federal hurricane or shore protection works. It also provides for emergency supplies of clean water where the source has been contaminated and, in drought distressed areas, provision of adequate supplies of water for human and livestock consumption. In the

event of a major flood or coastal emergency, additional funds may be requested.

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

Identification code 96-3125-0-1-301	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	5,089	5,806	5,820
11.3 Other than full-time permanent .....	187	213	214
11.5 Other personnel compensation .....	330	376	377
11.9 Total personnel compensation .....	5,606	6,395	6,411
12.1 Civilian personnel benefits .....	748	726	769
21.0 Travel and transportation of persons .....	479	550	450
22.0 Transportation of things .....	214	160	110
23.1 Rental payments to GSA .....	318	342	284
23.2 Rental payments to others .....	45	51	51
23.3 Communications, utilities, and miscellaneous charges...	353	370	415
24.0 Printing and reproduction .....	122	140	110
25.0 Other services .....	20,886	30,765	27,460
26.0 Supplies and materials .....	3,203	2,310	1,840
31.0 Equipment .....	320	350	310
32.0 Land and structures .....	4,196	2,040	1,790
43.0 Interest and dividends .....	18		
99.0 Subtotal, direct obligations .....	36,508	44,199	40,000
99.0 Reimbursable obligations .....	497	7,000	5,000
99.9 Total obligations .....	37,005	51,199	45,000

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	144	159	153
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	158	174	168
Full-time equivalent of overtime and holiday hours .....	6	7	6
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	16	18	17
Total compensable workyears: Full-time equivalent employment .....	18	20	19

**GENERAL EXPENSES**

For expenses necessary for general administration and related functions in the office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Board, the Engineer Automation Support Activity, and the Water Resources Support Center, **[\$115,200,000]** \$123,465,000, to remain available until expended. (Energy and Water Development Appropriation Act, 1988.)

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

Identification code 96-3124-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Executive direction and management:</b>			
00.01 Office, Chief of Engineers .....	45,205	43,950	46,900
00.02 Division offices .....	60,198	59,844	63,385
00.05 Board of Engineers for Rivers and Harbors .....	2,856	2,720	2,750
00.06 Coastal Engineering Research Board .....	225	220	230
<b>Support centers:</b>			
00.10 Engineer Automation Support Activity .....	4,491	4,520	4,850
00.11 Water Resources Support Center .....	4,983	5,300	5,350
00.91 Total direct program .....	117,958	116,554	123,465
01.01 Reimbursable program .....		5	5
10.00 Total obligations .....	117,958	116,559	123,470
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....		-5	-5
21.40 Unobligated balance available, start of year .....	-1,177	-1,354	
24.40 Unobligated balance available, end of year .....	1,354		
25.00 Unobligated balance lapsing .....	96		
40.00 Budget authority (appropriation) .....	118,232	115,200	123,465

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	117,958	116,554	123,465
72.40 Obligated balance, start of year .....	17,267	23,123	23,261
74.40 Obligated balance, end of year .....	-23,123	-23,261	-24,914
77.00 Adjustments in expired accounts .....	15		
90.00 Outlays .....	112,118	116,416	121,812

**Executive direction and management.**—The Office, Chief of Engineers, and 11 division offices supervise work in 36 district offices.

**Board of Engineers for Rivers and Harbors.**—The Board reviews reports on proposed projects and makes advisory recommendations to the Chief of Engineers.

**Coastal Engineering Research Board.**—The Board provides policy guidance, reviews and plans requirements for conducting coastal engineering research and development, and recommends research project priorities.

**Support centers—**

**Engineer Automation Support Activity.**—Provides a central data processing service for a variety of ADP applications.

**Water Resources Support Center.**—Performs studies and analyses for meeting national objectives. Develops planning techniques for comprehensive management and development of the Nation's water resources.

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

Identification code 96-3124-0-1-301	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	67,487	66,961	67,826
11.3 Other than full-time permanent .....	2,738	2,717	2,753
11.5 Other personnel compensation .....	1,089	1,080	1,094
11.7 Military personnel .....	3,689	3,805	3,950
11.9 Total personnel compensation .....	75,003	74,563	75,623
12.1 Civilian personnel benefits .....	8,379	8,314	8,421
<b>Military personnel benefits:</b>			
12.2 Accrued retirement .....	1,604	1,675	1,725
12.2 Other personnel .....	237	251	263
21.0 Travel and transportation of persons .....	3,442	3,500	3,500
22.0 Transportation of things .....	361	380	400
23.1 Rental payments to GSA .....	4,559	5,207	5,615
23.2 Rental payments to others .....	1,512	1,568	1,581
23.3 Communications, utilities, and miscellaneous charges...	3,574	3,840	4,160
24.0 Printing and reproduction .....	2,486	1,900	2,000
25.0 Other services .....	12,800	12,076	16,762
26.0 Supplies and materials .....	1,960	1,740	1,800
31.0 Equipment .....	1,705	1,230	1,275
32.0 Land and structures .....	336	310	340
99.0 Subtotal, direct obligations .....	117,958	116,554	123,465
99.0 Reimbursable obligations .....		5	5
99.9 Total obligations .....	117,958	116,559	123,470

**Personnel Summary**

Total number of full-time permanent positions .....	1,710	1,663	1,665
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	1,725	1,678	1,680
Full-time equivalent of overtime and holiday hours .....	8	8	8

**FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES CONSOLIDATED PROGRAM**

[Obligations in thousands of dollars]

<b>Flood control, Mississippi River and tributaries:</b>			
Direct program .....	319,221	320,920	336,297
Reimbursable program .....	593	600	600
Rivers and harbors contributed funds (permanent appropriation) ...	49	50	50
Total obligations .....	319,863	321,570	336,947

**FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE**

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), **[\$317,704,000] \$334,297,000**, to remain available until expended: *Provided*, That not less than \$250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist. **[In furtherance of the development of the Atchafalaya Basin Floodway System, Louisiana, in accordance with Public Laws 99-88 and 99-662, the Secretary of the Army is directed to acquire necessary interests in real estate for all features of the project, flood control, developmental control, environmental, and public access, beginning at the North end of the basin and proceeding southerly. With the funds herein provided, the Secretary is further directed to begin to concurrently acquire all real estate interests approved for the project as the acquisition process proceeds in the manner described in the preceding sentence: *Provided further*, That the Secretary is directed to expedite the acquisition, in fee simple, of lands, excluding minerals, for public access in the Atchafalaya Basin Floodway System, Louisiana, as authorized by Public Laws 99-88 and 99-662, and to expend up to 50 per centum of the funds herein provided for this purpose.]**

**[Funds provided to the Corps of Engineers are to be used in carrying out advanced engineering and design work on the Helena Harbor, Phillips County, Arkansas, project. The Corps will complete the advanced engineering and design work and be prepared to let a contract for the first phase of the construction not later than October 1, 1988.]**

**[The Secretary of the Army shall allocate \$180,000 to the Mississippi River East Bank, Warren to Wilkerson Counties, Mississippi, Natchez Area project to complete by May 1988 a reevaluation of alternative plans, submission of a draft reevaluation report/Environmental Impact Statement supplement, coordination of report findings with public and other agencies, and completion and submission of the final report by December 1988.]** (*Energy and Water Development Appropriation Act, 1988.*)

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

Identification code	96-3112-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	General investigations.....	6,662	5,632	4,987
00.03	Construction.....	196,345	199,443	218,620
00.04	Dam safety assurance.....	3,351	2,304	570
00.05	Maintenance.....	112,863	113,541	112,120
00.91	Total direct program.....	319,221	320,920	336,297
01.01	Reimbursable program.....	593	600	600
10.00	Total obligations.....	319,814	321,520	336,897
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-366	-360	-350
14.00	Non-Federal sources.....	-227	-240	-250
21.40	Unobligated balance available, start of year.....	-13,640	-5,216	-2,000
24.40	Unobligated balance available, end of year.....	5,216	2,000	
40.00	Budget authority (appropriation).....	310,797	317,704	334,297
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	319,221	320,920	336,297
72.40	Obligated balance, start of year.....	35,440	73,313	70,893
74.40	Obligated balance, end of year.....	-73,313	-70,893	-71,611
90.00	Outlays.....	281,348	323,340	335,579

Funds are requested for the studies, construction, and operation and maintenance activities associated with the Mississippi River and Tributaries water resources development project located in the Lower Mississippi Valley from Cape Girardeau, Missouri, to the Gulf of Mexico.

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

Identification code	96-3112-0-1-301	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	66,272	69,006	71,740
11.3	Other than full-time permanent.....	5,937	6,182	6,427
11.5	Other personnel compensation.....	8,615	8,970	9,326
11.7	Military personnel.....	606	1,087	1,109
11.9	Total personnel compensation.....	81,430	85,245	88,602
12.1	Civilian personnel benefits.....	11,461	11,845	12,314
Military personnel benefits:				
12.2	Accrued retirement.....	264	473	482
12.2	Other personnel.....	39	70	71
21.0	Travel and transportation of persons.....	1,093	1,150	1,200
22.0	Transportation of things.....	229	235	235
23.1	Rental payments to GSA.....	1,934	2,106	2,153
23.2	Rental payments to others.....	66	71	74
23.3	Communications, utilities, and miscellaneous charges.....	2,776	3,850	3,990
24.0	Printing and reproduction.....	630	590	600
25.0	Other services.....	118,497	117,975	132,676
26.0	Supplies and materials.....	8,484	11,590	12,680
31.0	Equipment.....	5,007	4,960	5,170
32.0	Land and structures.....	85,056	80,760	76,050
43.0	Interest and dividends.....	1,820		
44.0	Refunds.....	435		
99.0	Subtotal, direct obligations.....	319,221	320,920	336,297
99.0	Reimbursable obligations.....	593	600	600
99.9	Total obligations.....	319,814	321,520	336,897

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Total number of full-time permanent positions.....	2,580	2,576	2,575
Total compensable workyears:			
Full-time equivalent employment.....	2,769	2,765	2,764
Full-time equivalent of overtime and holiday hours.....	265	265	265
<b>Reimbursable:</b>			
Total compensable workyears: Full-time equivalent employment.....	1	1	1

**PERMANENT APPROPRIATIONS**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	5,777	1,776	1,700
Transferred to general fund receipts.....		-176	
Receipts (net) authorized: Hydraulic mining in California, debris fund and payments to States.....	3,766	6,148	6,148
Total available for appropriation.....	9,534	7,748	7,848
Appropriation: Hydraulic mining in California, debris fund and payments to States.....	-7,766	-6,048	-6,048
Unappropriated balance, end of year.....	1,776	1,700	1,800

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

Identification code	96-9921-0-2-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Hydraulic mining in California, debris fund.....	50	48	48

00.02	Maintenance and operation of dams and other improvements of navigable waters .....	10,203	7,190	2,952
00.03	Payments to States .....	6,867	5,319	6,000
10.00	<b>Total obligations .....</b>	<b>17,121</b>	<b>12,557</b>	<b>9,000</b>
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-14,680	-12,509	-8,952
24.40	Unobligated balance available, end of year .....	12,509	8,952	8,952
60.00	<b>Budget authority (appropriation) (permanent, indefinite, special fund) .....</b>	<b>14,950</b>	<b>9,000</b>	<b>9,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	17,121	12,557	9,000
72.40	Obligated balance, start of year .....	45	15	72
74.40	Obligated balance, end of year .....	-15	-72	-72
90.00	<b>Outlays .....</b>	<b>17,150</b>	<b>12,500</b>	<b>9,000</b>
Distribution of budget authority by account:				
	Hydraulic mining in California, debris fund .....	48	48	48
	Maintenance and operation of dams and other improvements of navigable waters .....	7,183	2,952	2,952
	Payments to States .....	7,718	6,000	6,000
Distribution of outlays by account:				
	Hydraulic mining in California, debris fund .....	50	48	48
	Maintenance and operation of dams and other improvements of navigable waters .....	10,231	7,133	2,952
	Payments to States .....	6,869	5,319	6,000

*Hydraulic mining in California, debris fund.*—Fees paid by mine operators in the Sacramento and San Joaquin basins for depositing mine debris in restraining works are used for their maintenance.

*Maintenance and operation of dams and other improvements of navigable waters.*—License fees are levied by the Department of Energy for private construction, operation and maintenance of dams, conduits, and reservoirs. Half of the fees collected are used for maintenance and operation of Federal dams and other navigation structures, and for improvement of navigable waters. License fees are also levied by the Department of Energy for benefits accruing directly as the result of headwater improvements by Federal projects. One hundred percent of these fees collected are used for maintenance and operation of Federal dams and other navigation structures, and for improvement of navigable waters.

*Payments to States.*—Three-fourths of the money received from lease of Federal lands acquired for flood control, navigation, and allied purposes is paid to the State in which such property is situated for public schools, roads, or other expenses of county government.

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

Identification code	96-9921-0-2-999	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent .....	218	225	235
11.3	Other than full-time permanent .....	130	135	140
11.9	<b>Total personnel compensation .....</b>	<b>348</b>	<b>360</b>	<b>375</b>
12.1	Civilian personnel benefits .....	41	42	44
23.1	Rental payments to GSA .....	50	9	9
23.3	Communications, utilities, and miscellaneous charges .....	16	6	6
24.0	Printing and reproduction .....	6	4	3
25.0	Other services .....	8,371	6,571	2,358
26.0	Supplies and materials .....	666	115	90
31.0	Equipment .....	69	20	15
32.0	Land and structures .....	687	111	100
41.0	Grants, subsidies, and contributions .....	6,867	5,319	6,000
99.9	<b>Total obligations .....</b>	<b>17,121</b>	<b>12,557</b>	<b>9,000</b>

**Personnel Summary**

Total number of full-time permanent positions .....	14	14	14
Total compensable workyears: Full-time equivalent employment .....	15	15	15

**Intragovernmental funds:**

**REVOLVING FUND**

*For continued construction of a replacement dustpan dredge and for continued acquisition of the Corps of Engineers Automation Plan, \$35,174,000, to remain available until expended. Further, using funds available in the Revolving Fund, the Secretary of the Army is authorized to finance up to \$1,500,000 in improvements to the Missouri River Division Laboratory to permit quality assurance testing required for support of the Environmental Protection Agency Superfund and Department of Defense environmental restoration programs: Provided, That expenditures for the Missouri River Division Laboratory improvements shall be fully reimbursed from funds available to the benefiting agencies on a pro rata basis over a period not to exceed five years from the date of completion of the improvements. (33 U.S.C. 576.)*

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

Identification code	96-4902-0-4-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Plant and equipment services .....	90,900	92,000	89,100
00.02	Warehousing .....	884	900	900
00.03	Shop and facility services .....	843,700	871,000	840,000
00.04	General administrative services .....	1,096,800	1,132,100	1,098,000
00.91	<b>Total operating expenses .....</b>	<b>2,032,284</b>	<b>2,096,000</b>	<b>2,028,000</b>
Capital investment:				
01.01	Land and structures .....	9,163	15,300	18,000
01.02	Dredges .....	4,379	5,700	12,000
01.03	Other floating plant .....	8,278	20,700	13,000
01.04	Land-based equipment .....	24,207	42,100	62,000
01.05	Tools, office furniture, and equipment .....	3,324	5,200	11,000
01.91	<b>Total capital investment .....</b>	<b>49,351</b>	<b>89,000</b>	<b>116,000</b>
10.00	<b>Total obligations .....</b>	<b>2,081,635</b>	<b>2,185,000</b>	<b>2,144,000</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-2,084,138	-2,174,759	-2,099,826
14.00	Non-Federal sources .....	-8,370	-7,000	-7,000
21.98	Unobligated balance available, start of year: Fund balance .....	-10,368	-33,241	-30,000
24.98	Unobligated balance available, end of year: Fund balance .....	33,241	30,000	28,000
40.00	<b>Budget authority (appropriation) .....</b>	<b>12,000</b>	<b>.....</b>	<b>35,174</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-10,873	3,241	37,174
72.98	Obligated balance, start of year: Fund balance .....	140,146	215,708	208,949
74.98	Obligated balance, end of year: Fund balance .....	-215,708	-208,949	-217,984
90.00	<b>Outlays .....</b>	<b>-86,435</b>	<b>10,000</b>	<b>28,139</b>

The fund provides for the acquisition, operation, and maintenance of plant and equipment used in civil works functions; for temporary financing of services chargeable to civil appropriations; and for furnishing facilities and services for military functions of the Department of the Army, other governmental agencies and private persons (33 U.S.C. 576).

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

Identification code	96-4902-0-4-301	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent .....	8,916	11,105	11,549
11.3	Other than full-time permanent .....	524	653	679
11.5	Other personnel compensation .....	799	995	1,035
11.9	<b>Total personnel compensation .....</b>	<b>10,239</b>	<b>12,753</b>	<b>13,263</b>

**Intragovernmental funds—Continued**

**REVOLVING FUND—Continued**

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

Identification code 96-4902-0-4-301	1987 actual	1988 est.	1989 est.
12.1 Civilian personnel benefits.....	1,110	1,383	1,438
21.0 Travel and transportation of persons.....	22,338	21,960	21,740
22.0 Transportation of things.....	3,445	3,500	3,500
23.3 Communications, utilities, and miscellaneous charges.....	22,689	23,800	23,370
24.0 Printing and reproduction.....	3,747	3,930	3,860
25.0 Other services.....	1,867,772	1,959,944	1,922,029
26.0 Supplies and materials.....	73,274	76,900	75,470
31.0 Equipment.....	65,572	68,830	67,540
32.0 Land and structures.....	11,449	12,000	11,790
99.9 Total obligations.....	2,081,635	2,185,000	2,144,000

**Personnel Summary**

Total number of full-time permanent positions.....	320	385	385
Total compensable workyears:			
Full-time equivalent employment.....	295	355	355
Full-time equivalent of overtime and holiday hours.....	5	6	6

**Trust Funds**

**INLAND WATERWAYS TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	239,896	294,969	320,369
Receipts:			
Inland waterway fuel tax.....	48,334	49,100	49,800
Interest and profits on investments.....	30,926	14,300	13,400
Total:			
Available for appropriation.....	319,156	358,369	383,569
Not available for obligation (unrealized discount).....	1,813		
Appropriation.....	-26,000	-38,000	-77,467
Unappropriated balance, end of year.....	294,969	320,369	306,102

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

Identification code 20-8861-0-7-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	33,609	25,452	58,727
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-7,800	-191	-12,739
24.40 Unobligated balance available, end of year.....	191	12,739	31,479
40.00 <b>Budget authority (appropriation)</b> .....	<b>26,000</b>	<b>38,000</b>	<b>77,467</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	33,609	25,452	58,727
90.00 Outlays.....	33,609	25,452	58,727

The Inland Waterways Trust Fund was established in accordance with the Inland Waterways Revenue Act of 1978 and amended by the Water Resources Development Act of 1986, Public Law 99-662. Revenue is derived from taxes imposed on fuel in vessels engaged in commercial waterway transportation and is used for 50 percent of the construction and rehabilitation costs of specified inland waterway projects. See "Construction, general" for appropriation language.

**RIVERS AND HARBORS CONTRIBUTED FUNDS**

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

Identification code 96-8862-0-7-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 General investigations: Where required for an authorized Federal study.....	4,465	10,000	14,000
00.02 Where not required for an authorized Federal study.....	41	50	50
<b>Construction:</b>			
00.03 Where required for an authorized Federal project.....	59,849	185,000	185,000
00.04 Where not required for an authorized Federal project... Flood control, Mississippi River and tributaries:	26,604	31,500	35,000
<b>Maintenance:</b>			
00.05 Where required for an authorized feature.....	49	50	50
00.06 Where not required for an authorized feature.....	190	300	200
00.07 Where required for an authorized Federal project.....	2,735	3,500	3,900
00.08 Where not required for an authorized Federal project...	2,392	2,600	2,800
10.00 Total obligations.....	96,325	233,000	241,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-26,969	-45,587	-45,587
24.40 Unobligated balance available, end of year.....	45,587	45,587	45,587
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>114,943</b>	<b>233,000</b>	<b>241,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	96,325	233,000	241,000
72.40 Obligated balance, start of year.....	16,538	37,994	37,994
74.40 Obligated balance, end of year.....	-37,994	-37,994	-37,994
90.00 Outlays.....	74,870	233,000	241,000

Funds are contributed by non-Federal interests for expenditure on improvements of rivers and harbors. This includes cash contributions by terms of agreements with non-Federal interests for study, design, construction and maintenance of authorized Federal projects as well as other non-Federal contributions.

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

Identification code 96-8862-0-7-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,573	1,559	1,621
11.3 Other than full-time permanent.....	48	48	49
11.5 Other personnel compensation.....	39	39	40
11.9 Total personnel compensation.....	1,660	1,646	1,710
12.1 Civilian personnel benefits.....	164	163	169
21.0 Travel and transportation of persons.....	89	130	150
22.0 Transportation of things.....	15	20	20
23.1 Rental payments to GSA.....	123	205	241
23.2 Rental payments to others.....	23	28	29
23.3 Communications, utilities, and miscellaneous charges.....	244	300	340
24.0 Printing and reproduction.....	43	60	75
25.0 Other services.....	61,093	167,713	173,501
26.0 Supplies and materials.....	202	395	425
31.0 Equipment.....	33	180	260
32.0 Land and structures.....	32,636	62,160	64,080
99.9 Total obligations.....	96,325	233,000	241,000

**Personnel Summary**

Total number of full-time permanent positions.....	40	38	38
Total compensable workyears: Full-time equivalent employment.....	47	45	45

**HARBOR MAINTENANCE TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....		16,333	3,091
Receipts:			
Revenue:			
Harbor maintenance user fees.....	53,000	144,000	166,000

Saint Lawrence Seaway tolls .....	4,643	9,585	10,400
Proposed legislation.....			-10,400
Interest on investments .....	551	859	842
Net receipts.....	58,194	154,444	166,842
<b>Total:</b>			
Available for appropriation.....	58,194	170,777	169,933
Not available for obligation (unrealized discount).....	1,137		
<b>Annual appropriations:</b>			
Saint Lawrence Seaway Development Corporation:			
Current law .....	4,000	10,806	11,500
Proposed legislation.....			-11,500
U.S. Army Corps of Engineers, Civil: Operation and maintenance of commercial navigation harbors .....	35,000	147,000	156,000
Department of the Treasury:			
Saint Lawrence Seaway toll rebate program .....	3,998	9,880	10,800
Total annual appropriations.....	-42,998	-167,686	-166,800
Unappropriated balance, end of year.....	16,333	3,091	3,133

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

Identification code 96-8863-0-7-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Operation and maintenance of commercial navigation harbors (total obligations) (object class 25.0) .....	35,000	122,010	154,470
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....			-24,990
24.40 Unobligated balance available, end of year.....		24,990	26,520
40.00 <b>Budget authority (appropriation) .....</b>	<b>35,000</b>	<b>147,000</b>	<b>156,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	35,000	122,010	154,470
90.00 Outlays.....	35,000	122,010	154,470

The Harbor Maintenance Trust Fund was established in accordance with the Harbor Maintenance Revenue Act of 1986 (Public Law 99-662, Title XIV). Under existing law, revenue is derived from: (1) receipts from a 0.04% ad valorem user fee imposed on commercial cargo loaded and unloaded at specified U.S. ports open to public navigation, and (2) collection of charges and tolls imposed by the Saint Lawrence Seaway Development Corporation.

The Harbor Maintenance Revenue Act also authorized expenditures from the Trust Fund to fully finance the operation and maintenance of the Corporation, to finance up to 40 percent of Corps of Engineers' commercial harbor operation and maintenance (O&M) costs, including O&M costs associated with Great Lakes navigational projects, and to rebate the U.S. portion of tolls paid on the Seaway.

For appropriation language, see the following accounts: Army Corps of Engineers, Civil "Operation and Maintenance, General"; St. Lawrence Seaway Development Corporation "Operation and maintenance"; and Department of the Treasury "St. Lawrence Seaway toll rebate program".

**ADMINISTRATIVE PROVISIONS**

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by section 4110 of title 5, United States Code, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901-5902), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; *not to exceed \$5,000 for official reception and representation expenses*; and during

the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed [225] 200 for replacement only) and hire of passenger motor vehicles.

**[GENERAL PROVISIONS, CORPS OF ENGINEERS]**

**[SEC. 101.** In section 4(c) of Public Law 99-469, the word "Secretary" is deleted each time it appears and the words "United States" are inserted in lieu thereof.]

**[SEC. 102.** The Secretary of the Army is directed to initiate construction and to reimburse non-Federal interests for work completed in conjunction with the North Branch of Chicago River project in Illinois.]

**[SEC. 103.** Using funds previously provided in the Energy and Water Development Appropriations Act, 1987 (Public Law 99-500 and Public Law 99-591), the Secretary of the Army is directed to proceed with development of the Cross-Florida Barge Canal Conservation Management Plan as described in subsection 1114(e) of the Water Resources Development Act, 1986 (Public Law 99-662).]

**[SEC. 104.** A project for flood control along the San Timoteo Creek in the vicinity of Loma Linda is authorized for construction as part of the Santa Ana Mainstem including Santiago Creek Project in accordance with plans described in the San Timoteo Interim II of the Santa Ana Basin and Orange County study. For purposes of economic justification the benefits and costs of the San Timoteo Project shall be included together with the benefits and costs of the entire Santa Ana Mainstem, including Santiago Creek. The total costs for the Santa Ana Mainstem, including Santiago Creek, is to be raised by \$25,000,000.]

**[SEC. 105.** Section 1124 of Public Law 99-662 is modified to add the following new subsection:

"(e) The dollar amounts listed in this section are based on October 1985 price levels. Such amounts shall be subject to adjustment pursuant to section 902(2) of this Act. Total contributions to governments in Canada that are authorized by this section, as adjusted pursuant to section 902(2) of this Act, may fluctuate to reflect changes in the rate of exchange for currency between the United States and Canada that occurred between October 1985 and the time contributions are made."]

**[SEC. 106.** The undesignated paragraph under the heading "Puerco River and Tributaries, New Mexico" in section 401(a) of Public Law 99-662 (100 Stat. 4082) is amended by striking out "\$4,190,000", "\$3,140,000", and "\$1,050,000" and inserting in lieu thereof "\$7,300,000", "\$5,500,000", and "\$1,800,000", respectively.]

**[SEC. 107.** None of the funds made available under "Department of Defense-Civil, Department of the Army, Corps of Engineers-Civil", except as provided for under "General Regulatory Functions", shall be used to pay the expenses of the Department of the Army-Civil regulatory activities.]

**[SEC. 108.** The McClellan-Kerr Arkansas River navigation project authorized under the comprehensive plan for the Arkansas River Basin by section 3 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1218), and section 10 of the Flood Control Act of 1946 (60 Stat. 647), is modified to include municipal, industrial and agricultural water supply as authorized project purposes. Withdrawals of water for such purposes may be permitted to the extent that such withdrawals are consistent with applicable State laws and do not interfere with the other authorized purposes.]

**[SEC. 109.** The undesignated paragraph under the heading "Noyes, Minnesota", in section 401(d) of Public Law 99-662 (100 Stat. 4131) is amended by striking out "\$250,000" and inserting in lieu thereof "\$650,000".]

**[SEC. 110.** The Chief of Engineers is directed to retain three operational aircraft authorized pursuant to section 101 of the Act of July 27, 1953, 67 Stat. 199, together with their attendant crews, and may only dispose of any of these aircraft if authorized to do so by a future congressional enactment for that purpose. The Chief of Engineers shall provide at least thirty days advance written notification to the Appropriations Committees of the Senate and House of Representatives of any intended use of any of these aircraft for a trip destined outside the United States or its territories or possessions.]

**[SEC. 111.** The section entitled "TRANSFER OF FEDERAL TOWNSITES" in the Supplemental Appropriations Act, 1985, title 1, chapter IV (Public Law 99-88, 99 Stat. 317) as amended by section 1123 of the

**Intragovernmental funds—Continued**

**[GENERAL PROVISIONS, CORPS OF ENGINEERS]—Continued**

Water Resources Development Act, 1986 (Public Law 99-662) is further amended as follows:

- (1) By deleting all that follows the colon in paragraph (7);
- (2) By adding a new paragraph at the end of paragraph (7) as follows:
- “(8) The Secretary shall, at full Federal expense for a period not to exceed three years from the date of the transfer of the townsite to the municipal corporation, continue to operate and maintain such corporation’s electrical distribution system, including street lights, and to provide or assume the cost of electric power, natural gas, and liquified petroleum gas to buildings and facilities owned and operated by the corporation and to public school buildings located within the municipality.” *(Energy and Water Development Appropriation Act, 1988.)*

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are shown in the schedules of the parent appropriation as follows:  
 Operations, Research, and Facilities, National Oceanic and Atmospheric Administration, Department of Commerce.  
 Energy, Supply, Research and Development Activities, Operating Expenses, Department of Energy.  
 Construction, National Park Service, Department of the Interior.  
 Construction, Bureau of Indian Affairs, Department of the Interior.  
 Construction and Anadromous Fish, United States Fish and Wildlife Service, Department of the Interior.  
 Land Acquisition and State Assistance, National Park Service, Department of the Interior.  
 Construction, International Boundary and Water Commission, United States and Mexico, State.  
 Federal Highway Administration, Department of Transportation.  
 Acquisition and Construction of Radio Facilities, United States Information Agency.  
 Appalachian Regional Development Programs.

**MILITARY RETIREMENT**

*Federal Funds*

**General and special funds:**

**PAYMENT TO MILITARY RETIREMENT FUND**

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

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 13.0)	10,524,000	10,285,000	10,648,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite)	10,524,000	10,285,000	10,648,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	10,524,000	10,285,000	10,648,000
90.00 Outlays	10,524,000	10,285,000	10,648,000

The 1989 payment to the military retirement fund include funds for the amortization of the unfunded liability for all retirement benefits earned by military personnel for service prior to 1985. The amortization schedule for the unfunded liability was determined by the DOD Retirement Board of Actuaries. Included in the unfunded liability are the consolidated requirements of the military departments to cover: (a) retired officers and enlisted personnel of the Army, Navy, Marine Corps, and Air Force; (b) retainer pay of enlisted personnel of the Fleet Reserve of the Navy and Marine Corps; and (c) survivors benefits.

**RETIRED PAY, DEFENSE**

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

Identification code	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	19,941	17,267	12,267
72.40 Obligated balance, start of year	—	—	—
74.40 Obligated balance, end of year	—17,267	—12,267	—8,767
77.00 Adjustments in expired accounts	—71	—	—
90.00 Outlays	2,603	5,000	3,500

*Trust Funds*

**MILITARY RETIREMENT FUND**

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

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Nondisability	15,443,220	16,337,200	17,359,600
00.02 Temporary disability	80,369	84,400	89,700
00.03 Permanent disability	1,293,483	1,369,100	1,454,800
00.04 Fleet Reserve	620,581	655,800	696,800
00.05 Survivors' benefits	688,720	728,700	774,300
10.00 Total obligations (object class 42.0)	18,126,373	19,175,200	20,375,200
<b>Financing:</b>			
<b>Unobligated balance available, start of year:</b>			
21.40 Treasury balance	—1,172	—2,453	—2,000
21.40 U.S. securities (par)	—19,466,982	—29,187,435	—44,364,274
21.40 Unamortized premium or discount, net	—2,678,653	—6,783,535	—6,000,000
21.40 Interest Purchased	—39,146	—5,419	—
<b>Unobligated balance available, end of year:</b>			
24.40 Treasury balance	2,453	2,000	2,000
24.40 U.S. securities (par)	29,187,435	44,364,274	59,048,674
24.40 Unamortized premium or discount, net	6,783,535	6,000,000	6,000,000
24.40 Interest purchased	5,419	—	—
60.00 Budget authority (appropriation) (permanent, indefinite)	31,919,262	33,562,632	35,059,600
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	18,126,373	19,175,200	20,375,200
<b>Obligated balance available, start of year:</b>			
72.40 U.S. securities (par)	1,402,672	1,450,000	1,501,326
72.40 Unamortized premium or discount, net	76,514	81,526	83,000
72.40 Interest purchased	4,842	1,000	—
<b>Obligated balance available, end of year:</b>			
74.40 U.S. securities (par)	—1,450,000	—1,501,326	—1,556,326
74.40 Unamortized premium or discount, net	—81,526	—83,000	—83,000
74.40 Interest purchased	—1,000	—	—
90.00 Outlays	18,077,875	19,123,400	20,320,200

Public Law 98-94 provided for accrual funding of the military retirement system and for the establishment of a Department of Defense Military Retirement Fund in 1985. The fund is financed through: (a) Federal contributions for retired pay and retirement pay of military personnel on the retired lists of the Army, Navy and Marine Corps, and Air Force, including the reserve components thereof, and retainer pay for personnel of the Inactive Fleet Reserve; (b) Government contributions consisting of a normal cost accrual percentage applied to basic pay amounts contained in the military personnel appropriations; and (c) interest on investments.

The status of the fund is as follows:

**STATUS OF FUND**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:			
Cash	1,172	2,453	2,000



Table with 4 columns: Description, 1987 actual, 1988 est., 1989 est. Rows include U.S. securities (par), Unamortized premiums/discounts, Interest purchased, Balance of trust fund, start of year, Cash income for the year, Employer's contribution, Total cash income, Cash outgo during the year, Net income or outgo, Unexpended balance, end of year.

EDUCATION BENEFITS

Federal Funds

General and special funds:

PAYMENT TO THE HENRY M. JACKSON FOUNDATION

Program and Financing (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Program by activities, Financing, Relation of obligations to outlays.

Trust Funds

EDUCATION BENEFITS FUND

Program and Financing (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Program by activities, Financing, Relation of obligations to outlays.

The 1985 Defense Authorization Bill, Public Law 98-525, provided for the accrual funding of certain new education benefits to be provided to active duty military personnel under the authority of Chapter 30, Title 38 U.S.C., and to Selected Reserve personnel under the authority of Chapter 106, Title 10 U.S.C. Public Law 100-48 made this program permanent. The fund is financed through: (a) actuarially-determined Government contributions from the Department of Defense military personnel appropriations; and (b) interest on investments. Funds are transferred to the Veterans Administration to make benefit payments to eligible personnel. The status of the fund is as follows:

STATUS OF FUND

[In thousands of dollars]

Table with 4 columns: Description, 1987 actual, 1988 est., 1989 est. Rows include Unexpended balance, start of year, Cash, U.S. securities (par), Unamortized premiums/discounts, Interest purchased, Balance of trust fund, start of year, Cash income for the year, Employer's contribution, Total cash income, Cash outgo during the year, Benefit payments, Net income or outgo, Unexpended balance, end of year.

SOLDIERS' AND AIRMEN'S HOME

Trust Funds

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, [\$35,879,000] \$36,643,000: Provided, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners and the Surgeon General of the Army. (Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Program by activities, Financing, Budget authority, Appropriation (adjusted).

OPERATION AND MAINTENANCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	84-8931-0-7-705	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	34,913	35,877	36,643
72.40	Obligated balance, start of year.....	7,792	8,183	8,327
74.40	Obligated balance, end of year.....	-8,183	-8,327	-8,491
77.00	Adjustments in expired accounts.....	-1		
90.00	Outlays.....	34,521	35,733	36,479

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The U.S. Soldiers' and Airmen's Home provides medical and domiciliary care and other authorized benefits for the relief and support of certain retired soldiers of the regular Army and airmen of the Air Force.

The average number of members receiving domiciliary and hospital care are shown below:

	1987 actual	1988 est.	1989 est.
Domiciliary care.....	1,691	1,730	1,730
Hospital care.....	357	370	370
Total members.....	2,048	2,100	2,100

Object Classification (in thousands of dollars)

Identification code	84-8931-0-7-705	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	19,575	20,367	20,679
11.3	Other than full-time permanent.....	1,148	1,206	1,224
11.5	Other personnel compensation.....	1,149	1,184	1,202
11.9	Total personnel compensation.....	21,872	22,757	23,105
12.1	Civilian personnel benefits.....	3,449	3,565	3,620
13.0	Benefits for former personnel.....	64	52	52
21.0	Travel and transportation of persons.....	9	9	11
22.0	Transportation of things.....	10	3	3
23.2	Rental payments to others.....	20		
23.3	Communications, utilities, and miscellaneous charges.....	1,136	1,329	1,380
24.0	Printing and reproduction.....	29	35	37
25.0	Other services.....	2,716	2,649	2,740
26.0	Supplies and materials.....	5,050	5,294	5,513
31.0	Equipment.....	558	182	180
32.0	Land and structures.....			
42.0	Insurance claims and indemnities.....		2	2
99.0	Subtotal, direct obligations.....	34,913	35,877	36,643
99.0	Reimbursable obligations.....	123	-130	144
99.9	Total obligations.....	35,036	36,007	36,787

Personnel Summary

NONMEMBER EMPLOYEES			
Total number of full-time permanent positions.....	794	801	801
Total compensable workyears:			
Full-time equivalent employment.....	820	848	848
Full-time equivalent of overtime and holiday hours.....	20	16	16
MEMBER EMPLOYEES			
Total number of full-time permanent positions.....	159	159	159
Total compensable workyears:			
Full-time equivalent employment.....	195	189	189
Full-time equivalent of overtime and holiday hours.....	4	4	4

CAPITAL OUTLAYS

For construction and renovation of the physical plant, to be paid from the Soldiers' and Airmen's Home permanent fund, **[\$15,445,000]** \$13,215,000, to remain available until expended. (De-

partment of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	84-8932-0-7-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 32.0).....	14,665	18,226	13,215
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-2,162	-2,781	
24.40	Unobligated balance available, end of year.....	2,781		
39.00	<b>Budget authority.....</b>	<b>15,284</b>	<b>15,445</b>	<b>13,215</b>
Budget authority:				
40.00	Appropriation.....	16,241	15,445	13,215
41.00	Transferred to other accounts.....	-957		
43.00	<b>Appropriation (adjusted).....</b>	<b>15,284</b>	<b>15,445</b>	<b>13,215</b>
Relation of obligations to outlays:				
71.00	Obligations incurred net.....	14,665	18,226	13,215
72.40	Obligated balance, start of year.....	20,218	32,768	38,720
74.40	Obligated balance, end of year.....	-32,768	-38,720	-34,528
90.00	Outlays.....	2,116	12,274	17,407

This appropriation finances renovation and construction of the physical plant of the U.S. Soldiers' and Airmen's Home.

PAYMENT OF CLAIMS

Program and Financing (in thousands of dollars)

Identification code	84-8930-0-7-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 42.0).....	7	5	5
<b>Financing:</b>				
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>7</b>	<b>5</b>	<b>5</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	7	5	5
90.00	Outlays.....	7	5	5

Refunds are made from the permanent fund of amounts of courts-martial fines and other charges erroneously deducted from the pay of soldiers and airmen after adjudication of claims therefor by the General Accounting Office.

SOLDIERS' AND AIRMEN'S HOME PERMANENT FUND (TRUST FUND)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	162,821	160,678	157,996
Revenues:			
Interest.....	17,556	17,000	17,000
Government receipts.....	25,931	26,941	26,946
Proprietary receipts.....	4,640	4,706	4,847
Total available for appropriation.....	210,948	209,325	206,789
Appropriations:			
Operation and maintenance.....	-34,979	-35,879	-36,643
Capital outlay.....	-15,284	-15,445	-13,215
Payment of certified claims.....	-7	-5	-5
Total appropriations.....	-50,270	-51,329	-49,863
Unappropriated balance, end of year.....	160,678	157,996	156,926

This fund consists of receipts from fines, forfeitures, and stoppages of pay of regular enlisted personnel of the Army and Air Force, withholding not to exceed 50 cents per month from the pay of such personnel, estates of deceased soldiers and airmen, other receipts consisting largely of interest paid on the fund, and a fee charged to Home members.

**SOLDIERS' AND AIRMEN'S HOME REVOLVING FUND**

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

Identification code 84-8463-0-8-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0)	593	562	562
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds	-563	-562	-562
21.98 Unobligated balance available, start of year: Fund balance	-127	-97	-97
24.98 Unobligated balance available, end of year: Fund balance	97	97	97
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	30		
72.98 Obligated balance, start of year: Fund balance	61	114	114
74.98 Obligated balance, end of year: Fund balance	-114	-114	-114
90.00 Outlays	-23		

This fund finances, on a reimbursable basis, inventories of supplies and equipment for use in the operating activities of the Soldiers' and Airmen's Home. The fund does not finance the acquisition of major items of equipment.

**FOREST AND WILDLIFE CONSERVATION,  
MILITARY RESERVATIONS**

*Federal Funds*

**General and special funds:**

**FOREST PRODUCTS PROGRAM RESERVE ACCOUNT**

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

Identification code 21-5285-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0)		2,600	2,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,977	-1,879	-1,879
24.40 Unobligated balance available, end of year	1,879	1,879	1,879
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) (special fund)	-98	2,600	2,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net		2,600	2,000
72.40 Obligated balance, start of year	170		
90.00 Outlays	170	2,600	2,000

Title 10 of United States Code 2665 authorizes the Department of Defense to retain all of its annual surplus forest products income. The funds may be used to reimburse unplanned expenses in forest management and forest improvement projects.

**WILDLIFE CONSERVATION**

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

Identification code 97-5095-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Department of the Army	1,117	1,430	1,430
00.02 Department of the Navy	227	252	250
00.03 Department of the Air Force	496	540	540
10.00 Total obligations	1,840	2,222	2,220
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-6		
21.40 Unobligated balance available, start of year	-1,466	-1,499	-1,307
24.40 Unobligated balance available, end of year	1,499	1,307	1,137
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) (special fund)	1,867	2,030	2,050
Relation of obligations to outlays:			
71.00 Obligations incurred, net	1,840	2,222	2,220
72.40 Obligated balance, start of year	726	648	630
74.40 Obligated balance, end of year	-648	-630	-600
78.00 Adjustments in unexpired accounts	-6		
90.00 Outlays	1,911	2,240	2,250
Distribution of budget authority by account:			
Department of the Army	1,305	1,340	1,350
Department of the Navy	139	240	250
Department of the Air Force	423	450	450
Distribution of outlays by account:			
Department of the Army	1,161	1,450	1,450
Department of the Navy	77	290	240
Department of the Air Force	673	500	560

These appropriations provide for a program of development and conservation of fish and wildlife and the development of recreational facilities on military reservations. Proceeds from the sale of fishing and hunting permits are used for these programs on the 45 Army, 22 Navy and Marine Corps, and 33 Air Force bases charging such fees. These programs are carried out through cooperative plans agreed upon by the local representatives of the Secretary of Defense, the Secretary of the Interior, and the appropriate agency of the State in which the reservation is located.

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

Identification code 97-5095-0-2-303	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent	65	93	93
12.1 Civilian personnel benefits	14	14	14
21.0 Travel and transportation of persons	24	55	56
22.0 Transportation of things		15	15
23.3 Communications, utilities, and miscellaneous charges		5	5
24.0 Printing and reproduction	18	27	28
25.0 Other services	954	840	828
26.0 Supplies and materials	655	833	846
31.0 Equipment	110	202	199
32.0 Land and structures		138	136
99.9 Total obligations	1,840	2,222	2,220

**Personnel Summary**

Total number of full-time permanent positions	2	4	4
Total compensable workyears: Full-time equivalent employment	2	4	4



**DEPARTMENT OF EDUCATION**

**OFFICE OF ELEMENTARY AND SECONDARY EDUCATION**

*Federal Funds*

**General and special funds:**

**COMPENSATORY EDUCATION FOR THE DISADVANTAGED**

**【**For carrying out chapter 1 of the Education Consolidation and Improvement Act of 1981, as amended, \$4,327,927,000, of which \$7,181,000 shall be used for purposes of section 555(d) of said Act to provide technical assistance and evaluate programs, and the remaining \$4,320,746,000 shall become available on July 1, 1988, and remain available until September 30, 1989: *Provided*, That of these remaining funds, no funds shall be used for purposes of section 554(a)(1)(B), \$269,029,000 shall be available for purposes of section 554(a)(2)(A), \$151,269,000 shall be available for purposes of section 554(a)(2)(B), \$32,552,000 shall be available for purposes of section 554(a)(2)(C) and \$38,296,000 shall be available for purposes of section 554(b)(1)(D).**】**

**【**For carrying out section 418A of the Higher Education Act, \$8,616,000.**】** (*Department of Education Appropriations Act, 1988.*)

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

Identification code	91-0900-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
Grants for the disadvantaged:				
00.01	Grants to local educational agencies	3,458,170	3,829,704	
00.03	State agency programs	449,322	454,427	
00.04	State administration	37,145	38,296	
00.05	Evaluation and technical assistance	6,241	7,181	
00.10	Migrant education	7,500	8,616	
00.91	Total direct program	3,958,378	4,338,224	
01.01	Reimbursable program	35,908		
10.00	Total obligations	3,994,286	4,338,224	
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	- 35,166		
14.00	Non-Federal sources	- 742		
17.00	Recovery of prior year obligations	- 7,384		
21.40	Unobligated balance available, start of year	- 6,317	- 1,681	
22.40	Unobligated balance transferred, net		5,300	
24.40	Unobligated balance available, end of year	1,681		
25.00	Unobligated balance lapsing	5		
40.00	<b>Budget authority (appropriation)</b>	<b>3,951,663</b>	<b>4,336,543</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	3,958,378	4,338,224	
72.40	Obligated balance, start of year	3,938,922	4,337,878	4,832,731
74.40	Obligated balance, end of year	- 4,337,878	- 4,832,731	- 1,022,527
77.00	Adjustments in expired accounts	- 342,115	- 2,541	
78.00	Adjustments in unexpired accounts	- 7,384		
90.00	Outlays	3,209,923	3,840,830	3,810,204
Distribution of outlays by account:				
	Elementary and secondary education	- 204,388	8,898	
	Compensatory education for the disadvantaged	3,414,311	3,831,932	3,810,204

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority	3,951,663	4,336,543	
Outlays	3,209,923	3,840,830	3,810,204
Proposed for later transmittal under proposed legislation:			
Budget authority			4,566,065
Outlays			547,927
<b>Total:</b>			
Budget authority	3,951,663	4,336,543	4,566,065
Outlays	3,209,923	3,840,830	4,358,131

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

Identification code	91-0900-0-1-501	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	12	12	6
1251	Repayments: Repayments and prepayments		- 4	- 4
1262	Adjustments: Write-offs for defaults		- 2	- 2
1290	Outstanding, end of year	12	6	

This account funds activities authorized under chapter 1 of the Education Consolidation and Improvement Act of 1981. For chapter 1 activities, the budget includes the following amounts:

**BUDGET AUTHORITY**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
(a) Grants to local educational agencies	3,453,500	3,829,600	3,906,151
(b) Concentration grants			154,000
(c) State agency programs:			
(1) Migrant	264,524	269,029	269,029
(2) Handicapped	150,170	151,269	151,269
(3) Neglected and delinquent	32,616	32,552	32,616
(d) State administration	37,107	38,296	41,000
(e) Evaluation and technical assistance	6,246	7,181	12,000
<b>Total</b>	<b>3,944,163</b>	<b>4,327,927</b>	<b>4,566,065</b>

Amounts for 1989 are proposed for later transmittal pending enactment of reauthorization legislation. The distribution by activity is, therefore, illustrative. The actual distribution will be included in the transmittal of the budget request after enactment.

*Grants for the disadvantaged.—*

*Grants to local educational agencies.—*Funds made available under this activity enable local educational agencies to provide supplementary compensatory education services for disadvantaged elementary and secondary school students. Funds are allocated to local school districts on the basis of a statutory formula.

*State agency programs.—*The programs within this activity make financial assistance available to State educational agencies for supplementary compensatory education services to migrant children, handicapped children in State operated programs, and neglected or delinquent children in State institutions. In each of the three State agency programs, funds are provided to the appropriate State agencies on the basis of an annual count of eligible children.

*State administration.—*This activity provides funds to State educational agencies to administer the programs authorized under chapter 1.

*Evaluation and technical assistance.—*Funds provide technical assistance to local school districts and State educational agencies and support activities to evaluate the program.

*Reimbursable program.—*Amounts in this activity consist of: payments made to the Department of Education as audit recoveries which the Secretary has grant-

General and special funds—Continued

COMPENSATORY EDUCATION FOR THE DISADVANTAGED—Continued

ed back to the audited agency under the terms of section 456 of the General Education Provisions Act and funds appropriated in other accounts for consolidation grants to the insular areas.

Object Classification (in thousands of dollars)

Identification code	91-0900-0-1-501	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services.....	6,241	7,181	.....
41.0	Grants, subsidies, and contributions.....	3,952,137	4,331,043	.....
99.0	Subtotal, direct obligations.....	3,958,378	4,338,224	.....
99.0	Reimbursable obligations.....	35,908	.....	.....
99.9	Total obligations.....	3,994,286	4,338,224	.....

COMPENSATORY EDUCATION FOR THE DISADVANTAGED  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	91-0900-2-1-501	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Grants to local educational agencies.....	.....	.....	3,906,151
00.02	Concentration grants.....	.....	.....	154,000
00.03	State agency programs.....	.....	.....	452,914
00.04	State administration.....	.....	.....	41,000
00.05	Evaluation and technical assistance.....	.....	.....	12,000
10.00	Total obligations.....	.....	.....	4,566,065
Financing:				
40.00	Budget authority (appropriation).....	.....	.....	4,566,065
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	.....	.....	4,566,065
74.40	Obligated balance, end of year.....	.....	.....	-4,018,138
90.00	Outlays.....	.....	.....	547,927

Legislation now pending before Congress would reauthorize the programs currently authorized under chapter 1 of the Education Consolidation and Improvement Act. The above allocation is illustrative of how funds in this request might be distributed. Upon enactment of new authorizing legislation, an amended budget request will be submitted to the Congress indicating the specific distribution of the total amount requested.

Object Classification (in thousands of dollars)

Identification code	91-0900-2-1-501	1987 actual	1988 est.	1989 est.
25.0	Other services.....	.....	.....	12,000
41.0	Grants, subsidies, and contributions.....	.....	.....	4,554,065
99.9	Total obligations.....	.....	.....	4,566,065

IMPACT AID

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), ~~[\$685,498,000]~~ \$567,000,000, of which ~~[\$15,318,000]~~ \$10,000,000, which shall remain available until expended, shall be for payments under section 7 of said Act, \$10,000,000 shall be for entitlements under section 2 of said Act, and ~~[\$670,180,000]~~ \$536,144,000 shall be for entitlements under section 3 of said Act of which ~~[\$536,144,000]~~ \$547,000,000 shall be for entitlements under section 3(b) of said Act: ~~【Provided, That payment with respect to entitlements under section 3(b) of said Act to any local educational agency in which 20 per centum or more of the total average daily attendance is made up of children determined eligible under section 3(b) shall be at 60 per centum of entitlement and payment with respect to entitle-~~

ments under section 3(b) of said Act to any local educational agency in which less than 20 per centum of the total average daily attendance is made up of children determined eligible under section 3(b) shall be ratably reduced from 100 per centum of entitlement: *Provided further,* That payments with respect to entitlements under section 3(a) to any local educational agency described in section 3(d)(1)(A) of said Act shall be at 100 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) shall be at 15 per centum of entitlement, so long as the fiscal year 1988 per pupil payment does not exceed 105 per centum of the fiscal year 1987 per pupil payment: *Provided further,* That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 15 per centum but less than 20 per centum of such agency's total average daily attendance shall be at 75 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) shall be 11.25 per centum of entitlement and the fiscal year 1988 local contribution rate for such agency shall not exceed 105 per centum of such agency's fiscal year 1987 local contribution rate: *Provided further,* That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to less than 15 per centum of such agency's total average daily attendance shall be ratably reduced from 100 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) of said Act shall be ratably reduced from 15 per centum of entitlement: ~~】~~ *Provided, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 35 per centum of such agency's total average daily attendance shall be at 100 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 20 per centum but less than 35 per centum of such agency's total average daily attendance shall be at 95 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 15 per centum but less than 20 per centum of such agency's total average daily attendance shall be at 75 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 10 per centum but less than 15 per centum of such agency's total average daily attendance shall be at 50 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to less than 10 per centum of such agency's total average daily attendance shall be ratably reduced from 100 per centum of entitlement: Provided further, That payments on behalf of children who reside on property which is described in section 403(1)(C) of said Act shall be at 15 per centum of the respective payment level specified in each of the preceding five provisions: Provided further, That no payment shall be made under section 3(a) to any local educational agency whose payment under that section fails to exceed \$5,000: Provided further, That only children described in section 3(a) shall be counted for determining eligibility and payments under section 3(d)(2)(B) of said Act: Provided further, That the aggregate amount for additional payments to local educational agencies eligible under section 3(d)(2)(B) shall not exceed \$10,000,000: Provided further, That payment under section 5(b)(2) of said Act to any local educational agency described in section 3(d)(1)(A) of said Act shall not exceed 75 per centum of that agency's payment under sections 2 and 3(a) for the prior fiscal year: Provided further, That payment under section 5(b)(2) to any other local educational agency shall not exceed 50 per centum of that agency's payment under sections 2 and 3(a) for the prior fiscal year: Provided further, That the provisions of section 5(c) of said Act shall not apply to funds provided herein: ~~【Provided further, That payments with respect to entitlements under section 3(a) for any local educational agency that is described in section 3(d)(1)(A) and is coterminous with a military installation are not subject to limitations on increases in per pupil payments unless such agency's State aid payment is reduced as a result of its section 3 payment: Provided further, That the Secretary shall consider as timely filed requests for assistance filed after the applicable deadline and related to applications for assistance submitted under section 7 of said Act or section 16 of the Act of September 23, 1950, stemming from FEMA~~*

Disaster Number 753DR as declared on November 7, 1985: *Provided further*, That any payment made to a local educational agency for fiscal years prior to 1986 that is attributable to an incorrect determination under section 2(a)(1)(C) of such Act shall be deemed to have been made in accordance with such section, and any payment made to a local educational agency under section 3, for fiscal years prior to 1987, on behalf of children claimed by such agency for any such fiscal year who resided on or whose parents were employed on property that was housing assisted under section 8 of the United States Housing Act of 1937, as amended, shall stand, and such payments withheld or recovered shall be made or restored. *Provided further*, That no payments shall be made under section 7 to any local educational agency whose need for assistance under that section fails to exceed the lesser of \$10,000 or 5 per centum of the district's current operating expenditures during the fiscal year preceding the one in which the disaster occurred.

For carrying out the Act of September 23, 1950, as amended (20 U.S.C. ch. 19), [\$22,978,000] \$25,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act, of which [\$8,617,000] \$10,000,000 shall be for awards under section 10 of said Act, [\$10,053,000] \$12,000,000 shall be for awards under sections 14(a) and 14(b) of said Act, and [\$4,308,000] \$3,000,000 shall be for awards under sections 5, 9 and 14(c) of said Act: *Provided further*, That funds appropriated under the heading "School Assistance in Federally Affected Areas" in Public Law 98-8 that are available for obligation shall be available until expended for the purposes of sections 14(a) and 14(b). (*Department of Education Appropriations Act, 1988.*)

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

Identification code	91-0102-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Maintenance and operations:				
00.01	Payments for "a" children .....	533,000	536,144	547,000
00.02	Payments for "b" children .....	130,000	134,036	.....
00.03	Payments for Federal property.....	22,000	15,318	10,000
00.91	Subtotal, maintenance and operations.....	685,000	685,498	557,000
01.01	Disaster assistance.....	13,690	20,000	20,445
02.01	Construction.....	7,263	48,852	25,000
10.00	Total obligations.....	705,953	754,350	602,445
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-40	.....	.....
17.00	Recovery of prior year obligations.....	-3,291	.....	.....
21.40	Unobligated balance available, start of year.....	-41,440	-56,319	-10,445
24.40	Unobligated balance available, end of year.....	56,319	10,445	.....
40.00	Budget authority (appropriation).....	717,500	708,476	592,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	705,913	754,350	602,445
72.40	Obligated balance, start of year.....	331,656	253,831	248,524
74.40	Obligated balance, end of year.....	-253,831	-248,524	-218,740
77.00	Adjustments in expired accounts.....	-76,250	-3,469	.....
78.00	Adjustments in unexpired accounts.....	-3,291	.....	.....
90.00	Outlays.....	704,197	756,188	632,229

**Maintenance and operations.**—Payments are made to school districts when enrollments and the availability of revenues from local sources have been adversely affected by Federal activities. Funds are provided to districts under section 3(a) for children who live on and whose parents work on Federal property or are on active duty in the uniformed services. For 1989, funds available for section 3(a) payments would total \$547 million. Payments on behalf of 3(a) children (other than those residing in Federally-subsidized, low-rent housing) would be made according to the following schedule:

Percentage of 3(a) children in district:	Percentage of entitlement to be paid
35-100 .....	100
20-34 .....	95

15-19 .....	75
10-14 .....	50
Under 10 .....	(1)

<sup>1</sup> Prorated share of remaining funds.

In 1989, payments would be made to about 1,100 school districts for 330,000 children under section 3(a). Section 2, which provides payments to certain districts having a partial loss of tax base, would be funded at \$10 million.

**Disaster assistance.**—For 1989, \$10 million in new budget authority is requested for this activity. Carry-over funds remaining unobligated at the end of 1988 will also be available for assistance to school districts that have suffered damage to their facilities from a major disaster.

**Construction.**—Budget authority of \$25 million is requested for 1989 for construction of school facilities in school districts that serve children connected with Federal activities.

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

Identification code	91-0102-0-1-501	1987 actual	1988 est.	1989 est.
32.0	Land and structures .....	20,953	68,852	45,445
41.0	Grants, subsidies, and contributions.....	685,000	685,498	557,000
99.9	Total obligations.....	705,953	754,350	602,445

**[SPECIAL PROGRAMS] SCHOOL IMPROVEMENT PROGRAMS**

For carrying out the consolidated programs and projects authorized under chapter 2 of the Education Consolidation and Improvement Act of 1981, as amended, \$508,439,000, of which \$29,739,000 shall be for programs and projects authorized under subchapter D of said Act, including \$10,244,000 for programs and projects authorized under subsection 583(a)(1) of said Act; \$4,308,000 shall be used for awards, which, except for educational television programming, are not to exceed a cumulative amount of \$957,000 to any recipient for national impact demonstration or research projects; \$7,659,000 for activities authorized under subsection 583(b)(1) of said Act; \$3,315,000 for programs authorized under subsection 583(b)(2) of said Act; and \$3,830,000 for activities authorized under subsection 583(b)(4) of said Act; and \$383,000 for national school volunteer programs: *Provided*, That \$478,700,000 to carry out the State block grant program authorized under chapter 2 of said Act shall become available for obligation on July 1, 1988, and shall remain available until September 30, 1989.]

For grants to State educational agencies and desegregation assistance centers authorized under section 403 of the Civil Rights Act of 1964, \$23,456,000.

For carrying out activities authorized under title IX, part C of the Elementary and Secondary Education Act, \$3,351,000.]

For carrying out activities authorized under section 1524 of the Education Amendments of 1978, \$4,787,000.]

For carrying out activities authorized under section 1525 of the Education Amendments of 1978, \$1,915,000.]

For carrying out activities authorized under Public Law 92-506, as amended, \$2,394,000: *Provided*, That said sum shall become available on July 1, 1988, and shall remain available until September 30, 1989.]

For carrying out activities authorized under the Drug-Free Schools and Communities Act of 1986, \$229,776,000, of which \$191,480,000 for grants to States and outlying areas shall be available beginning July 1, 1988, and shall remain available until September 30, 1989: *Provided*, That State educational agencies allot fiscal year 1988 funds to local and intermediate educational agencies and consortia under section 4124(a) of the Act on the basis of their relative enrollments in public and private nonprofit schools.]

For carrying out the provisions of title VII of the Education for Economic Security Act, relating to magnet schools assistance,

General and special funds—Continued

**[SPECIAL PROGRAMS] SCHOOL IMPROVEMENT PROGRAMS—Continued**

\$71,805,000: *Provided*, That not more than \$4,000,000 in the fiscal year may be paid to any single eligible local educational agency.]

For carrying out the provisions of title II of the Education for Economic Security Act, \$119,675,000 of which \$108,904,000, for grants to States and outlying areas under section 204 shall become available on July 1, 1988, and shall remain available until September 30, 1989.]

For carrying out the provisions of subpart 2 of part C of title V of the Higher Education Act, [\$8,222,000,] \$4,358,000, to become available July 1, [1988] 1989, and to remain available until September 30, [1989] 1990.

For carrying out the provisions of subpart 2 of part D of title V of the Higher Education Act, \$1,915,000.

For carrying out the provisions of subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act, \$4,787,000 to become available July 1, 1988, and remain available through September 30, 1989.]

For carrying out activities authorized under the Follow Through Act, \$7,133,000.]

For carrying out activities authorized under section 137(a) of this joint resolution relating to dropout prevention, \$23,935,000.]

For carrying out activities authorized under section 137(b) of this joint resolution relating to workplace literacy, \$9,574,000.]

For carrying out activities authorized under section 137(c) of this joint resolution relating to Star Schools, \$19,148,000: *Provided*, That grants under the Star Schools program shall be awarded through a competitive grant process. (Department of Education Appropriations Act, 1988.)

**[Sec. 137. (a)** The amounts made available for Star Schools under section 101(h) of this joint resolution shall be available for carrying out the provisions of title IX of the Education for Economic Security Act, relating to Star Schools, as contained in section 6005 of the Senate amendment to H.R. 5.]

**[(b)** The amounts made available for the workplace literacy program under section 101(h) of this joint resolution shall be for carrying out the provisions of section 317 of the Adult Education Act, as contained in the Senate amendment to H.R. 5.]

**[(c)** The amounts made available for dropout prevention under section 101(h) of this joint resolution shall be available for part A and part C of title VIII of the Senate amendment to H.R. 5: *Provided*, That (1) the first category of local educational agencies for allotment under part A shall include such agencies with a total enrollment of 100,000 or more students and 25 percent of the amount appropriated shall be allotted for such category, (2) the second such category shall be agencies having a total enrollment of 20,000 but less than 100,000 and 40 percent of the amount appropriated shall be allotted to the second category, and (3) the third such category of agencies shall be allotted 30 percent of the amount appropriated. (Section 137, Public Law 100-202.)

Program and Financing (in thousands of dollars)

Identification code	91-1000-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
Improving school programs:				
00.01	State block grants.....	501,220	478,700	
00.02	Secretary's discretionary fund.....	29,291	29,739	
Drug free schools and communities:				
00.03	State grants.....	156,932	195,594	
00.04	National programs.....	21,549	55,701	
Science and mathematics education:				
00.05	State grants.....	86,403	108,904	
00.06	Programs of national significance.....	7,352	11,465	
00.07	Territorial teacher training.....	2,000	1,915	
00.08	Leadership in educational administration.....	7,176	15,399	4,358
00.09	Christa McAuliffe fellowships.....		1,915	1,915
00.10	Magnet schools assistance.....	75,000	71,805	
00.11	Education of homeless children and youth.....		9,387	
00.12	Women's educational equity.....	3,487	3,351	
00.13	Training and advisory services.....	24,000	23,456	23,456
00.14	Dropout prevention demonstrations.....		23,935	
00.15	General assistance to the Virgin Islands.....	5,000	4,787	
00.16	Ellender fellowships.....	1,700	2,394	
00.17	Follow through.....	7,176	7,133	
00.18	Workplace literacy.....		9,574	

00.19	Star schools.....		19,148	
00.20	Excellence in education.....	726		
00.91	Total direct program.....	929,012	1,074,302	29,729
01.01	Reimbursable program.....	476		
10.00	Total obligations.....	929,488	1,074,302	29,729
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-476		
17.00	Recovery of prior year obligations.....	-1,115		
21.40	Unobligated balance available, start of year.....	-28,040	-38,518	-4,528
22.40	Unobligated balance transferred, net.....	1,000		
24.40	Unobligated balance available, end of year.....	38,518	4,528	4,528
25.00	Unobligated balance lapsing.....	116		
40.00	<b>Budget authority (appropriation).....</b>	<b>939,490</b>	<b>1,040,312</b>	<b>29,729</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	929,012	1,074,302	29,729
72.40	Obligated balance, start of year.....	1,194,094	910,071	1,245,792
74.40	Obligated balance, end of year.....	-910,071	-1,245,792	-341,208
77.00	Adjustments in expired accounts.....	-322,443	-6,039	
78.00	Adjustments in unexpired accounts.....	-1,115		
90.00	Outlays.....	889,478	732,542	934,313
Distribution of outlays by account:				
	Special programs.....	883,179	720,252	929,982
	Science and math education.....	5,249	11,018	4,244
	Excellence in education.....	1,050	1,272	87

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	939,490	1,040,312	29,729
Outlays.....	889,478	732,542	934,313
Proposed for later transmittal under proposed legislation:			
Budget authority.....			1,100,525
Outlays.....			132,606
<b>Total:</b>			
Budget authority.....	939,490	1,040,312	1,130,254
Outlays.....	889,478	732,542	1,066,919

**Leadership in educational administration (LEAD).—**This program supports the operation of one training and assistance center in each State for upgrading the leadership skills of elementary and secondary school administrators.

**Christa McAuliffe fellowships.—**This program provides fellowship awards to outstanding teachers to enable and encourage them to continue their education or to develop educational projects and programs. In 1987, 115 fellows received awards of up to \$25,313.

**Training and advisory services.—**Grants are made to State educational agencies and regional desegregation assistance centers to enable them to provide technical assistance, at the request of school districts, in the preparation, adoption, and implementation of plans for the desegregation of public schools and in the development of effective methods of coping with special educational problems occasioned by desegregation.

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

Identification code	91-1000-0-1-501	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	6		
22.0	Transportation of things.....	4		
23.3	Communications, utilities, and miscellaneous charges.....	543		
24.0	Printing and reproduction.....	1,014	2,240	
25.0	Other services.....	17,191	14,574	
26.0	Supplies and materials.....	13		
41.0	Grants, subsidies, and contributions.....	910,716	1,057,488	29,729
99.9	Total obligations.....	929,488	1,074,302	29,729



**[SPECIAL PROGRAMS] SCHOOL IMPROVEMENT PROGRAMS**  
(Proposed for later transmittal, proposed legislation)

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

Identification code	91-1000-2-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Improving school programs:				
00.01	State block grants .....			540,500
00.02	Secretary's discretionary fund .....			39,028
Drug-free schools and communities:				
00.03	State grants .....			207,000
00.04	National programs .....			43,000
Science and math education:				
00.05	State grants .....			108,904
00.06	Programs of national significance .....			10,771
00.07	Territorial teacher training assistance .....			1,915
00.08	Fund for the improvement and reform of schools and teaching .....			10,000
00.09	Magnet schools assistance .....			115,000
00.10	Parental choice open enrollment demonstrations .....			5,000
00.11	Dropout prevention demonstrations .....			23,935
10.00	Total obligations .....			1,105,053
<b>Financing:</b>				
24.40	Unobligated balance available, end of year .....			-4,528
40.00	<b>Budget authority (appropriation) .....</b>			<b>1,100,525</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			1,105,053
74.40	Obligated balance, end of year .....			-972,447
90.00	Outlays .....			132,606

**Improving school programs.—**

*State block grants.*—Legislation is pending to reauthorize chapter 2 of the Education Consolidation and Improvement Act of 1981. Under this program, States and outlying areas receive grants according to a statutory formula based on school-age population to improve the quality of elementary and secondary education for children in public and private schools. Of the total allotted to each State, the State may currently reserve up to 20 percent for State use and must distribute the remainder to local educational agencies.

*Secretary's discretionary fund.*—Under pending legislation, the Secretary would continue to support programs of national or regional significance.

**Drug-free schools and communities.—**

*State grants.*—Legislation is pending to reauthorize the Drug-Free Schools and Communities Act of 1986. Under this program, States and outlying areas receive grants, according to a statutory formula based on school age population, to assist in combating the abuse of drugs and alcohol by the Nation's children and youth.

*National programs.*—Under pending legislation, funds would continue to support programs at institutions of higher education, programs for Indian youth, programs for Native Hawaiians, regional centers, and Federal activities for preventing alcohol and drug abuse.

**Science and math education.—**

*State grants.*—Funds available for this activity are used by State and local educational agencies to carry out programs to train teachers and improve instruction in mathematics, science, and computer learning. Under pending legislation to reauthorize this program, 75 percent of each State's grant would support elementary and secondary education programs and 25 percent would support higher education programs.

*Programs of national significance.*—Under pending legislation, funds would continue to support model demonstration programs of national significance in mathematics, science, computer learning, and critical foreign languages. Evaluation and research activities related to teacher training, curriculum, and instruction in mathematics and science may also be undertaken.

*Territorial teacher training assistance.*—Under pending legislation, discretionary grants would continue to be provided to the State educational agency in each Territory to provide assistance to train elementary and secondary school teachers.

*Fund for the improvement and reform of schools and teaching (FIRST).*—Under pending legislation, funds would support projects to improve the performance of elementary and secondary school students and teachers.

*Magnet schools assistance.*—Under this program, funds are provided to local educational agencies for use in operating magnet school programs that are part of approved desegregation plans. Legislation will be proposed to enable certain additional school districts that are not under desegregation plans to participate in the program.

*Parental choice open enrollment demonstrations.*—Under pending legislation, grants would be made to demonstrate the effectiveness of programs that permit students to enroll in the public schools of a school district without regard to the district's attendance zones.

*Dropout prevention demonstrations.*—Under pending legislation, discretionary grants would continue to be awarded to local educational agencies, educational partnerships, and community-based organizations for demonstration programs to reduce the number of children who do not complete their elementary and secondary education.

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

Identification code	91-1000-2-1-501	1987 actual	1988 est.	1989 est.
24.0	Printing and reproduction .....			2,010
25.0	Other services .....			14,681
41.0	Grants, subsidies, and contributions .....			1,088,362
99.9	Total obligations .....			1,105,053

**CHICAGO LITIGATION SETTLEMENT**

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

Identification code	91-0220-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		16,600	16,600
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....		-83,000	-66,400
22.40	Unobligated balance transferred, net .....		-83,000	
24.40	Unobligated balance available, end of year .....		83,000	66,400
25.00	Unobligated balance lapsing .....		83,000	
50.00	<b>Budget authority (reappropriation) .....</b>		<b>83,000</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		16,600	16,600
90.00	Outlays .....		16,600	16,600

General and special funds—Continued

CHICAGO LITIGATION SETTLEMENT—Continued

Funds made available under this account were reappropriated by the Supplemental Appropriations Act, 1987 (Public Law 100-71) from funds enjoined in *United States of America v. Board of Education of the City of Chicago*. The funds were reappropriated for the specific purpose of settling this case. The Department of Education must provide these funds to the Chicago Board of Education in five equal annual grants of \$16.6 million beginning in 1988.

INDIAN EDUCATION

For necessary expenses to carry out, to the extent not otherwise provided, the Indian Education Act, [\$66,326,000] \$67,653,000, of which [49,170,000] \$49,848,000 shall be for part A and [\$14,707,000] 15,307,000 shall be for parts B and C: *Provided*, That the amounts available pursuant to section 423 of the Act shall remain available for obligation until September 30, [1989] 1990. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 91-0101-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Grants to local educational agencies and Indian-controlled schools.....	47,188	49,170	49,848
Special purpose funds:			
00.02 Special programs for Indian students.....	11,829	11,731	11,807
00.03 Special programs for Indian adults.....	3,000	3,000	3,500
Program administration:			
00.04 Salaries and expenses.....	1,992	2,163	2,206
00.05 National advisory council.....	249	286	292
10.00 Total obligations.....	64,258	66,350	67,653
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-15		
21.40 Unobligated balance available, start of year.....	-270	-24	
24.40 Unobligated balance available, end of year.....	24		
25.00 Unobligated balance lapsing.....	39		
40.00 Budget authority (appropriation).....	64,036	66,326	67,653
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	64,258	66,350	67,653
72.40 Obligated balance, start of year.....	27,742	26,551	57,723
74.40 Obligated balance, end of year.....	-26,551	-57,723	-70,658
77.00 Adjustments in expired accounts.....	-25,796	-4,249	
78.00 Adjustments in unexpired accounts.....	-15		
90.00 Outlays.....	39,638	30,929	54,718

*Grants to local educational agencies and Indian-controlled schools.*—Formula grants are made to local educational agencies (LEAs) and tribal schools for supplementary elementary and secondary programs to meet the special educational and culturally-related academic needs of Indian children. In 1987, 1,098 formula grants were made to LEAs and certain tribal schools enrolling approximately 320,500 Indian students. Discretionary awards are made to Indian-controlled schools on or near reservations and to LEAs that have been in existence less than three years that serve substantial numbers of Indians. In 1987, 28 discretionary awards supported special projects at 24 Indian-controlled schools.

*Special programs for Indian students.*—Funds support planning, pilot and demonstration projects; educational

service projects; educational personnel training; resource and evaluation centers; and fellowships.

*Special programs for Indian adults.*—Competitive grants are made to Indian tribes, institutions, and organizations for programs to improve educational opportunities for Indian adults.

*Program administration.*—Funds support the administrative expenses of the Office of Indian Education and the National Advisory Council on Indian Education.

Object Classification (in thousands of dollars)

Identification code 91-0101-0-1-501	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,552	1,667	1,688
11.3 Other than full-time permanent.....	35	26	27
11.5 Other personnel compensation.....	28	31	20
11.9 Total personnel compensation.....	1,615	1,724	1,735
12.1 Civilian personnel benefits.....	184	237	240
21.0 Travel and transportation of persons.....	124	162	171
23.1 Rental payments to GSA.....	139	158	160
23.2 Rental payments to others.....	3		
23.3 Communications, utilities, and miscellaneous charges.....	88	84	80
24.0 Printing and reproduction.....	11	9	10
25.0 Other services.....	2,266	2,264	2,391
26.0 Supplies and materials.....	11	11	11
41.0 Grants, subsidies, and contributions.....	59,817	61,701	62,855
99.9 Total obligations.....	64,258	66,350	67,653

Personnel Summary

Total number of full-time permanent positions.....	47	48	48
Total compensable workyears: Full-time equivalent employment.....	50	50	50

OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS

Federal Funds

General and special funds:

BILINGUAL, IMMIGRANT, AND REFUGEE EDUCATION

For carrying out, to the extent not otherwise provided, [title VII of the Elementary and Secondary Education Act, Refugee and entrant] *refugee* assistance activities authorized by [title IV of the Immigration and Nationality Act,] part B of title III of the Refugee Act of 1980, [and title VI of the Education Amendments of 1984, \$190,504,000, of which \$101,198,000 shall be for part A, \$9,928,000 shall be for part B, and \$85,447,000 shall be for part C of title VII of the Elementary and Secondary Education Act and \$28,722,000 shall be for the Emergency Immigrant Education Program authorized by title VI of the Education Amendments of 1984. Of the funds provided under this head in fiscal year 1987 in section 101(i) of Public Laws 99-500 and 99-591, for carrying out title VII of the Elementary and Secondary Education Act, which are unobligated, \$1,247,000 are reappropriated to carry out title VI of the Education Amendments of 1984 to be used to fund the amended application from the State of Texas for the Emergency Immigrant Education Program: *Provided*, That the reappropriated funds shall be available until September 30, 1988] \$15,209,000. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 91-1300-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Bilingual education:</b>			
00.01 Bilingual programs.....	98,077	101,198	
00.02 Support services.....	10,264	9,928	
00.03 Training grants.....	32,087	35,447	
<b>Immigrant and refugee education:</b>			
00.04 Immigrant education.....	30,000	29,969	

00.05	Refugee education .....	15,884	15,209	15,209
10.00	Total obligations .....	186,312	191,751	15,209
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-11,500		
22.40	Unobligated balance transferred, net: .....	11,500		
25.00	Unobligated balance lapsing .....	2,669		
39.00	<b>Budget authority</b> .....	<b>188,981</b>	<b>191,751</b>	<b>15,209</b>
Budget authority:				
40.00	<b>Appropriation</b> .....	<b>188,981</b>	<b>190,504</b>	<b>15,209</b>
50.00	<b>Reappropriation</b> .....		<b>1,247</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	186,312	191,751	15,209
72.40	Obligated balance, start of year .....	228,128	167,918	195,203
74.40	Obligated balance, end of year .....	-167,918	-195,203	-62,083
77.00	Adjustments in expired accounts .....	-93,539	-1,012	
78.00	Adjustments in unexpired accounts .....	-11,500		
90.00	Outlays .....	141,483	163,454	148,329
Distribution of budget authority by account:				
	Bilingual education .....	173,095	191,751	15,209
	Immigrant and refugee education .....	15,886		
Distribution of outlays by account:				
	Bilingual education .....	148,231	144,066	147,217
	Immigrant and refugee education .....	-6,748	19,388	1,112

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....	188,981	191,751	15,209
Outlays .....	141,483	163,454	148,329
Proposed for later transmittal under proposed legislation:			
Budget authority .....			185,295
Outlays .....			22,235
<b>Total:</b>			
Budget authority .....	188,981	191,751	200,504
Outlays .....	141,483	163,454	170,564

**Refugee education.**—The refugee education program provides grants to school districts to assist in providing supplementary educational services to refugee children. Awards are made to State educational agencies which make subgrants to local educational agencies.

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

Identification code 91-1300-0-1-501	1987 actual	1988 est.	1989 est.
25.0 Other services .....	14,713	14,928	
41.0 Grants, subsidies, and contributions .....	171,599	176,823	15,209
99.9 Total obligations .....	186,312	191,751	15,209

**BILINGUAL, IMMIGRANT, AND REFUGEE EDUCATION**  
(Proposed for later transmittal, proposed legislation)

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

Identification code 91-1300-2-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Bilingual education:			
00.01 Bilingual programs .....			113,081
00.02 Support services .....			9,928
00.03 Training grants .....			33,564
Immigrant and refugee education:			
00.04 Immigrant education .....			28,722
10.00 Total obligations .....			185,295
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....			<b>185,295</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			185,295

74.40	Obligated balance, end of year .....			-163,060
90.00	Outlays .....			22,235

**Bilingual education.**—These programs support the establishment, operation, and improvement of programs in local schools to prepare children of limited English proficiency to enter an all-English-language educational program. Aid is also given to train educational personnel and parents to serve limited English proficient children, to build State capacity to improve educational services for limited English proficient children in school districts, and for dissemination, studies, and evaluations. Legislation is pending in Congress that would increase the amount of funds available for alternative instructional programs.

**Immigrant education.**—The immigrant education program provides grants to school districts to help finance educational services for immigrant students. Participation is limited to districts with 500 immigrant students or in which immigrant children represent at least 3 percent of the enrollment. Awards are made to State educational agencies which make subgrants to eligible local educational agencies. Legislation is proposed to prohibit the double-counting of refugee students, who are currently eligible to receive services under both immigrant and refugee education programs, and to require that funds be used to supplement, not supplant, local educational funds.

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

Identification code 91-1300-2-1-501	1987 actual	1988 est.	1989 est.
25.0 Other services .....			14,928
41.0 Grants, subsidies, and contributions .....			170,367
99.9 Total obligations .....			185,295

**OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES**

*Federal Funds*

**General and special funds:**

**EDUCATION FOR THE HANDICAPPED**

For carrying out the Education of the Handicapped Act, **[\$1,869,019,000]** \$1,916,882,000, of which **[\$1,431,737,000]** \$1,474,239,000 for section 611, **[\$201,054,000]** \$205,075,000 for section 619, and **[\$67,018,000]** \$68,358,000 for section 685 shall become available for obligation on July 1, **[1988]** 1989, and shall remain available until September 30, **[1989: Provided,** That notwithstanding section 621(e) of the Education of the Handicapped Act, up to \$479,000 may be used for section 621(d) of that Act: *Provided further,* That the amount appropriated for section 685 of the Education of the Handicapped Act in Public Laws 99-500 and 99-591, section 101(i), for fiscal year 1987 shall remain available for obligation by the States until September 30, 1989] 1990. (Department of Education Appropriations Act, 1988.)

**[SEC. 138. (a)(1)** For the purposes of making adjustments under section 619(a)(2)(E) of the Education of the Handicapped Act for fiscal year 1987, the number of handicapped children aged 3 to 5, inclusive receiving special education and related services for purposes of section 619(a)(2)(A)(ii)(II) of such Act shall be equal to the number of such children receiving special education and related services on December 1, 1987, or, if the State educational agency so chooses, the number of such children on March 1, 1988.

(2) In complying with paragraph (1), the Secretary of Education may not use the March 1 count for the purpose of this subsection unless it is received by the Secretary not later than April 15, 1988.

General and special funds—Continued

EDUCATION FOR THE HANDICAPPED—Continued

(3) For the purpose of this subsection, only children aged three to five, inclusive, as of December 1, 1987, may be included in the March 1, 1988, count.

(b) The provisions of subsection (a) shall be effective as if enacted on October 8, 1986. ] (Section 138, Public Law 100-202.)

Program and Financing (in thousands of dollars)

Identification code	91-0300-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct programs:				
State grants:				
00.01	Grants to States .....	1,305,643	1,542,936	1,474,239
00.02	Preschool grants .....	177,532	218,622	205,075
00.03	Grants for infants and families .....	50,000	67,018	68,358
Special purpose funds:				
00.04	Deaf-blind and other severely handicapped projects .....	19,933	19,722	19,722
00.05	Early childhood education .....	24,375	23,428	23,428
00.06	Secondary and transitional services .....	7,292	7,372	7,372
00.07	Postsecondary programs .....	5,874	5,840	5,840
00.08	Innovation and development .....	17,859	17,233	17,233
00.09	Media and captioning services .....	13,754	13,216	13,216
00.10	Special education technology .....	4,639	4,787	4,787
00.11	Special studies .....	3,707	3,638	3,638
00.12	Special education personnel development .....	65,824	66,410	66,410
00.13	Recruitment and information clearinghouses .....	1,200	1,149	1,149
00.14	Regional resource centers .....	6,700	6,415	6,415
00.15	Architectural barriers removal .....	17,004	22,055	
00.91	Total direct program .....	1,721,337	2,019,841	1,916,882
01.01	Reimbursable program .....	320		
10.00	Total obligations .....	1,721,657	2,019,841	1,916,882
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	- 320		
17.00	Recovery of prior year obligations .....	-11,800		
21.40	Unobligated balance available, start of year .....	-133,153	-150,822	
22.40	Unobligated balance transferred, net .....	11,800		
24.40	Unobligated balance available, end of year .....	150,822		
25.00	Unobligated balance lapsing .....	2,894		
40.00	Budget authority (appropriation) .....	1,741,900	1,869,019	1,916,882
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,721,337	2,019,841	1,916,882
72.40	Obligated balance, start of year .....	1,448,267	1,819,126	2,037,809
74.40	Obligated balance, end of year .....	-1,819,126	-2,037,809	-2,090,952
77.00	Adjustments in expired accounts .....	564	-442	
78.00	Adjustments in unexpired accounts .....	-11,800		
90.00	Outlays .....	1,339,241	1,800,716	1,863,739

Note.—Excludes \$621 thousand in 1989 for activities transferred to the Department of Education, Departmental management, Program administration account. The comparable amount for 1988 (\$683 thousand) is included above.

Budget authority for this account includes the following amounts:

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
1. Grants to States .....	1,338,000	1,431,737	1,474,239
2. Preschool grants .....	180,000	201,054	205,075
3. Grants for infants and families .....	50,000	67,018	68,358
4. Special purpose funds .....	173,900	169,210	169,210
Total .....	1,741,900	1,869,019	1,916,882

State grants.—

*Grants to States.*—This formula grant program assists States in providing a free appropriate public education and related services to all handicapped children. In order to participate in the program, States must provide services to handicapped children ages 6 through 17. Handicapped children ages 3 through 5 and 18 through 21 must also be served, except when such services would be inconsistent with State law or practice, or the order of any court. To be

eligible for a grant, each State is required to submit an acceptable State plan which requires the development and use of an individualized education program for each handicapped student, the establishment of procedural safeguards for all handicapped children and their parents, and the training of personnel for these special education programs.

*Preschool grants.*—This formula grant program assists States in providing special education and related services to handicapped children ages 3 through 5.

*Grants for infants and families.*—This formula grant program assists States: (1) in developing and implementing a statewide program of early intervention services for handicapped infants and toddlers, from birth through age 2, and their families; (2) in enhancing their capacity to provide quality early intervention services; and (3) in expanding and improving existing early intervention services.

Special purpose funds.—

*Deaf-blind and other severely handicapped projects.*—Awards are made primarily for demonstration projects designed to meet the educational needs of severely handicapped, including deaf-blind, children and youth.

*Early childhood education.*—Awards are made to support demonstration, outreach, and research projects to expand and improve early intervention and special education services for handicapped children from birth through age 8.

*Secondary and transitional services.*—Awards are made to improve the educational services provided to handicapped children in secondary school and to assist them in making the transition from secondary school to work, further education, and adult services.

*Postsecondary programs.*—Grants are awarded to develop and operate special programs for handicapped persons at institutions of higher education, vocational and technical institutions, and other appropriate agencies.

*Innovation and development.*—Support is provided for research and related activities to improve special education and early intervention services for handicapped children.

*Media and captioning services.*—Funds are used primarily for the captioning and distribution of films, and the closed captioning of television programs for the hearing impaired.

*Special education technology.*—Awards are made to advance the use of new technology, media, and materials in providing special education and early intervention services to handicapped children.

*Special studies.*—Studies are conducted to provide information on the effectiveness of educational and early intervention programs for handicapped children.

*Special education personnel development.*—Grants are awarded to improve the quality and increase the supply of personnel in the fields related to the education of the handicapped. Funds are also used to provide training to parents.

*Recruitment and information clearinghouses.*—This program supports clearinghouses to disseminate information to parents and others regarding special

education, provide information on available postsecondary services, and encourage and assist individuals to seek careers in special education.

**Regional resource centers.**—Centers provide technical assistance to aid States, and through them local educational agencies, to help them meet their responsibilities to provide special education and early intervention services to handicapped children.

Object Classification (in thousands of dollars)				
Identification code	91-0300-0-1-501	1987 actual	1988 est.	1989 est.
	Direct obligations:			
25.0	Other services.....	36,105	35,814	35,131
41.0	Grants, subsidies, and contributions.....	1,685,232	1,984,027	1,881,751
99.0	Subtotal, direct obligations.....	1,721,337	2,019,841	1,916,882
99.0	Reimbursable obligations.....	320		
99.9	Total obligations.....	1,721,657	2,019,841	1,916,882

**REHABILITATION SERVICES AND HANDICAPPED RESEARCH**

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973 and the Helen Keller National Center Act, as amended, [**\$1,590,400,000**] **\$1,616,435,000**, of which [**\$1,379,500,000**] **\$1,407,090,000** shall be for allotments under sections 100(b)(1) and 110(b)(3) of the Rehabilitation Act, and **\$16,590,000** shall be for special demonstration programs under sections 311 (a), (b), and (c), and **\$4,800,000** shall be for the Helen Keller National Center: *Provided*, That **\$500,000** shall be available on a competitive basis for research and training for hearing loss assessments for native Hawaiian children under section 204 of such Act until September 30, 1989: *Provided further*, That the amount appropriated for title VI, part C of the Rehabilitation Act in Public Laws 99-500 and 99-591, section 101(i), for fiscal year 1987 shall remain available for obligation by the States until September 30, 1989. (Department of Education Appropriations Act, 1988.)

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

Identification code	91-0301-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
State grants:				
00.01	Vocational rehabilitation State grants.....	1,281,000	1,379,500	1,407,090
00.02	Supported employment.....	25,000	25,935	26,454
00.03	Client assistance.....	7,100	7,500	7,650
Special purpose funds:				
00.04	Service and demonstration projects.....	44,745	47,155	44,685
00.05	Helen Keller Center.....	4,600	4,800	4,800
00.06	Independent living.....	41,440	43,410	43,656
00.07	Training.....	29,548	30,000	30,000
00.08	National Institute on Disability and Rehabilitation Research.....	48,503	51,100	51,100
00.09	Evaluation.....	2,296	1,000	1,000
00.91	Total direct program.....	1,484,232	1,590,400	1,616,435
01.01	Reimbursable program.....	1,785	1,785	1,785
10.00	Total obligations.....	1,486,017	1,592,185	1,618,220
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,785	-1,785	-1,785
17.00	Recovery of prior year obligations.....	-16,000		
22.40	Unobligated balance transferred, net.....	16,000		
25.00	Unobligated balance lapsing.....	526		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,484,758</b>	<b>1,590,400</b>	<b>1,616,435</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,484,232	1,590,400	1,616,435
72.40	Obligated balance, start of year.....	468,293	519,825	524,115
74.40	Obligated balance, end of year.....	-519,825	-524,115	-540,362
77.00	Adjustment in expired accounts.....	-11,342	-1,297	
78.00	Adjustment in unexpired accounts.....	-16,000		
90.00	Outlays.....	1,405,357	1,584,813	1,600,188

Note.—Excludes \$417 thousand in 1989 for activities transferred to the Department of Education, Departmental management, Program administration account. The comparable amount for 1988 (\$417 thousand) is included above.

**State grants.—**

**Vocational rehabilitation State grants.**—The basic State grant program provides 80 percent Federal matching to State vocational rehabilitation agencies to assist physically and mentally handicapped individuals to become gainfully employed. Under the 1986 amendments to the Rehabilitation Act, the Federal matching share for payments made to States which exceed their 1988 allotments will decrease 1 percent per year down to 75 percent for fiscal year 1993. Services provided include counseling, vocational evaluation, work adjustment, mental and physical restoration, education and vocational training, job placement, and post-employment services. Priority is given to serving those with the most severe disabilities.

The first table below presents estimates of the number of persons served and rehabilitated nationally. The second table shows relative State performance in rehabilitating severely disabled persons.

**COMPARABLE NUMBER OF HANDICAPPED INDIVIDUALS SERVED AND REHABILITATED**

	1987 actual	1988 est.	1989 est.
Applicants accepted for vocational rehabilitation.....	344,553	348,500	348,500
Total active cases.....	917,482	917,000	917,000
Cases closed, rehabilitated.....	219,616	220,000	220,000
Severely disabled.....	136,442	139,000	141,000
Nonseverely disabled.....	83,174	81,000	79,000
Severely disabled, percent.....	62.1	63.0	64.0
Cases closed, not rehabilitated.....	129,529	128,000	128,000
Cases on hand, end of year.....	568,337	569,000	569,000

**RELATIVE STATE PERFORMANCE IN REHABILITATING SEVERELY DISABLED INDIVIDUALS**

Rehabilitation rate:	Number of States <sup>1</sup>		
	1985 actual	1986 actual	1987 actual
30-39 percent.....	1	1	1
40-49 percent.....	2	2	1
50-59 percent.....	16	16	19
60-69 percent.....	28	28	23
70-79 percent.....	4	4	6
80-89 percent.....			1

<sup>1</sup> Includes District of Columbia and Puerto Rico.

**Supported employment.**—Formula grants are made to assist States in developing programs with public and nonprofit organizations for training and time-limited post-employment services leading to supported employment for persons with severe disabilities.

**Client assistance.**—Formula grants are made to States to provide assistance in informing and advising clients and applicants of benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals.

**Special purpose funds.—**

**Service and demonstration projects.**—Grants are made for projects to expand services to disability groups who have been underserved in the past, to develop new and innovative approaches to meeting the needs of the severely disabled, and to provide disabled individuals special training and job opportunities in private industry.

General and special funds—Continued

REHABILITATION SERVICES AND HANDICAPPED RESEARCH—Continued

**Helen Keller Center.**—The Center provides services to deaf-blind youths and adults and conducts research and training programs.

**Independent living.**—Grants are awarded to States and nonprofit agencies for services designed to enable severely disabled persons to live and function more independently.

**Training.**—Project grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in rehabilitation settings.

**National Institute on Disability and Rehabilitation Research.**—The Institute carries out a comprehensive and coordinated program of rehabilitation research. Through grants and contracts, it supports research and training centers, rehabilitation engineering centers, research and demonstration projects, information dissemination and utilization projects, and career development activities. In the reimbursable program, the National Institute of Mental Health co-sponsors research and training centers for rehabilitating persons disabled by mental illness.

**Evaluation.**—Studies are conducted to evaluate the impact and effectiveness of various programs authorized under the Rehabilitation Act.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
91-0301-0-1-506			
Direct obligations:			
24.0	40		
25.0	5,639	4,367	3,950
26.0	15		
41.0	1,478,538	1,586,033	1,612,485
99.0	1,484,232	1,590,400	1,616,435
99.0	1,785	1,785	1,785
99.9	1,486,017	1,592,185	1,618,220

[SPECIAL INSTITUTIONS]

[AMERICAN PRINTING HOUSE FOR THE BLIND]

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-106), including provision of materials to adults undergoing rehabilitation on the same basis as provided in 1985, \$5,266,000.]

[NATIONAL TECHNICAL INSTITUTE FOR THE DEAF]

For the National Technical Institute for the Deaf under titles II and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), \$31,594,000, of which \$191,000 shall be for the endowment program as authorized under section 408 and shall be available until expended: *Provided*, That none of the funds provided herein may be used to subsidize the tuition of foreign students.]

[GALLAUDET UNIVERSITY]

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf and the partial support of Gallaudet University under titles I and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), including continuing education activities, existing extension centers and the National Center for Law and the Deaf, \$62,195,000, of which \$957,000 shall be for the endowment program as authorized under section 407 and shall be available until expended.]

SPECIAL INSTITUTIONS FOR THE HANDICAPPED

For special institutions for the handicapped, \$101,875,000: *Provided*, That \$63,463,000 shall be for Gallaudet University as authorized

under titles I and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) ("the Act"), of which \$1,000,000 shall be for the endowment program as authorized under section 407 and shall be available until expended; \$33,031,000 shall be for the National Technical Institute for the Deaf as authorized under titles II and IV of the Act, of which \$1,000,000 shall be for the endowment program as authorized under section 408 and shall be available until expended; and \$5,381,000 shall be for the American Printing House for the Blind as authorized under the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.): *Provided further*, That none of the funds provided for the National Institute for the Deaf shall be used to subsidize the tuition of foreign students. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
91-0604-0-1-500			
<b>Program by activities:</b>			
00.01	5,500	5,266	5,381
National Technical Institute for the Deaf:			
01.01	32,000	31,403	32,031
01.02		191	600
01.91	32,000	31,594	32,631
Gallaudet University:			
02.01	42,593	42,051	42,892
02.02	12,530	12,356	12,603
02.03	6,877	6,831	6,968
02.04		957	800
02.91	62,000	62,195	63,263
10.00	99,500	99,055	101,275
<b>Financing:</b>			
24.40			600
40.00	99,500	99,055	101,875
<b>Relation of obligations to outlays:</b>			
71.00	99,500	99,055	101,275
72.40	45,517	22,621	9,974
74.40	-22,621	-9,974	-9,779
90.00	122,395	111,702	101,470
<b>Distribution of budget authority by account:</b>			
Special institutions for the handicapped			101,875
American Printing House for the Blind			5,500
National Technical Institute for the Deaf			32,000
Gallaudet University			62,000
<b>Distribution of outlays by account:</b>			
Special institutions for the handicapped			101,470
American Printing House for the Blind			5,989
National Technical Institute for the Deaf			35,540
Gallaudet University			80,867

Note.—The activities previously financed in three accounts under Department of Education, Special Institutions—American Printing House for the Blind; National Technical Institute for the Deaf; and Gallaudet University—in 1987 and 1988 are presented in these schedules and are proposed to be financed in this account in 1989. Budget authority and outlays are distributed by account above.

This new account consolidates three prior accounts, each of which included a grant to a particular institution which serves handicapped students. These institutions share a special relationship with the Federal Government including congressional recognition of each institution in law. In addition, these grants are the largest single source of funds for each institution.

**American Printing House for the Blind.**—The Federal appropriation supports the production of free educational materials for blind students below the college level. In 1987, the direct Federal appropriation represented 36.5 percent of the institution's total sales. Legislation has been proposed to eliminate the \$10 thousand annual payment to the Printing House originally based on an 1879 trust fund. An offsetting increase of \$10

thousand is included in the regular appropriation request.

**National Technical Institute for the Deaf.**—This national residential center provides postsecondary technical education for deaf people to prepare them for successful employment. In 1987, Federal appropriations represented 83 percent of the Institute's operating budget. Funds are also provided for endowment matching grants.

**Gallaudet University.**—This private, nonprofit educational institution provides an undergraduate higher education program for deaf persons, a preparatory program for students who need such training to qualify them for college admission, a graduate program in fields of study related to deafness, and continuing education and public service programs appropriate to its postsecondary education mission.

Gallaudet also operates on campus the Model Secondary School for the Deaf, which serves deaf students of high school age, and the Kendall Demonstration Elementary School for younger children. In connection with their instructional programs, these schools also develop materials and methods for teaching deaf children.

In 1987, Federal appropriations represented 74 percent of the University's operating budget and 100 percent of the operating budgets of the related elementary and secondary schools. Funds are also provided for endowment matching grants.

**Trust Funds**

PROMOTION OF EDUCATION FOR THE BLIND

Program and Financing (in thousands of dollars)

Identification code 91-8893-0-7-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	10	10	10
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent)	10	10	10
Relation of obligations to outlays:			
71.00 Obligations incurred, net	10	10	10
72.40 Obligated balance, start of year	14	7	5
74.40 Obligated balance, end of year	-7	-5	-5
90.00 Outlays	16	12	10

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	10	10	10
Outlays	16	12	10
Proposed for later transmittal under proposed legislation:			
Budget authority			-10
Outlays			-5
Total:			
Budget authority	10	10	
Outlays	16	12	5

A \$250 thousand trust fund was established in 1879 for the American Printing House for the Blind. The trust fund currently exists only as an accounting entry; no assets are held by Treasury. The Printing House annually receives \$10 thousand in lieu of interest income.

PROMOTION OF EDUCATION FOR THE BLIND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 91-8893-2-7-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			-10
<b>Financing:</b>			
40.00 Budget authority (appropriation)			-10
Relation of obligations to outlays:			
71.00 Obligations incurred, net			-10
74.40 Obligated balance, end of year			5
90.00 Outlays			-5

Legislation has been proposed to eliminate the \$10 thousand annual payment based on a trust fund initially established in 1879 (no actual trust fund now exists). An offsetting increase of \$10 thousand is requested in the regular appropriation. Separate administration of the annual payment, which now amounts to less than one-fifth of 1 percent of the annual operating budget of this institution, is no longer cost effective.

OFFICE OF VOCATIONAL AND ADULT EDUCATION

Federal Funds

General and special funds:

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational Education Act, [and the Adult Education Act and the Stewart B. McKinney Homeless Assistance Act, \$1,005,557,000] \$881,095,000 which shall become available for obligation on July 1, [1988] 1989, and shall remain available until September 30, [1989] 1990: Provided, That [ \$25,658,000] \$24,911,000 shall be available for title IV of the Carl D. Perkins Vocational Education Act, of which [ \$7,276,000] \$7,050,000 shall be for part A, including \$5,744,000 for section 404, [ \$14,792,000] \$14,361,000 shall be for part B, [including \$14,361,000 for] section 411, and [ \$3,590,000] \$3,500,000 shall be for part C of said title: Provided further, That \$7,851,000 shall be available for State councils under section 112 of the Carl D. Perkins Vocational Education Act: Provided further, That \$6,845,000 shall be made available to carry out title III-A and \$32,791,000 shall be made available for title III-B of said Vocational Education Act: Provided further, That \$3,734,000 shall be available for part E of title IV of the Carl D. Perkins Vocational Education Act: Provided further, That section 202 of the Carl D. Perkins Vocational Education Act is amended—

(1) by inserting (a) after the section designation, and

(2) by adding at the end thereof the following new subsection:“(b) Funds provided for fiscal year 1988 and described in clause (a) of subsection (a) shall also be available for single pregnant women.”]. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 91-0400-0-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Vocational education:			
Basic grants:			
00.01 Basic State grants	805,328	791,775	835,234
00.02 Indian and Hawaiian natives set-aside	11,375	24,838	13,099
00.91 Subtotal, basic grants	816,703	816,613	848,333
01.01 Community-based organizations	6,713	6,845	
02.01 Consumer and homemaking education	31,737	32,791	
03.01 State councils	7,645	8,048	7,851
National programs:			
04.01 Research	8,235	14,657	7,050

General and special funds—Continued

VOCATIONAL AND ADULT EDUCATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	91-0400-0-1-501	1987 actual	1988 est.	1989 est.
04.02	Demonstrations .....	140	15,102	14,361
04.03	Data systems .....	4,500	5,726	3,500
04.91	Subtotal, national programs .....	12,875	35,485	24,911
05.01	Bilingual vocational training .....	3,634	3,786	
06.00	Total, annual appropriation .....	879,307	903,568	881,095
Permanent appropriation:				
07.01	Basic grants .....	6,898	6,898	6,898
07.02	Indian and Hawaiian natives set-aside .....	103	214	107
07.03	Research .....	137	286	143
07.91	Total, permanent appropriation .....	7,138	7,398	7,148
08.00	Total, vocational education .....	886,445	910,966	888,243
Adult education:				
08.01	Grants to states .....	111,254	115,367	
08.02	Research, demonstration, and evaluation .....		1,915	
08.03	Literacy training for homeless adults .....		14,080	
08.91	Total, adult education .....	111,254	131,362	
09.00	Subtotal, direct program .....	997,699	1,042,328	888,243
09.01	Reimbursable program .....	287		
10.00	Total obligations .....	997,986	1,042,328	888,243
Financing:				
14.00	Offsetting collections from: Non-Federal sources .....	- 287		
17.00	Recovery of prior year obligations .....	- 40		
21.40	Unobligated balance available, start of year .....	- 32,450	- 29,623	
24.40	Unobligated balance available, end of year .....	29,623		
25.00	Unobligated balance lapsing .....	16		
39.00	Budget authority .....	994,848	1,012,705	888,243
Budget authority:				
40.00	Appropriation .....	987,700	1,005,557	881,095
60.00	Appropriation (permanent) .....	7,148	7,148	7,148
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	997,699	1,042,327	888,243
72.40	Obligated balance, start of year .....	1,225,653	994,092	1,057,487
74.40	Obligated balance, end of year .....	- 994,092	- 1,057,487	- 1,050,556
77.00	Adjustments in expired accounts .....	1,307	- 201	
78.00	Adjustments in unexpired accounts .....	- 40		
90.00	Outlays .....	1,230,527	978,731	895,174

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....	994,848	1,012,705	888,243
Outlays .....	1,230,527	978,731	895,174
Proposed for later transmittal under proposed legislation:			
Budget authority .....			150,000
Outlays .....			18,000
Total:			
Budget authority .....	994,848	1,012,705	1,038,243
Outlays .....	1,230,527	978,731	913,174

Budget authority for this account includes the following amounts:

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
1. Vocational education:			
a. Basic grants .....	815,000	804,216	848,333
b. Community-based organizations .....	6,000	6,845	
c. Consumer and homemaking education .....	31,633	32,791	
d. State councils .....	7,500	7,851	7,851
e. National programs .....	11,000	25,658	24,911
f. Bilingual vocational training .....	3,686	3,734	
g. Permanent appropriation .....	7,148	7,148	7,148
2. Adult education:			
a. Grants to States .....	105,981	115,367	148,000
b. Research, demonstration, and evaluation .....		1,915	2,000
c. Literacy training for homeless adults .....	6,900	7,180	
Total .....	994,848	1,012,705	1,038,243

Vocational education—State programs.—

*Basic grants.*—This program provides State grants for vocational education expansion, innovation, and improvement and for providing greater access to vocational education for underserved populations. Funds under the Indian and Hawaiian natives programs are awarded to federally recognized Indian tribes and to organizations primarily serving and representing Hawaiian natives. Services funded by these set-asides are in addition to services provided under other provisions of the Perkins Act.

*State councils.*—Councils are funded for the purpose of advising on and evaluating State vocational education programs. Each council is composed of 13 individuals, seven of whom represent the private sector.

National programs.—

*Research.*—Funds are awarded on a competitive basis for research activities which contribute to improved access to vocational education for underserved populations and to improved vocational education in the nation. Activities include a national center for research in vocational education, a national assessment of vocational education, regional curriculum coordination centers, and a program of discretionary research projects.

*Demonstration programs.*—Funds are used to support vocational training demonstration projects designed to serve high school dropouts and to promote industry-education partnerships for high-technology occupational training.

*Data systems.*—Funds are allocated annually to the Department of Labor for joint support of the National Occupational Information Coordinating Committee and the State occupational information coordinating committees. Funds also contribute to the support of the vocational education data system.

The Smith-Hughes Act of 1917 (Public Law 64-347), as amended, provides a permanent appropriation for vocational education basic grants and national programs.

Object Classification (in thousands of dollars)

Identification code	91-0400-0-1-501	1987 actual	1988 est.	1989 est.
OFFICE OF VOCATIONAL AND ADULT EDUCATION				
25.0	Other services .....	1,804	16,847	7,193
41.0	Grants, subsidies, and contributions .....	991,395	1,019,754	877,550
99.0	Subtotal, direct obligations, Office of Vocational and Adult Education .....	993,199	1,036,601	884,743
99.0	Reimbursable obligations, Office of Vocational and Adult Education .....	287		
ALLOCATION TO EMPLOYMENT AND TRAINING ADMINISTRATION				
25.0	Other services .....	1,125	1,432	875
41.0	Grants, subsidies, and contributions .....	3,375	4,295	2,625
99.0	Subtotal, obligations, Employment and Training Administration .....	4,500	5,726	3,500
99.9	Total obligations .....	997,986	1,042,328	888,243



VOCATIONAL AND ADULT EDUCATION  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	91-0400-2-1-501	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Adult education:				
08.01	Grants to States.....			148,000
08.02	Research, demonstration, and evaluation.....			2,000
10.00	Total obligations.....			150,000
<b>Financing:</b>				
40.00	Budget authority (appropriation).....			150,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			150,000
74.40	Obligated balance, end of year.....			-132,000
90.00	Outlays.....			18,000

The Adult Education Act is included in reauthorization legislation pending before the Congress. Funds would be used for formula grants to States to eliminate functional illiteracy among the nation's adults and to assist adults in obtaining a high school diploma or its equivalent. Funds may be used to increase the involvement of the private sector in the delivery of adult education services. Funds would also be requested for the Secretary to support discretionary research, demonstration, and evaluation activities.

Object Classification (in thousands of dollars)

Identification code	91-0400-2-1-501	1987 actual	1988 est.	1989 est.
25.0	Other services.....			1,000
41.0	Grants, subsidies and contributions.....			149,000
99.9	Total obligations.....			150,000

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

General and special funds:

STUDENT FINANCIAL ASSISTANCE\*

\*See part II for additional information.

For carrying out subparts 1, 2, and 3 of part A and parts C, D, and E of title IV of the Higher Education Act, as amended, **[\$5,544,792,000]** \$6,020,597,000, which shall remain available until September 30, **[1989]** 1990: Provided, That the maximum Pell grant that a student may receive in the **[1988-89]** 1989-90 award year shall be **[\$2,200]** \$2,300. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	91-0200-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Pell grants:				
01.01	Current academic year program.....	2,404,792	2,805,467	3,061,306
01.02	Prior academic years program.....	1,505,980	1,408,265	1,618,963
01.91	Subtotal, Pell grants.....	3,910,772	4,213,732	4,680,269
Campus-based aid:				
02.01	Work study.....	603,160	592,043	600,865
02.02	Supplemental educational opportunity grants ..	411,555	415,796	418,346
02.03	Income contingent loans.....	5,000	4,308	50,000
Perkins loans:				
02.04	Federal capital contributions.....	197,097	189,924	
02.05	Cancellations.....	33,366	25,523	22,000
02.91	Subtotal, Campus-based aid.....	1,250,178	1,227,594	1,091,211

03.01	State student incentive grants.....	76,027	72,779	
10.00	Total obligations.....	5,236,977	5,514,105	5,771,480
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-3,857	-7,000	-6,080
17.00	Recovery of prior year obligations.....	-102,233		
21.40	Unobligated balance available, start of year.....	-1,247,454	-1,581,276	-1,618,963
22.40	Unobligated balance transferred, net.....	13,300		
24.40	Unobligated balance available, end of year.....	1,581,276	1,618,963	1,874,160
25.00	Unobligated balance lapsing.....	4,991		
39.00	Budget authority.....	5,483,000	5,544,792	6,020,597
Budget authority:				
40.00	Appropriation.....	5,196,000	5,544,792	6,020,597
42.00	Transferred from other accounts.....	287,000		
43.00	Appropriation (adjusted).....	5,483,000	5,544,792	6,020,597
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	5,233,120	5,507,105	5,765,400
72.40	Obligated balance, start of year.....	2,860,562	3,094,581	3,214,417
74.40	Obligated balance, end of year.....	-3,094,581	-3,214,417	-3,205,946
77.00	Adjustments in expired accounts.....	-117,051	-68,017	
78.00	Adjustments in unexpired accounts.....	-102,233		
90.00	Outlays.....	4,779,817	5,319,252	5,773,871

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	5,483,000	5,544,792	6,020,597
Outlays.....	4,779,817	5,319,252	5,773,871
Proposed for later transmittal under proposed legislation:			
Budget authority.....			79,000
Outlays.....			15,800
Total:			
Budget authority.....	5,483,000	5,544,792	6,099,597
Outlays.....	4,779,817	5,319,252	5,789,671

Status of Direct Loans (in thousands of dollars)

Identification code	91-0200-0-1-502	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	5,271,751	656,533	639,482
1251	Repayments: Repayments and prepayments.....	-79,607	-55,646	-51,587
Adjustments:				
1262	Write-offs for default.....	-3,728	-7,979	-13,972
1264	Other adjustments, net <sup>1</sup> .....	-4,531,883	46,574	46,093
1290	Outstanding, end of year.....	656,533	639,482	620,016

<sup>1</sup> Includes in all years institutional matching share of defaulted loans assigned to the Education Department. In addition, 1987 reflects reclassification of direct loan capital contributions to schools as grants (-\$4,793,462 thousand) and 1988 reflects funds transferred to Guaranteed student loans (-\$9,146 thousand) for 1988 advances for guarantee agency reserve funds.

This account finances several programs of aid to students in postsecondary education.

**Pell grants.**—Undergraduate students establish eligibility for these grants through application to a federally managed system of assessment of need. This need assessment evaluates the individual and parental ability to contribute towards a student's postsecondary education. The 1988 appropriation is insufficient to fully fund the program and will require a reduction of students' awards.

**Work-study.**—Federal grants are awarded to qualifying institutions, which develop and provide part-time jobs for eligible undergraduate and graduate students with demonstrated need. Federal grants in most cases pay 75 percent of a student's earnings and the remainder is paid by the employer. Legislation will be proposed to reduce this Federal contribution to 50 percent by 1991. Hourly earnings must not be less than the minimum wage. In 1989 legislative changes are pro-

General and special funds—Continued

STUDENT FINANCIAL ASSISTANCE—Continued

posed which would require the institutional funding allocations to be related to performance-based criteria established by each institution.

**Supplemental educational opportunity grants.**—Funds are allocated by formula among institutions based upon aggregate need at the institution. Institutions are required to match the funds in part. Participating institutions use these funds at their discretion to award grants to undergraduate students, with priority for those students with exceptional need. In 1989 legislative changes are proposed which would require the institutional funding allocations to be related to performance-based criteria established by each institution.

**Income contingent loans.**—Under the income contingent loan (ICL) program, institutions operate revolving loan funds capitalized in part with Federal contributions distributed to participating institutions. Loans are made at the institution's discretion to students with demonstrated need and carry unsubsidized interest rates. Repayment rates depend on post-school earnings: as income increases, so does the percentage of income required for repayment. In 1989, the increase in Federal contributions would increase the number of institutions and students served.

**Perkins loans.—Cancellations.**—Under the Perkins loan (formerly national direct student loan (NDSL)) cancellation program, funds are requested to reimburse institutional revolving funds for indebtedness cancelled as a result of the borrower engaging in certain public service occupations.

The following tables display student aid funds available and number of aid awards, including aid under the guaranteed student loan (GSL) program, under the budget request. The tables include the effects of matching funds wherever applicable. ICL and Perkins loan amounts also reflect other available capital in institutional revolving funds, including loan collection and loan cancellation receipts. Guaranteed student loan amounts reflect the capital actually loaned, not the Federal costs of those loans.

AID FUNDS AVAILABLE

[In millions of dollars]

	1987 actual	1988 est.	1989 est.
Pell grants.....	3,739	4,404	4,994
Guaranteed student loans—regular.....	8,161	7,862	8,125
Guaranteed student loans—PLUS and SLS.....	1,105	1,262	1,442
Work-study.....	661	692	751
Supplemental educational opportunity grants.....	396	392	422
Income contingent loans.....	5	4	51
Perkins loans.....	830	874	718
State student incentive grants.....	152	146	.....
<b>Total aid available.....</b>	<b>15,049</b>	<b>15,636</b>	<b>16,503</b>

NUMBER OF AID AWARDS

[In thousands]

	1987 actual	1988 est.	1989 est.
Pell grants.....	2,862	3,152	3,399
Guaranteed student loans—regular.....	3,300	3,099	3,240
Guaranteed student loans—PLUS and SLS.....	389	444	503
Work-study.....	735	769	835
Supplemental educational opportunity grants.....	720	560	603
Income contingent loans.....	3	2	22
Perkins loans.....	880	944	776
State student incentive grants.....	276	265	.....
<b>Total awards.....</b>	<b>9,165</b>	<b>9,235</b>	<b>9,378</b>

NUMBER OF STUDENTS AIDED

[In thousands]

	1987 actual	1988 est.	1989 est.
Unduplicated student count.....	5,852	5,897	5,989

The following table displays institutional administrative costs paid from program funds.

ADMINISTRATIVE PAYMENTS TO INSTITUTIONS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Pell grants.....	14,308	15,762	16,997
Work-study.....	56,742	57,736	60,722
Supplemental educational opportunity grants.....	16,500	16,300	17,500
Income contingent loans.....	444	383	4,444
Perkins loans.....	35,419	37,129	31,115
<b>Total administrative payments.....</b>	<b>123,413</b>	<b>127,310</b>	<b>130,778</b>

The following table displays the status of defaulted Perkins loans held by the Department and by institutions.

DEFAULTED PERKINS LOANS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Outstanding defaulted loans, beginning of year:			
Assigned defaulted loans <sup>1</sup> .....	461,609	647,175	639,482
Unassigned defaulted loans <sup>2</sup> .....	688,700	374,624	258,167
New defaulted loans.....	85,400	83,100	79,900
Collections on assigned loans.....	-72,285	-55,646	-51,587
Collections on unassigned loans.....	-63,500	-67,940	-72,700
Write-offs for assigned loans.....	-3,728	-7,767	-13,972
Write-offs for unassigned loans.....	-74,397	-75,897	-77,397
Outstanding defaulted loans, end of year.....	<b>1,021,799</b>	<b>897,649</b>	<b>761,893</b>

<sup>1</sup> Permanently assigned to the Federal Government for collection.

<sup>2</sup> Includes unassigned loans at institutions and loans temporarily referred to the Government for collection.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
91-0200-0-1-502			
41.0 Grants, subsidies, and contributions.....	5,233,120	5,507,105	5,765,400
99.0 Reimbursable obligations.....	3,857	7,000	6,080
99.9 Total obligations.....	<b>5,236,977</b>	<b>5,514,105</b>	<b>5,771,480</b>

STUDENT FINANCIAL ASSISTANCE

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
91-0200-2-1-502			
<b>Program by activities:</b>			
10.00 Total obligations (Pell grants) (object class			
41.0).....			79,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			79,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			79,000
74.40 Obligated balance, end of year.....			-63,200
90.00 Outlays.....			15,800

Two provisions governing the student financial aid programs, which provide need-based aid to postsecondary students, would be revised. The assessment of non-liquid assets would be suspended for two years for all title IV need analysis systems. This would decrease the expected family contribution in all programs, increas-

ing measured student need, and increase costs directly in the Pell grant program. Only those students with a high school diploma or its equivalent would be eligible to receive Federal student aid, reducing the number of eligible applicants in all programs and decreasing costs directly in the Pell grant program.

*Pell grants.*—Additional funds would be needed, representing the net effect of suspending the assessment of the non-liquid assets in the Pell need analysis formula and of requiring students to possess a high school diploma or its equivalent in order to participate.

**GUARANTEED STUDENT LOANS**

For necessary expenses under title IV, part B of the Higher Education Act, **[\$2,565,000,000]** \$2,740,358,000, to remain available until expended. (*Department of Education Appropriations Act, 1988.*)

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

Identification code	91-0230-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Regular loans:				
01.01	Interest benefits, net of origination fees.....	1,440,000	1,522,000	1,472,000
01.02	Special allowance, net of origination fees.....	228,400	202,000	71,000
01.03	Default claims.....	1,246,445	1,625,809	1,657,960
01.04	Death, disability, and bankruptcy claims.....	65,976	82,066	88,177
01.05	Administrative cost allowances to guarantee agencies..	139,978	82,230	84,460
01.06	Contract collection costs.....	10,000	12,315	12,394
01.07	Administrative costs.....	6,906	8,735	.....
01.91	Subtotal, Regular loans .....	3,137,705	3,535,155	3,385,990
PLUS/SLS loans:				
02.01	Default claims.....	22,287	26,782	40,833
02.02	Death, disability, and bankruptcy claims.....	3,894	4,687	7,146
02.03	Administrative cost allowances to guarantee agencies..	15,144	13,010	14,870
02.04	Contract collection costs.....	.....	.....	24
02.05	Administrative costs.....	130	165	.....
02.91	Subtotal, PLUS/SLS loans .....	41,455	44,644	62,873
10.00	Total obligations .....	3,179,160	3,579,800	3,448,864
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
Regular loans:				
Defaulted loans repaid:				
14.00	Federal collections .....	-112,014	-68,144	-73,933
14.00	Offsets against Federal tax refunds .....	-104,130	-96,070	-103,319
14.00	Reimbursements from guarantee agencies.....	-262,400	-351,442	-429,559
Other collections:				
14.00	Advances repaid.....	.....	-82,606	-36,540
14.00	Reinsurance fees.....	-65	-72,203	-37,249
14.00	Excess guarantee agency reserves.....	.....	-234,000	.....
PLUS/SLS loans:				
Defaulted loans repaid:				
14.00	Federal collections .....	.....	.....	-146
14.00	Offsets against Federal tax refunds .....	-365	-302	-630
14.00	Reimbursements from guarantee agencies.....	-2,600	-3,903	-5,945
14.00	SLMA loan repayments .....	-30,000	-30,000	.....
17.00	Recovery of prior year obligations .....	-49,734	.....	.....
21.40	Unobligated balance available, start of year.....	-58,167	-127,315	-21,185
24.40	Unobligated balance available, end of year.....	127,315	21,185	.....
31.00	Redemption of debt.....	30,000	30,000	.....
39.00	Budget authority .....	2,717,000	2,565,000	2,740,358
Budget authority:				
40.00	Appropriation .....	3,004,000	2,565,000	2,740,358
41.00	Transferred to other accounts .....	-287,000	.....	.....
43.00	Appropriation (adjusted) .....	2,717,000	2,565,000	2,740,358
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2,667,586	2,641,130	2,761,543
72.40	Obligated balance, start of year .....	453,061	522,735	534,226

74.40	Obligated balance, end of year.....	-522,735	-534,226	-552,309
78.00	Adjustments in unexpired accounts .....	-49,734	.....	.....
90.00	Outlays.....	2,548,179	2,629,639	2,743,460

NOTES

Excludes \$7,747 thousand in 1989 for activities transferred to Department of Education, Departmental management, Program administration account. Comparable amounts for 1987 (\$7,036 thousand) and 1988 (\$8,900 thousand) are included above.  
1987 obligations for administrative cost allowances reflect a transition from cash to accrual accounting.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....	2,717,000	2,565,000	2,740,358
Outlays .....	2,548,179	2,629,639	2,743,460
Proposed for later transmittal under proposed legislation:	.....	.....	.....
Budget authority .....	.....	.....	-4,760
Outlays .....	.....	-1,632	-2,584
Credit reform:	.....	.....	.....
Budget authority .....	.....	.....	3,094,482
Outlays .....	.....	.....	2,475,585
Total:	.....	.....	.....
Budget authority .....	2,717,000	2,565,000	5,830,080
Outlays .....	2,548,179	2,628,007	5,216,461

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

Identification code	91-0230-0-1-502	1987 actual	1988 est.	1989 est.
<b>GSL LOANS</b>				
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	4,176,481	4,791,772	5,394,383
1232	Disbursements: Disbursements for guaranteed loan claims .....	1,259,398	1,575,820	1,689,553
Repayments:				
1251	Repayments and prepayments.....	.....	-82,606	-36,540
1252	Repayments of defaulted guaranteed loans <sup>1</sup> .....	-462,102	-513,312	-607,672
Adjustments:				
1262	Write-offs for default .....	-121,288	-225,000	-328,000
1264	Other adjustments, net <sup>2</sup> .....	-60,717	-152,291	-186,644
1290	Outstanding, end of year.....	4,791,772	5,394,383	5,925,080
<b>SLMA LOANS</b>				
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	4,970,000	4,940,000	4,910,000
1251	Repayments: Repayments and prepayments .....	-30,000	-30,000	.....
1290	Outstanding, end of year.....	4,940,000	4,910,000	4,910,000

<sup>1</sup> Excludes interest and premium collections on directly insured loans.  
<sup>2</sup> Includes amounts retained by guarantee agencies to cover their collection costs.

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

Identification code	91-0230-0-1-502	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders .....	.....	.....	.....
2131	Guaranteed loan commitments exempt from limitation .....	9,730,000	9,524,000	9,933,000
2150	Total guaranteed loan commitments .....	9,730,000	9,524,000	9,933,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	37,481,518	40,066,775	41,206,543
2231	Disbursements: Disbursements of new guaranteed loans .....	9,266,000	9,074,000	9,466,000
2251	Repayments: Repayments and prepayments.....	-5,299,000	-6,206,000	-6,662,000
Adjustments:				
2261	Terminations for default that result in direct loans <sup>1</sup> .....	-1,311,873	-1,641,479	-1,759,951
2263	Terminations for default that result in claim payments .....	-69,870	-86,753	-95,322
2290	Outstanding, end of year .....	40,066,775	41,206,543	42,155,270

## General and special funds—Continued

## GUARANTEED STUDENT LOANS—Continued

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

Identification code	91-0230-0-1-502	1987 actual	1988 est.	1989 est.
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	40,066,775	41,206,543	42,155,270
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent).....	39.4	37.4	35.4
2330	Subsidy amount (in thousands of dollars).....	3,654,475	3,388,698	3,347,212

<sup>1</sup> Includes terminations that result in lender and guarantee agency liabilities.

The guaranteed student loan (GSL) program is designed to promote the availability of loans from banks and other lenders to students and their parents to help meet the costs of attending participating universities, colleges, and other postsecondary institutions after taking into consideration family financial resources and student self-help. This is accomplished through the provision of Federal reinsurance against borrower default as well as through substantial Federal subsidy payments. In general, the program is administered by State and private nonprofit guarantee agencies that serve as intermediate loan insurers, defaulted loan collectors, and providers of various services to lenders. Through July 1984, the Federal Government also provided direct loan insurance and, in such cases, continues to be responsible for defaulted loan collection and providing assistance to lenders.

Three types of guaranteed loans are currently available through the program: under the regular loan component, students may borrow highly subsidized loans; under the PLUS loan component, parents can borrow less-subsidized loans; and under the Supplemental Loans for Students (SLS) component, formerly part of PLUS, students also may borrow less-subsidized loans. Each program has both annual and cumulative limits on loan amounts. All loans can be used only to meet educational expenses. Evidence of financial need is required for a student to receive a regular student loan.

The Federal Government pays lenders a quarterly special allowance throughout the life of each regular loan. This allowance assures lenders a total yield on new loans equal to the current 91-day Treasury bill rate plus 3¼ percent or the interest rate to the borrower, whichever is higher. The Government is also liable for up to 100 percent of costs related to borrower default, death, disability, and bankruptcy. The budget proposes increased lender and guarantee agency default liability to shift a small portion of this risk to the beneficiaries of the program.

Under the regular loan component, the Federal Government pays the interest obligation (generally 8 percent on new loans) of eligible borrowers while they are in school and during grace and certain deferment periods. Federal interest benefit costs are offset by an origination fee of 5 percent of loan principal which is charged to borrowers.

Under the PLUS and SLS loan components, all students, and parents of dependent students, may borrow to meet the student's educational expenses without any demonstrated financial need. Unlike the regular loan program, the borrower's interest obligation during in-school, grace, and deferment periods (the 52-week Treasury bill rate plus 3¼ percent) is not paid by the Federal Government.

Finally, the Federal Government pays administrative cost allowances to guarantee agencies.

Federal receipts primarily include collections on defaulted loans and reimbursements from guarantee agencies for their default collections. One-time savings of \$234 million will be achieved in 1988 by applying excess guarantee agency reserves to agency default claims against the Government and by other means. In addition, most outstanding advances (interest-free loans) to guarantee agencies will be recalled beginning with the statutorily required repayment of \$75 million in 1988. Also included are Student Loan Marketing Association (Sallie Mae) repayments of loans from the Federal Financing Bank; these transactions are treated as part of the cost of the GSL program.

Total loan volume insured under all program components is expected to be \$9.6 billion in 1989, resulting in outstanding loans at the end of 1989 of \$42.3 billion.

## AMOUNT OF LOANS GUARANTEED

	[In millions of dollars]		
	1987 actual	1988 est.	1989 est.
Regular loans:			
Undergraduates .....	6,692	6,441	6,638
Graduates .....	1,469	1,421	1,486
PLUS/SLS loans:			
Students .....	687	788	906
Parents .....	418	474	536
Total .....	9,266	9,124	9,566

## NUMBER OF LOANS GUARANTEED

	[In thousands]		
	1987 actual	1988 est.	1989 est.
Regular loans:			
Undergraduates .....	3,003	2,820	2,951
Graduates .....	297	279	289
PLUS/SLS loans:			
Students .....	247	282	321
Parents .....	142	163	182
Total .....	3,689	3,544	3,743

## AVERAGE LOAN SIZE

	[In dollars]		
	1987 actual	1988 est.	1989 est.
Regular loans:			
Undergraduates .....	2,228	2,284	2,250
Graduates .....	4,946	5,093	5,144
PLUS/SLS loans:			
Students .....	2,776	2,795	2,823
Parents .....	2,952	2,917	2,946

Costs to the Federal Government related to a particular loan accrue throughout the period the loan is outstanding, which can be extended up to 25 years. Federal costs on regular loans are significantly reduced through the origination fees, used to offset interest subsidy costs. As the following table illustrates, net obligations for the first year of loans may be negative. Costs in the budget year, therefore, are determined largely by the cost of loans outstanding at the start of the year.

**NET OBLIGATIONS FOR LOANS BY YEAR OF ORIGINATION**

(In millions of dollars)

Year of origination:	1987	1988	1989	1990	1991	1992	1993
All pre-1987 loans.....	2,533	1,771	1,256	749	383	172	105
1987.....	165	800	570	425	273	170	49
1988.....		98	853	563	397	252	157
1989.....			80	848	521	369	224
1990.....				44	787	479	350
1991.....					7	728	455
1992.....						-12	701
1993.....							-10
<b>Total.....</b>	<b>2,698</b>	<b>2,669</b>	<b>2,759</b>	<b>2,629</b>	<b>2,368</b>	<b>2,158</b>	<b>2,031</b>

Note.—Excludes Sallie Mae repayments of FFB debt; \$30,000 thousand in all years except 1989.

All new loans are insured directly by guarantee agencies, then reinsured by the Federal Government. The following table displays Federal payments to these agencies, separated into net payments for loan guarantees and net payment for agency overhead costs. The 1989 figures are on a pre-credit reform basis.

**NET FEDERAL OBLIGATIONS FOR GUARANTEE AGENCY COSTS**

(In millions of dollars)

	1987 actual	1988 est.	1989 est.
<b>Reinsurance obligations:</b>			
Default claims.....	1,238	1,622	1,674
Death, disability, and bankruptcy claims.....	66	82	92
<b>Reinsurance receipts:</b>			
Gross agency default collections <sup>1</sup> .....	-326	-508	-622
Repayment of advances.....		-83	-37
Elimination of excess reserves.....		-234	
<b>Net reinsurance obligations.....</b>	<b>978</b>	<b>879</b>	<b>1,107</b>
<b>Administrative cost obligations:</b>			
Administrative cost allowances.....	155	95	100
Collections retention allowance <sup>1</sup> .....	61	152	187
Reinsurance fees.....	(*)	-74	-43
<b>Net administrative cost obligations.....</b>	<b>216</b>	<b>173</b>	<b>244</b>
<b>Total obligations.....</b>	<b>1,194</b>	<b>1,052</b>	<b>1,351</b>

\* Less than \$500 thousand.

<sup>1</sup> The budget reflects net default collections, gross collections less agency retentions, as the reimbursement received by the Government.

Increased efforts are being made to collect outstanding defaults and to reduce the incidence of default. These efforts include: expanding collection activities by referring both insured and reinsured defaulted loans to private collection agencies; sharing information on defaulted loans with consumer credit bureaus; computer matches to locate defaulters; increased litigation; increased lender and guarantee agency due diligence requirements; closer monitoring of collection activity; deduction from Federal income tax refunds of defaulted loan amounts; and increased risk sharing with institutions in the form of possible loss of eligibility for Federal aid for their students at high-default institutions. Outstanding defaults owed to the Federal Government in 1987-89 are as follows:

**OUTSTANDING DEFAULTED GUARANTEED LOAN VOLUME**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Outstanding, start of year.....	4,023,578	4,638,869	5,314,940
New defaulted loans.....	1,259,398	1,575,820	1,689,529
Repayments.....	-462,102	-513,312	-607,672
Writeoffs and other adjustments.....	-182,005	-386,437	-514,644
<b>Outstanding, end of year.....</b>	<b>4,638,869</b>	<b>5,314,940</b>	<b>5,882,153</b>

Note.—Same as "Status of Direct Loans" tables provided for this account, but excludes advances to guarantee agency reserve funds.

Frequently used GSL default rate measures are the gross and net cumulative default rates. The former represents cumulative defaults divided by cumulative loans that have matured (i.e., entered repayment). The latter represents cumulative defaults minus cumulative collections on defaults, divided by cumulative matured loans. These rates are the best measures of the long-term default costs of the entire GSL portfolio and the best indicators of longer term trends in default costs.

**END OF YEAR GUARANTEED LOAN STATUS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Cumulative loans disbursed.....	71,698,750	80,822,530	90,389,040
Cumulative loans matured.....	53,356,000	62,373,000	71,573,000
Cumulative defaults.....	6,993,000	8,574,000	10,298,976
Cumulative collections.....	1,949,000	2,563,000	3,315,000
Gross default rate.....	13.1%	13.7%	14.4%
Net default rate.....	9.5%	9.6%	9.8%

Another measure represents defaults in a given year divided by the average amount of loans in repayment during that year. This annual rate is more comparable to default rates calculated by commercial lending institutions. 1987 defaults, and thus 1987 default rates, reflect a one-time decrease due to changes in the definition of a defaulted loan implemented in that year. The volatility of this rate, depending as it does on annual flows into and out of repayment, makes this a less useful indicator in assessing longer term default trends.

**STATUS OF LOANS IN REPAYMENT**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Outstanding, start of year.....	19,171,786	21,104,518	22,252,945
Entering repayment.....	8,561,000	9,017,000	9,200,000
Leaving repayment:			
Repayments.....	-5,299,000	-6,206,000	-6,662,000
Defaults.....	-1,259,398	-1,575,820	-1,689,529
Death, disability, and bankruptcy.....	-69,870	-86,753	-95,323
<b>Outstanding, end of year.....</b>	<b>21,104,518</b>	<b>22,252,945</b>	<b>23,006,093</b>
Annual default rate.....	6.3%	7.3%	7.5%

Note.—These in-repayment figures plus comparable figures for loans not yet in repayment are comparable to figures included in the "Status of Guaranteed Loans" tables provided for this account.

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

Identification code	1987 actual	1988 est.	1989 est.
91-0230-0-1-502			
25.0 Other services.....	17,036	21,215	12,418
33.0 Investments and loans.....	1,268,732	1,652,592	1,698,793
41.0 Grants, subsidies, and contributions.....	1,823,522	1,819,240	1,642,330
42.0 Insurance claims and indemnities.....	69,870	86,753	95,323
<b>99.9 Total obligations.....</b>	<b>3,179,160</b>	<b>3,579,800</b>	<b>3,448,864</b>

General and special funds—Continued

GUARANTEED STUDENT LOANS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Regular loans:			
01.01		36	2,069
01.02		12	367
01.03			-30
01.05		12	176
01.91		60	2,582
02.03			-2
10.00		60	2,580
<b>Financing:</b>			
14.00		-2,100	-5,300
21.40			-2,040
24.40		2,040	
40.00			-4,760
<b>Relation of obligations to outlays:</b>			
71.00		-2,040	-2,720
72.40			-408
74.40		408	544
90.00		-1,632	-2,584

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>GSL LOANS</b>			
<b>Cumulative balance of direct loans outstanding:</b>			
1232			-24
1290			-24

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111			
2131		52,400	105,800
2150		52,400	105,800
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210			49,780
2231		49,780	100,510
2261			25
2290		49,780	150,315

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	-871,488	-2,689,130
<b>Estimate of guaranteed loan subsidy:</b>			
2320	Subsidy amount (in percent)	-0.9	-1.8
2330	Subsidy amount (in thousands of dollars)	-49,260	-104,927

<sup>1</sup> Includes terminations that result in lender and guarantee agency liabilities.

Proposed program reforms would increase default risk-sharing with lenders and guarantee agencies and take other steps to reduce the cost of defaults to the taxpayer. Additional savings would be realized by limiting loan eligibility to students with a high school degree

or equivalent. These savings would be offset partially by suspending for two years consideration of non-liquid assets in determining a student's need, thereby reducing expected family contribution and increasing measured need.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
33.0			-30
41.0		60	2,610
99.9		60	2,580

GUARANTEED STUDENT LOANS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Regular loans:			
01.01			-386,132
01.02			246,000
01.08			2,515,441
01.09			605,461
01.91			2,980,770
<b>PLUS/SLS loans:</b>			
02.01			-6,667
02.02			-1,003
02.06			107,440
02.07			13,942
02.91			113,712
10.00			3,094,482
<b>Financing:</b>			
40.00			3,094,482
<b>Relation of obligations to outlays:</b>			
71.00			3,094,482
74.40			-618,896
90.00			2,475,585

This schedule reflects the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
33.0			-6,667
41.0			3,102,152
42.0			-1,003
99.9			3,094,482

HIGHER EDUCATION

For carrying out title III of the Higher Education Act of 1965, as amended, **[\$152,370,000]** *\$136,978,000*, of which up to **[\$19,148,000]** *\$20,000,000* for section 332 of part C of title III of said Act shall remain available until expended: *Provided*, That **[\$73,161,500]** *\$80,478,000* of funds appropriated for title III of said Act shall be available only to historically black colleges and universities.

For carrying out subparts 4 and 6 of part A of title IV; **[part B and subpart 1 of part D of title V;]** title **[s]** VI **[and VIII,];** *part D of title VII;* parts A, B, C, **[D,]** *and E,* and **F** of title IX **;** *notwithstanding section 971(g);* parts B and part D of title VII **;** *and subpart*

1 of part B and part [s] A [and C] of title X [; and sections 420A and 1204(c)] of the Higher Education Act of 1965, as amended; [title XIII, part H, subpart 1 of the Education Amendments of 1980, as amended,] and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961; [\$367,884,000] \$313,217,000, of which [\$28,244,000] \$22,744,000 for part [s] B and] D of title VII shall remain available until expended: *Provided*, That \$7,659,000 provided herein for carrying out subpart 6 of part A of title IV shall be available notwithstanding sections 419G(b) and 419I(a) of the Higher Education Act of 1965 (20 U.S.C. 1070d-37(b) and 1070d-39(a)). [; *Provided further*, That \$239,000 of the amount provided for part B of title IX shall be competitively awarded to a consortium of historically black colleges and doctoral degree-granting institutions to provide supplemental need-based financial aid to students and faculty from historically black colleges who are pursuing doctoral studies.]

[For carrying out sections 772, 773, 775, and 776 of part G of title VII of the Higher Education Act, sections 1-5 of Public Law 99-608, and title III, section 303 of Public Law 98-480, \$14,217,000 to remain available until expended.]

[Of any funds appropriated in fiscal year 1988 for a grant to an appropriate consortium of institutions of higher education for carrying out part B of title VII of the Higher Education Act, the limitations contained in sections 702(a) and 721(a)(2) shall not apply.] (*Department of Education Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	91-0201-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Aid for institutional development:				
00.01	Strengthening historically black colleges and universities.....	51,741	73,162	80,478
00.02	Other .....	97,287	82,210	55,750
00.91	Subtotal, aid for institutional development .....	149,028	155,372	136,228
Other aid for institutions:				
01.01	Program development .....	67,623	66,685	49,701
01.02	Academic facilities .....	58,408	28,244	22,744
01.03	Special grants .....	24,938	15,414	
01.91	Subtotal, other aid for institutions .....	150,968	110,343	72,445
Aid for students:				
02.01	Special programs for the disadvantaged .....	176,204	205,841	205,841
02.02	Other support services .....	4,500	7,181	1,915
02.03	Scholarships and fellowships .....	53,129	58,736	33,016
02.91	Subtotal, aid for students .....	233,833	271,758	240,772
10.00	Total obligations (object class 41.0) .....	533,829	537,473	449,445
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-66		
17.00	Recovery of prior year obligations .....	-8,448		
21.40	Unobligated balance available, start of year .....	-77,308	-25,459	-22,457
22.40	Unobligated balance transferred, net .....		8,000	
24.40	Unobligated balance available, end of year .....	25,459	22,457	23,207
25.00	Unobligated balance lapsing .....	961		
40.00	Budget authority (appropriation) .....	482,428	534,471	450,195
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	533,764	537,473	449,445
72.40	Obligated balance, start of year .....	818,882	513,321	519,664
74.40	Obligated balance, end of year .....	-513,321	-519,664	-482,513
77.00	Adjustments in expired accounts .....	-411,772	-2,175	
78.00	Adjustments in unexpired accounts .....	-8,448		
90.00	Outlays .....	419,105	528,955	486,596
Distribution of outlays by account:				
	Higher education .....	416,687	528,205	486,596
	Grants for construction of academic facilities .....	2,417	750	

Note.—The activity previously financed under Department of Education, Office of Postsecondary Education, Grants for construction of academic facilities in 1984 is presented in the schedules for this account in 1987 and 1988. Outlays are distributed by account above.

Status of Direct Loans (in thousands of dollars)

Identification code	91-0201-0-1-502	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	60,502	50,892	17,455
1251	Repayments: Repayments and prepayments .....	-2,794	-937	-432
1262	Adjustments: Write-offs for default .....	-6,816	-32,500	-7,650
1290	Outstanding, end of year .....	50,892	17,455	9,373

Aid for institutional development—

*Strengthening historically black colleges and universities.*—Funds under this heading are for grants to help historically black undergraduate and graduate institutions equalize educational opportunity and strengthen their management and fiscal operations so that they may become self-sufficient.

*Other.*—In 1989, funds will support non-competing continuation grants for strengthening institutions, and new endowment grants.

Other aid for institutions—

*Program development.*—In 1989, funds would support projects under: the Fund for the Improvement of Postsecondary Education, to address problems and encourage improvements in postsecondary education; the minority science improvement program, to improve science education at predominantly minority institutions; and the international education and foreign language study programs, to help strengthen American education in foreign languages and area and international studies.

*Academic facilities—Interest subsidy grants.*—Funds will meet mandatory interest subsidy costs of construction loan commitments made prior to 1974.

Aid for students—

*Special programs for the disadvantaged.*—This program helps individuals from disadvantaged backgrounds enter and complete college.

*Other support services.*—In 1989, a grant under the legal training for the disadvantaged program would support pre-law preparation and scholarships to assist individuals from disadvantaged backgrounds to undertake training in the legal profession.

*Scholarships and fellowships.*—In 1989, funds would support: Robert C. Byrd honors scholarships for outstanding students who show promise of continued excellence; the minority participation in graduate education program to support talented minority students as they increase their preparation for graduate study; Patricia Roberts Harris graduate fellowships to assist minorities and women to undertake graduate study in fields in which they have been traditionally underrepresented; and Jacob K. Javits fellowships to students of superior ability for graduate study in the arts, humanities, and social sciences.

*Cuban and law enforcement education loan collection costs.*—No new loans are made under these activities. Collections on outstanding prior year loans continue. Outstanding defaults, as well as delinquent loans, are as follows:

General and special funds—Continued

HIGHER EDUCATION—Continued

CUBAN AND LAW ENFORCEMENT EDUCATION DEFAULTED AND DELINQUENT LOANS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Outstanding, start of year.....	58,110	49,897	16,994
Recoveries: collections.....	-1,397	-403	-134
Adjustments: write-offs.....	-6,816	-32,500	-7,650
Outstanding, end of year.....	49,897	16,994	9,210

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), **[\$172,203,000.] \$175,647,000, of which \$3,500,000 shall be for an endowment matching grant in accordance with the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended. Provided further, That of the funds appropriated under this head in the Department of Education Appropriations Act, 1988, not to exceed \$500,000 shall be for a matching endowment grant to be administered in accordance with the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended. (Department of Education Appropriations Act, 1988; additional authorizing legislation to be proposed for \$3,500,000.)**

Program and Financing (in thousands of dollars)

Identification code 91-0603-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Howard University:			
00.01 Academic program.....	141,124	145,752	146,196
00.02 Endowment grant.....	1,100	2,714	1,550
00.03 Research program.....	5,000	4,787	4,787
00.04 Hospital.....	22,106	21,164	21,164
10.00 Total obligations (object class 41.0).....	169,330	174,417	173,697
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,814	-2,714	
25.00 Unobligated balance lapsing.....		500	
24.40 Unobligated balance available, end of year.....	2,714		2,450
39.00 Budget authority.....	170,230	172,203	176,147
40.00 Appropriation.....	170,230	172,203	175,647
50.00 Reappropriation.....			500
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	169,330	174,417	173,697
72.40 Obligated balance, start of year.....	66,924	18,036	9,398
74.40 Obligated balance, end of year.....	-18,036	-9,398	-9,416
90.00 Outlays.....	218,218	183,055	173,679

Howard University is a private, nonprofit educational institution consisting of 18 schools and colleges. Federal funds are used to provide partial support for the University programs as well as for the teaching hospital facilities. In 1987, direct Federal appropriations represented 69 percent of the University's educational and general expenditures.

Reappropriation language is proposed to extend the availability of funds for the Howard University endowment grant to ensure that 1988 funds intended to be used for this purpose would continue to be available in the event that the full amount of the grant cannot be matched before the end of the fiscal year.

HIGHER EDUCATION FACILITIES LOANS [AND INSURANCE]

The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the

Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year. For the fiscal year [1988] 1989, no new commitments for loans may be made from the fund established pursuant to title VII, section 733 of the Higher Education Act, as amended (20 U.S.C. 1132d-2): *Provided, That notwithstanding section 783 of the Act, the Secretary may sell, at public or private sale, obligations under Part C of title VII of the Act upon such terms as the Secretary may fix and in such amounts as the Secretary determines to be in the best financial interests of the Government. (Department of Education Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code 91-0240-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Interest on Treasury loan capital.....	5,408		
Reimbursable program:			
01.01 Interest on participation certificates.....	5,991	2,814	
01.02 Interest on Treasury loan capital.....		6,000	6,000
01.03 Loan sale commissions.....	154	150	
01.91 Total reimbursable program.....	6,145	8,964	6,000
10.00 Total obligations.....	11,553	8,964	6,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Investment income from participation sales funds.....	-8,743	-4,037	
Non-Federal sources:			
14.00 Loan repayments.....	-16,325	-8,529	-11,515
14.00 Interest revenue.....	-9,133	-1,693	-1,650
14.00 Loan sales.....	-8,100	-47,158	
14.00 Revenue from prior year loan sale.....		-1,836	
14.00 Loan prepayments.....	-59,486		
17.00 Recovery of prior year obligations.....	-265		
21.40 Unobligated balance available, start of year.....	-15,379	-39,007	-2,500
22.40 Unobligated balance transferred, net.....	7,216	-87,189	
24.40 Unobligated balance available, end of year.....	39,007	2,500	1,500
Redemption of debt:			
31.00 Transfer of funds to the Treasury.....	58,000	90,796	8,165
31.00 GNMA participation certificates.....	20,860	87,189	
40.00 Budget authority (appropriation).....	19,205		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-90,234	-54,289	-7,165
72.40 Obligated balance, start of year.....	10,153	4,520	14,948
74.40 Obligated balance, end of year.....	-4,520	-14,948	
78.00 Adjustments in unexpired accounts.....	-265		
90.00 Outlays.....	-84,866	-64,717	7,783

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority.....	19,205		
Outlays.....	-84,866	-64,717	7,783
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			
Outlays.....			-27,631
<b>Total:</b>			
Budget authority.....	19,205		
Outlays.....	-84,866	-64,717	-19,848

Status of Direct Loans (in thousands of dollars)

Identification code 91-0240-0-1-502	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	338,721	218,720	107,892
Repayments:			
1251 Repayments and prepayments.....	-16,325	-8,529	-11,515
1253 Proceeds from loan asset sales to the public.....	-67,586	-47,158	
Adjustments:			
1263 Discount on loan asset sales to the public.....	-35,626	-55,141	-5,855
1264 Other adjustments, net <sup>1</sup> .....	-464		
1290 Outstanding, end of year.....	218,720	107,892	90,522

<sup>1</sup> Adjustments in 1987 represent reconciliations with inventory records.



**Program operations.**—Title VII, Part C, of the Higher Education Act of 1965 authorizes direct loans at 5.5 percent interest, repayable within 50 years, to colleges, universities, and higher education building agencies for the construction, reconstruction, or renovation of academic facilities. No new loan commitments have been made since 1981, and no new commitments are planned for 1989 and beyond.

**Financing.**—Loan capital for this program has been provided both through appropriations and the sale of participation certificates which are backed by pools of existing higher education facilities loans held by the Federal Government.

Interest is payable to Treasury on the amount of appropriations paid out for loan capital and remaining outstanding, less the average undisbursed cash balance in the fund during the year. The interest rate certified by Treasury for payment from the account was 7.375 percent in 1987 and is 9.375 percent in 1988.

Sales of participation certificates by the Government National Mortgage Association (GNMA) were provided for under the Participation Sales Act of 1966, and were authorized specifically for higher education facilities loans under appropriation acts in 1967 and 1968. The participation certificates outstanding held by this account total \$87,189 thousand as of September 30, 1987. These certificates are scheduled to be redeemed in 1988.

Insufficiencies appropriations may be used to finance any deficit resulting from the interest rate payable on participation certificates being higher than the interest rate paid by institutions on pledged loans. The budget authority required for insufficiencies is computed as follows:

**PARTICIPATION INSUFFICIENCIES**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates .....	5,991	2,814	.....
Interest accrued on an equal amount of loans in the pool.....	-814	.....	.....
Insufficiency .....	5,177	2,814	.....
Financed by:			
Investment income from participation sales fund, net .....	-8,743	-4,037	.....
Brought forward from prior year adjusted.....	3,566	1,223	.....
Budget authority required.....	.....	.....	.....

Note.—Excludes additional amounts required to fund interest payments due to Treasury.

The appropriation, along with repayments on outstanding loans, interest revenue, and investment income is used to pay operating expenses and to amortize the outstanding debt on participation certificates.

In 1988, the Secretary is planning to conduct a second year of loan sales to the public. Proceeds from the sales were \$67.6 million in 1987 and are estimated at \$47.2 million in 1988. Loan sale fees and commissions are financed from this account.

The status of defaulted loans is shown in the table below:

**DEFAULTED LOANS**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Outstanding, start of year.....	30,309	23,425	11,713
New defaulted loans .....	3,585	.....	.....
Defaulted loans converted to current status .....	-10,469	.....	.....
Recoveries: Collections .....	.....	-5,856	-5,856
Discount for prepayments .....	.....	-5,856	-5,856
Outstanding, end of year .....	23,425	11,713	.....

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

Identification code	91-0240-0-1-502	1987 actual	1988 est.	1989 est.
43.0	Interest and dividends .....	5,408	.....	.....
99.0	Reimbursable obligations .....	6,145	8,964	6,000
99.9	Total obligations .....	11,553	8,964	6,000

**HIGHER EDUCATION FACILITIES LOANS [AND INSURANCE]**

(Proposed for later transmittal, proposed legislation)

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

Identification code	91-0240-2-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.02	Interest on Treasury loan capital.....	.....	.....	-4,000
01.03	Loan sale fees and commissions .....	.....	.....	150
10.00	Total obligations .....	.....	.....	-3,850
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Loan repayments .....	.....	.....	1,560
14.00	Interest revenue .....	.....	.....	455
14.00	Loan sales .....	.....	.....	-25,796
24.40	Unobligated balance available, end of year.....	.....	.....	-963
31.00	Redemption of debt: Transfer of funds to Treasury.....	.....	.....	28,594
39.00	<b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	.....	.....	-27,631
90.00	Outlays .....	.....	.....	-27,631

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

Identification code	91-0240-2-1-502	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
Repayments:				
1251	Repayments and prepayments.....	.....	.....	1,560
1253	Proceeds from loan asset sales to the public .....	.....	.....	-25,796
1263	Adjustments: Discount on loan asset sales to the public ..	.....	.....	-28,330
1290	Outstanding, end of year.....	.....	.....	-52,566

Legislation will be proposed to repeal the prohibition on loan asset sales contained in section 783 of the Higher Education Act of 1986, as amended, for Higher education facilities loan obligations. Proceeds from loan asset sales in 1989 would be used to reduce the loan capital repayment obligation with Treasury and would assist in reducing the overall Federal budget deficit.

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

Identification code	91-0240-2-1-502	1987 actual	1988 est.	1989 est.
25.0	Other services .....	.....	.....	150
43.0	Interest and dividends .....	.....	.....	-4,000
99.0	Reimbursable obligations .....	.....	.....	-3,850
99.9	Total obligations .....	.....	.....	-3,850

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS**

【Pursuant to title VII, part F of the Higher Education Act, as amended, for necessary expenses of the college housing and academic facilities loans program, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation using loan repayments and other resources available to this account: *Provided*, That during fiscal year 1988, gross commitments for the principal amount of direct loans shall be \$62,231,000. Any unobligated

## General and special funds—Continued

## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS—Continued

balances remaining from fixed fees previously paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account.】

【Whenever the Secretary, pursuant to sections 762(c) or 783 of the Act, sells, exchanges, or otherwise transfers on a discounted basis obligations or securities held by the Secretary under title VII, part F of the Act, the outstanding balance remaining on the notes of the Secretary issued to the Secretary of the Treasury under section 761(d) of the Act shall be reduced by the amount of the discount. For such transactions occurring prior to the fiscal year 1988, such reduction is effective on September 30, 1987. For such transactions occurring in fiscal year 1988 or thereafter, such reduction is to be effective on the last day of the fiscal year in which the discounted transaction occurs.】 For payment of interest on funds borrowed from the Treasury pursuant to section 761(d) of the Higher Education Act, as amended, \$1,675,000, to remain available until expended: Provided, That notwithstanding section 761(e) of the Higher Education Act, no new loan commitments may be made. (Department of Education Appropriations Act, 1988.)

## Program and Financing (in thousands of dollars)

Identification code	91-0242-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	College housing and academic facilities loans.....	60,000	62,231	.....
Reimbursable program:				
01.01	Interest on Treasury borrowings.....		538	4,327
10.00	Total obligations.....	60,000	62,769	4,327
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....		-330	-2,652
22.98	Unobligated balance transferred, net.....		-208	.....
39.00	<b>Budget authority</b> .....	<b>60,000</b>	<b>62,231</b>	<b>1,675</b>
Budget authority:				
40.00	Appropriation.....			1,675
47.00	Authority to borrow (appropriation acts).....	60,000	62,231	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	60,000	62,439	1,675
72.40	Obligated balance, start of year.....		60,000	116,231
74.40	Obligated balance, end of year.....	-60,000	-116,231	-74,008
90.00	Outlays.....		6,208	43,898

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

Identification code	91-0242-0-1-502	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....	60,000	62,231	.....
1150	Total direct loan obligations.....	60,000	62,231	.....
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			6,000
1231	Disbursements: Direct loan disbursements.....		6,000	42,223
1290	Outstanding, end of year.....		6,000	48,223
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....	20.4	20.4	.....
1330	Subsidy amount (in thousands of dollars).....	12,258	12,714	.....

This program finances direct loans at 5.5 percent interest to schools and colleges for construction and renovation of undergraduate academic facilities, student and faculty housing, and other educational facilities. No new loans are proposed for 1989.

Under section 761(d) of the Higher Education Act, capital to finance new loans is borrowed from the Treasury at an interest rate based on the average yield

for long-term Treasury securities during the month before loan commitments are made to schools. Loan commitments are usually made in the fourth quarter of the fiscal year. The Secretary pays 8.97 percent interest on funds borrowed for 1987 loans. Appropriations finance the difference between the total interest received from borrowers and the higher amount of interest owed to Treasury each year.

## Object Classification (in thousands of dollars)

Identification code	91-0242-0-1-502	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....	60,000	62,231	.....
99.0	Reimbursable obligations.....		538	4,327
99.9	Total obligations.....	60,000	62,769	4,327

## Public enterprise funds:

## COLLEGE HOUSING LOANS

Pursuant to title VII, Part F of the Higher Education Act, as amended, for necessary expenses of the college housing loans program previously carried out under title IV of the Housing Act of 1950, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation using loan repayments and other resources available to this account: Provided, That notwithstanding section 783 of the Act, the Secretary may sell, at public or private sale, obligations under Part F of title VII of the Act upon such terms as the Secretary may fix and in such amounts as the Secretary determines to be in the best financial interests of the Government. Any unobligated balances becoming available from fixed fees paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account.

Whenever the Secretary, pursuant to section 762(c) of the Higher Education Act, as amended, sells, exchanges, or otherwise transfers on a discounted basis obligations or securities held by the Secretary under title VII, Part F of the Act, the outstanding balance remaining on the notes of the Secretary issued to the Secretary of the Treasury under section 761(d) of the Act shall be reduced by the amount of the discount. For such transactions occurring in fiscal year 1989 or thereafter, such reduction is effective on the last day of the fiscal year in which the discounted transaction occurs.

## Program and Financing (in thousands of dollars)

Identification code	91-4250-0-3-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Interest on Treasury borrowings.....	53,168	36,000	17,200
00.02	Interest on participation certificates.....	28,021	14,424	.....
00.03	Facilities management.....	383	713	40
00.04	Loan sale fees and commissions.....	1,403	1,000	.....
10.00	Total obligations.....	82,975	52,137	17,240
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Investment income from participation sales fund.....	-49,673	-25,097	.....
Non-Federal sources:				
14.00	Loan repayments.....	-67,904	-28,579	-38,700
14.00	Interest revenue.....	-56,357	-8,865	-8,624
14.00	Loan sales.....	-88,922	-266,717	.....
14.00	Revenue from prior year loan sales.....		-20,157	.....
14.00	Dividends on loan trust one.....		-791	-1,000
14.00	Loan prepayments.....	-427,214	.....	.....
14.00	Audit and inspection fees.....	-19	.....	.....
21.98	Unobligated balance available, start of year: Fund balance.....	-21,045	-90,159	-10,427
22.98	Unobligated balance transferred, net.....	-4,698	-446,598	.....
24.98	Unobligated balance available, end of year: Fund balance.....	90,159	10,427	3,448
Redemption of debt:				
31.00	Treasury borrowings.....	538,000	377,592	38,063
31.00	GNMA participation certificates.....	4,698	446,806	.....
39.00	<b>Budget authority</b> .....			

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-607,114	-298,069	-31,084
72.98	Obligated balance, start of year: Fund balance .....	104,788	55,852	95,221
74.98	Obligated balance, end of year: Fund balance .....	-55,852	-95,221	-56,546
90.00	Outlays .....	-558,178	-337,438	7,591

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)			
Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....			
Outlays .....	-558,178	-337,438	7,591
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays .....			-197,024
Total:			
Budget authority .....			
Outlays .....	-558,178	-337,438	-189,433

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

Identification code	91-4250-0-3-502	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	2,228,773	1,193,587	626,200
1231	Disbursements: Direct loan disbursements .....	31,630	35,000	36,000
	Repayments:			
1251	Repayments and prepayments .....	-67,904	-28,579	-38,700
1253	Proceeds from loan asset sales to the public .....	-516,136	-287,665	-1,000
	Adjustments:			
1263	Discount on loan asset sales to the public .....	-363,154	-286,143	-12,594
1264	Other adjustments, net <sup>1</sup> .....	-119,622		
1290	Outstanding, end of year .....	1,193,587	626,200	609,906

<sup>1</sup> Adjustments in 1987 represent reconciliations with inventory records.

**Program operations.**—Loans in this account were made for construction and renovation of college housing facilities prior to 1987 under title IV of the Housing Act of 1950. The Higher Education Amendments of 1986 repealed title IV and gave the Secretary authority to manage outstanding college housing loans under title VII, Part F of the Higher Education Act. There is no new loan activity in this account. New loans made after 1986 under Part F are reflected in the College Housing and Academic Facilities Loans Account.

**Financing.**—Loan capital for this program was provided primarily through Treasury borrowings and the sale of participation certificates which are backed by pools of existing college housing loans held by the Federal Government. As of September 30, 1987, \$1.4 billion was borrowed from the Treasury under a note that comes due January 1, 1991.

Sales of participation certificates by the Government National Mortgage Association (GNMA) were provided for under the Participation Sales Act of 1966, and were authorized specifically for college housing loans under appropriation acts in 1967 and 1968. The participation certificates outstanding held by this account total \$446,806 thousand as of September 30, 1987. All remaining certificates are scheduled to be redeemed in 1988.

Insufficiencies appropriations may be used to finance any deficit resulting from the interest rate payable on participation certificates being higher than the interest rate paid by institutions on pledged loans. The budget authority required for insufficiencies is computed as follows:

**PARTICIPATION INSUFFICIENCIES**

(In thousands of dollars)			
	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates .....	28,021	14,424	
Insufficiency .....	28,021	14,424	
Financed by:			
Investment income from participation sales fund, net .....	-49,673	-25,097	
Amount financed from (-) or repaid to (+) other funds .....	21,652	10,673	
Budget authority required .....			

In 1987, the Secretary gave borrowers the opportunity to prepay loans at a discount based on their market value and sold additional loans to the public. Total revenues from prepayments and sales in 1987 were \$513 million. Section 783 of the Higher Education Act requires the Secretary to sell additional loans in 1988. Proceeds from 1988 sales are currently estimated at \$267 million.

Available resources (loan repayments, interest revenue, loan sale proceeds, investment income, and other income in excess of operating expenses) will be used to redeem a portion of the agency's debt in outstanding Treasury borrowings, as is being done in 1988 and as was done in 1987. If there are no additional loan sales in 1989, approximately \$38 million will be repaid to Treasury in 1989; \$377 million is anticipated to be repaid in 1988, while \$538 million was repaid in 1987.

The budget provides \$40 thousand to fund facilities management and property disposition expenses related to loan collection action in 1988. Fees and commissions associated with loan sales will be financed from this account.

A total of \$4.4 million was collected in 1987 from institutions in default. The status of defaulted loans is shown in the table below:

**DEFAULTED LOANS**

(In thousands of dollars)			
	1987 actual	1988 est.	1989 est.
Outstanding, start of year .....	84,350	50,379	25,190
Defaulted loans converted to current status .....	-33,371		
Recoveries: Collections .....	-4,460	-15,051	-15,051
Collections applied to delinquent interest .....	3,860	2,456	2,457
Discount for prepayments .....		-12,595	-12,595
Outstanding, end of year .....	50,379	25,190	

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

Identification code	91-4250-0-3-502	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons .....		90	
25.0	Other services .....	1,786	1,623	40
43.0	Interest and dividends .....	81,189	50,424	17,200
99.9	Total obligations .....	82,975	52,137	17,240

**COLLEGE HOUSING LOANS**

(Proposed for later transmittal, proposed legislation)

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

Identification code	91-4250-2-3-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.04	Loan sale fees and commissions (object class 25.0) .....			1,000
10.00	Total obligations .....			1,000
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Loan repayments .....			9,702

Public enterprise funds—Continued

COLLEGE HOUSING LOANS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	91-4250-2-3-502	1987 actual	1988 est.	1989 est.
14.00	Interest revenue .....			3,205
14.00	Loan sales .....			-204,632
24.98	Unobligated balance available, end of year: Fund balance .....			200
31.00	Redemption of debt: Treasury borrowing .....			190,525
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			-190,725
74.98	Obligated balance, end of year: Fund balance .....			-6,299
90.00	Outlays .....			-197,024

Status of Direct Loans (in thousands of dollars)

Identification code	91-4250-2-3-502	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
Repayments:				
1251	Repayments and prepayments .....			9,702
1253	Proceeds from loan asset sales to the public .....			-204,632
1263	Adjustments: Discount on loan asset sales to the public ..			-212,348
1290	Outstanding, end of year .....			-407,278

Legislation will be proposed to repeal the prohibition on loan asset sales contained in section 783 of the Higher Education Act of 1986, as amended, for College housing loan obligations. Proceeds from loan asset sales in 1989 would be used to reduce the Education Department's outstanding debt to Treasury and would contribute to lowering the Federal budget deficit.

【COLLEGE CONSTRUCTION LOAN INSURANCE】

【For carrying out part E of title VII of the Higher Education Act of 1965, as amended, \$19,148,000 to be available until expended.】  
(Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	91-0210-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		19,148	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b> .....		19,148	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		19,148	
90.00	Outlays .....		19,148	

In 1988, the Secretary of Education made a one-time purchase of voting common stock to provide initial capital for operations of the College Construction Loan Insurance Association. This private, for-profit corporation will guarantee and insure bonds and loans for the construction, renovation, and purchase of college and university facilities and equipment.

OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Federal Funds

General and special funds:

EDUCATION RESEARCH AND STATISTICS

For necessary expenses to carry out sections 405 and 406 of the General Education Provisions Act, as amended, 【\$67,526,000, of which \$13,390,000 shall be used for the Center for Education Statistics, as authorized under section 406 of the General Education Provisions Act, and \$7,563,000 shall be for the National Assessment of Educational Progress, as authorized under section 405(e)(1) of the General Education Provisions Act: *Provided*, That \$3,830,000 of the sums appropriated shall be used to continue a rural education program by the nine regional laboratories.】 \$81,000,000. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	91-1100-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	63,894	67,526	81,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-448		
25.00	Unobligated balance lapsing .....	132		
40.00	<b>Budget authority (appropriation)</b> .....	<b>63,578</b>	<b>67,526</b>	<b>81,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	63,446	67,526	81,000
72.40	Obligated balance, start of year .....	73,317	75,991	56,315
74.40	Obligated balance, end of year .....	-75,991	-56,315	-59,258
77.00	Adjustments in expired accounts .....	140	-1,325	
90.00	Outlays .....	60,912	85,877	78,057

This account funds activities authorized under sections 405 and 406 of the General Education Provisions Act. The budget includes the following amounts for these activities:

BUDGET AUTHORITY

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
(a) Center for Education Statistics .....	9,074	13,390	20,019
(b) National Assessment of Educational Progress .....	5,081	7,563	9,450
(c) Office of Research .....	20,019	18,980	23,440
(d) Programs for Improvement of Practice .....	22,203	21,385	19,783
(e) Information Services .....	7,201	6,208	8,308
Total .....	<b>63,578</b>	<b>67,526</b>	<b>81,000</b>

Research, statistics, dissemination, and improvement activities aid students, teachers, administrators, and decisionmakers at all levels of education, as well as parents and other members of the public.

*Center for Education Statistics.*—Statistics are collected on educational institutions and on individuals to monitor trends in education. A coordinated program of statistical services is supported which provides assistance to States in developing comparable data bases and analyses of the implications of data.

*National Assessment of Educational Progress.*—The National Assessment of Educational Progress surveys young Americans to provide reliable information about the nation's attainment in certain important skill areas. Collection of both nationally- and State-representative data is planned.

*Office of Research.*—Research centers focus on topics of national concern in education. Additional individual projects and field-initiated research complement this work.

*Programs for Improvement of Practice.*—Regional laboratories determine and help meet the educational research and development needs in specified geographic regions. Study groups and national leadership conferences are also supported.

*Information Services.*—The Educational Resources Information Center system makes education literature accessible through computerized abstracts and indexes. Dissemination activities provide timely information to the public and educational practitioners.

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

Identification code	91-1100-0-1-503	1987 actual	1988 est.	1989 est.
25.0	Other services .....	43,917	46,413	55,674
41.0	Grants, subsidies, and contributions .....	19,977	21,113	25,326
99.9	Total obligations .....	63,894	67,526	81,000

**LIBRARIES**

【For carrying out, to the extent not otherwise provided, titles I, II, III, IV, and VI of the Library Services and Construction Act (20 U.S.C., ch. 16), and title II, parts B, C, and D of the Higher Education Act, notwithstanding the provisions of section 221, \$135,089,000: *Provided*, That \$22,595,000 of the sums appropriated shall be used to carry out the provisions of title II of the Library Services and Construction Act and shall remain available until expended.】 (*Department of Education Appropriations Act, 1988.*)

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

Identification code	91-0104-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Public library services .....	80,000	78,986	
00.02	Public library construction .....	21,334	37,249	
00.03	Interlibrary cooperation .....	17,749	18,669	
00.04	Library literacy programs .....	5,000	4,787	
00.05	Training and demonstrations .....	998	718	
00.06	Research libraries .....	6,000	5,744	
00.07	College library technology .....		3,590	
00.91	Total direct program .....	131,081	149,743	
01.01	Reimbursable program .....	1,222		
10.00	Total obligations .....	132,303	149,743	
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-1,222		
17.00	Recovery of prior year obligations .....	-9		
21.40	Unobligated balance available, start of year .....	-13,479	-14,654	
24.40	Unobligated balance available, end of year .....	14,654		
25.00	Unobligated balance lapsing .....	253		
40.00	Budget authority (appropriation) .....	132,500	135,089	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	131,081	149,743	
72.40	Obligated balance, start of year .....	279,761	155,712	144,770
74.40	Obligated balance, end of year .....	-155,712	-144,770	-43,572
77.00	Adjustments in expired accounts .....	-126,060	-1,485	
78.00	Adjustments in unexpired accounts .....	-9		
90.00	Outlays .....	129,062	159,200	101,198

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	132,500	135,089	
Outlays .....	129,062	159,200	101,198
Proposed for later transmittal under proposed legislation:			
Budget authority .....			76,000
Outlays .....			30,400
Total:			
Budget authority .....	132,500	135,089	76,000
Outlays .....	129,062	159,200	131,598

Federal funds for public library systems, library programs at institutions of higher education, and major research libraries have been provided through project grants and grants to States.

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

Identification code	91-0104-0-1-503	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services .....	61		
41.0	Grants, subsidies, and contributions .....	131,020	149,743	
99.0	Subtotal, direct obligations .....	131,081	149,743	
99.0	Reimbursable obligations .....	1,222		
99.9	Total obligations .....	132,303	149,743	

**LIBRARIES**

(Proposed for later transmittal, proposed legislation)

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

Identification code	91-0104-2-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Services to the disadvantaged .....			45,000
00.02	Resource sharing .....			30,000
00.03	Research and assessment .....			1,000
10.00	Total obligations .....			76,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			76,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			76,000
74.40	Obligated balance, end of year .....			-45,600
90.00	Outlays .....			30,400

*Services to the disadvantaged.*—Legislation will be proposed for State formula grants to promote the provision of library services to expand educational opportunities for economically disadvantaged and handicapped persons.

*Resource sharing.*—Legislation will be proposed to increase access to library books and materials through support for both intrastate and interstate resource sharing. Two-thirds of the funding would be provided for State formula grants and one-third for Federal discretionary grants.

*Research and assessment.*—Legislation will be proposed to support a variety of library improvement projects, including library-related research and development, assessment of libraries and library conditions, and the collection and reporting of library data.

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

Identification code	91-0104-2-1-503	1987 actual	1988 est.	1989 est.
25.0	Other services .....			1,000
41.0	Grants, subsidies, and contributions .....			75,000
99.9	Total obligations .....			76,000

**DEPARTMENTAL MANAGEMENT**

*Federal Funds*

**General and special funds:**

**[SALARIES AND EXPENSES] PROGRAM ADMINISTRATION**

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, [**\$241,028,000**] **\$249,849,000**: *Provided, That no funds appropriated under this heading shall be used for the purposes of carrying out sections 428F(a), 483(f), 1302, 1304, and 1361 of the Higher Education Act. (Department of Education Appropriations Act, 1988.)*

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

Identification code	91-0800-0-1-500	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct programs:				
00.01	Postsecondary education.....	70,513	76,073	87,944
00.02	Other education programs.....	63,322	64,576	63,833
00.03	Executive direction.....	100,116	99,782	98,072
00.91	Total direct program.....	233,951	240,431	249,849
01.01	Reimbursable program.....	29,781	42,423	33,485
10.00	Total obligations.....	263,732	282,854	283,334
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-29,665	-42,324	-33,433
14.00	Non-Federal sources.....	-116	-99	-52
17.00	Recovery of prior year obligations.....	-8,200		
21.40	Unobligated balance available, start of year.....	-4		
22.40	Unobligated balance transferred, net.....	8,200		
25.00	Unobligated balance lapsing.....	746	597	
40.00	<b>Budget authority (appropriation)</b> .....	<b>234,692</b>	<b>241,028</b>	<b>249,849</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	233,951	240,431	249,849
72.40	Obligated balance, start of year.....	69,751	63,847	43,761
74.40	Obligated balance, end of year.....	-63,847	-43,761	-54,495
77.00	Adjustments in expired accounts.....	-5	-8,925	
78.00	Adjustments in unexpired accounts.....	-8,200		
90.00	Outlays.....	231,650	251,592	239,115

**NOTES**

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

Includes \$8,785 thousand in budget authority in 1989 for activities previously financed from (in thousands of dollars):

	1987 actual	1988 estimate
Office of Postsecondary Education, Guaranteed student loans.....	\$6,800	\$8,900
Office of Special Education and Rehabilitative Services, Education for the Handicapped.....		683
Office of Special Education and Rehabilitative Services, Rehabilitation Services and Handicapped Research.....		417

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	234,692	241,028	249,849
Outlays.....	231,650	251,592	239,115
Proposed for later transmittal under proposed legislation:			
Budget authority.....			5,600
Outlays.....			4,648
Total:			
Budget authority.....	234,692	241,028	255,449
Outlays.....	231,650	251,592	243,763

**Postsecondary education.**—The postsecondary education activity includes direct costs of administering student aid and other higher education programs.

**Other education programs.**—This activity includes direct costs of administering elementary and secondary education, bilingual education, vocational and adult education, handicapped education, and rehabilitation services programs. This activity also supports educational research and improvement activities.

**Executive direction.**—This activity provides centralized support and administrative services and overall policy development and strategic planning for the Department. Included in the centralized activities are space and mail management, telecommunications, grants and contractual services, financial management and accounting, ADP services, personnel management, budget formulation and execution, program evaluation, legal services, congressional and public relations, and intergovernmental affairs.

**Reimbursable program.**—Reimbursements to this account include the costs of collecting defaulted student loans, primarily guaranteed student loans. The collections are made under contract with private agencies and the costs are financed from collections.

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

Identification code	91-0800-0-1-500	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	113,576	121,522	122,688
11.3	Other than full-time permanent.....	6,722	3,526	3,628
11.5	Other personnel compensation.....	1,721	1,663	1,663
11.8	Special personal services payments.....	110		
11.9	Total personnel compensation.....	122,129	126,711	127,979
12.1	Civilian personnel benefits.....	15,166	17,494	17,848
13.0	Benefits for former personnel.....	815		
21.0	Travel and transportation of persons.....	3,243	3,315	4,079
22.0	Transportation of things.....	165	82	86
23.1	Rental payments to GSA.....	16,422	18,316	16,664
23.3	Communications, utilities, and miscellaneous charges.....	11,991	10,323	10,645
24.0	Printing and reproduction.....	6,017	6,183	5,926
25.0	Other services.....	52,561	52,738	62,006
26.0	Supplies and materials.....	1,646	1,150	1,388
31.0	Equipment.....	3,792	4,119	3,228
43.0	Interest and dividends.....	4		
99.0	Subtotal, direct obligations.....	233,951	240,431	249,849
99.0	Reimbursable obligations.....	29,781	42,423	33,485
99.9	Total obligations.....	263,732	282,854	283,334

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	2,970	2,997	2,991
Total compensable workyears:			
Full-time equivalent employment.....	3,274	3,305	3,299
Full-time equivalent of overtime and holiday hours.....	17	17	17
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	8	8	8
Total compensable workyears: Full-time equivalent employment.....	5	5	5

**[SALARIES AND EXPENSES] PROGRAM ADMINISTRATION**

(Proposed for later transmittal, proposed legislation)

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

Identification code	91-0800-2-1-500	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations, Postsecondary education (object class 25.0).....			5,600
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b> .....			<b>5,600</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			5,600
74.40	Obligated balance, end of year.....			-952
90.00	Outlays.....			4,648

Funds will provide for implementation of the National Student Loan Data System authorized under section

485B of the Higher Education Act of 1965, as amended. This system will collect information on Guaranteed Student Loans made under Part B of the Act and on Direct Student Loans made under Part E. Funds for the Student Loan Data System will be requested only after enactment of a legislative proposal to amend section 485B. The proposal would require guaranty agencies and institutions of higher education to provide information on defaulted loans, and would eliminate restrictions in section 485B(c) to allow the Department to require these agencies and institutions to verify, prior to making new loans, that students have neither defaulted on prior loans nor exceeded loan limits.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, **[\$40,530,000]** \$41,341,000. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 91-0700-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Civil Rights .....	41,713	40,376	41,341
01.01 Reimbursable program .....	68	160	160
10.00 Total obligations .....	41,781	40,536	41,501
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-68	-160	-160
17.00 Recovery of prior year obligations.....	-7,900		
22.40 Unobligated balance transferred, net .....	7,900		
25.00 Unobligated balance lapsing.....	1,287	154	
40.00 <b>Budget authority (appropriation) .....</b>	<b>43,000</b>	<b>40,530</b>	<b>41,341</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	41,713	40,376	41,341
72.40 Obligated balance, start of year .....	18,731	14,177	13,660
74.40 Obligated balance, end of year .....	-14,177	-13,660	-13,342
77.00 Adjustments in expired accounts.....	-11	-1,993	
78.00 Adjustments in unexpired accounts.....	-7,900		
90.00 Outlays.....	38,357	38,899	41,659

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Office for Civil Rights is responsible for ensuring that no person is unlawfully discriminated against on the basis of race, color, national origin, sex, handicap, or age in the delivery of services or the provision of benefits in programs or activities receiving financial assistance from the Department of Education. The authorities under which the Office for Civil Rights operates are title VI of the Civil Rights Act of 1964 (racial and ethnic discrimination), title IX of the Education Amendments of 1972 (sex discrimination), section 504 of the Rehabilitation Act of 1973 (discrimination against the handicapped), and the Age Discrimination Act of 1975.

Object Classification (in thousands of dollars)

Identification code 91-0700-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	27,368	28,100	28,560
11.3 Other than full-time permanent.....	544	292	292
11.5 Other personnel compensation.....	366	375	375
11.9 Total personnel compensation.....	28,278	28,767	29,227

12.1 Civilian personnel benefits .....	3,529	4,020	4,288
13.0 Benefits for former personnel.....	66		
21.0 Travel and transportation of persons .....	777	663	663
22.0 Transportation of things.....	56	25	25
23.1 Rental payments to GSA.....	3,054	3,207	2,794
23.3 Communications, utilities, and miscellaneous charges...	1,712	1,657	1,657
24.0 Printing and reproduction .....	79	70	70
25.0 Other services.....	3,172	1,747	2,397
26.0 Supplies and materials.....	249	200	200
31.0 Equipment.....	740	20	20
43.0 Interest and dividends.....	1		
99.0 Subtotal, direct obligations .....	41,713	40,376	41,341
99.0 Reimbursable obligations .....	68	160	160
99.9 Total obligations .....	41,781	40,536	41,501

Personnel Summary

<b>Direct:</b>			
Total number of full time permanent positions.....	777	805	805
Total compensable work years.....			
Full-time equivalent employment.....	807	820	820
Full-time equivalent of overtime and holiday hours.....	3		
<b>Reimbursable:</b>			
Total number of full time permanent positions.....	4	3	3
Total compensable work years: Full time equivalent employment.....	2	3	3

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, **[\$17,560,000]** \$17,911,000. (Department of Education Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 91-1400-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Inspector General.....	16,066	17,371	17,911
01.01 Reimbursable obligations .....	268		
10.00 Total obligations .....	16,334	17,371	17,911
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-268		
25.00 Unobligated balance lapsing .....	312	189	
40.00 <b>Budget authority (appropriation) .....</b>	<b>16,378</b>	<b>17,560</b>	<b>17,911</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	16,066	17,371	17,911
72.40 Obligated balance, start of year .....	2,695	3,473	2,954
74.40 Obligated balance, end of year .....	-3,473	-2,954	-3,915
77.00 Adjustments in expired accounts.....		-1,019	
90.00 Outlays.....	15,289	16,871	16,950

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Inspector General is responsible for the quality, coverage, and coordination of audit, investigation, and security functions relating to Federal education activities. The Inspector General has the authority to inquire into all activities of the Department including those performed under Federal education contracts, grants, or other agreements.

Object Classification (in thousands of dollars)

Identification code 91-1400-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	10,518	11,725	12,094
11.3 Other than full-time permanent.....	99	94	96
11.5 Other personnel compensation.....	97	100	102
11.9 Total personnel compensation.....	10,714	11,919	12,292
12.1 Civilian personnel benefits .....	1,380	1,582	1,640

General and special funds—Continued

OFFICE OF THE INSPECTOR GENERAL—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	91-1400-0-1-751	1987 actual	1988 est.	1989 est.
13.0	Benefits for former personnel .....	13		
21.0	Travel and transportation of persons .....	906	811	811
22.0	Transportation of things .....	25	18	18
23.1	Rental payments to GSA .....	1,100	1,274	1,104
23.3	Communications, utilities, and miscellaneous charges .....	1,146	932	577
24.0	Printing and reproduction .....	19	34	34
25.0	Other services .....	388	627	1,031
26.0	Supplies and materials .....	56	124	126
31.0	Equipment .....	319	50	278
99.0	Subtotal, direct obligations .....	16,066	17,371	17,911
99.0	Reimbursable obligations .....	268		
99.9	Total obligations .....	16,334	17,371	17,911

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions .....	299	315	315
	Total compensable work years: Full-time equivalent employment .....	278	320	320
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	1		
	Total compensable work years: Full-time equivalent employment .....	1		

EDUCATION AND RESEARCH OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code	91-0802-0-1-500	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-100		
25.00	Unobligated balance lapsing .....	100		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
72.40	Obligated balance, start of year .....	3,416	3,324	2,000
74.40	Obligated balance, end of year .....	-3,324	-2,000	-2,000
78.00	Adjustments in unexpired accounts .....	-100		
90.00	Outlays .....	-8	1,324	

This account has supported rehabilitation research and education activities overseas in several foreign countries for which the United States held excess currency. All remaining unobligated funds at the end of 1987 were returned to the Treasury.

Trust Funds

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code	91-8258-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	42	170	154
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....		-631	-461
24.40	Unobligated balance available, end of year .....	631	461	307
60.00	<b>Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>673</b>		

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	42	170	154
72.40	Obligated balance, start of year .....	1	9	
74.40	Obligated balance, end of year .....	-9		
90.00	Outlays .....	34	178	154

Spending in 1987 derived from contributions from the public for Presidential Academic Fitness Awards and the Bicentennial of the Constitution Essay Contest. Spending in 1988 and 1989 derives from contributions from the public for Presidential Academic Fitness Awards, Presidential Scholars, and the Joseph Khury bequest.

No new contributions are currently anticipated for 1989.

Object Classification (in thousands of dollars)

Identification code	91-8258-0-7-503	1987 actual	1988 est.	1989 est.
24.0	Printing and reproduction .....	32	9	
25.0	Other services .....	10	7	
41.0	Grants, subsidies, and contributions .....		154	154
99.9	Total obligations .....	42	170	154

GENERAL PROVISIONS

SEC. 301. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the costs of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 302. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet University shall be subject to audit by the Secretary of Education.

SEC. 303. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 304. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 305. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of



students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 306. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools. (*Department of Education Appropriations Act, 1988.*)



## DEPARTMENT OF ENERGY

### ATOMIC ENERGY DEFENSE ACTIVITIES

#### Federal Funds

#### General and special funds:

##### ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities, **[\$7,749,364,000] \$8,100,000,000**, to remain available until expended, including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed **[292] 248**, of which **247** are for replacement only including **[43] 6** police-type vehicles; and purchase of two aircraft, one of which is for replacement only): *Provided*, That within the funds available within materials production activities, the Secretary of Energy shall prepare and submit to the Committees on Appropriations and Armed Services of the Senate and the House of Representatives, not later than May 1, 1988, an acquisition strategy report for replacement production reactors. Such report shall provide the rationale and description of the recommended acquisition strategy for replacement nuclear materials production capacity that would fulfill the long-term requirements of the United States for tritium and plutonium, including the recommendation of the Nuclear Weapons Council with respect to matters within the responsibility of the Council. Such report also shall include an analysis of whether or not the acquisition strategy should provide for the procurement and construction of two or more replacement production reactors, either concurrently or sequentially. Such report also shall include, but not be limited to, an analysis of the use of alternative reactor technologies at one or more sites based on the most current information including overall program costs and schedules; safety, environmental and licensing features; strategic and national security benefits; and amortization of reactor capital and operating costs through the sale of by-product steam. Such report shall include a comprehensive comparative financial analysis and cost estimate including annual and life cycle costs for research, development, design, construction, operating expenses and revenues and the leveled unit products costs relating to the replacement production reactor alternatives considered. The recommendations of the Secretary shall include a recommendation with respect to the preferred alternatives for achieving replacement nuclear materials production capacity, including the number of production reactors required, the preferred technologies, and the preferred sites, and a time schedule for their acquisition, construction, and operation. The provision of the National Environmental Policy Act (43 U.S.C. 4321, et seq.) shall not apply to any actions taken by the Secretary in the conduct of activities associated with the preparation of such report, including, but not limited to, the formulation of an acquisition strategy or the planning, design, and selection of alternative technologies and sites for replacement production reactors: *Provided further*, That of these funds, \$7,500,000 shall be made available for the Hanford Waste Vitrification Plant (Project 88-D-173): *Provided further*, That of the amount appropriated to the Department of Energy in this paragraph, \$121,000,000 may be obligated only for the verification and control technology program of the Department of Energy: *Provided further*, That none of the funds made available by this Act may be used for the operation of the N-Reactor at the Hanford Reservation, Washington, unless the Secretary of Energy makes a specific determination and submits a certification in writing to the Congress that—

- (1) the further operation of the N-Reactor is necessary to meet national security requirements;
- (2) the Department will fully comply with the report of the National Academy of Sciences as described in Public Law 100-180;
- (3) the Department plan for the N-Reactor is consistent with the reports of the Roddis panel as described in Public Law 100-180; and

(4) the N-Reactor is safe to operate]. (Energy and Water Development Appropriation Act, 1988.)

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

Identification code 89-0220-0-1-053	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Naval reactors development .....	575,099	607,000	630,000
00.02 Weapons activities .....	4,218,331	4,207,545	4,256,941
00.03 Verification and control technology .....	92,409	121,000	139,600
00.04 Materials production .....	1,854,970	1,812,887	2,016,759
00.05 Defense waste and environmental restoration ..	698,150	891,132	936,500
00.06 Nuclear safeguards and security .....	62,311	77,800	80,200
00.07 Security investigations .....	24,945	32,000	40,000
00.91 Total direct program .....	7,526,215	7,749,364	8,100,000
01.01 Reimbursable program .....	1,837,294	2,700,000	2,700,000
10.00 Total obligations .....	9,363,509	10,449,364	10,800,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,916,697	-2,226,254	-2,700,000
17.00 Recovery of prior year obligations .....	-965	.....	.....
21.40 Unobligated balance available, start of year .....	-443,207	-473,746	.....
22.40 Unobligated balance transferred, net .....	1,364	.....	.....
24.40 Unobligated balance available, end of year .....	473,746	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>7,477,750</b>	<b>7,749,364</b>	<b>8,100,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	7,446,812	8,223,110	8,100,000
72.40 Obligated balance, start of year .....	3,280,732	3,275,311	3,867,543
74.40 Obligated balance, end of year .....	-3,275,311	-3,867,543	-4,022,514
78.00 Adjustments in unexpired accounts .....	-965	.....	.....
90.00 Outlays .....	7,451,268	7,630,878	7,945,029

**Naval reactors development.**—This program provides for the design, development, and testing of improved naval nuclear propulsion plants and reactor cores having longer core life, increased reliability, improved performance, and simplified operating and maintenance requirements. These reactors are necessary to meet a variety of military requirements. During 1989 work will continue to improve existing submarine and surface ship reactors and plant components and to develop advanced reactor concepts and propulsion plants. This program also continues facility upgrading and provides equipment to support ongoing reactor design research and testing activities.

**Weapons activities.**—This program provides for the research, development, engineering, testing, and production of all U.S. nuclear weapons; maintenance of these weapons for their stockpile life, and retirement and disposal of nuclear weapons from the stockpile. In 1989 the weapons program will continue to provide new technology to maintain a modern nuclear force, along with the design and development of new weapon systems in response to defense requirements. This program also provides for the certification of safety, reliability, and performance of new weapon systems and surveillance of the existing stockpile. Funding is provided for continued production of weapon systems and for stockpile improvements consistent with the Presidential Nuclear Weapons Stockpile Memorandum. In addition, this program provides for facility construction, mainte-

General and special funds—Continued

ATOMIC ENERGY DEFENSE ACTIVITIES—Continued

nance, and restoration for the weapons research and development, testing, and production activities.

**Verification and control technology.**—This program provides for research activities directed toward the advancement of verification technology related to nuclear treaties and arms control measures. In 1989 the program provides for continued technical and scientific efforts to support nuclear test treaties and nuclear arms reduction negotiations. Other activities provide analytical support to export control requirements, nonproliferation policy, and weapon analysis issues. This program also provides capital equipment for nuclear detection technology efforts and analytical support activities.

**Materials production.**—This program provides nuclear materials to meet near-term national defense and nondefense requirements and sustain a base production program capable of meeting long-term nuclear materials production requirements consistent with the annual Presidential Nuclear Weapons Stockpile Memorandum and the annual Materials Management Plan. In 1989 this program will operate a reactor feed material production complex, production reactors, chemical processing plants at three major sites, and support facilities integral to the operation of these facilities. The program will also conduct R&D efforts on long-range alternatives for production of nuclear materials. Programs to sustain optimum production capabilities at Savannah River, Richland, and Oak Ridge will be continued.

**Defense waste and environmental restoration.**—This program provides for safe interim storage, transportation, disposal, and/or utilization of radioactive and hazardous wastes generated primarily from nuclear materials production and naval propulsion. The 1989 program provides funds for continuation of the waste operations program including preoperational activities for the vitrification plant, and operation of the saltstone plant of the Defense Waste Processing Facility at Savannah River, SC, and design of the Hanford Waste Vitrification Plant at Richland, WA. The Waste Isolation Pilot Plant near Carlsbad, NM, will begin operations in October 1988. The environmental restoration program which was established by Congress beginning in FY 1988 covering all Defense Programs, includes meeting RCRA and CERCLA requirements and terms of compliance agreements and consent orders. Funding is also provided for the planning, design, development, and testing of integrated transport systems which meet Department-wide nuclear material transportation requirements.

**Nuclear safeguards and security.**—This program provides for the development of measures for the protection of nuclear weapons in the agency's custody, special nuclear materials, classified materials and information, and agency property. In 1989 this program will continue development of procedures that preclude the unauthorized disclosure, theft, or loss of classified material; management of a research and development program to safeguard nuclear weapons and nuclear materials and protect agency facilities against sabotage; providing for assistance to site managers in designing effective safeguards systems; and support of international safeguards technology.

**Security investigations.**—This activity covers the costs of security investigations for personnel who, in performance of their official duties, must have access to restricted data, national security information or special nuclear material, or who occupy a designated critical sensitive position.

Object Classification (in thousands of dollars)				
Identification code	89-0220-0-1-053	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	95,317	106,404	112,959
11.3	Other than full-time permanent .....	1,465	1,630	1,725
11.5	Other personnel compensation .....	6,827	7,736	8,202
11.8	Special personal services payments .....	397	300	300
11.9	Total personnel compensation .....	104,006	116,070	123,186
12.1	Civilian personnel benefits .....	14,419	16,096	17,087
13.0	Benefits for former personnel .....	49		
21.0	Travel and transportation of persons .....	10,022	11,454	12,119
22.0	Transportation of things .....	764	850	899
23.1	Rental payments to GSA .....	456	473	491
23.2	Rental payments to others .....	6,245	6,482	6,729
24.0	Printing and reproduction .....	167	173	180
25.0	Other services .....	5,899,341	6,086,376	6,471,754
26.0	Supplies and materials .....	6,526	6,774	7,031
31.0	Equipment .....	477,570	453,902	493,670
32.0	Land and structures .....	997,385	1,041,997	957,805
41.0	Grants, subsidies, and contributions .....	9,260	8,718	9,049
43.0	Interest and dividends .....	5		
99.0	Subtotal, direct obligations .....	7,526,215	7,749,364	8,100,000
99.0	Reimbursable obligations .....	1,837,294	2,700,000	2,700,000
99.9	Total obligations .....	9,363,509	10,449,364	10,800,000

**Personnel Summary**

Total number of full-time permanent positions .....	2,782	2,840	2,850
Total compensable workyears:			
Full-time equivalent employment .....	2,782	2,870	2,910
Full-time equivalent of overtime and holiday hours .....	136	130	130

**ENERGY PROGRAMS**

**Federal Funds**

General and special funds:

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed [22] 10, of which [18] 5 are for replacement [only], \$804,498,000) only and one is a police-type vehicle, and one replacement fixedwing aircraft to be acquired pursuant to the Federal Property and Administrative Services Act of 1949, as amended, \$364,986,000, to remain available until expended. (Energy and Water Development Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	89-0222-0-1-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	High energy physics .....	495,300	556,851	220,388
00.02	Nuclear physics .....	203,866	245,140	141,388
00.03	General science program direction .....	2,378	3,130	3,210
10.00	Total obligations .....	701,544	805,121	364,986
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-185		
21.40	Unobligated balance available, start of year .....	-678	-623	

22.40	Unobligated balance transferred, net.....	342		
24.40	Unobligated balance available, end of year.....	623		
39.00	<b>Budget authority</b> .....	<b>701,646</b>	<b>804,498</b>	<b>364,986</b>
	Budget authority:			
40.00	Appropriation.....	708,400	804,498	364,986
41.00	Transferred to other accounts.....	-6,754		
43.00	<b>Appropriation (adjusted)</b> .....	<b>701,646</b>	<b>804,498</b>	<b>364,986</b>
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	701,544	805,121	364,986
72.40	Obligated balance, start of year.....	204,033	208,166	218,134
73.40	Obligated balance transferred, net.....			-82,336
74.40	Obligated balance, end of year.....	-208,166	-218,134	-74,648
78.00	Adjustments in unexpired accounts.....	-185		
90.00	<b>Outlays</b> .....	<b>697,226</b>	<b>795,153</b>	<b>426,136</b>

Note.—Activities financed under this account in the amount of \$293,146 thousand in 1987 and \$339,200 thousand in 1988 are proposed to be financed in 1989 under Basic Research and User Facilities activities.

The construction and operations of the User Facilities formerly funded within these programs have been transferred to a new account: Basic Research User Facilities. The research conducted in these facilities, however, will continue to be supported by the base programs within General Science and Research Activities.

**High energy physics.**—Research in this program focuses on the fundamental constituents of matter, the fundamental forces in nature and the transformations between matter and energy at the most elemental level. The program includes experimental and theoretical particle physics research and related advanced accelerator and detector technology R&D. The primary mode of experimental research involves the study of collisions of energetic particles using large particle accelerators or colliding beam facilities by means of advanced multi-particle detector systems and associated electronics. Research in 1989 will continue studies of known fundamental constituents of particles, initiate searches for new particle constituents, and continue to pursue a unified description of the four fundamental forces in nature.

The high energy physics budget request provides for continued research at the Tevatron I Stanford Linear Collider (SLC), the Alternating Gradient Synchrotron (AGS) Accumulator and further advanced accelerator and detector R&D related to next generation high energy particle accelerators. The operation of the Tevatron I will provide the capability for utilizing Fermilab's superconducting synchrotron as a 900 GeV on 900 GeV proton anti-proton collider, while Stanford Linear Accelerator Center's SLC will produce 50 GeV on 50 GeV electron-positron collisions. Both facilities will allow access into previously unexplored areas of high energy physics. The request also provides continuing support for effective participation by university based groups in experimental research including accelerator user group efforts and non-accelerator experiments, and for theoretical research efforts. The 1989 high energy physics capital equipment request provides for meeting the highest priority needs associated with the detectors required to implement the research programs using the new capabilities being provided by the Tevatron I proton anti-proton collider at Fermilab and by the SLC electron-positron collider at SLAC.

**Nuclear physics.**—Research in this program strives to attain a deeper understanding of the interactions, prop-

erties, and structures of atomic nuclei and nuclear matter at a fundamental level through interdependent accelerator experiments and theoretical investigations of atomic nuclei. The program supports qualified scientists and research groups conducting experiments in nuclear physics accelerator facilities around the world. The program also supports the operation of four dedicated university accelerator facilities.

The 1989 nuclear physics budget request provides for a heavy ion nuclear research and accelerator program at the Alternating Gradient Synchrotron at Brookhaven. Program emphasis in 1989 centers on the role that quarks play in the makeup and interactions of nuclei, nuclei as proving grounds for understanding the basic strong and electroweak forces of nature, possible existence of new forms of nuclear matter, and, the mechanisms by which colliding nuclei exchange mass, energy, and angular momentum.

**General science program direction.**—Provides direction, management, and administrative support to all programs within general science.

Object Classification (in thousands of dollars)

Identification code	89-0222-0-1-251	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent positions.....	1,780	2,597	2,315
11.3	Positions other than full-time permanent.....	70	30	60
11.5	Other personnel compensation.....	41	75	81
11.9	Total personnel compensation.....	1,891	2,702	2,456
12.1	Civilian personnel benefits.....	227	395	369
21.0	Travel and transportation of persons.....	297	275	335
23.2	Rental payments to others.....	50		
24.0	Printing and reproduction.....	39		
25.0	Other services.....	549,956	609,674	239,137
31.0	Equipment.....	85,357	94,375	83,550
32.0	Land and structures.....	55,403	82,700	15,182
41.0	Grants, subsidies, and contributions.....	8,324	15,000	23,957
99.9	Total obligations.....	701,544	805,121	364,986

Personnel Summary

Total number of full-time permanent positions.....	42	39	40
Total compensable workyears: Full-time equivalent employment.....	42	39	46

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities, and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed [21] 23 for replacement only), [\$1,988,357,000] \$1,969,760,000, to remain available until expended; [in addition \$104,000,000 shall be derived by transfer from Uranium Supply and Enrichment Activities provided in prior years and shall be available until expended; and of which \$125,800,000 which shall be available only for the following facilities: the Institute for Human Genomic Studies at the Mount Sinai Medical Center, New York City; the Center for Applied Optics, University of Alabama in Huntsville; the Center for Automation Technology, Drexel University; the Institute for Advanced Physics Research, Boston University; the Multi-Purpose Center, Boston College; the Pediatric Research Center at Children's Hospital, Pittsburgh, Pennsylvania; the Cancer Research Center at the Medical University of South Carolina; the Oregon Health Science University; the Center for Advanced Microstructures and Devices,

General and special funds—Continued

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES—  
Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

Louisiana State University; the Proton-Beam Demonstration Cancer Treatment Center, Loma Linda University Medical Center; the Center for Physical and Environmental Science, East Central University, Oklahoma; the Barry M. Goldwater Center for Science and Engineering, Arizona State University; the Institute of Nuclear Medicine, Center of Molecular Medicine and Immunology, University of Medicine and Dentistry, New Jersey; the National Center for Chemical Research, Columbia University; and the Combustion Research Facility, Phase II, Sandia Laboratory, Livermore, California; and funds provided for byproducts utilization activities shall be available only for the following regional projects; Florida Department of Agriculture and Consumer Services; Hawaii Department of Business and Economic Development; Iowa State University; Oklahoma, RedArk Development Authority; Washington, Port of Pasco; State of Alaska: *Provided*, That of the amount appropriated under this heading for the magnetic fusion program, \$8,000,000 shall be available to continue research, development, engineering and design only of Project 88-R-92, Compact Ignition Tokamak: *Provided further*, That the Princeton Plasma Physics Laboratory and the Office of Fusion Energy shall submit a report and a 5-year plan based on current budgetary resources allocated for fusion energy research to the Committees on Appropriations of the House and Senate providing detailed information, costs and schedules for the concurrent construction of the Compact Ignition Tokamak project with the continued operation and completion of the Tokamak Fusion Test Reactor project] and in addition, as authorized by section 201 of Public Law 95-238, and not withstanding 31 U.S.C. 3302, revenues received as user fees for use of the Liquefied Gaseous Fuels Spill Test Facility in fiscal year 1989 shall be retained and used to provide toxic and flammable spill test facilities and activities. (Energy and Water Development Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 89-0224-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Solar and renewable energy tech base.....	174,319	153,764	123,090
00.02 Nuclear fission.....	599,610	603,770	614,668
00.03 Environmental safety and health.....	62,832	69,955	110,000
00.04 Biological and environmental research.....	192,461	265,709	249,000
00.05 Spill test facility.....	1,668	1,332	766
00.06 Magnetic fusion.....	341,535	335,227	360,000
00.07 Supporting research and technical analysis.....	557,875	595,688	403,571
00.08 Multiprogram facilities.....	57,955	53,600	65,875
00.09 Small business initiative research program.....	28,612		
00.10 In-house energy management.....	16,649	18,880	19,520
00.11 Technical information services.....	14,688	14,000	16,500
00.12 Strategic facilities utilization program.....		2,175	2,175
00.13 Policy and management.....	3,502	4,427	4,595
00.91 Total direct obligations.....	2,051,706	2,118,527	1,969,760
01.01 Reimbursable program.....	246,952	300,000	300,000
10.00 Total obligations.....	2,298,658	2,418,527	2,269,760
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-233,440	-239,496	-300,000
17.00 Recovery of prior year obligations.....	-6,421		
21.40 Unobligated balance available, start of year.....	-90,808	-86,674	
22.40 Unobligated balance transferred, net.....	-696,009	-104,000	
24.40 Unobligated balance available, end of year.....	86,674		
39.00 Budget authority.....	1,358,653	1,988,357	1,969,760
Budget authority:			
40.00 Appropriation.....	1,347,048	1,988,357	1,969,760
42.00 Transferred from other accounts.....	11,605		
43.00 Appropriation (adjusted).....	1,358,653	1,988,357	1,969,760
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	2,065,218	2,179,031	1,969,760
72.40 Obligated balance, start of year.....	1,128,002	1,275,281	1,416,384
73.40 Obligated balance transferred, net.....			-30,902
74.40 Obligated balance, end of year.....	-1,275,281	-1,416,384	-1,332,746

78.00 Adjustments in unexpired accounts.....	-6,421		
90.00 Outlays.....	1,911,517	2,037,928	2,022,496

Note.—Activities financed under this account in the amount of \$87,462 thousand in 1987 and \$125,555 thousand in 1988 are proposed to be financed in 1989 under Basic Research and User Facilities activities.

Status of Direct Loans (in thousands of dollars)

Identification code 89-0224-0-1-271	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	2,700	2,100	1,600
1251 Repayments: Repayments and prepayments.....	-600	-300	-300
1262 Adjustments: Write-offs for default.....		-200	-100
1290 Outstanding, end of year.....	2,100	1,600	1,200

The purpose of energy supply, research and development is to develop new energy technologies and improve existing energy technologies. Included in this mission are basic and applied research, with selected technology development.

This account provides funds for operating expenses, capital equipment and construction projects for the research and technological development of the various energy technologies under examination in the energy supply, research and development mission.

*Solar and renewable energy tech base.*—The solar and renewable programs support research and development that will strengthen the technology base on which industry can draw in developing future new products and processes for the commercial market. The programs support activities ranging from basic research in universities and national laboratories to applied R&D and proof-of-concept projects in industrial firms.

The renewable energy R&D programs proposed in the 1989 budget reflect a significant stable commitment to developing promising renewable energy technologies. The budget includes \$1 million in solar energy and \$1 million in geothermal energy to support cooperative R&D ventures, which industry might not form without an initial incentive, and which offer increased cost-sharing for all parties.

The 1989 solar energy program will support generic and long-range research in a wide variety of alternative energy technologies, structured to provide a sound base from which industry can draw particular applications. The major areas being investigated, as in past years, are moderate and high-temperature solar heat, photovoltaics, biofuels, wind, and solar building technologies. The main research topics being pursued at universities and national laboratories within these application areas are materials sciences, aerodynamic/fluid-dynamic modeling, and thermodynamic cycles. Industry will be involved in applied research in these areas. In addition, funds are provided for technology transfer and international cooperative activities, generic resource assessments, and capital improvements at the Solar Energy Research Institute. The budget includes amounts necessary to perform detailed construction design and site preparation for construction of a state-of-the-art laboratory of approximately 100,000 square feet at SERI.

The 1989 geothermal program will support basic engineering research in hydrothermal and magma energy extraction technologies for geothermal energy and technical information and technology transfer. The program

effort will also include research on geothermal resources such as engineering development in geopressed and hot dry rock resources.

The 1989 electric energy systems program will support research in EMP effects and new materials for efficient electrical power transmission, biomedical research on the effects of electric fields, and future electric system reliability and control concepts. The fiscal year 1989 request includes a commitment by the Department, including \$3 million for cooperative R&D ventures with industry partners, to build upon recent advances in high temperature superconducting materials through funding directed research to develop advanced power generation, storage, and distribution technologies. The 1989 energy storage program will continue its generic research into electrochemistry for a variety of battery types, and in thermal and hydrogen chemical energy storage. The research includes electrochemical materials, sodium/sulphur and zinc bromine battery development and metal-air cells, and solid polymer fuel cells.

*Nuclear fission.*—In 1989 the Civilian Reactor Development program continues on two parallel and complementary paths to ensure that nuclear energy continues to make a vital contribution to national energy security. The Light Water Reactor (LWR) program will focus on institutional and regulatory reform through supporting technology efforts and legislative initiatives. Cooperative programs with industry have the objective of providing certified advanced LWR designs in the early 1990's that could be ordered by utilities. The Advanced Reactor R&D program will focus on selecting a single concept for enhanced development and detailed design. The space and defense advanced nuclear power systems program will continue development work on space power system for use in U.S. space missions and in support of the Strategic Defense Initiatives Office and other military applications.

The remedial action program includes efforts to treat or stabilize radioactive wastes and perform required decontamination and decommissioning at contaminated DOE and legislatively dictated non-government facilities and sites. The major program areas are the Formerly Utilized Sites Remedial Action program, the Uranium Mill Tailings Remedial Action program for inactive uranium mill tailings sites, the Surplus Facilities program for DOE contaminated facilities declared surplus and resulting principally from civilian nuclear energy programs, such as decommissioning the Shippingport reactor, and the West Valley Demonstration project; which will demonstrate the solidification of high-level radioactive waste.

*Environment, safety and health.*—Oversight responsibilities for environment, safety, and health functions are consolidated under the Assistant Secretary for Environment, Safety and Health and constitute independent assurance of environmental protection, safety and health protection throughout the Department. With the completion of the Environmental Survey initiative in fiscal year 1989, and the Environmental Survey follow-up activities, a program of independent environmental audits will be implemented to ensure continuing compliance with applicable environmental requirements. Unlike the baseline survey, the audits will also focus on

management's performance in assuring environmental compliance. Major efforts are being pursued to further improve the level of safety assurance afforded at nuclear and non-nuclear facilities, including both internal and external oversight measures. A major new initiative to ensure the safety of major DOE nuclear facilities is the Nuclear Safety Program. An intensive nuclear safety appraisal program will be implemented that includes comprehensive safety appraisals, design reviews to establish a new baseline of minimum safety requirements, single topic audits of selected facilities and/or sites, and quarterly reviews of progress on required corrective actions. Intensified efforts will also be undertaken to improve the overall quality of safety analysis reports. In addition to these primary activities, this program will perform departmental coordination on environmental compliance issues; analyze environmental policy issues; maintain radiological emergency response resources; perform quality assurance activities; continue operational safety and health protection functions; and conduct National Environmental Policy Act (NEPA) assurance functions.

*Biological and environmental research.*—This program develops the knowledge base necessary to identify, understand and anticipate the long-term health and environmental consequences of energy use and development and utilizes the Department's unique scientific and technological capabilities to solve major scientific problems in medicine and biology. Planned 1989 activities include programs in atmospheric processes as they relate to acid rain and carbon dioxide climatic effects; terrestrial and oceanographic processes; molecular, cellular and systemic studies on the biological effects of radiation, including radon emissions; nuclear medicine, structural biology, molecular epidemiology, and long-term biotechnology related projects. Additional funds in 1989 are also provided for the Human Genome Initiative.

*Spill test facility.*—The overall goal is to conduct user-sponsored spill tests in support of safety research associated with the handling, shipping and storage of liquefied gaseous fuels and other hazardous fluids. The 1989 effort will be directed to assuring program continuity and facility responsiveness to user sponsored testing activities and to provide support to the long-range, collaborative, R&D effort among DOE, EPA and DOT.

*Magnetic fusion.*—The goal of this program is to establish the scientific and technological base required for fusion energy. The 1989 budget request has been developed to take advantage of the technical position that has already been established in fusion research. It will allow a continuation of cost-effective progress toward the development of fusion power as a future energy option and supports effective utilization of international collaboration. The program emphasis is focused on the nearer-term benefits of increasing the understanding of plasma physics and other related scientific fields as well as the training of scientists and engineers. The longer term program goal of fusion energy continues to be pursued but at a pace more consistent with our national energy needs. In 1989 funds will continue to be provided to support the Compact Ignition Tokamak

**General and special funds—Continued**  
**ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES—**  
**Continued**  
(INCLUDING TRANSFER OF FUNDS)—Continued

(CIT), design and R&D activity at the Princeton Plasma Physics Laboratory.

*Supporting research and technical analysis.*—The role of these programs is to expand the scientific and engineering base for future energy technology development and to provide independent, objective evaluations of energy research activities. Support is also provided for university related research and manpower training including the use of facilities at the national laboratories for student research and education.

*Basic energy sciences.*—This program funds basic research in the physical, biological, and engineering sciences in support of both the nuclear and non-nuclear technology programs. The principal focus of the program is energy; however, a number of other important national goals are also supported including U.S. leadership in science and technology and the training of scientists and engineers. In 1989, work will continue in materials sciences, chemical sciences, advanced energy projects, biological energy research, and research in engineering systems, applied mathematics, and the geosciences. Research related to advanced materials development, combustion, chemistry of coal, catalysts, photochemistry, nondestructive evaluation techniques will be continued. In 1989 the enhanced program of research on the new high temperature superconductivity materials will also be continued. The operations and construction of the user facilities formerly funded within this program have been transferred to a new account: Basic Research User Facilities. The research conducted in these facilities, however, will continue to be supported by the base program.

*University research instrumentation.*—This program supports the purchase of state-of-the-art scientific instrumentation used in energy-related research areas such as geological sciences, materials characterization, catalysis, and health effects research.

*University research support.*—This program helps maintain strong scientific/technical research capabilities in support of the Department's long-range energy R&D mission in the university and private sector and the national laboratories. Specific activities supported include: university reactor fuel assistance; university laboratory cooperative science centers; energy manpower development; related education and training activities; and R&D technology transfer activities.

*Energy research analysis.*—This activity involves the independent assessment of existing or proposed technological initiatives, including examination of the base of research that underlies energy supply and utilization technologies.

*Multiprogram energy laboratories facilities support.*—The goal of the multiprogram facilities program is to provide funds for rehabilitating and replacing deficient common-use utilities, roads, and buildings at the multiprogram laboratories and to provide support for environmental compliance activities at Oak Ridge National Laboratory. The environmental compliance program

will continue to fund major environmental clean-up projects in 1989.

*In-house energy management.*—This program funds energy conservation retrofit projects at Department facilities. These projects are designed to improve the efficiency of DOE energy use and set an example for other Federal agencies and the private sector. Surveys are conducted to identify cost-effective candidate projects and projects are then selected on a competitive basis using as the primary criterion the greatest economic return.

*Technical information/management program.*—This program contributes to DOE's missions in advancing energy and nuclear defense technologies and protecting U.S. economic and military security through the effective management and control of the Department's scientific and technical knowledge which is contained in its information resources. Major objectives which are structured to meet the overall purpose are the effective management, control, and use of the results of DOE's multibillion dollar research program, and the acquisition and management of results of worldwide investment in energy R&D. The fiscal year 1989 request also includes full funding for a \$2.5 million renovation of the TIMP facility in Oak Ridge, TN.

*Strategic facilities utilization program.*—This program supports a departmental initiative to reduce unnecessary expenditures of operations and maintenance funds. The Department has conducted a review and targeted 257 facilities for shutdown which were considered underutilized, with a resultant cost avoidance.

*Policy and management.*—Provides executive direction, management assistance and administrative support to all programs within energy supply activities.

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

Identification code 89-0224-0-1-271	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	41,464	42,211	44,669
11.3 Other than full-time permanent .....	2,039	1,689	1,732
11.5 Other personnel compensation .....	1,551	1,145	1,442
11.8 Special personal services payments .....	89		
11.9 Total personnel compensation .....	45,143	45,045	47,843
12.1 Civilian personnel benefits .....	5,434	6,752	7,572
13.0 Benefits for former personnel .....	13		
21.0 Travel and transportation of persons .....	3,478	4,656	4,378
22.0 Transportation of things .....	465		
23.1 Rental payments to GSA .....	2,881	1,200	1,300
23.2 Rental payments to others .....	52,483		
24.0 Printing and reproduction .....	150	1	
25.0 Other services .....	1,542,703	1,596,047	1,548,522
26.0 Supplies and materials .....		1,387	3,422
31.0 Equipment .....	79,398	81,309	83,195
32.0 Land and structures .....	201,405	259,883	129,900
41.0 Grants, subsidies, and contributions .....	118,152	122,247	143,628
42.0 Insurance claims and indemnities .....	1		
99.0 Subtotal, direct obligations .....	2,051,706	2,118,527	1,969,760
99.0 Reimbursable obligations .....	246,952	300,000	300,000
99.9 Total obligations .....	2,298,658	2,418,527	2,269,760

**Personnel Summary**

Total number of full-time permanent positions .....	870	865	875
Total compensable workyears:			
Full-time equivalent employment .....	922	936	946
Full-time equivalent of overtime and holiday hours .....	7		



**BASIC RESEARCH USER FACILITIES**

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for basic research user facilities activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 22, of which 18 are for replacement only), \$972,613,000, to remain available until expended.

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

Identification code	89-0200-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Basic energy sciences.....			140,483
00.02	Nuclear physics.....			122,712
00.03	High energy physics.....			346,418
00.04	Super conducting super collider.....			363,000
10.00	Total obligations.....			972,613
<b>Financing:</b>				
40.00	Budget authority (appropriation).....			972,613
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			972,613
73.40	Obligated balance transferred, net.....			113,238
74.40	Obligated balance, end of year.....			-275,218
90.00	Outlays.....			810,633

Note.—The activities presented in these schedules were financed under General Science and Research activities and Energy Supply R&D activities in 1987 and 1988 and are proposed to be financed in this account in 1989.

The Basic Research User Facilities program includes funding for operation of the major "user facilities" of the Office of Energy Research's Basic Energy Sciences, High Energy Physics, and Nuclear Physics programs. They are available to all qualified government, university and industry scientists and are considered to be a national resource. These facilities, listed below, provide a unique national resource for forefront research in areas related to the use and production of energy. Much of the basic research supported by Office of Energy Research programs is conducted in these facilities which include particle accelerators, synchrotron radiation sources, and neutron sources. The research conducted in these facilities continues to be funded in the Basic Energy Sciences program in the Energy Supply Research and Development Appropriation and in the High Energy Physics and Nuclear Physics programs in the General Science and Research Appropriation.

The user facilities formerly funded by the Basic Energy Sciences program include the National Synchrotron Light Source (NSLS), the High Flux Beam Reactor (HFBR), the High Flux Isotope Reactor (HFIR), the Intense Pulsed Neutron Source (IPNS), the Stanford Synchrotron Radiation Laboratory (SSRL), the Los Alamos Neutron Scattering Center (LANSCE), and the Combustion Research Facility (CRF). The user facilities formerly funded by the General Science program include Fermilab, the Stanford Linear Accelerator Center (SLAC), the Alternating Gradient Synchrotron (AGS), the BEVALAC, and the Los Alamos Meson Physics Facility (LAMPF).

In 1989 construction will continue on several Basic Energy Science facilities: the Neutron Scattering Experimental Hall at Los Alamos National Laboratory, the 1-2 GeV Synchrotron at Lawrence Berkeley Laboratory, and the 3 GeV-injector at SSRL. In addition, funds are provided in 1989 to initiate the construction of a 6-7

GeV Synchrotron Radiation Source at the Argonne National Laboratory.

Construction will also continue on a number of General Science facilities: the AGS Accumulator/Booster Ring at Brookhaven National Laboratory, and the Continuous Electron Beam Accelerator Facility (CEBAF) at Newport News, VA. The 1989 basic research user facilities budget request also provides funding for the initiation of construction for the Superconducting Super Collider (SSC). The SSC will be the world's most powerful proton-proton collider producing particle collisions with total energies approaching 40 TeV (40 trillion electron volts), an energy twenty times the highest energy available in the world today.

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

Identification code	89-0200-0-1-999	1987 actual	1988 est.	1989 est.
25.0	Other services.....			516,250
31.0	Equipment.....			36,860
32.0	Land and structures.....			408,798
41.0	Grants, subsidies, and contributions.....			10,705
99.9	Total obligations.....			972,613

**URANIUM SUPPLY AND ENRICHMENT ACTIVITIES**

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed [26] 21 for replacement only), [\$950,000,000] \$1,184,000,000, to remain available until expended [; Provided, That revenues received by the Department for the enrichment of uranium and estimated to total \$1,301,000,000 in fiscal year 1988, shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302(b) of section 484, of title 31, United States Code: Provided further, That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1988 so as to result in a final fiscal year 1988 appropriation estimated at not more than \$0]. (Energy and Water Development Appropriation Act, 1988.)

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

Identification code	89-0226-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Operating expenses.....	1,018,174	994,121	1,103,000
01.01	Capital investment.....	12,894	34,651	81,000
10.00	Total obligations.....	1,031,068	1,028,772	1,184,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-7		
21.40	Unobligated balance available, start of year.....	-700,325	-182,772	
22.40	Unobligated balance transferred, net.....	695,986	104,000	
24.40	Unobligated balance available, end of year.....	182,772		
39.00	Budget authority.....	1,209,494	950,000	1,184,000
<b>Budget authority:</b>				
40.00	Appropriation (indefinite).....	55,630		
40.00	Appropriation (special fund).....	1,154,770	950,000	1,184,000
41.00	Transferred to other accounts.....	-906		
43.00	Appropriation (adjusted).....	1,209,494	950,000	1,184,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,031,068	1,028,772	1,184,000
72.40	Obligated balance, start of year.....	453,192	431,246	353,668

General and special funds—Continued

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	89-0226-0-1-271	1987 actual	1988 est.	1989 est.
74.40	Obligated balance, end of year.....	-431,246	-353,668	-336,888
78.00	Adjustments in unexpired accounts.....	-7		
90.00	Outlays.....	1,053,006	1,106,350	1,200,780

**Uranium enrichment operating expenses.**—The goal of this program is to meet domestic, foreign and U.S. Government requirements for uranium enrichment services (enrichment of uranium and uranium compounds in the isotope U-235) in the most economical, reliable, safe, secure and environmentally acceptable manner possible. This program is comprised of four subprograms: (a) gaseous diffusion operations and support; (b) Atomic Vapor Laser Isotope Separation (AVLIS) activities; (c) gas centrifuge program closeout activities; and, (d) program direction.

The gaseous diffusion operations and support program provides for all activities related to operation and maintenance of the gaseous diffusion enrichment plants located at Paducah, KY and Portsmouth, OH.

In 1989 the Department will continue the AVLIS program conducted at the Lawrence Livermore National Laboratory in Livermore, CA, and conducted in facilities located at Oak Ridge, TN.

The gas centrifuge program provides for closeout of the advanced gas centrifuge enrichment process and for the termination of the Gas Centrifuge Enrichment Plant located at Portsmouth, OH.

In 1989, the Uranium Enrichment program will collect revenues and return to the Treasury \$91,000,000 in partial repayment of prior Government investment.

Object Classification (in thousands of dollars)

Identification code	89-0226-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,558	3,372	3,445
11.3	Other than full-time permanent.....	6		
11.5	Other personnel compensation.....	94	165	177
11.9	Total personnel compensation.....	2,658	3,537	3,622
12.1	Civilian personnel benefits.....	295	402	417
21.0	Travel and transportation of persons.....	431	693	693
23.2	Rental payments to others.....	794,728	711,300	785,000
25.0	Other services.....	220,062	278,189	313,168
26.0	Supplies and materials.....	1		
31.0	Equipment.....	1,061	9,027	17,200
32.0	Land and structures.....	11,825	25,624	63,900
42.0	Insurance claims and indemnities.....	7		
99.9	Total obligations.....	1,031,068	1,028,772	1,184,000

Personnel Summary

Total number of full-time permanent positions.....	58	60	60
Total compensable workyears:			
Full-time equivalent employment.....	59	67	67
Full-time equivalent of overtime and holiday hours.....	1		

FOSSIL ENERGY RESEARCH AND DEVELOPMENT  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition

of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, [\$326,975,000] \$166,992,000, to remain available until expended, of which [\$230,000] \$24,900 is for the functions of the Office of the Federal Inspector for the Alaska Natural Gas Transportation System established pursuant to the authority of Public Law 94-586 (90 Stat. 2908-2909), and of the amount appropriated under this head, \$4,000,000 shall be available to construct Department of Energy Fossil Energy Building B-26, and pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended, of the amount appropriated under this head, \$5,500,000 shall be available for a grant for an energy center at the University of Oklahoma in Norman, Oklahoma, and \$6,000,000 shall be available for a grant for an energy center at West Virginia University in Morgantown, West Virginia, without section 111(b)(2) of such Act being applicable, and \$20,894,000 to be derived by transfer from amounts derived from fees for guarantees of obligations collected pursuant to section 19 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5919), and deposited in the "Energy security reserve" established by Public Law 96-126: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this head in Public Law 99-190 for demonstration of the Kiln-gas coal gasification process, which remain unobligated, shall be available for carrying out any fossil energy research and development activities.

Of the funds herein provided, \$35,000,000 is for implementation of the June, 1984 multiyear, cost-shared magneto-hydrodynamics program targeted on proof-of-concept testing: *Provided further*, That 25 per centum private sector cash or in-kind contributions shall be required for obligations in fiscal year 1988, and for each subsequent fiscal year's obligations private sector contributions shall increase by 5 per centum over the life of the proof-of-concept plan: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That cost-sharing shall not be required for the costs of constructing or operating Government-owned facilities or for the costs of Government organizations, National Laboratories, or universities and such costs shall not be used in calculating the required percentage for private sector contributions: *Provided further*, That private sector contribution percentages need not be met on each contract but must be met in total for each fiscal year. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	89-0213-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Coal research and development.....	203,652	287,569	102,045
00.02	Oil, gas, and shale research and development.....	33,639	42,195	21,920
00.03	Program direction and management support.....	58,289	64,629	34,778
00.04	Federal inspector for the Alaska natural gas pipeline.....	226	330	249
00.05	Cooperative research and development ventures.....			9,000
10.00	Total obligations.....	295,806	394,723	167,992
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-13,170		
21.40	Unobligated balance available, start of year.....	-36,922	-47,854	-1,000
22.40	Unobligated balance transferred, net.....	-437	-20,894	
24.40	Unobligated balance available, end of year.....	47,854	1,000	
25.00	Unobligated balance lapsing.....	40		
39.00	<b>Budget authority</b> .....	<b>293,171</b>	<b>326,975</b>	<b>166,992</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	295,866	326,975	166,992
41.00	Transferred to other accounts.....	-2,695		
43.00	<b>Appropriation (adjusted)</b> .....	<b>293,171</b>	<b>326,975</b>	<b>166,992</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	295,806	394,723	167,992
72.40	Obligated balance, start of year.....	260,370	227,303	296,959
74.40	Obligated balance, end of year.....	-227,303	-296,959	-164,805
78.00	Adjustments in unexpired accounts.....	-13,170		
90.00	Outlays.....	315,702	325,068	300,146

The Fossil Energy programs support research and development that will strengthen the technology base on which industry can draw in developing future new products and processes for the commercial market. The programs support activities ranging from basic research in universities and national laboratories to applied R&D and proof-of-concept projects in private sector firms.

Reductions in the Fossil Energy R&D programs are proposed in the 1989 budget to eliminate Federal support of company-specific technology development and demonstration activities. The program continues to fund high-priority, long-term and cross-cutting research that will improve the Nation's ability to cleanly and efficiently use coal, and to enhance our economically recoverable reserves of oil and gas.

**Coal R&D.**—The objectives of this program will be to continue generic, technology base and environmental research to provide an adequate scientific and engineering knowledge base to foster technological advances by the private sector. The 1989 research program provides for a continued, limited Federal role in support of longer-term high-risk R&D that supports technology development by the private sector. These efforts will include the Advanced Research and Technology Development program with additional advanced research efforts conducted in the Advanced Research portions of the Coal Liquefaction control technology and coal preparation, combustion systems, fuel cells, and Surface Gasification programs. Another main thrust of the 1989 program will focus upon acid rain-related technologies. Therefore, the Control Technology and Coal Preparation programs will also contain a major portion of the funding request, as will Combustion Systems and, to a lesser degree, Surface Coal Gasification and Heat Engines. Efforts will also continue to more effectively utilize our coal resources by continuing our programs in the areas of Coal Liquefaction and Fuel Cells. Monitoring efforts will also continue within the Underground Coal Gasification program.

**Oil, gas and shale.**—The 1989 program will focus primarily on developing Enhanced Oil Recovery techniques, with these efforts devoted entirely to heavy and light oil research. An expanded Geosciences program will also be pursued. Funding for Tar Sands research is not requested for 1989. Advanced Process Technology research will be continued in 1989 as will a reduced Oil Shale and a reduced Unconventional Gas Recovery program.

**Program direction and management support.**—This provides the funding for both Headquarters and field personnel and overhead expenses in Fossil Energy. In addition, it provides support for the day-to-day project management functions.

**Federal Inspector for the Alaska natural gas pipeline.**—Activities formerly included under the Office of the Federal Inspector for the Alaska natural gas pipeline are now funded in this line item, in accordance with the 1986 appropriation.

**Cooperative R&D Ventures Pool.**—In 1989 the Department plans to join with private sector participants in the formation of cooperative research and development ventures which address precompetitive stages of Fossil Energy Technology development where the non-Federal

venture partners contribute over 50 percent of the ventures funding.

Object Classification (in thousands of dollars)

Identification code 89-0213-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	27,917	30,607	26,046
11.3 Other than full-time permanent.....	758		
11.5 Other personnel compensation.....	667	735	627
11.8 Special personal services payments.....	22	31	15
11.9 Total personnel compensation.....	29,364	31,373	26,688
12.1 Civilian personnel benefits.....	3,814	4,194	3,300
13.0 Benefits for former personnel.....	53	60	53
21.0 Travel and transportation of persons.....	1,684	1,466	1,235
22.0 Transportation of things.....	142	153	130
23.2 Rental payments to others.....	1,760	1,927	1,641
24.0 Printing and reproduction.....	90	93	79
25.0 Other services.....	243,515	327,667	127,276
26.0 Supplies and materials.....	4,801	3,924	3,187
31.0 Equipment.....	1,851	920	
32.0 Land and structures.....	1,309	19,346	500
41.0 Grants, subsidies, and contributions.....	7,423	3,600	3,903
99.9 Total obligations.....	295,806	394,723	167,992

Personnel Summary

Total number of full-time permanent positions.....	676	700	540
Total compensable workyears:			
Full-time equivalent employment.....	709	703	570
Full-time equivalent of overtime and holiday hours.....	6		

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, **[\$159,663,000]** \$185,071,000, to remain available until expended **[**: *Provided*, That sums in excess of \$836,000,000 received during fiscal year 1988 as a result of the sale of products produced from Naval Petroleum Reserves Numbered 1 and 3 shall be deposited in the "SPR petroleum account", to remain available until expended, for the acquisition and transportation of petroleum and for other necessary expenses: *Provided further*, That section 7430(b) of title 10, United States Code, is amended by adding after paragraph (2) the following:

"(3) For purposes of paragraph (2), the term 'petroleum' does not include natural gas liquids," and section 7422(c)(1)(B)(ii) of such title is amended by inserting "(other than natural gas liquids)" after "petroleum". (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 89-0219-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	151,111	191,561	185,071
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-2,790		
21.40 Unobligated balance available, start of year.....	-58,067	-31,898	
24.40 Unobligated balance available, end of year.....	31,898		
25.00 Unobligated balance lapsing.....	25		
40.00 Budget authority (appropriation).....	122,177	159,663	185,071
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	151,111	191,561	185,071
72.40 Obligated balance, start of year.....	66,974	66,197	99,408
74.40 Obligated balance, end of year.....	-66,197	-99,408	-112,573
78.00 Adjustments in unexpired accounts.....	-2,790		
90.00 Outlays.....	149,098	158,350	171,906

This program includes those activities necessary to operate, explore, conserve, develop, and produce the

General and special funds—Continued

NAVAL PETROLEUM AND OIL SHALE RESERVES—Continued

naval petroleum reserves at the maximum efficient rate and to conserve the oil shale reserves. This includes routine operation and maintenance, development and exploration drilling, environmental and conservation work, and construction and installation of on-reserve facilities and related systems required for the collection, storage, and distribution of produced petroleum and related products. The budget proposes the sale of the Government's ownership interest in the oil fields at Elk Hills, near Bakersfield, CA and at Teapot Dome near Casper, WY at the end of 1989.

Object Classification (in thousands of dollars)

Identification code 89-0219-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,435	3,741	3,960
11.3 Other than full-time permanent.....	31	33	35
11.5 Other personnel compensation.....	62	72	76
11.8 Special personal services payments.....	230	291	306
11.9 Total personnel compensation.....	3,758	4,137	4,377
12.1 Civilian personnel benefits.....	457	728	803
13.0 Benefits for former personnel.....	4		
21.0 Travel and transportation of persons.....	177	221	214
22.0 Transportation of things.....	25	14	14
23.2 Rental payments to others.....	22	10	10
23.3 Communications, utilities, and miscellaneous charges.....		19	26
24.0 Printing and reproduction.....	3	1	1
25.0 Other services.....	146,633	186,377	179,591
26.0 Supplies and materials.....	32	54	35
99.9 Total obligations.....	151,111	191,561	185,071

Personnel Summary

Total number of full-time permanent positions.....	85	90	90
Total compensable workyears: Full-time equivalent employment.....	89	95	95

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, **[\$366,297,000]** \$89,359,000, to remain available until expended, of which \$56,780,000, notwithstanding any other provision of law, shall be derived first from the excess amount for fiscal year 1988 determined under the provisions of section 3003(d) of Public Law 99-509 (15 U.S.C. 4502), and second, if necessary, from unexpended balances in the Department of Energy Deposit Fund Escrow account: *Provided*, That \$200,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99-509 (15 U.S.C. 4507): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99-509 such sums shall be allocated to the eligible programs in the same amounts for each program as in fiscal year 1987, and of which \$6,000,000 shall be available for a grant for an energy demonstration and research facility at Northwestern University as authorized by section 202 of Public Law 99-412 (42 U.S.C. 8281 note): *Provided further*, That \$4,000,000 of the amount provided under this heading shall be available for continuing a research and development initiative with the National Laboratories, industry, universities, or others for new technologies up to proof-of-concept testing to increase significantly the energy efficiency of processes that produce steel: *Provided further*, That obligation of funds for these activities shall be contingent on an agreement to provide cash or in-kind contributions to the initiative or to other collaborative research and development activities related to the purpose of the initiative equal to 30 percent of the amount of Federal Government obligations: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not acceptable as contributions for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That the total Federal expenditure under this proviso shall be repaid up to one and one-half times from the proceeds of the commercial sale, lease, manufacture, or use of technologies developed under this proviso, at a rate of one-fourth of all net proceeds. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

cial sale, lease, manufacture, or use of technologies developed under this proviso, at a rate of one-fourth of all net proceeds. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 89-0215-0-1-272	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Buildings and community systems.....	30,797	36,031	15,057
00.03 Industrial.....	29,286	48,141	16,590
00.05 Transportation.....	56,021	52,588	28,635
00.07 State and local assistance.....	212,858	227,865	8,605
00.08 Multisector.....	28,213	30,078	24,328
00.09 Policy and management.....	1,791	1,664	1,717
00.10 Facilities.....	10,000	6,001	
10.00 Total obligations.....	368,966	402,368	94,932
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-134,067	-56,780	
17.00 Recovery of prior year obligations.....	-3,970	-2,105	
21.40 Unobligated balance available, start of year.....	-38,106	-39,539	-5,573
24.40 Unobligated balance available, end of year.....	39,539	5,573	
39.00 <b>Budget authority.....</b>	<b>232,362</b>	<b>309,517</b>	<b>89,359</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	233,612	309,517	89,359
41.00 Transferred to other accounts.....	-1,250		
43.00 <b>Appropriation (adjusted).....</b>	<b>232,362</b>	<b>309,517</b>	<b>89,359</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	234,899	345,588	94,932
72.40 Obligated balance, start of year.....	464,363	423,996	445,879
74.40 Obligated balance, end of year.....	-423,996	-445,879	-234,563
78.00 Adjustments in unexpired accounts.....	-3,970	-2,105	
90.00 <b>Outlays.....</b>	<b>271,296</b>	<b>321,600</b>	<b>306,248</b>

The energy conservation programs support research and development that will strengthen the technology base on which industry can draw in developing future new products and processes for the commercial market. The programs support activities ranging from basic research in universities and national laboratories to applied R&D and proof-of-concept projects in industrial firms.

Reductions in the energy conservation R&D programs are proposed in the 1989 Budget consistent with budgetary constraints.

**Buildings and community systems.**—The 1989 buildings and community systems program will support generic research in building sub-systems, technology and consumer products, appliance standards, the Federal energy management program, and technology assessment and transfer activities to assist the private sector in adopting new energy-conserving technologies.

**Industrial.**—Industrial conservation will continue the research and development of generic technologies in waste energy reduction and improved process efficiency. These programs involve combustion technology, advanced heat exchangers and heat pumps, innovative concepts for the utilization of industrial waste materials, and the development of new energy efficient processes for the production of materials and products. These activities provide a broad technology base which contributes to more efficient industrial operations and more effective utilization of energy.

**Transportation.**—The 1989 transportation program will support cross-cutting R&D in advanced high-temperature materials (primarily at the High-Temperature Materials Lab), and in alternative vehicle propulsion

concepts (automotive gas turbine, and adiabatic diesel). It will also support work in areas such as alternative fuels, technology assessment and transfer, electric and hybrid vehicles, and industry-based activities complementing the technology base activities in advanced materials and alternative vehicle propulsion.

**Multisector.**—The 1989 multisector program will support cross-cutting R&D at universities and national labs in such areas as combustion and thermal sciences, materials sciences, biocatalysis, and tribology. The multisector program also supports the Energy-Related Inventions Program which assists independent inventors. The multisector program also includes funds for a new initiative to explore end-user technology applications for high-temperature superconductors.

**State and local assistance programs.**—The 1989 State and local assistance programs provide no new federal grants for the State energy conservation (EPCA), energy extension service, schools and hospitals, and weatherization assistance programs. Responsibility for providing these services most appropriately resides with the States. Funds have been made available to the States through the settlement of petroleum pricing violation cases, and these funds can be used to finance weatherization and other energy-related activities. The programs provide money for the oversight and monitoring of Exxon and Stripper Well funds distributed to the States.

**Policy and management.**—Provides for overall management guidance and program evaluation for Energy Conservation programs to ensure effective program delivery.

**Facilities.**—No funds are requested for any facilities activities in 1989.

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

Identification code 89-0215-0-1-272	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,503	10,439	10,525
11.3 Other than full-time permanent.....	377		
11.5 Other personnel compensation.....	200	522	533
11.8 Special personal services payments.....	5		
11.9 Total personnel compensation.....	13,085	10,961	11,058
12.1 Civilian personnel benefits.....	1,570	1,165	1,587
13.0 Benefits for former personnel.....	27		
21.0 Travel and transportation of persons.....	1,194	835	575
22.0 Transportation of things.....	350		
24.0 Printing and reproduction.....	85		
25.0 Other services.....	133,073	383,002	80,629
26.0 Supplies and materials.....	180		
31.0 Equipment.....	2,785	405	1,083
32.0 Land and structures.....	10,003	6,000	
41.0 Grants, subsidies, and contributions.....	206,613		
42.0 Insurance claims and indemnities.....	1		
99.9 Total obligations.....	368,966	402,368	94,932

**Personnel Summary**

Total number of full-time permanent positions.....	312	352	240
Total compensable workyears:			
Full-time equivalent employment.....	320	352	243
Full-time equivalent of overtime and holiday hours.....	1		

**STRATEGIC PETROLEUM RESERVE**

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), **[\$164,162,000]** **\$173,421,000**, to remain available

until expended. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

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

Identification code 89-0218-0-1-274	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Storage facility development.....	183,333	213,040	160,021
00.02 Management.....	10,967	19,334	13,400
10.00 Total obligations.....	194,300	232,374	173,421
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	— 452		
21.40 Unobligated balance available, start of year.....	— 114,784	— 68,212	
24.40 Unobligated balance available, end of year.....	68,212		
25.00 Unobligated balance lapsing.....	157		
40.00 Budget authority (appropriation).....	147,433	164,162	173,421
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	194,300	232,374	173,421
72.40 Obligated balance, start of year.....	250,757	152,851	133,346
74.40 Obligated balance, end of year.....	— 152,851	— 133,346	— 94,455
78.00 Adjustments in unexpired accounts.....	— 452		
90.00 Outlays.....	291,754	251,879	212,312

The objective of this program is to decrease the vulnerability of the United States to disruptions in world petroleum markets by creating a crude oil stockpile to be used in the event such disruptions occur.

The account provides for petroleum reserve storage facility construction, ongoing operations and maintenance activities, planning studies, and program administration.

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

Identification code 89-0218-0-1-274	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	5,745	6,541	6,882
11.3 Other than full-time permanent.....	185	176	185
11.5 Other personnel compensation.....	86	110	116
11.9 Total personnel compensation.....	6,016	6,827	7,183
12.1 Civilian personnel benefits.....	792	1,331	1,360
21.0 Travel and transportation of persons.....	487	615	601
22.0 Transportation of things.....	36	49	51
23.1 Rental payments to GSA.....		85	80
23.2 Rental payments to others.....	662	472	539
23.3 Communications, utilities, and miscellaneous charges.....		211	267
24.0 Printing and reproduction.....	14	2	11
25.0 Other services.....	186,291	222,729	163,278
26.0 Supplies and materials.....	2	53	51
99.9 Total obligations.....	194,300	232,374	173,421

**Personnel Summary**

Total number of full-time permanent positions.....	141	140	140
Total compensable workyears:			
Full-time equivalent employment.....	147	147	147
Full-time equivalent of overtime and holiday hours.....	1		

**SPR PETROLEUM ACCOUNT**

For the acquisition and transportation of petroleum and for other necessary expenses under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), **[\$438,744,000]** **\$333,555,000**, to remain available until expended: *Provided*, [That outlays in fiscal year 1988 resulting from the use of these funds may not exceed \$256,478,000: *Provided further*,] That notwithstanding 42 U.S.C. 6240(d) the United States' share of crude oil in Naval Petroleum Reserve Numbered 1 (Elk Hills) may be sold or otherwise disposed of to other than the Strategic Petroleum Re-

General and special funds—Continued

SPR PETROLEUM ACCOUNT—Continued

serve. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Proceeds from sale of Naval Petroleum Reserves (proposed legislation) .....			3,225,000
Total available for appropriation .....			3,225,000
Appropriation (proposed legislation) .....			—684,352
Unappropriated balance, end of year .....			2,540,648

Program and Financing (in thousands of dollars)

Identification code 89-0233-0-1-274	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	524,540	438,744	333,555
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	—525,588		
25.00 Unobligated balance lapsing .....	1,048		
<b>40.00 Budget authority (appropriation) .....</b>	<b>438,744</b>	<b>333,555</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	524,541	438,744	333,555
72.40 Obligated balance, start of year .....	61,614	96,277	182,266
74.40 Obligated balance, end of year .....	—96,277	—182,266	—100,067
<b>90.00 Outlays .....</b>	<b>489,878</b>	<b>352,755</b>	<b>415,755</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority .....		438,744	333,555
Outlays .....	489,878	352,755	415,755
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority .....			684,352
Outlays .....			479,046
<b>Total:</b>			
Budget authority .....		438,744	1,017,907
Outlays .....	489,878	352,755	894,801

This account provides for the acquisition, transportation, and injection of petroleum into the Strategic Petroleum Reserve and for its potential drawdown and distribution. In 1989, the budget proposes to continue filling the Reserves at a minimum annual average rate of 50,000 barrels per day.

SPR PETROLEUM ACCOUNT

(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 89-0233-2-1-274	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			684,352
<b>Financing:</b>			
<b>40.00 Budget authority (appropriation) (special fund) .....</b>			<b>684,352</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			684,352
74.40 Obligated balance, end of year .....			—205,306
<b>90.00 Outlays .....</b>			<b>479,046</b>

The Department has proposed legislation to authorize the sale of either or both the Naval Petroleum Reserves Numbered 1 (Elk Hills) and 3 (Teapot Dome), with the

proceeds to be earmarked for acquisition of oil for a 10 million-barrel Defense Petroleum Inventory and for filling the Strategic Petroleum Reserve at a minimum annual average rate of 100,000 barrels a day. Contingent upon the enactment of this legislation, the Department proposes an additional \$684,352,000 for the SPR Petroleum Account in fiscal year 1989, including \$207,525,000 to acquire the oil for the Defense Petroleum Inventory and \$476,827,000 to increase the fill rate of the Strategic Petroleum Reserve in fiscal year 1989 from a minimum annual average rate of 50,000 barrels a day to one of 100,000 barrels a day.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, **[\$61,398,000]** \$62,856,000, of which \$1,000,000 shall remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 89-0216-0-1-276	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 National energy information system .....	49,828	51,188	52,798
00.02 Policy and management .....	10,017	10,210	10,058
00.91 Total direct program .....	59,845	61,398	62,856
01.01 Reimbursable program .....	3,224		
<b>10.00 Total obligations .....</b>	<b>63,069</b>	<b>61,398</b>	<b>62,856</b>
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	—3,242		
25.00 Unobligated balance lapsing .....	475		
<b>40.00 Budget authority (appropriation) .....</b>	<b>60,301</b>	<b>61,398</b>	<b>62,856</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	59,827	61,398	62,856
72.40 Obligated balance, start of year .....	25,165	29,243	36,352
74.40 Obligated balance, end of year .....	—29,243	—36,352	—38,882
<b>90.00 Outlays .....</b>	<b>55,749</b>	<b>54,289</b>	<b>60,326</b>

This program supports energy information activities which are designed to provide timely, accurate and relevant energy information for use by the Administration, the Congress, and the general public.

*National energy information system.*—The activities funded in this program include the design, development and maintenance of information systems on petroleum, natural gas, coal, nuclear, electricity, alternate fuel sources, and energy consumption. This includes collecting data and ensuring its accuracy; preparing short-term forecasts; and preparing reports on energy sources, end-uses, prices, supply and demand, and associated economic, international, and financial matters. This program also includes the operation of the Energy Information Administration (EIA) computer facility, telecommunications support, customer services, and ADP software support to the Department of Energy and others. In addition, the National Energy Information Center disseminates publications, analytic reports, information directives, and public use tapes, and responds to public inquiries. Finally, this activity provides survey and statistical design standards, documentation standards, and energy data public-use forms clearance and burden control services.

*Policy and management.*—This program provides direction to EIA through the Office of the Administrator; provides funding for administrative services; and provides administrative support to EIA program offices in the area of planning, budgeting, contract administration, personnel, and administrative services.

Object Classification (in thousands of dollars)				
Identification code	89-0216-0-1-276	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	18,069	18,538	18,909
11.3	Other than full-time permanent	586	670	683
11.5	Other personnel compensation	196	243	247
11.8	Special personal services payments	24		
11.9	Total personnel compensation	18,875	19,451	19,839
12.1	Civilian personnel benefits	2,116	2,440	2,525
13.0	Benefits for former personnel	3		
21.0	Travel and transportation of persons	213	247	243
22.0	Transportation of things	69	124	29
23.1	Rental payments to GSA	3,520	4,044	4,056
23.2	Rental payments to others	1,529	2,283	2,276
24.0	Printing and reproduction	880	983	1,044
25.0	Other services	32,153	31,113	32,332
26.0	Supplies and materials	519	713	512
41.0	Grants, subsidies, and contributions	-32		
99.0	Subtotal, direct obligations	59,845	61,398	62,856
99.0	Reimbursable obligations	3,224		
99.9	Total obligations	63,069	61,398	62,856

**Personnel Summary**

Direct:			
Total number of full-time permanent positions	412	420	420
Total compensable workyears:			
Full-time equivalent employment	426	446	446
Full-time equivalent of overtime and holiday hours	1		
Reimbursable:			
Total number of full-time permanent positions	20	20	20
Total compensable workyears: Full-time equivalent employment	20	20	20

**EMERGENCY PREPAREDNESS**

For necessary expenses in carrying out emergency preparedness activities, **[\$6,172,000]** \$6,154,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	89-0234-0-1-274	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	5,953	6,172	6,154
<b>Financing:</b>				
25.00	Unobligated balance lapsing	91		
40.00	<b>Budget authority (appropriation)</b>	<b>6,044</b>	<b>6,172</b>	<b>6,154</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	5,953	6,172	6,154
72.40	Obligated balance, start of year	1,762	1,457	1,234
74.40	Obligated balance, end of year	-1,457	-1,234	-1,231
90.00	Outlays	6,258	6,395	6,157

This program provides for various planning and analysis, coordinating and operating activities to help reduce the Nation's vulnerability to energy supply disruptions and to help mitigate any adverse impacts on the Nation that may result from such a disruption.

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

Identification code	89-0234-0-1-274	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	3,084	3,442	3,442
11.3	Other than full-time permanent	155	70	70
11.5	Other personnel compensation	26	40	40
11.9	Total personnel compensation	3,265	3,552	3,552
12.1	Civilian personnel benefits	351	310	310
13.0	Benefits for former personnel	1	1	1
21.0	Travel and transportation of persons	143	150	150
22.0	Transportation of things	50	20	20
23.1	Rental payments to GSA	650	582	606
23.2	Rental payments to others	209	200	176
24.0	Printing and reproduction	80	62	36
25.0	Other services	1,160	1,221	1,255
26.0	Supplies and materials	44	74	48
99.9	Total obligations	5,953	6,172	6,154

**Personnel Summary**

Total number of full-time permanent positions	60	60	60
Total compensable workyears: Full-time equivalent employment	64	71	71

**ECONOMIC REGULATION**

For necessary expenses in carrying out the activities of the Economic Regulatory Administration and the Office of Hearings and Appeals, **[\$21,565,000]** \$20,772,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

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

Identification code	89-0217-0-1-276	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Economic regulation	17,827	16,399	15,844
00.02	Hearings and appeals	4,699	5,166	4,928
10.00	Total obligations	22,526	21,565	20,772
<b>Financing:</b>				
25.00	Unobligated balance lapsing	874		
40.00	<b>Budget authority (appropriation)</b>	<b>23,400</b>	<b>21,565</b>	<b>20,772</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	22,526	21,565	20,772
72.40	Obligated balance, start of year	8,114	7,545	7,974
74.40	Obligated balance, end of year	-7,545	-7,974	-7,740
90.00	Outlays	23,095	21,136	21,006

*Economic regulation.*—The Economic Regulatory Administration (ERA) is responsible for pursuing and finalizing any remaining enforcement actions to assure that oil companies complied with petroleum regulations in effect prior to decontrol of oil in January 1981. In addition, ERA authorizes the import and export of natural gas and export of electricity, licenses international electricity transmission facilities, and provides regulatory relief to utilities so they can convert existing oil and gas-fired facilities to coal.

*Hearings and appeals.*—The Office of Hearings and Appeals issues all final orders of an adjudicatory nature other than those over which the Federal Energy Regulatory Commission has jurisdiction. It decides appeals of such orders, examines requests for exception relief, and administers refund proceedings involving consent order funds obtained as a result of petroleum enforcement actions.

**General and special funds—Continued**  
**ECONOMIC REGULATION—Continued**  
**Object Classification (in thousands of dollars)**

Identification code 89-0217-0-1-276	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,622	11,484	11,187
11.3 Other than full-time permanent.....	255	258	244
11.5 Other personnel compensation.....	198	190	179
11.9 Total personnel compensation.....	13,075	11,932	11,610
12.1 Civilian personnel benefits.....	1,452	1,212	1,289
13.0 Benefits for former personnel.....	200	250	250
21.0 Travel and transportation of persons.....	311	306	265
22.0 Transportation of things.....	31	31	30
23.3 Communications, utilities, and miscellaneous charges.....	923	923	885
24.0 Printing and reproduction.....	269	272	258
25.0 Other services.....	6,170	6,543	6,094
26.0 Supplies and materials.....	95	96	91
99.9 Total obligations.....	22,526	21,565	20,772

**Personnel Summary**

Total number of full-time permanent positions.....	254	250	240
Total compensable workyears:			
Full-time equivalent employment.....	288	275	253
Full-time equivalent of overtime and holiday hours.....	1		

**FEDERAL ENERGY REGULATORY COMMISSION**  
**SALARIES AND EXPENSES**

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (Public Law 95-91), including services as authorized by 5 U.S.C. 3109, including the hire of passenger motor vehicles; official reception and representation expenses (not to exceed \$2,000); **[\$100,000,000] \$106,760,000**, of which \$3,000,000 shall remain available until expended and be available only for contractual activities: *Provided*, That hereafter and notwithstanding any other provision of law, not to exceed **[\$100,000,000] \$106,760,000** of revenues from licensing fees, inspection services, and other services and collections in fiscal year **[1988] 1989**, may be retained and used for necessary expenses in this account, and may remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as revenues are received during fiscal year **[1988] 1989**, so as to result in a final fiscal year **[1988] 1989** appropriation estimated at not more than \$0. (*Energy and Water Development Appropriations Act, 1988.*)

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

Identification code 89-0212-0-1-276	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Natural gas regulation.....	46,220	47,766	49,089
00.02 Hydropower licensing regulation.....	28,377	27,984	30,104
00.03 Oil pipeline regulation.....	3,752	3,845	3,928
00.04 Electric power regulation.....	21,652	22,833	23,639
10.00 Total obligations.....	100,001	102,428	106,760
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	15		
21.40 Unobligated balance available, start of year.....	-2,714	-2,428	
22.40 Unobligated balance transferred, net.....	-651		
24.40 Unobligated balance available, end of year.....	2,428		
40.00 <b>Budget authority (appropriation) (special fund, indefinite).....</b>	<b>99,079</b>	<b>100,000</b>	<b>106,760</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	100,001	102,428	106,760
72.40 Obligated balance, start of year.....	11,901	17,598	15,000
74.40 Obligated balance, end of year.....	-17,598	-15,000	-16,014
77.00 Adjustments in expired accounts.....	243		
78.00 Adjustments in unexpired accounts.....	15		
90.00 Outlays.....	94,562	105,026	105,746

The Federal Energy Regulatory Commission (FERC) is charged with regulating certain interstate aspects of the natural gas, hydroelectric, oil pipeline, and electric industries. Such regulation includes issuing licenses, approving rates, inspecting dams and enforcement activities and providing other services to regulated businesses. In 1989, these businesses will pay fees and charges sufficient to offset the Commission's cost of providing licenses, inspections and other services.

*Natural gas regulation.*—The Commission regulates 150 natural gas pipeline companies and more than 9,700 natural gas producers. Responsibilities include issuing certificates of public convenience and necessity for natural gas pipelines, determining rates for the transportation and sale of natural gas, administering wellhead pricing provisions in accordance with the Natural Gas Policy Act, and establishing curtailment and other provisions. Producer certificates and rates are also reviewed by the Commission.

*Hydropower licensing regulation.*—The Commission issues preliminary permits and exemption licenses for hydroelectric projects, enforces the terms and conditions, and performs dam safety inspections. There are currently more than 1,000 hydroelectric projects under license, representing nearly 1,400 hydroelectric developments, which supply 12 percent of the electric energy generated in the United States. The Commission also performs investigations of headwater benefits that are derived from Federally-owned or licensed headwater improvements.

*Oil pipeline regulation.*—The Commission's responsibilities include the establishment of just and reasonable transportation rates. Approximately 137 common carrier oil pipeline companies, including the Trans-Alaska Pipeline System (TAPS), are currently under the jurisdiction of the FERC. The valuation of these regulated companies approximates \$21 billion. During 1986, the Commission implemented a new methodology for determining oil pipeline rates based on trended original cost.

*Electric power regulation.*—The Commission is responsible for determining rates for the interstate sale or transmission of wholesale electric energy for more than 200 electric utilities and for overseeing electric utility corporate transactions. The Commission approves rates for all Federal power marketing agencies except TVA. The Commission also certifies cogenerators and small power producers.

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

Identification code 89-0212-0-1-276	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	57,015	61,181	62,516
11.3 Other than full-time permanent.....	2,521	2,742	2,959
11.5 Other personnel compensation.....	784	805	665
11.9 Total personnel compensation.....	60,320	64,728	66,140
12.1 Civilian personnel benefits.....	7,503	8,470	8,913
13.0 Benefits for former personnel.....	48	50	50
21.0 Travel and transportation of persons.....	1,941	1,763	1,835
22.0 Transportation of things.....	81	71	66
23.1 Rental payments to GSA.....	6,150	7,432	7,433
23.2 Rental payments to others.....	122	142	153
23.3 Communications, utilities, and miscellaneous charges.....	3,158	3,717	3,645
24.0 Printing and reproduction.....	1,968	1,853	1,979
25.0 Other services.....	15,206	11,531	13,984
26.0 Supplies and materials.....	1,310	1,303	1,353
31.0 Equipment.....	2,063	1,368	1,209



42.0	Insurance claims and indemnities.....	131		
99.9	Total obligations.....	100,001	102,428	106,760

**Personnel Summary**

Total number of full-time permanent positions.....	1,498	1,590	1,590
Total compensable workyears:			
Full-time equivalent employment.....	1,562	1,659	1,659
Full-time equivalent of overtime and holiday hours.....	11	10	10

**GEOTHERMAL RESOURCES DEVELOPMENT FUND**

For carrying out the Loan Guarantee and Interest Assistance Program as authorized by the Geothermal Energy Research, Development and Demonstration Act of 1974, as amended, [ \$72,000 ] \$75,000, to remain available until expended: *Provided*, That the indebtedness guaranteed or committed to be guaranteed through funds provided by this or any other appropriation Act shall not exceed the aggregate of \$500,000,000. (*Energy and Water Development Appropriation Act, 1988.*)

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

Identification code 89-0206-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	1,528	847	775
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-722		
17.00 Recovery of prior year from: Federal funds obligations.....	-14		
21.40 Unobligated balance available, start of year.....	-12,551	-11,831	-11,056
24.40 Unobligated balance available, end of year.....	11,831	11,056	10,356
40.00 Budget authority (appropriation).....	72	72	75
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	806	847	775
72.40 Obligated balance, start of year.....	889	1,300	1,300
74.40 Obligated balance, end of year.....	-1,300	-1,300	-1,300
78.00 Adjustments in unexpired accounts.....	-14		
90.00 Outlays.....	382	847	775

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

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	15,900	15,900	15,900
1290 Outstanding, end of year.....	15,900	15,900	15,900

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

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	49,727	49,727	49,727
2290 Outstanding, end of year.....	49,727	49,727	49,727

**MEMORANDUM**

2299 Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....	49,727	49,727	49,727
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The objectives of the loan guarantee program are: (1) to encourage and assist the private sector in developing geothermal resources by sharing the lenders' financial risk associated with the introduction of new technology; and (2) to develop normal borrower-lender relationships that will in time encourage the flow of credit without the need for Federal assistance.

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

Identification code 89-0206-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	66	49	63

11.5 Other personnel compensation.....	4	2	5
11.9 Total personnel compensation.....	70	51	68
12.1 Civilian personnel benefits.....	5	5	7
21.0 Travel and transportation of persons.....	15	16	
25.0 Other services.....	1,438	775	700

99.9 Total obligations.....	1,528	847	775
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**Personnel Summary**

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

**CLEAN COAL TECHNOLOGY**

For necessary expenses of, and associated with, Clean Coal Technology demonstrations pursuant to 42 U.S.C. 5901 et seq., [ \$50,000,000 are appropriated for the fiscal year beginning October 1, 1987, and shall ] \$1,775,000,000, to remain available until expended, [ and \$525,000,000 are appropriated for the fiscal year beginning October 1, 1988, and shall remain available until expended ] of which \$575,000,000 shall be made available after September 30, 1989; \$600,000,000 after September 30, 1990, and \$600,000,000 after September 30, 1991: *Provided*, That the unexpended balances of funds provided for Clean Coal Technology by the Department of the Interior and Related Agencies Appropriations Act, 1986, as included in section 101(d) of Public Law 99-190, shall be transferred to and merged with funds provided for Clean Coal Technology in the Department of the Interior and Related Appropriations Act, 1988.

[ No later than sixty days following enactment of this Act, the Secretary of Energy shall, pursuant to the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), issue a general request for proposals for emerging clean coal technologies which are capable of retrofitting or repowering existing facilities, for which the Secretary of Energy upon review may provide financial assistance awards. Proposals under this section shall be submitted to the Department of Energy no later than ninety days after issuance of the general request for proposals required herein, and the Secretary of Energy shall make any project selections no later than one hundred and sixty days after receipt of proposals: *Provided*, That projects selected are subject to all provisos contained under this head in Public Law 99-190: *Provided further*, That pre-award costs incurred by project sponsors after selection and before signing an agreement are allowable to the extent that they are related to (1) the preparation of material requested by the Department of Energy and identified as required for the negotiation; or (2) the preparation and submission of environmental data requested by the Department of Energy to complete National Environmental Policy Act requirements for the projects: *Provided further*, That pre-award costs are to be reimbursed only upon signing of the project agreement and only in the same ratio as the cost-sharing for the total project: *Provided further*, That reports on projects selected by the Secretary of Energy pursuant to authority granted under the heading "Clean coal technology" in the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, which are received by the Speaker of the House of Representatives and the President of the Senate prior to the end of the first session of the 100th Congress shall be deemed to have met the criteria in the third proviso of the fourth paragraph under the heading "Administrative provisions, Department of Energy" in the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, upon expiration of 30 calendar days from receipt of the report by the Speaker of the House of Representatives and the President of the Senate. ] (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Amounts Available for Appropriation** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balances, start of year.....	350,000	350,000	350,000
Total available for appropriation.....	350,000	350,000	350,000
Appropriation.....			
Unappropriated balance, end of year.....	350,000	350,000	350,000

General and special funds—Continued

CLEAN COAL TECHNOLOGY—Continued

Program and Financing (In thousands of dollars)

Identification code 89-0235-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	21,449	151,003	332,277
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-6		
Unobligated balance available, start of year:			
21.40 Available	-246,873	-571,751	-472,587
21.40 Unavailable	-151,500	-1,839	
22.40 Unobligated balance transferred, net	-196,661		
Unobligated balance available, end of year:			
24.40 Available	571,751	472,587	665,310
24.40 Unavailable	1,839		
39.00 <b>Budget authority</b>		<b>50,000</b>	<b>525,000</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>		<b>50,000</b>	
60.00 <b>Appropriation (permanent, definite)</b>			<b>525,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	21,449	151,003	332,277
72.40 Obligated balance, start of year	145	14,639	110,241
74.40 Obligated balance, end of year	-14,639	-110,241	-279,777
78.00 Adjustments in unexpired accounts	-6		
90.00 <b>Outlays</b>	<b>6,949</b>	<b>55,401</b>	<b>162,741</b>

Public Law 99-190, making continuing appropriations for 1986, provided \$400 million from funds in the Energy Security Reserve in the Department of the Treasury for a new Clean Coal Technology Program in the Department of Energy. This program was authorized under the Clean Coal Technology Reserve proviso of Public Law 98-473 to subsidize the construction and operation of facilities to demonstrate the potential commercial feasibility of such technologies.

Of the \$400 million, \$100 million was made available for obligation beginning in 1986, \$150 million in 1987, and \$150 million in 1988. These amounts were reduced by .6 percent pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as included in section 101(d) of Public Law 99-190.

The 1988 appropriations provide for \$50 million in 1988 and \$525 billion as a 1989 advance appropriation. The 1988 appropriation is considered part of a \$2.5 billion, five-year Innovative Control Technology program in support of the President's March 1987 acid rain initiative.

Object Classification (in thousands of dollars)

Identification code 89-0235-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent		2,330	3,107
12.1 Civilian personnel benefits		280	373
21.0 Travel and transportation of persons	5	425	300
23.1 Rental payments to GSA	172		
25.0 Other services	21,245	147,968	328,497
31.0 Equipment	13		
41.0 Grants, subsidies, and contributions	15		
99.9 <b>Total obligations</b>	<b>21,449</b>	<b>151,003</b>	<b>332,277</b>

Personnel Summary

Total number of full-time permanent positions	33	43
Total compensable workyears: Full-time equivalent employment	45	58

ALTERNATIVE FUELS PRODUCTION

Program and Financing (in thousands of dollars)

Identification code 89-5180-0-2-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	727	425	
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-812		
21.40 Unobligated balance, start of year	-1,926	-2,011	-1,586
22.40 Unobligated balance transferred, net	437		
24.40 Unobligated balance, end of year	2,011	1,586	1,586
40.00 <b>Budget authority (appropriation)</b>	<b>437</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	727	425	
72.40 Obligated balance, start of year	49,778	48,822	48,074
74.40 Obligated balance, end of year	-48,822	-48,074	-48,074
78.00 Adjustments in unexpired accounts	-812		
90.00 <b>Outlays</b>	<b>871</b>	<b>1,173</b>	

This program was established in 1980 for the purpose of expediting the development and production of alternative fuels.

When the Synthetic Fuels Corporation was declared to be operational in 1982, the uncommitted and unobligated funds remaining in the program were transferred to the Energy Security Reserve for use by the Synthetic Fuels Corporation, with the exception of the loan guarantee for the Great Plains Gasification Project, which remained under the jurisdiction of the Department of Energy. The Department exercised its authority to borrow from the Treasury to repay the Federal Financing Bank upon default of the borrower in 1985. This loan was repaid, along with accrued interest, by a Supplemental appropriation in 1986. The Department acquired ownership of the Great Plains plant by foreclosure, which was completed on July 14, 1986, and has continued operation of the plant. Plant operations have been accomplished without the expenditure of appropriated funds. The Department hopes to complete the process of returning this plant to private sector ownership by September 1988.

PAYMENTS TO STATES UNDER FEDERAL POWER ACT

Program and Financing (in thousands of dollars)

Identification code 89-5105-0-2-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		1,839	1,909
<b>Financing:</b>			
21.40 Unobligated balance, start of year	-674	-1,586	-1,586
24.40 Unobligated balance, end of year	1,586	1,586	1,586
60.00 <b>Budget authority (appropriation) (permanent, indefinite, special fund)</b>	<b>912</b>	<b>1,839</b>	<b>1,909</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		1,839	1,909
72.40 Obligated balance, start of year	606	3	3
74.40 Obligated balance, end of year	-3	-3	-3
90.00 <b>Outlays</b>	<b>603</b>	<b>1,839</b>	<b>1,909</b>

The States are paid 37.5 percent of the receipts from licenses for occupancy and use of national forests and public lands within their boundaries issued by the Federal Energy Regulatory Commission (16 U.S.C. 810).

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, **[\$360,000,000]** \$448,832,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury. In paying the amounts determined to be appropriate as a result of the decision in Wisconsin Electric Power Co. v. Department of Energy, 778 F.2d 1 (D.C. Cir. 1985), the Department of Energy shall pay, from the Nuclear Waste Fund, interest at a rate to be determined by the Secretary of the Treasury and calculated from the date the amounts were deposited into the Fund. Funds appropriated pursuant to this Act may be used to provide payments equivalent to taxes to special purpose units of local government at the candidate sites: *Provided, That any proceeds resulting from the sale of assets purchased from the Nuclear Waste Fund shall be returned to the Nuclear Waste Fund.*

[Subtitle A of Title V, Nuclear Waste Policy Amendments Act of 1987, contained in H.R. 3545, Omnibus Budget Reconciliation Act of 1987 as agreed to and reported by the Committee of Conference on H.R. 3545 is included herein and shall be effective as if it had been enacted into law.] (Energy and Water Development Appropriation Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	1,155,145	1,185,656	1,489,356
Receipts from nuclear powered electric utilities.....	440,837	508,000	537,200
Net earnings on investments.....	88,674	155,700	176,400
Total available for appropriation.....	1,684,656	1,849,356	2,202,956
Appropriation.....	-499,000	-360,000	-448,832
Unappropriated balance, end of year.....	1,185,656	1,489,356	1,754,124

Program and Financing (in thousands of dollars)

Identification code 89-5227-0-2-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operating expenses.....	403,271	446,777	425,493
01.01 Capital investment: Purchase of equipment.....	13,035	17,800	23,339
10.00 Total obligations.....	416,306	464,577	448,832
<b>Financing:</b>			
21.40 Unobligated balance, start of year.....	-21,883	-104,577	
24.40 Unobligated balance available, end of year.....	104,577		
40.00 Budget authority (appropriation).....	499,000	360,000	448,832
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	416,306	464,577	448,832
72.40 Obligated balance, start of year.....	246,429	216,680	259,791
74.40 Obligated balance, end of year.....	-216,680	-259,791	-273,532
90.00 Outlays.....	446,055	421,466	435,091

The nuclear waste activities program consists of efforts related to the development, acquisition and operation of facilities for the disposal of civilian and defense high level nuclear waste. These activities are funded by appropriations from the nuclear waste fund which is paid for by the users of the disposal service.

Object Classification (in thousands of dollars)

Identification code 89-5227-0-2-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	13,113	14,957	13,872
11.3 Positions other than full-time permanent.....	316	395	420
11.5 Other personnel compensation.....	249	200	300
11.8 Special personal services payments.....	8		
11.9 Total personnel compensation.....	13,686	15,552	14,592
12.1 Civilian personnel benefits.....	2,321	2,800	2,630

13.0 Benefits for former personnel.....	58		
21.0 Travel and transportation of persons.....	1,862	1,801	1,680
22.0 Transportation of things.....	479	42	40
23.1 Rental payments to GSA.....	1,031	1,062	1,000
23.2 Rental payments to others.....	730	201	300
23.3 Communications, utilities, and miscellaneous charges.....		500	1,100
24.0 Printing and reproduction.....	323	140	100
25.0 Other services.....	362,513	413,540	373,389
26.0 Supplies and materials.....	277	139	362
31.0 Equipment.....	13,035	17,800	23,339
32.0 Land and structures.....		300	400
41.0 Grants, subsidies, and contributions.....	19,991	10,700	29,900
99.9 Total obligations.....	416,306	464,577	448,832

Personnel Summary

Total number of full-time permanent positions.....	278	273	273
Total compensable workyears:			
Full-time equivalent employment.....	307	315	300
Full-time equivalent of overtime and holiday hours.....	1		

ISOTOPE PRODUCTION AND DISTRIBUTION FUND

For necessary expenses of activities related to the production, distribution, and sale of isotopes and related services, \$16,243,000, to remain available until expended: *Provided, That this appropriation and, notwithstanding 31 U.S.C. 3302, revenues received from the disposition of isotopes and related services shall be credited to a separate fund to be available for carrying out these purposes without further appropriation: Provided further, That all unexpended balances of previous appropriations made for the purpose of carrying out activities related to the production, distribution, and sale of isotopes and related services may be transferred to this fund and merged with other balances in the fund: Provided further, That the Secretary shall pay interest from this fund into the general fund of the Treasury on the amount that the average undisbursed cash balance in the fund during the year is less than the aggregate of amounts appropriated to the fund, at a rate determined by the Secretary of the Treasury based upon the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States: Provided further, That fees shall be set by the Secretary of Energy in such a manner as to provide full cost recovery, including administrative expenses, depreciation of equipment, accrued leave, and probable losses: Provided further, That all expenses of this activity shall be paid only from funds available in this fund: Provided further, That at any time the Secretary of Energy determines that moneys in the fund exceed the anticipated operating requirements of the fund, such excess shall be transferred to the general fund of the Treasury.*

Program and Financing (in thousands of dollars)

Identification code 89-4180-0-3-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....			16,243
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			-16,452
24.40 Unobligated balance available, end of year.....			16,452
40.00 Budget authority (appropriation).....			16,243
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-209
73.40 Obligated balance transferred, net.....			700
74.98 Obligated balance, end of year: Fund balance.....			-700
90.00 Outlays.....			-209

The Isotope Production and Distribution program is directed toward the production, sale and distribution of isotope products and services to the user community utilizing Government-owned facilities. The isotopes produced by the Department of Energy are those that are normally not available from domestic commercial sources because of nuclear restrictions, high production costs with low demand, or environmental restrictions.

General and special funds—Continued

ISOTOPE PRODUCTION AND DISTRIBUTION FUND—Continued

The isotopes are purchased for use in industrial applications, hospital and medical facilities, and Government and university research programs.

Trust Funds

ADVANCES FOR COOPERATIVE WORK

Program and Financing (in thousands of dollars)

Identification code 89-8575-0-7-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.02 Civilian reactor safety and testing.....	10,292	9,219	11,020
00.03 Remedial action and nuclear waste technology.....	5,305	1,905	.....
00.04 Magnetic fusion program.....	1,852	1,597	2,034
00.05 Basic energy sciences.....	227	330	330
00.06 Fossil energy.....	1,159	63	543
00.07 Richland operations office.....	1,320	1,350	1,400
00.08 Defense programs.....	129,948	126,447	128,940
00.09 Technical information management program.....	275	580	600
10.00 Total obligations (object class 25.0).....	150,378	141,491	144,867
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-694	-3,291	.....
24.40 Unobligated balance available, end of year.....	3,291	.....	.....
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....	<b>152,975</b>	<b>138,200</b>	<b>144,867</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	150,378	141,491	144,867
72.40 Obligated balance, start of year.....	81,153	61,354	64,645
74.40 Obligated balance, end of year.....	-61,354	-64,645	-64,645
90.00 Outlays.....	170,176	138,200	144,867

*Civilian reactor safety and testing.*—Advances contributed by domestic and foreign sources fund research and development activities involving advanced reactors and related processes and sponsor international light water reactor safety testing at the Loss-of-Fluid Testing Facility.

*Remedial action and nuclear waste technology.*—Advances from domestic and foreign sources sponsor joint nuclear waste processing research projects.

*Magnetic fusion program.*—Advances received under international cooperative agreements provide for joint research, operation and upgrading of magnetic fusion and reactor facilities.

*Basic energy sciences.*—Advances contributed by foreign countries under cost-sharing agreements are for neutron scattering experiments and research.

*Fossil energy.*—Advances from private domestic and foreign government sources provide funds for enhanced oil recovery research, advancement of coal technology and the liquefied gaseous fuels spill test facility.

*Richland operations office.*—Advances from public utilities fund the cost of essential support services provided at a jointly operated reactor facility.

*Defense programs.*—Information concerning these activities is classified.

*Technical information management program.*—Advances received under international cooperative agreements provide funds for operating the International Energy Agency (IEA) and Energy Technology Data Exchange (ETDE).

POWER MARKETING ADMINISTRATIONS

Federal Funds

General and special funds:

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, **[\$3,026,000]** \$3,159,000, to remain available until expended. (*Energy and Water Development Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 89-0304-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	3,129	3,389	3,299
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,102	-854	-491
24.40 Unobligated balance available, end of year.....	854	491	351
40.00 <b>Budget authority (appropriation)</b> .....	<b>2,881</b>	<b>3,026</b>	<b>3,159</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,129	3,389	3,299
72.40 Obligated balance, start of year.....	1,199	857	1,325
74.40 Obligated balance, end of year.....	-857	-1,325	-1,545
90.00 Outlays.....	3,471	2,921	3,079

The Alaska Power Administration (APA) is responsible for operation and maintenance and power marketing for the Eklutna and Snettisham hydroelectric projects in accordance with the authorizing legislation for each project.

The agency's normal activities will continue in 1989. The appropriation request anticipates that \$120,000 deferred from prior years will be used in 1989. Proprietary receipts are estimated to be \$8,231,000 in 1989.

Efforts will continue on a possible Alaska Power Administration divestiture. Administration activities will be coordinated with the Congress and existing power customers, and implementation will not proceed until there are necessary legislative approvals. To the extent feasible, divestiture will be accomplished with no significant power rate increases for ratepayers. The budget assumes that divestiture of the Alaska Power Administration will be authorized and implemented at the end of 1989.

Object Classification (in thousands of dollars)

Identification code 89-0304-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,421	1,341	1,320
11.3 Other than full-time permanent.....	115	74	93
11.5 Other personnel compensation.....	83	49	55
11.9 Total personnel compensation.....	1,619	1,464	1,468
12.1 Civilian personnel benefits.....	373	350	362
13.0 Benefits for former personnel.....	10	5	5
21.0 Travel and transportation of persons.....	135	225	203
22.0 Transportation of things.....	37	65	105
23.1 Rental payments to GSA.....	77	94	97
23.2 Rental payments to others.....	35	66	64
24.0 Printing and reproduction.....	18	21	21
25.0 Other services.....	390	259	140
26.0 Supplies and materials.....	117	226	354
31.0 Equipment.....	197	514	480
32.0 Land and structures.....	121	100	.....
99.9 Total obligations.....	3,129	3,389	3,299

**Personnel Summary**

Total number of full-time permanent positions.....	29	30	30
Total compensable workyears: Full-time employment equivalent....	36	35	35

**Public enterprise funds:**

**BONNEVILLE POWER ADMINISTRATION FUND**

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for [fish passage improvements at the Umatilla River Diversion and for the Ellensburg Screen Fish Passage Facilities. Expenditures are also approved for] official reception and representation expenses in an amount not to exceed \$2,500.

During fiscal year [1988] 1989, no new direct loan obligations may be made. (*Energy and Water Development Appropriation Act, 1988.*)

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

Identification code 89-4045-0-3-271	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Resource planning, acquisition, and oversight .....	885,383	904,900	948,000
00.02	Residential exchange .....	1,013,181	1,137,400	1,162,300
00.03	Energy conservation .....	13,206	29,900	35,100
00.04	System planning and construction .....	35,781	10,800	12,700
Operation and maintenance:				
00.05	System operation .....	22,779	29,700	29,900
00.06	System maintenance .....	64,351	70,100	72,400
00.07	Power marketing .....	13,090	13,200	13,800
00.08	Power scheduling .....	4,050	4,100	4,200
00.09	Fish and wildlife .....	26,369	25,500	27,200
00.10	Planning Council .....	6,360	6,400	6,800
00.11	Interest expense (net) .....	149,164	159,300	155,200
Associated project costs:				
00.20	Bureau of Reclamation .....	45,830	50,700	52,200
00.21	Corps of Engineers (operation and maintenance) .....	71,974	71,500	75,700
00.22	Federal Energy Regulatory Commission (coordination agreement) .....	3,420	3,300	3,400
00.91	Total operating expenses .....	2,354,938	2,515,900	2,598,900
Capital investment:				
01.01	Energy conservation .....	52,672	51,200	25,300
01.02	System planning and construction .....	143,396	88,700	90,100
01.03	Capital equipment .....	11,721	9,400	12,500
01.04	Fish and wildlife .....	5,863	15,700	8,100
01.91	Total capital investment .....	213,652	165,000	136,000
01.92	Total direct program .....	2,568,590	2,680,900	2,734,900
02.01	Reimbursable program .....	33,754	93,900	110,400
10.00	Total obligations .....	2,602,344	2,774,800	2,845,300
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	—22,895	—29,200	—29,600
14.00	Non-Federal sources .....	—2,481,952	—2,976,700	—3,055,900
27.00	Capital transfer to general fund .....	184,762	186,500	187,700
31.00	Redemption of debt .....	150,000	183,200	148,100
32.47	Balance of authority to borrow withdrawn .....	—	26,300	40,400
67.10	<b>Budget authority (authority to borrow: 16 U.S.C. 838(k)) (permanent, indefinite) .....</b>	<b>432,259</b>	<b>165,000</b>	<b>136,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	97,497	—231,100	—240,200
Obligated balance, start of year:				
72.47	Authority to borrow .....	164,983	62,241	42,941
72.98	Fund balance .....	88,266	239,520	239,520
Obligated balance, end of year:				
74.47	Authority to borrow .....	—62,241	—42,941	—17,041
74.98	Fund balance .....	—239,520	—239,520	—239,520
90.00	Outlays .....	48,984	—211,800	—214,300

Note.—Authority to borrow available to the Bonneville Power Administration continues to be available on a permanent, indefinite basis. The amount of borrowing outstanding at any time cannot exceed \$3.75 billion.

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

Identification code 89-4045-0-3-271	1987 actual	1988 est.	1989 est.	
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans .....	10,000		
1112	Unobligated direct loan limitation .....	—10,000		
1150	Total direct loan obligations .....			
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	4,869	4,629	4,400
1251	Repayments: Repayments and prepayments .....	—240	—229	—200
1290	Outstanding, end of year .....	4,629	4,400	4,200

Bonneville Power Administration (BPA) is the Federal electric power marketing agency in the Pacific Northwest. BPA markets hydroelectric power from 21 multipurpose water resource projects of the U.S. Army Corps of Engineers and 9 projects of the U.S. Bureau of Reclamation, plus some energy from non-Federal generating projects in the region. These generating resources and BPA's transmission system, planned by the end of 1989 to consist of an estimated 14,627 circuit miles of high-voltage transmission lines and 386 substations, are operated as an integrated power system with operating and financial results combined and reported as the Federal Columbia River Power System. BPA is the largest power wholesaler in the Northwest and provides about four-fifths of the region's electric power transmission capacity.

BPA is responsible for meeting the net firm power requirements of its requesting customers through a variety of means, including energy conservation programs, acquisition of renewable and other resources, and power exchanges with utilities both in and outside the region.

BPA will finance its operations on the basis of the self-financing authority provided by Federal Columbia River Transmission System Act of 1974 (Transmission Act) (Public Law 93-454) and the new borrowing authority provided by the Pacific Northwest Electric Power Planning and Conservation Act (Pacific Northwest Power Act) (Public Law 96-501) for energy conservation, renewable energy resources, and capital fish facilities. Authority to borrow available to the BPA is available on a permanent, indefinite basis. The amount of borrowing outstanding at any time cannot exceed \$3,750,000,000.

*Budget programs—Resource planning, acquisition, and oversight.*—Provides for the orderly planning, acquisition, and oversight of reliable, cost-effective, environmentally acceptable resources, including resources purchased prior to the Pacific Northwest Power Act, needed to serve BPA's portion of the region's forecasted net electric load requirements that cannot be met through cost-effective conservation.

*Residential exchange.*—Provides for extending the benefits of low-cost Federal power to the residential and small farm customers of investor-owned and publicly-owned utilities, in accordance with the Pacific Northwest Power Act.

*Energy conservation.*—Provides limited funding from revenues in support of the capital investment program described below for energy conservation.

## Public enterprise funds—Continued

## BONNEVILLE POWER ADMINISTRATION FUND—Continued

*System planning and construction.*—Provides limited funding from revenues in support of the capital investment program described below for system planning and construction.

*Operating programs—System operation.*—Provides for operating an estimated 14,627 miles of line and 386 substations of the BPA transmission system during 1989.

*System maintenance.*—Provides for maintaining the facilities and equipment of the BPA transmission system in 1989.

*Power marketing.*—Provides for forecasting regional demand; negotiating power sales and wheeling, billing, and servicing these contracts; reviewing and establishing wholesale power and wheeling rates; and encouraging public participation in the formation of BPA policies and programs.

*Power scheduling.*—Provides for the scheduling of power.

*Fish and wildlife.*—Provides limited funding from revenues in support of the capital investment program described below for fish and wildlife.

*Planning Council.*—Provides for activities of the Pacific Northwest Electric Power and Conservation Planning Council required by the Pacific Northwest Power Act.

*Net interest on borrowings.*—Provides for payments to the U.S. Treasury for interest on borrowings to finance BPA's construction, energy conservation, and fish and wildlife programs under \$3,750,000,000 borrowing authority provided by the Transmission Act as amended by the Pacific Northwest Power Act and replenished by Public Law 98-50.

*Associated project costs.*—Provides for repayment of the operation and maintenance (O&M) costs of the 30 U.S. Army Corps of Engineers and U.S. Bureau of Reclamation power generating projects, interest and amortization on the U.S. Bureau of Reclamation capital investment in power generating facilities, and coordination agreement payments to the Federal Energy Regulatory Commission.

*Reimbursable.*—Provides for reimbursable power purchases, including that portion of Hanford Generating Project operating expenses paid by two investor-owned utilities through trust fund arrangements. Also provides for services such as construction, operation and maintenance of transmission facilities when requested and financed by other entities.

*Capital investment—Energy conservation.*—Provides for funding conservation measures, including home energy efficiency, commercial energy efficiency, utility distribution system loss reduction, industrial technological transfers, solar energy applications, and conservation measures for new home and commercial building construction.

*System planning and construction.*—Provides for continuation of construction work on transmission lines, substations and related facilities initiated in prior years, initiation of construction on system additions, and planning and research and development for a reliable, efficient and cost-effective regional transmission

system. During 1989, BPA plans to energize no additional miles of line or substations.

*Capital equipment.*—Provides for general purpose ADP equipment, office furniture and equipment, and software development in support of all BPA programs. This activity was previously included as part of the system planning and construction program.

*Fish and wildlife.*—Provides for protection, mitigation and enhancement of fish and wildlife affected by hydroelectric facilities on the Columbia River and its tributaries, in accordance with the Pacific Northwest Power Act.

*Contingencies.*—Although contingencies are not specifically funded, the need may arise to provide for purchase of power in low-water years; for repair and/or replacement of facilities affected by natural and man-made emergencies, including the resulting additional costs for contracting, construction, and operation and maintenance work; for unavoidable increased costs for the planned program due to necessary but unforeseen adjustments, including engineering and design changes, contractor and other claims and relocations, or for payment of a retrospective premium adjustment in excess nuclear property insurance policy, in the event one of the participating utilities has an accident with property damage in excess of \$500 million.

*Financing.*—The Transmission Act provides for the use by BPA of all receipts, collections, and recoveries in cash from all sources, including the sale of bonds, to finance the annual budget programs of BPA. These receipts result primarily from the sale of power and wheeling. The Transmission Act also provides for authority to borrow from the U.S. Treasury at rates comparable to borrowings at open market rates for similar issues. As amended by the Pacific Northwest Power Act and replenished by Public Law 98-50, it allows for \$3,750,000,000 of borrowing to be outstanding at any time. Borrowing authority estimated for use in 1989 is \$136,000,000.

In fiscal year 1987 BPA made payments to the Treasury of \$630.3 million and also expects to make payments of \$671.3 million in 1988 and \$639.0 million in 1989. The 1989 payment will be distributed as follows: U.S. Army Corps of Engineers, U.S. Bureau of Reclamation, U.S. Fish and Wildlife Service O&M, and FERC payments (\$101.6 million), interest expense on bonds and appropriations (\$372.6 million), allowance for funds used during construction—capitalized interest (\$16.7 million) and amortization (\$148.1 million).

*Direct loans.*—There will be no direct loans in 1989.

*Operating results.*—Total revenues and reimbursements are forecast at approximately \$3,085,500,000 in 1989.

It should be noted that BPA's revenue forecasts are based on several critical assumptions about both the supply of and demand for Federal energy. Deviation from the assumed conditions may result in variation in actual revenues of several hundred million dollars from the forecast. Estimated net operating income for 1989, based on BPA's current revenue and expense estimates, is \$247,200,000, a decrease of \$26,924,000 from 1988.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—)			
Revenue.....	2,464,449	2,912,000	2,975,100
Expense.....	—2,432,137	—2,637,799	—2,727,900
Net operating income or loss (—).....	32,312	274,201	247,200

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	88,198	239,520	200,000	240,000
Accounts receivable (net).....	106,698	88,871	111,000	113,900
Loans receivable (net).....	4,869	4,629	4,400	4,200
Inventories.....	35,087	34,914	35,000	35,000
Real property and equipment (net).....	2,361,829	2,405,066	2,463,666	2,605,666
Other assets (net).....	538,248	632,517	663,717	664,517
Total assets.....	3,134,929	3,405,517	3,477,783	3,663,283
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	154,332	172,264	135,000	135,000
Advances received.....	3,100	13,069	10,000	10,000
Deposit fund liability.....	—111	34	300	300
Debt issued under borrowing authority: Bor- rowing from Treasury.....	1,458,799	1,843,799	1,855,699	1,967,999
Other liabilities.....	1,503	1,068	200	200
Total liabilities.....	1,617,623	2,030,234	2,001,199	2,113,499
<b>Government equity:</b>				
Selected equities: Invested capital.....				
	1,517,306	1,375,283	1,476,584	1,549,784
Total Government equity.....	3,134,929	3,405,517	3,477,783	3,663,283

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
89-4045-0-3-271			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	109,781	112,300	114,500
11.3 Other than full-time permanent.....	3,903	4,200	4,300
11.5 Other personnel compensation.....	4,206	7,100	7,200
11.8 Special personal services payments.....	380	200	200
11.9 Total personnel compensation.....	118,270	123,800	126,200
12.1 Civilian personnel benefits.....	19,873	18,200	18,600
13.0 Benefits to former personnel.....	55		
21.0 Travel and transportation of persons.....	8,758	8,600	9,100
22.0 Transportation of things.....	4,715	4,800	5,100
23.1 Rental payments to GSA.....	5,836	9,600	10,300
23.3 Communications, utilities, and miscellaneous charges.....	5,394	7,800	8,300
24.0 Printing and reproduction.....	1,757	1,300	1,500
25.0 Other services.....	2,115,627	2,173,900	2,215,300
26.0 Supplies and materials.....	14,202	42,800	45,400
31.0 Equipment.....	71,434	40,700	44,600
32.0 Land and structures.....	6,194	55,000	59,100
41.0 Grants, subsidies, and contributions.....	22,066	18,300	19,400
42.0 Insurance claims and indemnities.....	151	100	100
43.0 Interest and dividends.....	174,258	176,000	171,900
99.0 Subtotal, direct obligations.....	2,568,590	2,680,900	2,734,900
99.0 Reimbursable obligations.....	33,754	93,900	110,400
99.9 Total obligations.....	2,602,344	2,774,800	2,845,300

Personnel Summary

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Total number of full-time permanent positions.....	3,120	3,115	3,095
Total compensable workyears:			
Full-time equivalent employment.....	3,373	3,355	3,305
Full-time equivalent of overtime and holiday hours.....	72	70	70
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	25	25	25
Total compensable workyears: Full-time equivalent employment.....	25	25	25

General and special funds:

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER  
ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, **[\$27,400,000]** \$36,267,000, to remain available until expended. (Energy and Water Development Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
89-0302-0-1-271			
<b>Program by activities:</b>			
00.01 Systems operations and maintenance.....	1,909	2,306	2,647
00.02 Purchase power and wheeling.....	33,932	39,636	49,048
10.00 Total obligations.....	35,841	41,942	51,695
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	—16,653	—11,912	—15,428
17.00 Recovery of prior year obligations.....	—15		
21.40 Unobligated balance available, start of year.....	—2,156	—2,630	
24.40 Unobligated balance available, end of year.....	2,630		
40.00 <b>Budget authority (appropriation).....</b>	<b>19,647</b>	<b>27,400</b>	<b>36,267</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	19,188	30,028	36,267
72.40 Obligated balance, start of year.....	2,770	2,570	4,608
74.40 Obligated balance, end of year.....	—2,570	—4,608	—5,938
78.00 Adjustments in unexpired accounts.....	—15		
90.00 Outlays.....	19,373	27,990	34,937

The Southeastern Power Administration (SEPA) markets power generated at Corps of Engineers hydroelectric generating plants in a 10-State area of the Southeast. Deliveries are made by means of transmission facilities owned by others. There are 22 projects now in operation. A schedule of kilowatt capacity of projects in operation or under construction follows:

Projects in operation.....	3,092,375
Project under construction: Russell B. Russell (pumping units).....	300,000
Total.....	3,392,375

SEPA sells power at wholesale primarily to publicly and cooperatively owned electric distribution utilities using wheeling and pooling agreements with the region's large private utilities to provide firm power to its customers. SEPA does not own or operate any transmission facilities. Its long-term contracts provide for periodic electric rate adjustments to insure that the Federal Government recovers all costs of operation and all capital invested in power, with interest, in keeping with statutory requirements.

Legislation has been introduced to study a possible divestiture of the Southeastern Power Administration. Administration activities will be coordinated with the Congress and existing power customers, and implementation will not proceed until there are necessary legislative approvals.

The SEPA program includes the following activities:  
**System operation and maintenance.**—Provision is made for negotiation and administration of power contracts, collection of revenues, development of wholesale power rates, the amortization of power investment, investigation and planning of proposed water resources projects, scheduling and dispatch of power generation, scheduling storage and release of water, administration

General and special funds—Continued

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER  
ADMINISTRATION—Continued

of contractual operation requirements, and determination of methods of operating generating plants individually and in coordination with others to obtain maximum utilization of resources. Proprietary receipts deposited in the Treasury were \$101,322,116 for 1987 and are estimated to be \$119,533,400 for 1988. Proprietary receipts are expected to be \$129,224,300 for 1989.

*Purchase power and wheeling.*—Provision is made for the payment of wheeling fees and for the purchase of electricity in connection with disposal of power under contracts with utility companies.

Object Classification (in thousands of dollars)

Identification code 89-0302-0-1-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,244	1,352	1,356
11.3 Other than full-time permanent.....	15	25	17
11.5 Other personnel compensation.....	10	15	12
11.9 Total personnel compensation.....	1,269	1,392	1,385
12.1 Civilian personnel benefits.....	160	206	235
21.0 Travel and transportation of persons.....	70	85	95
22.0 Transportation of things.....	1	15	15
23.1 Rental payments to GSA.....	36	58	62
23.3 Communications, utilities, and miscellaneous charges.....	49	52	66
24.0 Printing and reproduction.....	3	9	6
25.0 Other services.....	34,154	40,015	49,271
26.0 Supplies and materials.....	28	40	50
31.0 Equipment.....	71	70	510
99.9 Total obligations.....	35,841	41,942	51,695

Personnel Summary

Total number of full-time permanent positions.....	39	40	40
Total compensable workyears: Full-time equivalent employment.....	38	40	40

CONTINUING FUND, SOUTHEASTERN POWER ADMINISTRATION

Program and Financing (in thousands of dollars)

Identification code 89-5653-0-2-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	4,028		
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-256		
21.40 Unobligated balance available, start of year.....	-50	-50	-50
24.40 Unobligated balance available, end of year.....	50	50	50
60.00 <b>Budget authority (appropriation) (permanent, indefinite, special fund).....</b>	<b>3,772</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,772		
72.40 Obligated balance, start of year.....	4,028		
77.00 Adjustments in expired accounts.....	-4,028		
90.00 Outlays.....	3,772		

A continuing fund of \$50 thousand, maintained from receipts from the transmission and sale of electric power in the southeastern area, is available to defray expenses necessary to insure continuity of service (16 U.S.C. 825s-2).

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER  
ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, **[\$16,648,000]** \$15,389,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed **[\$4,625,000]** \$4,411,000 in collections from the Department of Defense from power purchases, not to exceed \$2,430,000 in collections from various Oklahoma companies from power purchases, and not to exceed **[\$1,721,000]** \$1,000,000 in collections from non-Federal entities for construction projects in fiscal year **[1988]** 1989, to remain available until expended. (*Energy and Water Development Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 89-0303-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Systems operation and maintenance.....	11,293	14,238	14,815
00.02 Purchase power and wheeling.....	7,503	12,178	7,936
00.03 Construction.....	4,888	6,390	5,838
00.91 Total direct program.....	23,684	32,806	28,589
01.01 Reimbursable program.....		6,346	7,841
10.00 Total obligations.....	23,684	39,152	36,430
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....		-4,625	-4,411
14.00 Non-Federal sources.....		-1,721	-3,430
17.00 Recovery of prior year obligations.....	-75		
21.40 Unobligated balance available, start of year.....	-27,650	-29,358	-13,200
22.40 Unobligated balance transferred, net.....	20		
24.40 Unobligated balance available, end of year.....	29,358	13,200	
40.00 <b>Budget authority (appropriation).....</b>	<b>25,337</b>	<b>16,648</b>	<b>15,389</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	23,684	32,806	28,589
72.40 Obligated balance, start of year.....	5,882	9,857	15,390
74.40 Obligated balance, end of year.....	-9,857	-15,390	-18,159
78.00 Adjustments in unexpired accounts.....	-75		
90.00 Outlays.....	19,633	27,273	25,820

The Southwestern Power Administration (SWPA) operates as a marketing agent for hydroelectric power produced at Corps of Engineers dams in a six-State area. It also operates and maintains some 1,355 miles of high voltage transmission lines, 24 substations and switching stations and 35 radio and microwave stations. SWPA sells its power at wholesale primarily to publicly and cooperatively owned electric distribution utilities. Its long-term contracts provide for periodic rate adjustments to insure that the Federal Government recovers all costs of operation and all capital invested in power, with interest, in keeping with statutory requirements.

SWPA also is responsible for scheduling and dispatching power, negotiating power sales contracts, and constructing facilities required to meet changing customer load requirements.

*Systems operation and maintenance.*—Provision is made for investigating and planning proposed water resources projects, scheduling and dispatching power generation, scheduling storage and release of water, administering contractual operation requirements, and determining methods of operating generating plants individually and in coordination with others to obtain maximum utilization of resources. Provision also is made for



maintenance of the transmission system and related facilities to assure reliable service, negotiation and administration of power contracts, collection of revenue, development of wholesale power rates and the amortization of the power investment. Estimated proprietary receipts which are deposited in the Treasury are \$91,530,000 in 1987, and are estimated to be \$89,574,000 in 1988. Proprietary receipts are expected to be \$91,185,000 in 1989.

**Purchase power and wheeling.**—Provision is made for the payment of wheeling fees and for the purchase of energy in connection with the marketing of power under contracts with utility companies.

**Construction.**—The construction program provides transmission, substation and switching facilities to transmit power generated at Corps of Engineers' hydroelectric projects in the Southwest. This program is co-ordinated with the Corps of Engineers' construction program and customer requirements in order that transmission and related facilities will be in place when these power projects are completed and available for marketing. This program also provides for the purchase of capital electrical equipment used for upgrading the established system to meet changing customer load requirements.

**Reimbursable program.**—This program involves services provided by Southwestern Power Administration to others under various types of reimbursable arrangements. In 1989 the reimbursable program will provide power and energy services to three government agencies: Ft. Sill, Vance Air Force Base and McAlester Army Ammunition Plant, and direct purchase of energy for the Oklahoma companies. Construction services will be provided to various customers for the SEMO-NEARK transmission and substation additions, modifications of transmission lines, substations, and electronic facilities, and for construction of transmission facilities under Public Law 99-662.

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

Identification code 89-0303-0-1-271	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	5,437	5,900	6,041
11.3 Other than full-time permanent.....	508	333	326
11.5 Other personnel compensation.....	233	200	433
11.9 Total personnel compensation.....	6,178	6,433	6,800
12.1 Civilian personnel benefits.....	887	811	930
21.0 Travel and transportation of persons.....	537	994	1,078
22.0 Transportation of things.....	36	106	139
23.1 Rental payments to GSA.....	221	399	399
23.2 Rental payments to others.....	484	790	726
24.0 Printing and reproduction.....	53	114	150
25.0 Other services.....	13,534	20,021	16,312
26.0 Supplies and materials.....	720	1,009	1,055
31.0 Equipment.....	974	2,125	995
32.0 Land and structures.....	61	3	3
42.0 Insurance claims and indemnities.....		1	1
99.0 Subtotal, direct obligations.....	23,684	32,806	28,589
99.0 Reimbursable obligations.....		6,346	7,841
99.9 Total obligations.....	23,684	39,152	36,430

**Personnel Summary**

Total number of full-time permanent positions.....	169	170	170
Total compensable workyears: Full-time equivalent employment.....	192	186	186

**CONTINUING FUND, SOUTHWESTERN POWER ADMINISTRATION**

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

Identification code 89-5649-0-2-271	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-300	-300	-300
24.40 Unobligated balance available, end of year.....	300	300	300
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

This fund, replenished from power receipts, is available permanently for emergency expenses that would be necessary to insure continuity of service (16 U.S.C. 825s-1; 63 Stat. 767; 65 Stat. 249).

**CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,  
WESTERN AREA POWER ADMINISTRATION**

**(INCLUDING TRANSFER OF FUNDS)**

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (Public Law 95-91), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed \$1,500, the purchase of passenger motor vehicles (not to exceed [3] 5 for replacement only, [\$242,512,000] \$295,928,000, to remain available until expended, of which [\$235,268,000] \$275,142,000, shall be derived from the Department of the Interior Reclamation fund; in addition, the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration [\$7,003,000] \$2,485,000, to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended. (Energy and Water Development Appropriation Act, 1988.)

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

Identification code 89-5068-0-2-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Systems operation and maintenance.....	76,217	93,367	90,461
00.02 Purchase of power and wheeling.....	198,448	197,340	239,920
00.91 Total operating expenses.....	274,664	290,707	330,381
01.01 Capital investment.....	86,410	85,000	94,252
01.92 Total direct program.....	361,074	375,707	424,633
02.01 Reimbursable program.....	11,579	92,100	77,200
10.00 Total obligations.....	372,653	467,807	501,833
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-6,697	-20,600	-57,600
14.00 Non-Federal sources.....	-125,491	-140,405	-145,820
17.00 Recovery of prior year obligations.....	-1,720		
21.40 Unobligated balance available, start of year.....	-58,044	-57,287	
22.40 Unobligated balance transferred, net.....	20		
24.40 Unobligated balance available, end of year.....	57,287		
39.00 <b>Budget authority</b> .....	<b>238,008</b>	<b>249,515</b>	<b>298,413</b>
<b>Budget authority:</b>			
40.00 Reclamation fund (special fund).....	214,835	235,268	275,142
40.00 Appropriation.....	22,011	7,244	20,786
42.00 Transferred from other accounts.....	1,162	7,003	2,485
43.00 <b>Appropriation (adjusted)</b> .....	<b>238,008</b>	<b>249,515</b>	<b>298,413</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	240,465	306,802	298,413
72.40 Obligated balance, start of year.....	131,727	178,709	222,954

General and special funds—Continued

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,  
WESTERN AREA POWER ADMINISTRATION—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	89-5068-0-2-271	1987 actual	1988 est.	1989 est.
74.40	Obligated balance, end of year.....	-178,709	-222,954	-233,537
78.00	Adjustments in unexpired accounts.....	-1,720		
90.00	Outlays.....	191,764	262,557	287,830

The Western Area Power Administration (Western) markets electric power in 15 western States from federally-owned power plants operated by the Bureau of Reclamation, Corps of Engineers and the International Boundary and Water Commission. Western operates and maintains about 16,000 miles of high-voltage transmission lines and over 200 associated substation/switchyards and constructs transmission facilities, including new transmission lines, substations and essential additions and modifications to existing facilities.

Western sells power at wholesale to electric distribution utilities. In keeping with statutory requirements, Western's long-term contracts provide for periodic rate adjustments to ensure that the Federal Government recovers all costs of operation and all capital invested in power facilities, with interest.

*Systems operation and maintenance.*—A total of 13 power systems will be operated and maintained. Additional revenue will be available from Boulder Canyon project operations for Western's power marketing and transmission expenses, without further appropriation, as provided in the Hoover Power Plant Act of 1984 (Public Law 98-381). Western will continue to participate in conservation and renewable energy programs in 1989.

Power is sold to wholesale customers such as municipalities, cooperatives, irrigation districts, public utility districts, State and Federal government agencies, and private utilities. Receipts are deposited in the Reclamation fund, the General fund, the Colorado River Dam fund, and the Lower Colorado River Basin Development fund.

Energy sales and revenues resulting from these Western power systems operations, excluding the Colorado River Storage project, the Navajo generating plant, and the Central Arizona project, are as follows:

	1987 actual	1988 est.	1989 est.
Energy sales (millions of kilowatt hours).....	28,735	29,485	29,106
Revenues from energy sales (in thousands of dollars).....	471,901	515,287	497,403

*Purchase of power and wheeling.*—The program provides for purchase of power, wheeling, and fuel displacement. Financing of this program consists of \$113,700,000 of new budget authority, \$23,684,000 associated with net billing procedures, \$50,000,000 associated with customer bill crediting, \$37,400,000 associated with reimbursement from other Federal entities, and \$15,136,000 associated with Bonneville Power Administration power transfers for a total program cost of \$239,920,000.

*System construction.*—Construction of transmission facilities is necessary to maintain system reliability and for marketing electric power produced from generating

plants of others. Funding is provided in 1989 for system interties, joint construction participation, replacement of deteriorated wood poles and damaged wood or steel structures, reconductoring and upgrading transmission lines to increase system capacity and reliability, construction of operation and maintenance facilities, and system security additions.

*Reimbursable program.*—This program involves services provided by Western to others under various types of reimbursable arrangements. In 1989, the reimbursable program primarily provides for construction and operation and maintenance services for the Bureau of Reclamation and for construction services associated with the California-Oregon Transmission project being built for non-Federal entities and for power purchases for other Federal entities.

Object Classification (in thousands of dollars)

Identification code	89-5068-0-2-271	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent positions.....	34,377	35,236	35,753
11.3	Positions other than full-time permanent.....	731	749	760
11.5	Other personnel compensation.....	1,463	1,500	1,521
11.9	Total personnel compensation.....	36,571	37,485	38,034
12.1	Civilian personnel benefits.....	3,024	5,623	6,846
13.0	Benefits for former personnel.....		41	50
21.0	Travel and transportation of persons.....	3,080	4,342	4,530
22.0	Transportation of things.....	721	832	850
23.1	Rental payments to GSA.....	902	643	675
23.2	Rental payments to others.....	1,948	1,560	1,600
23.3	Communications, utilities, and miscellaneous charges.....	3,211	3,740	3,800
24.0	Printing and reproduction.....	41	249	300
25.0	Other services.....	215,458	234,384	277,998
26.0	Supplies and materials.....	6,096	7,496	9,615
31.0	Equipment.....	8,604	32,772	33,464
32.0	Land and structures.....	81,418	46,505	46,834
42.0	Insurance claims and indemnities.....		35	37
99.0	Subtotal, direct obligations.....	361,074	375,707	424,633
99.0	Reimbursable obligations.....	11,579	92,100	77,200
99.9	Total obligations.....	372,653	467,807	501,833

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,112	1,090	1,090
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,120	1,099	1,099
Full-time equivalent of overtime and holiday hours.....	36	30	30
<b>Reimbursable:</b>			
Total compensable workyears: Full-time equivalent employment.....	40	40	40

CONTINUING FUND, WESTERN AREA POWER ADMINISTRATION

Program and Financing (in thousands of dollars)

Identification code	89-5069-0-2-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	24		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-275	-476	-500
24.40	Unobligated balance available, end of year.....	476	500	500
60.00	<b>Budget authority (appropriation) (permanent, indefinite, special fund).....</b>	<b>225</b>	<b>24</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	24		

72.40	Obligated balance, start of year.....	103		
90.00	Outlays.....	127		

A continuing fund of \$500,000, maintained from deposits to the Reclamation Fund, is available to insure continuous operation of power systems in the event of equipment failure or other damage caused by acts of God, flood, drought, strikes, embargoes or other conditions which might cause interruptions in service.

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

Identification code	89-5069-0-2-271	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	4		
24.0	Printing and reproduction.....	20		
99.9	Total obligations.....	24		

**Public enterprise funds:**

**COLORADO RIVER BASINS POWER MARKETING FUND, WESTERN AREA  
POWER ADMINISTRATION**

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

Identification code	89-4452-0-3-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Colorado River storage project.....	29,783	72,885	75,668
00.02	Colorado River Basin project.....	600	599	917
00.03	Fort Peck project.....	5,520	7,183	7,415
10.00	Total obligations.....	35,903	80,667	84,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-3,340	-5,000	-5,000
14.00	Non-Federal sources.....	-37,310	-153,310	-132,000
21.98	Unobligated balance available, start of year: Fund balance.....	-53,069	-33,817	-50,487
24.98	Unobligated balance available, end of year: Fund balance.....	33,817	50,487	48,487
27.00	Capital transfer to general fund.....	24,000	60,973	55,000
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-4,747	-77,643	-53,000
72.10	Receivables in excess of obligations, start of year.....	-17,759	7,043	-15,000
74.10	Receivables in excess of obligations, end of year.....		15,000	15,000
90.00	Outlays.....	-29,549	-55,600	-53,000

Western's operation and maintenance and power marketing expenses for the Colorado River storage project, the Colorado River Basin project and the Fort Peck project will be financed from power revenues.

Western operates and maintains approximately 3,000 miles of transmission lines and over 40 substations associated with these projects. Wholesale power is provided to utilities over the interconnected high-voltage transmission systems. In keeping with statutory requirements, long-term contracts provide for periodic rate adjustments to ensure that the Federal Government recovers all costs of operation and all capital invested in power, with interest.

The revenue from the Fort Peck project is integrated with Pick-Sloan Missouri Basin program revenue and is included in the construction, rehabilitation, operation and maintenance account.

**Colorado River storage project.**—Western markets power and operates and maintains the power transmission facilities of units of the Colorado River storage project and the Seedskaadee participating project. West-

ern also purchases electricity and pays wheeling fees to meet contractual obligations and to execute the fuel displacement program.

**Colorado River Basin project.**—The 1989 program provides for Western's expenses associated with the Central Arizona project. Financing will be from the Lower Colorado River Basin development fund.

**Fort Peck project.**—Revenue collected by Western is used to defray construction, operation and maintenance and power marketing expenses associated with the power generation and transmission facilities of the Fort Peck project, Corps of Engineers—Civil, and emergency expenses to ensure continuous operation. The Corps operates and maintains the power generating facilities, and Western operates and maintains the transmission system and performs power marketing functions.

	1987 actual	1988 est.	1989 est.
Energy sales (millions of kilowatt hours).....	12,113	9,121	8,675
Revenue from energy sales (in thousands of dollars).....	165,056	136,946	124,570

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

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (—):</b>			
<b>Power program:</b>			
Revenue.....	40,650	158,670	137,000
Expense.....	35,902	87,000	84,000
Net operating income, power program.....	4,748	71,670	53,000

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

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	35,310	40,859	37,000	38,000
Accounts receivable (net).....	25,377	23,869	25,000	23,000
Inventories (net).....	1,639	1,817	2,000	2,000
Real property and equipment.....	303,443	375,744	380,000	385,000
Other assets (net).....	42,712		5,000	10,000
Total assets.....	408,481	442,289	449,000	458,000
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	761	27,106	5,000	6,000
Other liabilities.....	2,630	3,778	4,000	4,000
Total liabilities.....	3,391	30,884	9,000	10,000
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	52,696	33,740	50,410	48,410
Undelivered orders.....	6,210	5,577	5,000	6,000
Invested capital and earnings.....	346,184	372,088	388,590	393,590
Total Government equity.....	405,090	411,405	440,000	448,000

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

Identification code	89-4452-0-3-271	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	8,357	8,565	8,608
11.3	Other than full-time permanent.....	178	182	183
11.5	Other personnel compensation.....	355	363	366
11.9	Total personnel compensation.....	8,890	9,110	9,157
12.1	Civilian personnel benefits.....	1,210	1,366	1,648
21.0	Travel and transportation of persons.....	562	830	504
22.0	Transportation of things.....	167	60	60
23.1	Rental payments to GSA.....	111	213	213
23.3	Communications, utilities, and miscellaneous charges.....	656	968	968
24.0	Printing and reproduction.....	18	30	30
25.0	Other services.....	18,195	55,120	63,820
26.0	Supplies and materials.....	2,077	2,081	2,100

**Public enterprise funds—Continued**

**COLORADO RIVER BASINS POWER MARKETING FUND, WESTERN AREA  
POWER ADMINISTRATION—Continued**

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

Identification code	89-4452-0-3-271	1987 actual	1988 est.	1989 est.
31.0	Equipment	1,894	2,810	2,775
32.0	Land and structures	2,123	2,961	481
42.0	Insurance claims and indemnities		21	21
43.0	Interest and dividends		5,097	2,223
99.9	Total obligations	35,903	80,667	84,000

**Personnel Summary**

Total number of full-time permanent positions	219	240	240
Total compensable workyears: Full-time equivalent employment	219	240	240

**DEPARTMENTAL ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**DEPARTMENTAL ADMINISTRATION**

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed \$35,000) **[\$395,513,000]** **\$177,814,000**, to remain available until expended, **[plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total \$233,896,000 in fiscal year 1988 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302 of title 31, United States Code: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1988 so as to result in a final fiscal year 1988 appropriation estimated at not more than \$161,617,000]** and in addition, not to exceed **\$224,273,000**, to be derived from collections authorized by Section 201 of Public Law 95-238, to be credited to this account, notwithstanding 31 U.S.C. 3302. (Energy and Water Development Appropriation Act, 1988.)

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

Identification code	89-0228-0-1-276	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Planning and analysis	5,027	6,084	6,840
00.02	International affairs	5,021	5,570	5,545
00.03	Management and administration	153,313	159,570	154,125
00.04	Congressional, intergovernmental and public affairs	5,343	5,797	5,032
00.05	Operations offices	104,367	109,868	107,535
00.06	General Counsel	10,040	11,003	10,874
00.07	Inspector General	20,813	21,533	20,959
00.08	Office of the Secretary	1,704	2,191	2,204
00.09	Board of Contract Appeals	390	443	436
00.10	Office of Minority Economic Impact	3,726	3,860	3,088
00.11	Work for others	76,942	110,570	115,562
10.00	Total obligations	386,686	436,489	432,200
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds			-40,000
14.00	Non-Federal sources			-184,273
17.00	Recovery of prior year obligations	-7,085		
21.40	Unobligated balance available, start of year	-60,229	-79,089	-38,113
22.40	Unobligated balance transferred, net	-2,911		
24.40	Unobligated balance available, end of year	79,089	38,113	8,000

25.00	Unobligated balance lapsing	8		
40.00	Budget authority (appropriation) (special fund)	395,558	395,513	177,814
Relation of obligations to outlays:				
71.00	Obligations incurred, net	386,686	436,489	207,927
72.40	Obligated balance, start of year	133,449	135,878	173,834
73.40	Obligated balance transferred, net			-700
74.40	Obligated balance, end of year	-135,878	-173,834	-173,408
78.00	Adjustments in unexpired accounts	-7,085		
90.00	Outlays	377,172	398,533	207,653

*Departmental administration.*—This account funds a wide array of policy development and analysis activities, institutional and public liaison functions, and other program support requirements necessary to insure effective operation and management. Specific activities provided for are:

*Policy, planning and analysis.*—The Office of Policy, Planning and Analysis identifies major energy policy issues and develops an agenda for their resolution. It creates a foundation for better energy policy and programs through analysis and evaluation.

*International affairs.*—This organization supports the formulation of international energy policy, analyses and assessments of the current world energy situation, international cooperation in energy matters, and the Department's participation in the Administration's nuclear nonproliferation program.

*Management and administration.*—This office provides institutional support services to headquarters organizations and to the Department as a whole. Areas of responsibility include: organization and management systems; personnel management; contractor industrial relations; equal employment opportunity; automated data processing management and acquisition; telecommunications management; program/project construction and facility management; procurement and assistance management; and budget, accounting and finance; as well as performing and supplying administrative services.

*Congressional, intergovernmental and public affairs.*—This office is responsible for coordinating and directing legislative liaison with the Congress and coordinating and managing the Department's information dissemination activities. It gathers information on issues under departmental jurisdiction; counsels and advises DOE staff on relationships with the Congress; serves as liaison between relevant DOE elements and Congressional authorization and/or oversight committees and other Members; and coordinates the designation and scheduling of DOE witnesses to testify at hearings. For intergovernmental activities, the office provides guidance to ensure consistency in program activities with constituents and oversight on relations between Federal energy activities and external groups excluding those on an international level.

*Operations offices.*—The operations offices perform functions in support of energy activities throughout the country. Among these functions are field procurement, engineering and construction management, health and safety monitoring, property management, labor relations and maintenance of personnel and financial systems.

*General Counsel.*—This office is responsible for providing legal services to all energy activities except for

those functions belonging exclusively to the Federal Energy Regulatory Commission, which is served by its own General Counsel and litigation arising from the Emergency Petroleum Allocation Act. Its responsibilities entail the provision of legal opinion, advice and services to administrative and program offices, and the conduct of both administrative and judicial litigation, as well as legal advice and support for enforcement activities. Further, the General Counsel appears before State and Federal agencies in defense of national energy policies and activities. The office is responsible for the coordination and clearance of proposed legislation affecting energy activities and testimony before Congress. The General Counsel is also responsible for oversight of intelligence activities; assuring consistency and legal sufficiency of all energy regulations; administering and monitoring standards of conduct requirements; and conducting the Patents program.

**Inspector General.**—This office manages audit and investigative activities relating to the promotion of economy and efficiency in the administration or the prevention or detection of fraud or abuse in programs and operations.

**Office of the Secretary.**—Directs and supervises the staff and provides policy guidance to line and staff organizations in the accomplishment of agency objectives.

**Board of Contract Appeals.**—Hears and resolves contractual disputes arising from the Administration's financial assistance programs, including guaranteed loans, loan agreements, grants and cooperative agreements.

**Office of Minority Economic Impact.**—Is responsible for: (1) advising the Secretary on the effects of the Department's policies, regulations and actions on minorities and minority business enterprises; (2) conducting research to determine energy consumption and use patterns of minorities; (3) providing technical assistance to minority educational institutions and minority business enterprises to enable them to participate more fully in Departmental research activities; and, (4) providing loans to minority bank and thrift institutions under the minority bank development program. The office also is responsible for the White House Initiatives on Historically Black Colleges and Universities for the Department.

**Work for others.**—This activity covers the cost of work performed under orders placed with the Department by non-DOE entities. Reimbursement for these costs is made through deposits of offsetting collections to this account.

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

Identification code 89-0228-0-1-276	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	123,328	131,291	128,121
11.3 Other than full-time permanent.....	5,525	4,987	5,477
11.5 Other personnel compensation.....	3,630	4,387	4,297
11.8 Special personal services payments.....	131		
11.9 Total personnel compensation.....	132,614	140,665	137,895
12.1 Civilian personnel benefits.....	18,097	23,176	22,642
13.0 Benefits for former personnel.....	83		
21.0 Travel and transportation of persons.....	6,105	4,725	4,364
22.0 Transportation of things.....	1,189	1,535	1,465
23.1 Rental payments to GSA.....	28,392	32,982	34,353
23.2 Rental payments to others.....	24,540	27,407	29,177

24.0 Printing and reproduction.....	3,118	5,727	5,780
25.0 Other services.....	153,028	186,048	181,593
26.0 Supplies and materials.....	7,262	8,645	8,950
31.0 Equipment.....	11,825	5,579	5,981
41.0 Grants, subsidies, and contributions.....	384		
42.0 Insurance claims and indemnities.....	39		
43.0 Interest and dividends.....	10		
99.9 Total obligations.....	386,686	436,489	432,200

**Personnel Summary**

Total number of full-time permanent positions.....	3,282	3,330	3,338
Total compensable workyears:			
Full-time equivalent employment.....	3,333	3,466	3,472
Full-time equivalent of overtime and holiday hours.....	33	20	20

**SPECIAL FOREIGN CURRENCY PROGRAM**

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

Identification code 89-0205-0-1-271	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,110	-1,110	-1,110
24.40 Unobligated balance available, end of year.....	1,110	1,110	1,110
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	-1	-4	-4
74.40 Obligated balance, end of year.....	4	4	4
90.00 Outlays.....	3		

**Trust Funds**

**GIFTS AND DONATIONS**

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

Identification code 89-8576-0-7-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	2,300		
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-2,300		
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

This fund is the repository of gifts, bequests, and devises of property, both real and personal, which the Secretary of Energy is authorized to accept, hold, administer and utilize for the purpose of aiding or facilitating the work of the Department. The provision of section 652 of the Department of Energy Organization Act, 42 U.S.C. 7762, authorizes this fund for the above purpose. Property and the proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

**ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY**

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles, hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and

reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days [(not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.] *after notice thereof is transmitted to the Congress.*

The Secretary of Energy may transfer to the Emergency Preparedness appropriation such funds as are necessary to meet any unforeseen emergency needs from any funds available to the Department of Energy from this Act.

*Section 303 of the Supplemental Appropriations Act, 1982 (Public Law 97-257), as amended, is repealed.*

*Notwithstanding 31 U.S.C. 3302, not to exceed \$53,000,000 of the funds derived from the sale of assets as a result of defaulted loans made under the Department of Energy Alcohol Fuels Loan Guarantee program, or any other funds received in connection with this program, shall be credited to the Biomass Energy Development account, and shall be available for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program for loans guaranteed prior to January 1, 1987. Any funds received in excess of \$53,000,000 shall be returned to the Treasury as miscellaneous receipts.*

*Unobligated balances available in the Alternative Fuels Production account may be used for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program, subject to the determination by the Secretary of Energy that some or all of these unobligated funds are not needed for carrying out the purposes of the Alternative Fuels Production program: Provided, That the use of these unobligated funds for payment of defaulted loans and associated costs shall be available only for loans guaranteed prior to January 1, 1987: Provided further, That such funds shall be used only after the unobligated balance in the Department of Energy Alcohol Fuel Loan Guarantee reserve has been exhausted. (Department of the Interior and Related Agencies Appropriations Act, 1988.)*

## GENERAL PROVISIONS—DEPARTMENT OF ENERGY

Sec. 301. Appropriations for the Department of Energy under this title for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may be made to other agencies of the United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.

### (TRANSFERS OF UNEXPENDED BALANCES)

Sec. 302. Not to exceed 5 per centum of any appropriation made available for the current fiscal year for Department of Energy activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.

Sec. 303. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

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

【Sec. 305. (a) In any regulations issued pursuant to section 1534 of the Defense Authorization Act for 1986, the Secretary of Energy may not disallow the following costs associated with the activities of contractor personnel from the Department of Energy National Laboratories (or Department of Energy personnel of the Department of Energy National Laboratories):

(1) Costs of providing to Congress or a State legislature, in response to a request (written or oral, prior or contemporaneous) from Congress or a State legislature, information or expert advice of a factual, technical, or scientific nature, with respect to:

(A) topics directly related to the performance of the contract; or

(B) proposed legislation; irrespective of whether such information or advice was requested or supplied through the Department of Energy.

(2) Costs for transportation, lodging, or meals incurred for the purpose of providing such information or advice.】

【(b) No part of any appropriation made in this title shall be obligated or expended to influence, either directly or indirectly, any appropriation or legislation before Congress, or for any publicity or propaganda purpose not specifically authorized by Congress: *Provided*, That this provision shall not apply to:

(1) the communication of departmental or agency views to the Congress;

(2) the conduct of normal legislative liaison activities; or

(3) the costs described in subsection (a).】

【Sec. 306. No funds appropriated or made available under this or any other Act shall be used by the executive branch for studies, reviews, to solicit proposals, to consider unsolicited proposals, undertake any initiatives or draft any proposals to transfer out of Federal ownership, management or control in whole or in part, the facilities, assets, and functions of the uranium supply and enrichment program, including inventories, until such activities have been specifically authorized in accordance with terms and conditions established by an Act of Congress hereafter enacted: *Provided*, That this provision shall not apply to the authority granted to the Department of Energy under section 161g of the Atomic Energy Act of 1954, as amended, under which it may sell, lease, grant, and dispose of property in furtherance of Atomic Energy Act activities or to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Service Act of 1944 to sell or otherwise dispose of surplus property.】

【Sec. 307. Within three months following the date of enactment of this Act, the Federal Energy Regulatory Commission shall provide the Committee on Appropriations of the House and Senate with a report describing the policies followed in implementing the Commission's responsibilities under the National Environmental Policy Act. This report shall include a description of the steps the Commission has taken to ensure that environmental reviews are conducted efficiently and in a timely manner, the willingness of the Commission to utilize the technical expertise of other Federal and State agencies,

and the Commission's environmental authority regarding nonjurisdictional facilities.】

【Sec. 308. The Federal Energy Regulatory Commission is authorized to extend the time period required for commencement of construction of Project No. 4506 for an additional two years upon application by the licensee to the Federal Energy Regulatory Commission if the Federal Energy Regulatory Commission determines that an extension is warranted under the standard set forth in section 13 of the Federal Power Act and is in the public interest.】

【Sec. 309. None of the funds appropriated by this Act or any other Act may be expended by the Department of Energy or the Department of Justice or any of their component agencies to prosecute any action or to enforce any judgment against any individual corporate shareholder, officer or employee for restitution under section 209 of the Economic Stabilization Act of 1970, as amended, in any case decided by the Temporary Emergency Court of Appeals on May 7, 1987, based upon the role of such individual as a central figure in any statutory or regulatory violation, except for the actual dollar amount personally received by such individual from such violation and any interest assessed on such amount. The prohibition in this section shall apply only until October 1, 1988.】

【Sec. 310. (a) The amendments made by section 643(b) of the Energy Security Act (Public Law 96-294) and any regulations issued to implement such amendment shall apply to qualifying small power production facilities (as such term is defined in the Federal Power Act) using solar energy as the primary energy source to the same extent such amendments and regulations apply to qualifying small power production facilities using geothermal energy as the primary energy source, except that nothing in this Act shall preclude the Federal Energy Regulatory Commission from revising its regulations to limit the availability of exemptions authorized under this Act as it determines to be required in the public interest and consistent with its obligations and duties under section 210 of the Public Utility Regulatory Policies Act of 1978.】

【(b) The provisions of subsection (a) shall apply to a facility using solar energy as the primary energy source only if either of the following is submitted to the Federal Energy Regulatory Commission during the two-year period beginning on the date of enactment of this Act:

- (1) An application for certification of the facility as a qualifying small power production facility.
- (2) Notice that the facility meets the requirements for qualification.】

【Sec. 311. None of the funds appropriated by this Act or any other Act may be expended by the Federal Energy Regulatory Commission for the purpose of issuing a certificate of public convenience and necessity pursuant to the application made by the Iroquois Gas Transmission System under the Commission's optional expedited certificate procedures (Docket No. CP86-523 et al.) until the Commission has considered, in accordance with applicable law, the environmental impacts.】 (*Energy and Water Development Appropriation Act, 1988.*)

## TITLE V—GENERAL PROVISIONS

Sec. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 502. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in this Act. This prohibition bars payment to a party intervening in an administrative proceeding for expenses incurred in appealing an administrative decision to the courts.

【Sec. 503. None of the programs, projects or activities as defined in the report accompanying this Act, may be eliminated or disproportionately reduced due to the application of "Savings and Slippage", "general reduction", or the provision of Public Law 99-177 or Public Law 100-119.】

Sec. 【504】 503. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 【505】 504. None of the funds appropriated in this Act shall be used to implement a program of retention contracts for senior employees of the Tennessee Valley Authority.

【Sec. 506. Notwithstanding any other provision of this Act or any other provision of law, none of the funds made available under this Act or any other law shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required "at cost" to a "market rate" or any other noncost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.】

Sec. 【507】 505. None of the funds appropriated in this Act for Power Marketing Administrations or the Tennessee Valley Authority, and none of the funds authorized to be expended by this or any previous Act from the Bonneville Power Administration Fund or the Tennessee Valley Authority Fund, may be used to pay the costs of procuring extra high voltage (EHV) power equipment unless contract awards are made for EHV equipment manufactured in the United States when such agencies determine that there are one or more manufacturers of domestic end product offering a product that meets the technical requirements of such agencies at a price not exceeding 130 per centum of the bid or offering price of the most competitive foreign bidder: *Provided*, That such agencies shall determine the incremental costs associated with implementing this section and defer or offset such incremental costs against otherwise existing repayment obligations: *Provided further*, That this section shall not apply to any procurement initiated prior to October 1, 1985, or to the acquisition of spare parts or accessory equipment necessary for the efficient operation and maintenance of existing equipment and available only from the manufacturer of the original equipment: *Provided further*, That this section shall not apply to procurement of domestic end product as defined in 48 C.F.R. sec. 25.101: *Provided further*, That this section shall not apply to EHV power equipment produced or manufactured in a country whose government has completed negotiations with the United States to extend the GATT Government Procurement Code, or a bilateral equivalent, to EHV power equipment, or which otherwise offers fair competitive opportunities in public procurements to United States manufacturers of such equipment.

【Sec. 508. None of the funds in this Act may be used to construct or enter into an agreement to construct additional hydropower units at Denison Dam—Lake Texoma.】

【Sec. 509. In honor of Ernest Frederick Hollings, the building located at 83 Meeting Street in Charleston, South Carolina, shall hereafter be known and designated as the "Hollings Judicial Center": *Provided further*, That the lock and dam on the Tombigbee River in Pickens County, Alabama, commonly known as the Aliceville Lock and Dam, and the resource management and visitor center at Aliceville Lake on the Tennessee-Tombigbee Waterway shall hereafter be known and designated as the "Tom Beville Lock and Dam" and the "Tom Beville Resource Management and Visitor Center at Aliceville Lake on the Tennessee-Tombigbee Waterway", respectively. Any reference in a law, map, regulation, document, or paper of the United States to such lock and dam and any reference in a law, map, regulation, document, or paper of the United States to such resource management and visitor center shall be held to be a reference to the "Tom Beville Lock and Dam" and the "Tom Beville Resource Management and Visitor Center at Aliceville Lake on the Tennessee-Tombigbee Waterway", respectively.】 (*Energy and Water Development Appropriation Act, 1988.*)





## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### FOOD AND DRUG ADMINISTRATION

#### Federal Funds

#### General and special funds:

#### [SALARIES AND] PROGRAM EXPENSES

For necessary expenses of the Food and Drug Administration; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed \$25,000; **[\$450,504,000: Provided,** That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701] **\$468,486,000, of which \$25,612,000 shall be for payment of rent and related costs pursuant to Section 210(j) of the Federal Property and Administrative Services Act: Provided,** That neither this nor any other provision of law shall require a reduction in the level of rental space or services below that of fiscal year 1988 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated under this heading: **Provided,** That should the Food and Drug Administration require modification of space needs, the sums provided herein for rental and related costs may be increased or decreased by not more than 10 per centum, and any such increase or decrease shall not alter the total amount available for this account; and of which \$1,450,000 shall remain available until expended for construction and renovation of facilities: **Provided further,** That funds provided under this heading may be used for one-year contracts which are to be performed in two fiscal years so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, **\$471,930,000, of which \$25,612,000 shall be for payment of rent and related costs pursuant to Section 210(j) of the Federal Property and Administrative Services Act: Provided,** That neither this nor any other provision of law shall require a reduction in the level of rental space or services below that of fiscal year 1989 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated under this heading; and of which \$1,450,000 shall remain available until expended for construction and renovation of facilities: **Provided further,** That user fees specifically authorized by law may be credited to appropriations under this heading and shall remain available until expended. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

#### [RENTAL PAYMENTS (FDA)]

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

**[For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act, \$25,612,000: Provided,** That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 10 per centum of the funds made available for rental payments (FDA) to or from this account.] (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 75-0600-0-1-554		1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Foods.....	120,449	126,401	132,265
00.02	Drugs.....	176,508	193,979	174,733
00.03	Devices and radiological products.....	70,972	74,911	77,838
00.04	National Center for Toxicological Research.....	22,964	24,291	25,037
00.05	Program management.....	54,372	56,534	57,163
00.06	Buildings and facilities.....			1,450
00.91	Total direct program.....	445,265	476,116	468,486

01.01	Reimbursable program.....	7,315	7,168	7,168
10.00	Total obligations.....	452,580	483,284	475,654
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-7,315	-7,168	-7,168
21.40	Unobligated balance available, start of year.....	-157	-1,157	-1,157
24.40	Unobligated balance available, end of year.....	1,157	1,157	1,157
25.00	Unobligated balance lapsing.....	2,165		
40.00	<b>Budget authority (appropriation).....</b>	<b>448,430</b>	<b>476,116</b>	<b>468,486</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	445,265	476,116	468,486
72.40	Obligated balance, start of year.....	71,959	96,769	125,058
74.40	Obligated balance, end of year.....	-96,769	-125,058	-143,552
77.00	Adjustments in expired accounts.....	-1,940		
90.00	<b>Outlays.....</b>	<b>418,515</b>	<b>447,827</b>	<b>449,992</b>
<b>Distribution of budget authority by account:</b>				
	Program expenses.....	423,803	450,504	442,874
	Rental payments (FDA).....	24,627	25,612	25,612
<b>Distribution of outlays by account:</b>				
	Program expenses.....	395,386	444,225	424,380
	Rental payments (FDA).....	23,129	27,984	25,612

#### NOTES

Includes \$1,450 thousand for 1989 for activities previously financed from Department of Health and Human Services, Food and Drug Administration, Buildings and facilities.

The activities financed in rental payments (FDA) in 1988 are presented in these schedules and are proposed to be financed in this account in 1989. Budget authority and outlays are distributed by account above.

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$15,774 thousand) and 1988 (\$24,770 thousand) are included above.

The Food and Drug Administration (FDA) administers laws concerning misbranded and adulterated foods, drugs, human biologics, medical devices, cosmetics, and man-made sources of radiation.

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

Identification code 75-0600-0-1-554		1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	227,561	239,354	239,085
11.3	Other than full-time permanent.....	11,539	12,150	12,136
11.5	Other personnel compensation.....	4,254	4,460	4,455
11.8	Special personal services payments.....	357	359	358
11.9	Total personnel compensation.....	243,711	256,323	256,034
12.1	Civilian personnel benefits.....	35,975	38,505	40,262
13.0	Benefits for former personnel.....	203	10	10
21.0	Travel and transportation of persons.....	9,695	10,405	10,641
22.0	Transportation of things.....	1,377	1,473	1,534
23.1	Rental payments to GSA.....	24,627	25,612	25,612
23.2	Rental payments to others.....	1,687	2,936	3,945
23.3	Communications, utilities, and miscellaneous charges.....	13,512	14,161	14,515
24.0	Printing and reproduction.....	2,351	2,476	2,309
25.0	Other services.....	64,568	70,826	67,147
26.0	Supplies and materials.....	13,398	14,370	12,751
31.0	Equipment.....	25,631	29,695	24,048
41.0	Grants, subsidies, and contributions.....	7,365	7,865	8,164
42.0	Insurance claims and indemnities.....	1,165	1,459	1,514
99.0	Subtotal, direct obligations.....	445,265	476,116	468,486
99.0	Reimbursable obligations.....	7,315	7,168	7,168
99.9	Total obligations.....	452,580	483,284	475,654

General and special funds—Continued

**【SALARIES AND】 PROGRAM EXPENSES—Continued**  
**【RENTAL PAYMENT (FDA)】—Continued**  
**【(INCLUDING TRANSFERS OF FUNDS)】—Continued**

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	6,769	6,872	7,032
Total compensable workyears:			
Full-time equivalent employment .....	6,855	6,951	7,111
Full-time equivalent of overtime and holiday hours .....	54	54	54
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	20	20	20
Total compensable workyears: Full-time equivalent employment .....	20	20	20

**【BUILDINGS AND FACILITIES】**

【For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, \$1,450,000.】 (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

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

Identification code 75-0603-0-1-554	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,323	9,149	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-7,143	-7,699	.....
24.40 Unobligated balance available, end of year .....	7,699	.....	.....
40.00 <b>Budget authority (appropriation)</b> .....	<b>1,879</b>	<b>1,450</b>	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,323	9,149	.....
72.40 Obligated balance, start of year .....	5,129	3,211	4,807
74.40 Obligated balance, end of year .....	-3,211	-4,807	-1,328
90.00 <b>Outlays</b> .....	<b>3,241</b>	<b>7,553</b>	<b>3,479</b>

Note.—In 1989 this activity will be financed in Department of Health and Human Services, Food and Drug Administration, Program expenses.

The buildings and facilities appropriation provides funds for projects related to the repair, construction, alteration, and improvement of all buildings and facilities of FDA.

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

Identification code 75-0603-0-1-554	1987 actual	1988 est.	1989 est.
25.0 Other services .....	186	4,100	.....
26.0 Supplies and materials .....	23	.....	.....
31.0 Equipment .....	101	.....	.....
32.0 Land and structures .....	1,013	5,049	.....
99.9 Total obligations .....	1,323	9,149	.....

**Public enterprise funds:**

**REVOLVING FUND FOR CERTIFICATION AND OTHER SERVICES**

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

Identification code 75-4309-0-3-554	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses: Certification services:			
00.01 Color additives .....	1,669	1,718	1,780
00.02 Insulin .....	639	724	753
00.91 Total operating expenses .....	2,308	2,442	2,543
01.01 Capital investment: Purchase of equipment .....	584	600	563
10.00 Total obligations .....	2,892	3,042	3,106

<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-2,322	-3,042	-3,106
17.00 Recovery of prior year obligations .....	-55	.....	.....
21.98 Unobligated balance available, start of year: Fund balance .....	-2,553	-2,038	-2,038
24.98 Unobligated balance available, end of year: Fund balance .....	2,038	2,038	2,038
39.00 <b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	570	.....	.....
72.98 Obligated balance, start of year: Fund balance .....	476	794	794
74.98 Obligated balance, end of year: Fund balance .....	-794	-794	-794
78.00 Adjustments in unexpired accounts .....	-55	.....	.....
90.00 <b>Outlays</b> .....	<b>197</b>	.....	.....

FDA certifies batches of insulin and color additives for use in foods, drugs, and cosmetics. It also lists color additives for use in foods, drugs, medical devices, and cosmetics (21 U.S.C. 346a, 356, 357, 376). These services are financed wholly by fees paid by the industries affected.

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

Identification code 75-4309-0-3-554	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,271	1,426	1,442
11.3 Other than full-time permanent .....	35	39	39
11.5 Other personnel compensation .....	7	8	9
11.9 Total personnel compensation .....	1,313	1,473	1,490
12.1 Civilian personnel benefits .....	161	171	178
21.0 Travel and transportation of persons .....	12	19	20
22.0 Transportation of things .....	2	8	8
23.1 Rental payments to GSA .....	327	376	376
23.3 Communications, utilities, and miscellaneous charges .....	42	42	44
24.0 Printing and reproduction .....	3	2	2
25.0 Other services .....	252	260	270
26.0 Supplies and materials .....	181	149	155
31.0 Equipment .....	599	542	563
99.9 Total obligations .....	2,892	3,042	3,106

**Personnel Summary**

Total number of full-time permanent positions .....	45	45	45
Total compensable workyears: Full-time equivalent employment .....	43	45	45

**HEALTH RESOURCES AND SERVICES ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**HEALTH RESOURCES AND SERVICES**

**PROGRAM OPERATIONS**

For carrying out titles III, 【VI,】 VII, VIII, 【X,】 XVI, and XXIII of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and section 1110 of the Social Security Act, 【and the Stewart B. McKinney Homeless Assistance Act, \$1,551,478,000】 \$1,225,257,000, of which not to exceed 【\$718,000】 \$400,000, to remain available until expended, shall be available for renovating the Gillis W. Long Hansen's Disease Center, 42 U.S.C. 247e, and of which 【\$96,000】 \$500,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act 【and of which \$6,702,000 shall be made available until expended to make grants under section 1610(b) of the Public Health Service Act for renovation or construction of non-acute care intermediate and long term care facilities for AIDS patients: Provided, That grants made under the Excellence in Minority Health Education and Care Act shall be awarded competitively and, notwithstanding section 788A, any university which awards a graduate degree in the health professions and which has a majority enrollment of minority students shall

be eligible to apply and compete for a grant: *Provided further, That the total principal amount of Federal loan insurance available under section 728 of the Public Health Service Act during fiscal year 1988 shall be granted by the Secretary of Health and Human Services without regard to any apportionment or other similar limitation: Provided further, That when:* *Provided, That notwithstanding sections 742(b)(5) and 838(a)(3) of the Public Health Service Act, funds returned to the Secretary pursuant to section 839(c) of the Act or pursuant to a loan agreement under sections 740 and 835 of the Act may be used for activities under titles VII and VIII of the Public Health Service Act: Provided further, That user fees authorized by 31 U.S.C. 9701 may be credited to appropriations under this heading, notwithstanding 31 U.S.C. 3302: Provided further, That notwithstanding section 17002(b) of Public Law 99-272, any employee of the United States Government, other than a Public Health Service Commissioned Officer paid from this appropriation, is subject to provisions of 42 CFR 22.1 as published at 42 FR 43244-43246 on 24 October 1985: Provided further, That not to exceed two-thirds of funds appropriated for health professions and nurse training programs under the Public Health Service Act may be used for direct stipends to minority and disadvantaged students.*

ADMINISTRATIVE PROVISIONS

When the Department of Health and Human Services administers or operates an employee health program for any Federal department or agency, payment for the full estimated cost shall be made by way of reimbursement or in advances to this appropriation.

Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, \$1,196,857,000, of which not to exceed \$400,000 to remain available until expended, shall be available for renovating the Gillis W. Long Hansen's Disease Center, 42 U.S.C. 247e, and of which \$500,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act.

For carrying out subpart 2 of part A of title XIX of the Public Health Service Act, \$4,787,000 to be available June 1, 1988.

DIRECT LOANS AND LOAN GUARANTEES

During fiscal year 1989, and within the resources and authority available under section 338 of the Public Health Service Act, gross obligations for the principal amount of direct loans under sections 335(c), 338C(e)(1), and 338E of that Act shall not exceed \$500,000. *Provided, That the provisions of section 741(i) of the Public Health Service Act shall also apply to schools participating in the Nursing Student Loan Program or lenders participating in the Health Education Assistance Loan Program: Provided further, That during fiscal year 1989, the Secretary of Health and Human Services may enter into commitments totaling \$100,000,000 for fiscal year 1989 to guarantee up to 80 per centum of the value of Health Education and Assistance Loans under subpart 1 of part C of title VII of the Public Health Service Act, so long as the Student Loan Insurance fund has a positive balance: Provided further, That notwithstanding any other law or regulation, the Secretary of Health and Human Services may adjust the insurance premium applied to a Health Education Assistance Loan based on the differential default rates on these loans that are associated with specific lenders, schools or graduate health professions disciplines.*

During fiscal year 1990, and within the resources and authority available under section 338 of the Public Health Service Act, gross obligations for the principal amount of direct loans under sections 335(c), 338C(e)(1), and 338E of that Act shall not exceed \$500,000. *Provided, That the provisions of section 741(i) of the Public Health Service Act shall also apply to schools participating in the Nursing Student Loan Program or lenders participating in the Health Education Assistance Loan Program: Provided further, That during fiscal year 1990, the Secretary of Health and Human Services may enter into commitments totaling \$100,000,000 for fiscal year 1990 to guarantee up to 80 per centum of the value of Health Education and Assistance Loans under subpart 1 of part C of title VII of the Public Health Service Act, so long as the Student Loan Insurance fund has a positive balance: Provided further, That notwithstanding any other law or regulation, the Secretary of Health and Human Services may adjust the insurance premium applied to a Health Education Assistance Loan based on the differential default rates on these loans that are associated with specific lenders, schools or graduate health professions disciplines. (Department of Health and Human Services Appropriations Act, 1988; additional authorizing legislation to be proposed for \$504,423,000.)*

Program and Financing (in thousands of dollars)

Identification code	75-0350-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Health care delivery and assistance:				
Primary care:				
00.03	Community health centers .....	419,549	382,960	400,000
00.04	Black lung clinics .....	3,400	3,255	3,255
00.05	Migrant health centers .....	45,391	43,466	44,423
00.06	Family planning .....	142,499	139,663	.....
00.07	Infant mortality .....	.....	20,105	20,000
00.10	National health service corps .....	37,426	52,657	35,000
00.11	National health service corps recruitment .....	2,296	2,202	2,202
00.13	Hansen's disease center .....	19,390	18,245	18,245
00.14	Pacific Basin Initiative .....	1,500	1,153	.....
00.15	Payment to Hawaii for treatment of Hansen's disease .....	3,300	3,159	3,159
00.16	Health care for the homeless .....	.....	60,361	15,000
00.17	Home health service demonstrations .....	.....	4,787	.....
00.18	Health professions .....	198,672	208,893	40,000
Maternal and child health resources development:				
00.20	Maternal and child health block grant .....	496,750	526,570	561,000
00.21	Pediatric EMS .....	4,000	1,915	.....
00.22	Native Hawaiian children health care needs .....	1,000	.....	.....
00.23	Health teaching facilities .....	571	627	500
00.24	AIDS .....	1,900	36,956	.....
00.25	Organ transplantation .....	7,100	6,032	4,000
00.26	Outpatient facilities and construction .....	5,000	.....	.....
00.27	Buildings and facilities .....	1,448	962	400
00.28	Program management .....	89,825	87,640	76,573
00.29	Rural health research .....	.....	1,436	1,500
00.91	Total direct program .....	1,481,017	1,603,044	1,225,257
01.01	Reimbursable program .....	49,771	50,447	48,447
10.00	Total obligations .....	1,530,788	1,653,491	1,273,704
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-52,152	-48,172	-44,872
14.00	Non-Federal sources .....	-103	-375	-375
21.40	Unobligated balance available, start of year .....	-34,091	-77,906	-27,664
24.40	Unobligated balance available, end of year .....	77,906	27,664	24,464
25.00	Unobligated balance lapsing .....	7,915	1,563	.....
39.00	<b>Budget authority .....</b>	<b>1,530,263</b>	<b>1,556,265</b>	<b>1,225,257</b>
Budget authority:				
40.00	Appropriation .....	1,535,513	1,556,265	1,225,257
41.00	Transferred to other accounts .....	-5,250	.....	.....
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,530,263</b>	<b>1,556,265</b>	<b>1,225,257</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,478,533	1,604,944	1,228,457
72.40	Obligated balance, start of year .....	906,246	887,207	965,074
73.40	Obligated balance transferred, net .....	-1,091	.....	.....
74.40	Obligated balance, end of year .....	-887,207	-965,074	-742,904
77.00	Adjustments in expired accounts .....	-7,472	.....	.....
90.00	<b>Outlays .....</b>	<b>1,489,009</b>	<b>1,527,077</b>	<b>1,450,627</b>

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$1,900 thousand) and 1988 (\$36,956 thousand) are included above. Excludes \$6,393 thousand in 1989 associated with the Indian Health Service elevation. Comparable amounts for 1987 (\$6,115 thousand) and 1988 (\$6,331 thousand) are included above. Excludes \$140,000 thousand in 1989 transferred to Public Health Service Management for the Family Planning Program. Comparable amounts for 1987 (\$145,663 thousand) and 1988 (\$139,663 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	1,530,263	1,556,265	1,225,257
Outlays .....	1,489,009	1,527,077	1,450,627
Credit reform:			
Budget authority .....	.....	.....	-390
Outlays .....	.....	.....	-390
Total:			
Budget authority .....	1,530,263	1,556,265	1,224,867
Outlays .....	1,489,009	1,527,077	1,450,237

General and special funds—Continued

HEALTH RESOURCES AND SERVICES—Continued  
DIRECT LOANS AND LOAN GUARANTEES—Continued

This appropriation supports health resources and health services categorical programs, and the Maternal and Child Health block grant.

Status of Direct Loans (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Position with respect to appropriations act limitation on obligations, Cumulative balance of direct loans outstanding, and Estimate of direct loan subsidy.

1 Government share of cancellation of loan funds as authorized in section 836(b)(3) of the Public Health Service Act.

Status of Guaranteed Loans (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Row includes Cumulative balance of guaranteed loans outstanding.

MEMORANDUM

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Row 2299: U.S. contingent liability for guaranteed loans outstanding, end of year.

Object Classification (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Direct obligations (Personnel compensation, Travel and transportation, etc.) and Reimbursable obligations.

Personnel Summary

Table with 3 columns: Description, 1987 actual, 1988 est., 1989 est. Rows include Direct and Reimbursable personnel counts and workyears.

HEALTH RESOURCES AND SERVICES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Program by activities, Financing, and Relation of obligations to outlays.

This schedule shows the effects of the Administration's credit reform proposal on the Health Resources and Services account. An explanation of the proposal is included in Part 6b of the Budget.

HEALTH EDUCATION ASSISTANCE LOAN SUBSIDIES

Status of Direct Loans (in thousands of dollars)

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Rows include Position with respect to appropriations act limitation on commitments and Cumulative balance of guaranteed loans outstanding.

MEMORANDUM

Table with 4 columns: Identification code, 1987 actual, 1988 est., 1989 est. Row 2299: U.S. contingent liability for guaranteed loans outstanding, end of year.

This account has been created to show the effect of the Administration's credit reform proposal on the Health Education Assistance Loan (HEAL) program. An explanation of the proposal is included in Part 6b of the Budget.

An appropriation to this account would reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by the HEAL program. No appropriation is requested because the Administration's proposal to increase the HEAL insurance premium (proposal for later transmittal) eliminates the grant-equivalent subsidy in the HEAL program.

**HEALTH CARE IMPROVEMENT**

For carrying out medical technology and medical practice assessment research pursuant to Title III of the Public Health Service Act, \$15,000,000.

Further, for fiscal year 1990 for the foregoing purposes, \$15,000,000.

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

Identification code	1987 actual	1988 est.	1989 est.
75-0330-0-1-552			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			15,000
<b>Financing:</b>			
40.00 Budget authority (appropriation)			15,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			15,000
74.40 Obligated balance, end of year			-7,200
90.00 Outlays			7,800

Health Care Improvement supports assessments of medical technology and practices to improve health care effectiveness and efficiency.

**HEALTH CARE QUALITY IMPROVEMENT DATABANK**

For carrying out the Health Care Quality Improvement Act of 1986, as amended, \$2,800,000: Provided, That such funds as may be collected pursuant to section 427(b) of the Act, which shall remain available until expended, shall be available to carry out the Health Care Quality Improvement Act of 1986 and for repaying any and all advances to this fund from the general fund of the Treasury.

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

Identification code	1987 actual	1988 est.	1989 est.
75-4350-0-3-551			
<b>Program by activities:</b>			
10.00 Total obligations			3,200
<b>Financing:</b>			
14.00 Non-Federal sources			-2,250
22.98 Unobligated balance transferred, net			-400
24.98 Unobligated balance available, end of year			2,250
40.00 Budget authority (appropriation)			2,800
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			950
90.00 Outlays			950

This appropriation supports operation of a national system for the receipt, storage, and dissemination of medical malpractice judgments and settlements as well as State licensing board review and disciplinary actions.

**Public enterprise funds:**

**HEALTH PROFESSIONS GRADUATE STUDENT LOAN INSURANCE FUND**

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

Identification code	1987 actual	1988 est.	1989 est.
75-4305-0-3-553			
<b>Program by activities:</b>			
00.01 Operating expenses: death and disability	1,023	1,500	1,600
00.02 Capital investment	18,933	28,500	32,400
10.00 Total obligations	19,956	30,000	34,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest earned on U.S. securities	-875	-800	-450
14.00 Non-Federal sources: Insurance premiums and repayments	-22,629	-29,000	-15,377
Unobligated balance available, start of year:			
21.98 Treasury balance	-5,875	-4,317	-1,297

21.98 U.S. securities (par)	-7,075	-12,180	-15,000
Unobligated balance available, end of year:			
24.98 Treasury balance	4,317	4,117	1,000
24.98 U.S. securities (par)	12,180	12,180	
40.00 Budget authority (appropriation)			2,876
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-3,547	200	18,173
90.00 Outlays	-3,547	200	18,173

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority			2,876
Outlays	-3,547	200	18,173
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			-2,876
Outlays			-3,532
<b>Credit reform:</b>			
Budget authority			17,452
Outlays			18,108
<b>Total:</b>			
Budget authority			17,452
Outlays	-3,547	200	32,749

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

Identification code	1987 actual	1988 est.	1989 est.
75-4305-0-3-553			
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	30,275	48,760	76,260
1232 Disbursements: Disbursements for guaranteed loan claims	12,082	18,525	24,591
1252 Repayments: Repayments of defaulted guaranteed loans	-809	-1,000	-1,250
1264 Adjustments: Other adjustments, net <sup>1</sup>	7,212	9,975	11,340
1290 Outstanding, end of year	48,760	76,260	110,941

<sup>1</sup> Reclassified amounts.

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

Identification code	1987 actual	1988 est.	1989 est.
75-4305-0-3-553			
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders			100,000
2131 Guaranteed loan commitments exempt from limitation	221,462	350,000	76,584
2150 Total guaranteed loan commitments	221,462	350,000	176,584

**Cumulative balance of guaranteed loans outstanding:<sup>1</sup>**

2210 Outstanding, start of year	1,105,750	1,304,653	1,623,453
2231 Disbursements: Disbursements of new guaranteed loans	221,462	350,000	176,584
2251 Repayments: Repayments and prepayments	-9,700	-11,700	-13,700
<b>Adjustments:</b>			
2261 Terminations for default that result in direct loans	-12,082	-18,525	-26,467
2263 Terminations for default that result in claim payments	-777	-975	-1,040
2290 Outstanding, end of year	1,304,653	1,623,453	1,758,830

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year	1,304,653	1,623,453	1,758,830
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent)	2.0	2.0	2.0
2330 Subsidy amount (in thousands of dollars)	4,429	7,000	3,532

<sup>1</sup> Includes carryover commitments from prior years.

The Health Education Assistance Loan program enables students to borrow from private lenders to help pay for the cost of their training at health professions schools.

Public enterprise funds—Continued

HEALTH PROFESSIONS GRADUATE STUDENT LOAN INSURANCE FUND—Continued

DATA ON LOANS

	1987 actual	1988 est.	1989 est.
Dollar volume of loans insured (in millions) .....	221,462	350,000	176,584
Number of students .....	28,683	35,000	17,658
Average value of loans .....	7,721	10,000	10,000

Object Classification (in thousands of dollars)

Identification code 75-4305-0-3-553	1987 actual	1988 est.	1989 est.
33.0 Investments and loans .....	18,933	28,500	32,400
42.0 Insurance claims and indemnities .....	1,023	1,500	1,600
99.9 Total obligations .....	19,956	30,000	34,000

HEALTH PROFESSIONS GRADUATE STUDENT LOAN INSURANCE FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 75-4305-2-3-553	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
14.00 Offsetting collections from non-Federal sources: Insurance premiums .....			-3,532
24.98 Unobligated balance available, end of year: Fund balance .....			656
40.00 Budget authority (appropriation) .....			-2,876
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-3,532
90.00 Outlays .....			-3,532

This account reflects a new legislative proposal to increase the 8 percent premium. These collections will now be included in the Federal Credit Revolving Fund.

HEALTH PROFESSIONS GRADUATE STUDENT LOAN INSURANCE FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 75-4305-6-3-553	1987 Actual	1988 Est.	1989 Est.
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....			450
14.00 Non-Federal sources .....			17,658
24.98 Unobligated balance available, end of year .....			-656
40.00 Budget authority (appropriation) .....			17,452
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			18,108
90.00 Outlays .....			18,108

HEALTH EDUCATION LOANS

Program and Financing (in thousands of dollars)

Identification code 75-4307-0-3-553	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0) .....		352	352
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Interest on investments .....	-453	-1,446	-1,446
21.98 Unobligated balance available, start of year: Fund balance .....	-26,975	-27,429	-28,523
22.98 Unobligated balance transferred, net .....		-9,729	
24.98 Unobligated balance available, end of year: Fund balance .....	27,429	28,523	29,617

31.00 Redemption of debt .....		9,729	
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-454	-1,094	-1,094
72.10 Receivables in excess of obligations, start of year .....	-16,772	-16,670	-17,364
74.10 Receivables in excess of obligations, end of year .....	16,670	17,364	18,058
90.00 Outlays .....	-556	-400	-400

Status of Direct Loans (in thousands of dollars)

Identification code 75-4307-0-3-553	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	3,396	2,915	2,505
1251 Repayments: Repayments and prepayments .....	-478	-400	-400
1262 Adjustments: Write-offs for default .....	-3	-10	-10
1290 Outstanding, end of year .....	2,915	2,505	2,095

Title VII, part C of the Public Health Service Act established a revolving fund from which health professions schools could borrow in order to provide loans to their students. Public Law 89-751, the Allied Health Professions Personnel Training Act of 1966, amended the Public Health Service Act to authorize the Federal Government to pay the difference between the interest paid by students to the schools and the interest payable by the schools to the Government National Mortgage Association (GNMA) and the Treasury.

The participation certificates outstanding, held by this fund, were \$9,729,000 at the end of 1987 and are estimated to remain at that level in 1988. Through redemption of all participation certificates outstanding, the balance held by this fund is expected to drop to zero by 1989.

NURSE TRAINING FUND

Program and Financing (in thousands of dollars)

Identification code 75-4306-0-3-553	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....		797	827
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Interest on investments .....	-195	-50	-50
21.98 Unobligated balance available, start of year: Fund balance .....	-6,901	-7,096	-6,349
24.98 Unobligated balance available, end of year: Fund balance .....	7,096	6,349	5,572
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-195	747	777
72.10 Receivables in excess of obligations, start of year .....	-4,814	-4,842	-4,045
74.10 Receivables in excess of obligations, end of year .....	4,842	4,045	3,218
90.00 Outlays .....	-167	-50	-50

Status of Direct Loans (in thousands of dollars)

Identification code 75-4306-0-3-553	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	3,064	2,853	2,746
1251 Repayments: Repayments and prepayments .....	-134	-50	-50
1264 Adjustments: Other adjustments, net .....	-77	-57	-57
1290 Outstanding, end of year .....	2,853	2,746	2,639

Title VIII, part B, of the Public Health Service Act established a revolving fund from which schools of nursing could borrow in order to provide loans to their students. Public Law 89-751, the Allied Health Professions Personnel Training Act of 1966, amended the Public Health Service Act to authorize the Federal Government to pay the difference between the interest paid by students to the schools and the interest payable by the schools to the Government National Mortgage Association (GNMA) and the Treasury.

**MEDICAL FACILITIES GUARANTEE AND LOAN FUND**  
**FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES**

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, **[\$22,000,000]** \$21,600,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, \$21,000,000. (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code	75-4430-0-3-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	Interest subsidy program: Interest subsidies, private	21,302	22,000	21,600
00.02	Direct loan program: Interest expense paid to FFB	8,814	7,965	
00.91	Total operating expenses	30,116	29,965	21,600
01.01	Capital investment: Direct loan program: Direct loans	1,537	15,645	2,300
10.00	Total obligations	31,653	45,610	23,900
<b>Financing:</b>				
<b>Offsetting collections from: Non-Federal sources: Direct loan program:</b>				
14.00	Principal repaid on FFB loans	-5,288	-6,538	
14.00	Interest repaid on loans not sold	-758	-1,020	
14.00	Principal repaid on loans not sold		-775	
14.00	Default collections, interest	-645	-150	-100
14.00	Default collections, principal		-75	-90
14.00	Proceeds from sale of FFB loans			-59,813
14.00	Proceeds from sales of direct loans			-16,462
14.00	Interest repaid on loans sold	-7,081	-7,050	
21.98	Unobligated balance available, start of year: Fund balance	-44,310	-40,926	-26,386
24.98	Unobligated balance available, end of year: Fund balance	40,926	26,386	40,738
31.00	Redemption of debt	5,503	6,538	59,813
40.00	<b>Budget authority (appropriation)</b>	<b>20,000</b>	<b>22,000</b>	<b>21,600</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	17,881	30,002	-52,565
72.10	Receivables in excess of obligations, start of year	-3,330	398	2,646
74.10	Receivables in excess of obligations, end of year	-398	-2,646	-596
90.00	Outlays	14,153	27,754	-50,515

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

Identification code	75-4430-0-3-551	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	137,354	129,353	122,040
1232	Disbursements: Disbursements for guaranteed loan claims	1,537	15,645	2,300
<b>Repayments:</b>				
1251	Repayments and prepayments	-9,586	-7,313	
1253	Proceeds from loan asset sales to the public			-76,275
<b>Adjustments:</b>				
1262	Write-offs for default		-15,645	-2,300
1264	Other adjustments, net <sup>1</sup>	48		-45,765
1290	Outstanding, end of year	129,353	122,040	

<sup>1</sup> Adjustments in 1987 and 1989 represent discount from face value of loan assets.

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

Identification code	75-4430-0-3-551	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year	875,694	791,959	686,314
2251	Repayments: Repayments and prepayments	-82,198	-90,000	-100,000
2261	Adjustments: Terminations for default that result in direct loans	-1,537	-15,645	-2,300
2290	Outstanding, end of year	791,959	686,314	584,014

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	791,959	686,314	584,014
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Title VI and subsequently title XVI of the Public Health Service Act established a loan and loan guarantee fund for medical facilities with a maximum amount allowable for the Government's liability. Direct loans were made available for public facilities and guaranteed loans for private, nonprofit facilities.

Funds under this authority were established in the amount of \$50 million for use in fulfilling guarantees in event of default, \$30 million as a revolving fund for direct loans and an amount for interest subsidy payments on guaranteed loans. Default and interest subsidy funds are replenished as necessary through the annual appropriation process.

All direct loan assets will be sold to the public during 1989.

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

Identification code	75-4430-0-3-551	1987 actual	1988 est.	1989 est.
33.0	Investments and loans	1,537	15,645	2,300
41.0	Grants, subsidies, and contributions	21,302	22,000	21,600
43.0	Interest and dividends	8,814	7,965	
99.9	Total obligations	31,653	45,610	23,900

**INDIAN HEALTH SERVICE**

**Federal Funds**

**General and special funds:**

**[INDIAN HEALTH SERVICES] TRIBAL AND FEDERAL HEALTH SERVICES**

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles III and **[XXI]** **XXIII** and sections 208 and 338G of the Public Health Service Act with respect to the Indian Health Service, including hire of passenger motor vehicles and aircraft; purchase of reprints; purchase and erection of portable buildings; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; **[\$943,297,000]** the administration of construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications and drawings; acquisition of sites, purchase and erection of portable buildings, purchases of trailers; and for provision of domestic and community sanitation facilities for Indians; \$986,772,000, of which \$245,134,000 shall be made available exclusively for funding grants and contracts for Tribal Health Program activities and of which \$245,000 shall be for repairs and improvements to structures owned or operated by the Indian Health Service; together with payments received during the fiscal year pursuant to 42 U.S.C. 300cc-2 for services furnished by the Indian Health Service, to remain available until expended: Provided, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and

General and special funds—Continued

**[INDIAN HEALTH SERVICES] TRIBAL AND FEDERAL HEALTH SERVICES—Continued**

Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act): *Provided further*, That funds made available to tribes and tribal organizations through grants and contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450), shall remain available until [September 30, 1989 and] *expended: Provided further, That notwithstanding the immediately preceding proviso, \$2,500,000 shall remain available for headquarters relocation until September 30, 1990: Provided further, That \$15,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund and contract medical care: Provided further, That of the funds provided, \$2,000,000 shall be used to carry out a loan repayment program under which Federal, State, and commercial-type educational loans for physicians and other health professionals will be repaid at a rate not to exceed \$25,000 per year of obligated service in return for full-time clinical service in the Indian Health Service. Each individual participating in this program must sign and submit to the Secretary a written contract to accept repayment of educational loans and to serve for the applicable period of service in the Indian Health Service: Provided further, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall be available [until September 30, 1989] for two fiscal years after the fiscal year in which they were collected, for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, construction of new facilities, or major renovation of existing Indian Health Service facilities): Provided further, That of the funds provided, \$2,500,000 shall remain available until expended, for the [establishment of an] Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until [September 30, 1989] expended.*

*Further, for fiscal year 1990, for the foregoing purposes and subject to the same terms and conditions, \$1,003,007,000 together with payments received during the fiscal year pursuant to 42 U.S.C. 300cc-2 for services furnished by the Indian Health Service to remain available until expended, of which \$299,698,000 shall be made available exclusively for funding grants and contracts for Tribal Health Program activities and of which \$2,450,000 shall be for repairs and improvements to structures owned or operated by the Indian Health Service: Provided, That of the funds provided, \$2,000,000 shall be used to carry out a loan repayment program under which Federal, State, and commercial-type educational loans for physicians and other health professionals will be repaid at a rate not to exceed \$25,000 per year of obligated service in return for full-time clinical service in the Indian Health Service: Provided further, That of the funds provided, \$2,500,000 shall remain available until expended, for the Indian Self-Determination Fund, which shall be available for the transitional cost of initial or expanded tribal contracts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act. (Department of the Interior and Related Agencies Appropriations Act, 1988.)*

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

Identification code	75-0390-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Tribal health program:</b>				
00.01	Tribal hospitals and clinics.....	151,977	167,837	178,499
00.02	Tribal preventive health.....	25,794	27,006	27,175
00.03	Management training.....	2,709	3,094	3,192
00.04	Tribal health administration.....	31,371	34,383	36,268
00.91	Total tribal health program.....	211,851	232,320	245,134

<b>Federal health program:</b>				
01.01	Hospitals and clinics.....	565,811	620,739	640,759
01.02	Urban health.....	9,000	9,624	8,662
01.03	Preventive health.....	35,985	38,339	39,598
01.04	Indian health manpower.....	7,018	7,646	7,646
01.05	Federal administration.....	37,111	38,754	40,023
01.06	Headquarters establishment.....			2,500
01.91	Total federal program.....	654,925	715,102	739,188
<b>Health infrastructure:</b>				
02.01	Personnel quarters maintenance.....	2,917	5,142	3,000
03.01	Federal construction.....			2,450
03.94	Total direct program.....	869,693	952,564	989,772
04.01	Reimbursable program.....	61,570	89,810	73,700
10.00	Total obligations.....	931,263	1,042,374	1,063,472
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-7,173	-4,100	-4,700
13.00	Trust funds.....	-26,473	-28,400	-30,400
14.00	Non-Federal sources.....	-34,233	-36,600	-38,600
21.40	Unobligated balance available, start of year.....	-22,448	-28,320	-1,343
22.40	Unobligated balance transferred, net.....			400
24.40	Unobligated balance available, end of year.....	28,320	1,343	943
25.00	Unobligated balance lapsing.....	439		
39.00	Budget authority.....	869,695	946,297	989,772
<b>Budget authority:</b>				
<b>Current:</b>				
40.00	Appropriation.....	869,695	943,297	986,772
<b>Permanent:</b>				
60.00	Appropriation.....		3,000	3,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	863,385	973,274	989,772
72.40	Obligated balance, start of year.....	195,801	240,324	352,684
74.40	Obligated balance, end of year.....	-240,324	-352,684	-359,592
77.00	Adjustments in expired accounts.....	-7,387		
90.00	Outlays.....	811,475	860,914	982,864

NOTES

Includes \$2,450 thousand in 1989 for activities previously financed from "Indian health facilities."  
Includes \$1,536 thousand in 1988 transferred from Departmental Management for working capital fund. Comparable amount for 1987 (\$1,356 thousand) is excluded above.  
Excludes \$270 thousand in 1988 transferred to the Office of the Assistant Secretary for Health for Minority Health. Comparable amount for 1987 (\$270 thousand) is included above.  
Includes \$6,393 thousand in 1989 for activities previously financed from Health Resources and Services. Comparable amounts for 1987 (\$5,971 thousand) and 1988 (\$6,184 thousand) are excluded above.

The tribal health program has been established, pursuant to the goals of the Indian Self-Determination and Education Assistance Act of 1975, to facilitate greater tribal participation in the administration and staffing of federally sponsored health programs that provide medical care and public health services for Indians.

The Indian Health Service Federal health care program provides medical care, public health services, and health profession scholarships for American Indians and Alaska Natives.

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

Identification code	75-0390-0-1-551	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	245,658	263,460	276,931
11.3	Other than full-time permanent.....	11,694	11,020	11,010
11.5	Other personnel compensation.....	16,211	15,569	15,700
11.9	Total personnel compensation.....	273,563	290,049	303,641
12.1	Civilian personnel benefits.....	64,007	82,727	88,359
21.0	Travel and transportation of persons.....	24,508	25,378	26,103
22.0	Transportation of things.....	7,329	7,570	7,537
23.1	Rental payments to GSA.....	4,950	5,142	5,142
23.2	Rental payments to others.....	2,467	5,062	5,062
23.3	Communications, utilities, and miscellaneous charges... ..	21,965	22,632	23,122
24.0	Printing and reproduction.....	966	1,012	1,076
25.0	Other services.....	381,634	426,367	437,644



26.0	Supplies and materials.....	59,709	63,149	65,402
31.0	Equipment.....	9,496	6,841	6,993
32.0	Land and structures.....	228	235	2,668
41.0	Grants, subsidies, and contributions.....	18,830	16,400	17,023
42.0	Insurance claims and indemnities.....	41		
99.0	Subtotal, direct obligations.....	869,693	952,564	989,772
99.0	Reimbursable obligations.....	61,570	89,810	73,700
99.9	Total obligations.....	931,263	1,042,374	1,063,472

42.0	Insurance claims and indemnities.....	6		
99.9	Total obligations.....	47,391	121,321	

Personnel Summary

Total compensable workyears:				
	Full-time equivalent employment.....	153		
	Full-time equivalent of overtime and holiday hours.....	3		

Personnel Summary

Direct:				
	Total number of full-time permanent positions.....	11,626	11,809	11,809
Total compensable workyears:				
	Full-time equivalent employment.....	11,514	10,760	10,545
	Full-time equivalent of overtime and holiday hours.....	182	199	199
Reimbursable:				
	Total number of full-time permanent positions.....	54	54	54
	Total compensable workyears: Full-time equivalent employment.....	51	71	71

INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of portable buildings, purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, \$62,511,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0391-0-1-551				
Program by activities:				
10.00	Total obligations.....	47,391	121,321	
Financing:				
21.40	Unobligated balance available, start of year.....	-35,158	-58,810	
24.40	Unobligated balance available, end of year.....	58,810		
25.00	Unobligated balance lapsing or restored.....	12		
40.00	Budget authority (appropriation).....	71,055	62,511	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	47,391	121,321	
72.40	Obligated balance, start of year.....	81,240	73,959	131,531
74.40	Obligated balance, end of year.....	-73,959	-131,531	-70,352
90.00	Outlays.....	54,672	63,749	61,179

Beginning in 1989, programs previously financed under the Indian Health Facilities account will be financed through the Tribal and Federal Health Services account.

Object Classification (in thousands of dollars)

Identification code 75-0391-0-1-551				
Personnel compensation:				
11.3	Other than full-time permanent.....	3,065	5,900	
11.5	Other personnel compensation.....	213	1,100	
11.9	Total personnel compensation.....	3,278	7,000	
12.1	Civilian personnel benefits.....	484	700	
21.0	Travel and transportation of persons.....	493	900	
22.0	Transportation of things.....	680	700	
23.3	Communications, utilities, and miscellaneous charges.....	179	200	
24.0	Printing and reproduction.....	23	30	
25.0	Other services.....	15,091	7,401	
26.0	Supplies and materials.....	4,253	4,310	
31.0	Equipment.....	2,591	4,169	
32.0	Land and structures.....	20,313	95,911	

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That none of the funds appropriated under this Act to the Indian Health Service shall be available for the initial lease of permanent structures without advance provision therefor in appropriations Acts: *Provided further*, That non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, if such care can be extended without impairing the ability of the Indian Health Service facility to fulfill its responsibility to provide health care to Indians served by such facilities and subject to such reasonable charges as the Secretary of Health and Human Services shall prescribe, the proceeds of which, together with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-53), shall be deposited in the fund established by sections 401 and 402 of the Indian Health Care Improvement Act and in the case of tribally administered facilities, shall be available to the tribal organization without fiscal year limitation: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That with the exception of service Indian Health Service units which currently have a billing policy, the Indian Health Service shall not initiate any further action to bill Indians in order to collect from third-party payers nor to charge those Indians who may have the economic means to pay unless and until such time as Congress has agreed upon a specific policy to do so and has directed the Indian Health Service to implement such a policy: *Provided further*, That the Secretary of Health and Human Services may authorize special retention pay under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve officer for the period during which the officer is obligated under section 338B of the Public Health Service Act and assigned and providing direct health services or serving the officer's obligation as a specialist: *Provided further*, That personnel ceilings may not be imposed on the Indian Health Service nor may any action be taken to reduce the full-time equivalent level of the Indian Health Service by the elimination of temporary employees by reduction in force, hiring freeze or any other means without the review and approval of the Committees on Appropriations: *Provided further*, That funds provided in this Act may be used to reimburse the Indian Health Service travel costs of spouses who accompany prospective Indian Health Service medical professional employees to the site of employment as part of the recruitment process: *Provided further*, That section 103(c) of the Indian Self-Determination Act (88 Stat. 2206) is amended by adding the following sentence at the end thereof: "For purposes of section 224 of the Public Health Service Act of July 1, 1944 (42 U.S.C. 233(a)), as amended by section 4 of the Act of December 31, 1970 (84 Stat. 1870), with respect to claims for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, a tribal organization or Indian contractor carrying out a contract, grant agreement, or cooperative agreement under sections 103 or 104(b) of this Act is deemed to be part of the Public Health Service in the Department of Health and Human Services while carrying out any such contract or agreement and its employees (including those acting on behalf of the organization or contractor as provided in section 2671 of title 28) are deemed employees of the Service while acting within the scope of their employment in carrying out the contract or agreement." *Provided further*, That

General and special funds—Continued

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE—Continued

hereafter the Indian Health Service and tribal health administrations operating under authority of the Indian Self-Determination Act with funds appropriated under this head may seek subrogation of claims including but not limited to auto accident claims, including no-fault claims, personal injury, disease, or disability claims, and any such funds collected shall be credited directly to tribal health administration when subrogation is sought by a facility operated under the Indian Self-Determination Act, or to the funds established by sections 401 and 402 of the Indian Health Care Improvement Act when subrogation is sought by a federally operated facility.

¶The paragraph under the heading "Administrative Provisions, Indian Health Service" that is under the superior headings "Health Resources and Services Administration" and "Department of Health and Human Services" in title II of the Department of the Interior and Related Agencies Appropriations Act, 1987, which is contained in section 101(h) of Public Law 99-500 (100 Stat. 1783-277) and in section 101(h) of Public Law 99-591 (100 Stat. 3341-277) is amended by striking out all after "any political subdivision of the State," in the seventh proviso and inserting in lieu thereof "any corporation (including the University of Alaska), any partnership, any business organization, any non-profit organization, or any person, and may receive or pay money to the extent that such receipt or payment is necessary to equalize the exchange: *Provided*, That available funds previously appropriated for this project may be used for this purpose and that any money received by the Secretary shall be credited to the appropriation for Indian Health Facilities and be used to offset the costs of constructing or lease-purchase of the hospital facilities in Alaska described in this section: *Provided further*, That the Indian Health Service prepares and submits a report prior to June, 1988, which sets forth the legal authority necessary to enter into a lease-purchase contract, identifies the extent of tribal interest in the construction of health facilities for lease-purchase to the Indian Health Service, compares the advantages versus the disadvantages to the Government of lease-purchase to direct Federal construction of the Anchorage facility, including costs of construction, and discusses the efforts expended by the Indian Health Service in protecting the Federal investment to date." (Department of the Interior and Related Agencies Appropriations Act, 1988.)

CENTERS FOR DISEASE CONTROL

Federal Funds

General and special funds:

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles III, XVII, and XIX and section 1102 of the Public Health Service Act, sections 101, 102, 103, 201, 202, and 203 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, [\$771,772,000] \$523,146,000, of which [\$1,915,000] \$2,000,000 shall remain available until expended for equipment and construction and renovation of facilities: *Provided*, That training shall be made subject to reimbursement or advances to this appropriation for not in excess of the full cost of such training: *Provided further*, That funds appropriated under this heading shall be available for payment of the costs of medical care, related expenses, and burial expenses hereafter incurred by or on behalf of any person who had participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health and Human Services and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That collections from user fees, including collections from training and reimbursements and advances for the full cost of proficiency testing of private clinical laboratories, may be credited to this appropriation: *Provided further*, That amounts received by the National Center for Health Statistics from reimbursable and interagency agreements and the sale of data tapes may be credited to this appropriation and shall remain available until expended: ¶*Provided further*, That the General Services Administration is directed to construct under their lease purchase authority,

a 100,000 net sq. ft. office building at the CDC Clifton Road site in Atlanta, Georgia and the laboratory facility in Chamblee, Georgia, designed with the funds which Congress provided to the Centers for Disease Control in the fiscal year 1987 Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriation. CDC is to reimburse GSA for the annual lease payment: *Provided further*, That employees of the Public Health Service, both civilian and Commissioned Officer, detailed to States or municipalities as assignees under authority of section 214 of the PHS Act in the instance where in excess of 50 percent of salaries and benefits of the assignee is paid directly or indirectly by the State or municipality shall be treated as non-Federal employees for reporting purposes only. In addition, the full-time equivalents for organizations within the Department of Health and Human Services shall not be reduced to accommodate implementation of this provision: *Provided further*, That the Director shall cause to be distributed without necessary clearance of the content by any official, organization or office, an AIDS mailer to every American household by June 30, 1988, as approved and funded by the Congress in Public Law 100-71] *Provided further*, That in addition to amounts provided herein, up to \$12,486,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Health and Nutrition Examination Survey.

Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, \$521,503,000, of which \$2,000,000 shall remain available until expended for equipment and construction and renovation of facilities: *Provided*, That in addition to amounts provided herein, up to \$12,486,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Health and Nutrition Examination Survey. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0943-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Preventive health block grant.....	89,529	85,728	85,659
00.02	Prevention centers.....	1,500	1,915	2,000
00.03	Sexually transmitted diseases.....	59,942	65,053	65,447
00.04	Immunization.....	87,361	98,128	101,588
00.05	Infectious diseases.....	186,403	348,387	44,160
00.06	Chronic and environmental diseases.....	31,000	42,973	43,415
Occupational safety and health:				
00.08	Research.....	60,007	59,653	60,292
00.09	Training.....	9,900	9,718	6,600
00.12	Epidemic services.....	53,245	53,863	55,452
00.13	National Center for Health Statistics.....			48,938
00.14	Buildings and facilities.....	2,612	16,145	6,500
00.15	Program management.....	3,161	3,022	3,095
00.91	Total direct program.....	584,660	784,585	523,146
01.01	Reimbursable program.....	43,578	49,622	50,000
10.00	Total obligations.....	628,238	834,207	573,146
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-42,467	-48,617	-48,995
14.00	Non-Federal sources.....	-1,111	-1,005	-1,005
17.00	Recovery of prior year obligations.....	-6,603		
21.40	Unobligated balance available, start of year.....	-15,090	-14,232	
22.40	Unobligated balance transferred, net.....			-3,586
24.40	Unobligated balance available, end of year.....	14,232		3,586
25.00	Unobligated balance lapsing.....	16,708	1,419	
40.00	Budget authority (appropriation).....	593,907	771,772	523,146
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	584,660	784,585	523,146
72.40	Obligated balance, start of year.....	201,299	310,108	476,143
74.40	Obligated balance, end of year.....	-310,108	-476,143	-412,430
77.00	Adjustments in expired accounts.....	-3,221		
78.00	Adjustments in unexpired accounts.....	-6,603		
90.00	Outlays.....	466,027	618,550	586,859

NOTES

Includes \$48,938 thousand in 1989 for health statistics activities transferred from the Office of the Assistant Secretary for Health. Comparable amounts for 1988 (\$48,604 thousand) and 1987 (\$52,125 thousand) are excluded above.  
Includes \$3,466 thousand in 1988 and \$3,475 thousand in 1989 for smoking and health activities transferred from the Office of the Assistant Secretary for Health. A comparable amount for 1987 (\$3,466 thousand) is excluded above.

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$136,249 thousand) and 1988 (\$304,942 thousand) are included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Preventive health block grant.**—Provides States with funds for preventive health services.

**Sexually transmitted diseases.**—Efforts are directed toward reducing morbidity and mortality from sexually transmitted diseases by preventing cases and complications.

**Immunization.**—The long-range goal is to eliminate poliomyelitis, rubella, mumps, diphtheria, pertussis, measles, tetanus and haemophilus influenza B (HIB) as significant public health problems.

**Infectious diseases.**—Supports efforts to develop new or improved prevention, diagnosis, and control methods for infectious diseases, including research, health education, and risk reduction on Acquired Immune Deficiency Syndrome (AIDS).

**Chronic and environmental diseases.**—Efforts are directed toward reducing or preventing illness associated with certain chronic diseases and conditions, and to reduce the adverse health impacts of environmental hazards.

**Occupational safety and health.**—These activities are directed toward the elimination or control of factors in the work environment which are harmful to the health and safety of workers.

**Epidemic services.**—Supports efforts to contain epidemic outbreaks by maintaining national disease surveillance systems, epidemic investigations, and laboratory services, and to prevent the importation of diseases from foreign countries.

**Health Statistics.**—This activity is responsible for the collection, maintenance, analysis and dissemination of statistics on health.

**Buildings and facilities.**—This activity provides funds for projects related to repair, alteration, and improvement of facilities and for equipment.

**Program management.**—This activity provides leadership and administrative management.

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

Identification code	75-0943-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	102,321	109,738	112,946
11.3	Other than full-time permanent .....	7,346	7,749	8,321
11.5	Other personnel compensation .....	3,727	4,179	4,155
11.8	Special personal services payments .....	258		
11.9	<b>Total personnel compensation .....</b>	<b>113,652</b>	<b>121,666</b>	<b>125,422</b>
12.1	Civilian personnel benefits .....	24,016	31,586	32,826
13.0	Benefits for former personnel .....	67		
21.0	Travel and transportation of persons .....	6,444	5,766	5,414
22.0	Transportation of things .....	1,366	1,334	1,247
23.1	Rental payments to GSA .....	2,001	2,848	4,351
23.3	Communications, utilities, and miscellaneous charges .....	11,484	11,768	18,915
24.0	Printing and reproduction .....	5,264	13,603	11,101
25.0	Other services .....	68,503	98,445	49,937
26.0	Supplies and materials .....	50,979	26,216	18,226
31.0	Equipment .....	17,494	4,553	2,248
32.0	Land and structures .....	1,444	15,009	864
41.0	Grants, subsidies, and contributions .....	281,938	451,791	252,596
42.0	Insurance claims and indemnities .....	8		
99.0	<b>Subtotal, direct obligations .....</b>	<b>584,660</b>	<b>784,585</b>	<b>523,146</b>
99.0	Reimbursable obligations .....	43,578	49,622	50,000
99.9	<b>Total obligations .....</b>	<b>628,238</b>	<b>834,207</b>	<b>573,146</b>

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	3,568	3,805	4,299
Total compensable workyears:			
Full-time equivalent employment .....	3,846	4,077	4,557
Full-time equivalent of overtime and holiday hours .....	23	25	25
<b>Reimbursement:</b>			
Total number of full-time permanent positions .....	318	445	467
Total compensable workyears: Full-time equivalent .....	309	432	453

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows:  
Environmental Protection Agency: "Hazardous substance response trust fund."

**NATIONAL INSTITUTES OF HEALTH**

*Federal Funds*

**General and special funds:**

**NATIONAL CANCER INSTITUTE**

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, **[\$1,469,327,000] \$1,468,256,000.**

Further, for fiscal year 1990 for the foregoing purposes, **\$1,496,978,000.** (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code	75-0849-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Research:</b>				
00.01	Cancer causation .....	373,528	391,034	382,748
00.02	Detection and diagnosis research .....	103,682	104,381	111,518
00.03	Treatment research .....	437,303	474,975	463,882
00.04	Cancer biology .....	271,619	279,191	287,111
00.91	<b>Total research .....</b>	<b>1,186,132</b>	<b>1,249,581</b>	<b>1,245,259</b>
<b>Resource development:</b>				
01.01	Cancer centers support .....	97,110	102,893	103,907
01.02	Research manpower development .....	43,293	43,742	44,445
01.03	Construction .....	5,406		
01.91	<b>Total resource development .....</b>	<b>145,809</b>	<b>146,635</b>	<b>148,352</b>
02.01	Cancer prevention and control .....	70,849	72,272	74,645
02.93	<b>Total direct program .....</b>	<b>1,402,790</b>	<b>1,468,488</b>	<b>1,468,256</b>
03.01	Reimbursable program .....	6,645	6,572	2,372
10.00	<b>Total obligations .....</b>	<b>1,409,435</b>	<b>1,475,060</b>	<b>1,470,628</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-6,645	-6,572	-2,372
25.00	Unobligated balance lapsing .....	47	839	
40.00	<b>Budget authority (appropriation) .....</b>	<b>1,402,837</b>	<b>1,469,327</b>	<b>1,468,256</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,402,790	1,468,488	1,468,256
72.40	Obligated balance, start of year .....	779,718	934,146	1,107,456
74.40	Obligated balance, end of year .....	-934,146	-1,107,456	-1,126,119
77.00	Adjustments in expired accounts .....	-2,845		
90.00	<b>Outlays .....</b>	<b>1,245,517</b>	<b>1,295,178</b>	<b>1,449,593</b>

**NOTES**

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$63,755 thousand) and 1988 (\$89,944 thousand) are included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**The National Cancer Institute's central mission is to develop the means of reducing the incidence of morbidity**

General and special funds—Continued

NATIONAL CANCER INSTITUTE—Continued

ty and mortality from cancer through a broad range of basic and applied research, prevention and control activities, and resource development activities.

Object Classification (in thousands of dollars)

Identification code	75-0849-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	56,039	56,139	53,842
11.3	Other than full-time permanent	18,703	18,703	17,853
11.5	Other personnel compensation	2,935	2,904	2,904
11.8	Special personal services payments	7,807	7,807	7,988
11.9	<b>Total personnel compensation</b>	<b>85,484</b>	<b>85,553</b>	<b>82,587</b>
12.1	Civilian personnel benefits	13,069	16,297	14,609
13.0	Benefits for former personnel	186	200	200
21.0	Travel and transportation of persons	3,684	3,284	3,140
22.0	Transportation of things	857	589	569
23.2	Rental payments to others	7,452	7,750	7,750
24.0	Printing and reproduction	4,636	4,821	5,821
25.0	Other services	355,810	382,826	336,154
26.0	Supplies and materials	30,592	31,816	24,376
31.0	Equipment	13,547	14,089	12,089
32.0	Land and structures	1	1	1
41.0	Grants, subsidies, and contributions	887,470	921,260	980,958
43.0	Interest and dividends	2	2	2
99.0	<b>Subtotal, direct obligations</b>	<b>1,402,790</b>	<b>1,468,488</b>	<b>1,468,256</b>
99.0	Reimbursable obligations	6,645	6,572	2,372
99.9	<b>Total obligations</b>	<b>1,409,435</b>	<b>1,475,060</b>	<b>1,470,628</b>

Personnel Summary

Direct:	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions	1,971	1,971	1,971
Total compensable workyears:			
Full-time equivalent employment	2,210	2,212	2,194
Full-time equivalent of overtime and holiday hours	26	26	26

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301, title IV, and section 1105 of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, **[\$965,536,000] \$1,015,471,000.**

Further, for fiscal year 1990 for the foregoing purposes, **\$1,035,024,000.** (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0872-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Heart and vascular diseases	533,078	555,657	606,025
00.02	Lung diseases	151,202	154,230	164,683
00.03	Blood diseases and resources	140,938	147,029	132,909
00.04	Construction	2,250		
00.05	Intramural research	63,559	66,777	69,444
00.06	Research management and support	38,954	41,627	42,410
00.91	<b>Total direct program</b>	<b>929,981</b>	<b>965,320</b>	<b>1,015,471</b>
01.01	Reimbursable program	1,879	1,600	1,600
10.00	<b>Total obligations</b>	<b>931,860</b>	<b>966,920</b>	<b>1,017,071</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-1,879	-1,600	-1,600
25.00	Unobligated balance lapsing	20	216	
40.00	<b>Budget authority (appropriation)</b>	<b>930,001</b>	<b>965,536</b>	<b>1,015,471</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	929,981	965,320	1,015,471
72.40	Obligated balance, start of year	534,110	641,807	718,730
74.40	Obligated balance, end of year	-641,807	-718,730	-765,999

77.00	Adjustments in expired accounts	-153		
90.00	Outlays	822,131	888,397	968,202

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$17,244 thousand) and 1988 (\$24,738 thousand) are included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for research and research training in the areas of heart, lung, blood vessel, and blood diseases.

Object Classification (in thousands of dollars)

Identification code	75-0872-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	22,482	23,616	23,841
11.3	Other than full-time permanent	5,783	6,060	6,198
11.5	Other personnel compensation	959	980	1,000
11.8	Special personal services payments	1,133	1,170	1,195
11.9	<b>Total personnel compensation</b>	<b>30,357</b>	<b>31,826</b>	<b>32,234</b>
12.1	Civilian personnel benefits	4,886	5,331	5,581
13.0	Benefits for former personnel	73	76	78
21.0	Travel and transportation of persons	992	1,006	1,100
22.0	Transportation of things	178	145	180
23.2	Rental payments to others	2,107	2,150	2,255
24.0	Printing and reproduction	995	1,015	1,065
25.0	Other services	132,493	133,140	118,100
26.0	Supplies and materials	6,347	6,470	7,100
31.0	Equipment	6,349	6,500	7,225
41.0	Grants, subsidies, and contributions	745,203	777,661	840,553
42.0	Insurance claims and indemnities	1		
99.0	<b>Subtotal, direct obligations</b>	<b>929,981</b>	<b>965,320</b>	<b>1,015,471</b>
99.0	Reimbursable obligations	1,879	1,600	1,600
99.9	<b>Total obligations</b>	<b>931,860</b>	<b>966,920</b>	<b>1,017,071</b>

Personnel Summary

Total number of full-time permanent positions	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions	770	770	770
Total compensable workyears:			
Full-time equivalent employment	851	851	851
Full-time equivalent of overtime and holiday hours	6	6	6

NATIONAL INSTITUTE OF DENTAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental diseases, **[\$126,297,000] \$127,157,000.**

Further, for fiscal year 1990 for the foregoing purposes, **\$129,401,000.** (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0873-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Diseases of the teeth and supporting tissue	58,690	60,256	61,313
00.02	Disorders of structure, function, and behavior	20,919	24,599	24,962
00.03	Dental research institutes	7,000	9,621	9,621
00.04	Intramural research	24,301	24,289	23,435
00.05	Research management and support	7,016	7,457	7,826
00.91	<b>Total direct program</b>	<b>117,926</b>	<b>126,222</b>	<b>127,157</b>
01.01	Reimbursable program	476	570	
10.00	<b>Total obligations</b>	<b>118,402</b>	<b>126,792</b>	<b>127,157</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-476	-570	
25.00	Unobligated balance lapsing	19	76	
40.00	<b>Budget authority (appropriation)</b>	<b>117,945</b>	<b>126,297</b>	<b>127,157</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	117,926	126,221	127,157
72.40	Obligated balance, start of year .....	54,281	68,540	84,347
74.40	Obligated balance, end of year .....	-68,540	-84,347	-89,084
77.00	Adjustments in expired accounts .....	-164		
90.00	Outlays .....	103,503	110,414	122,421

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$3,247 thousand) and 1988 (\$3,169 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for research and research training in diseases of the teeth and supporting tissue and in disorders of craniofacial structure, functions, and behavior.

Object Classification (in thousands of dollars)

Identification code 75-0873-0-1-550	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	7,847	7,976	8,050
11.3	Other than full-time permanent .....	3,470	3,522	3,555
11.5	Other personnel compensation .....	253	264	267
11.8	Special personal services payments .....	807	818	825
11.9	Total personnel compensation .....	12,377	12,580	12,697
12.1	Civilian personnel benefits .....	1,900	1,917	1,934
13.0	Benefits for former personnel .....	25	26	27
21.0	Travel and transportation of persons .....	346	285	361
22.0	Transportation of things .....	63	64	65
23.2	Rental payments to others .....	604	625	630
24.0	Printing and reproduction .....	350	350	350
25.0	Other services .....	14,613	13,880	13,031
26.0	Supplies and materials .....	3,531	3,619	3,665
31.0	Equipment .....	2,969	2,500	2,500
41.0	Grants, subsidies, and contributions .....	81,148	90,376	91,896
99.0	Subtotal, direct obligations .....	117,926	126,221	127,157
99.0	Reimbursable obligations .....	476	570	
99.9	Total obligations .....	118,402	126,792	127,157

Personnel Summary

Direct:	Total number of full-time permanent positions .....	285	285	285
	Total compensable workyears:			
	Full-time equivalent employment .....	342	341	337
	Full-time equivalent of overtime and holiday hours .....	1	1	1

NATIONAL INSTITUTE OF DIABETES, AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney diseases, **[\$534,733,000]** \$562,258,000.

Further, for fiscal year 1990 for the foregoing purposes, \$572,906,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0884-0-1-550	1987 actual	1988 est.	1989 est.	
Program by activities:				
Direct program:				
00.01	Diabetes, endocrinology and skin diseases .....	226,490	235,277	247,954
00.02	Digestive diseases and nutrition .....	103,968	110,507	116,740
00.03	Kidney disease, urology and hematology .....	106,665	111,586	117,706
00.04	Intramural research .....	57,529	60,198	62,162
00.05	Research management and support .....	16,228	17,032	17,696
00.91	Total direct program .....	510,880	534,600	562,258
01.01	Reimbursable program .....	3,817	4,534	1,100
10.00	Total obligations .....	514,697	539,134	563,358

Financing:				
11.00	Offsetting collections from: Federal funds .....	-3,817	-4,534	-1,100
25.00	Unobligated balance lapsing .....	244	133	
40.00	Budget authority (appropriation) .....	511,124	534,733	562,258

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	510,880	534,601	562,258
72.40	Obligated balance, start of year .....	352,824	392,074	452,836
74.40	Obligated balance, end of year .....	-392,074	-452,836	-476,624
77.00	Adjustments in expired accounts .....	585		
90.00	Outlays .....	472,215	473,839	538,470

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$495 thousand) and 1988 (\$3,351 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for research and research training in the areas of diabetes, digestive and kidney diseases.

Object Classification (in thousands of dollars)

Identification code 75-0884-0-1-550	1987 actual	1988 est.	1989 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	15,440	15,748	15,847
11.3	Other than full-time permanent .....	6,152	6,275	6,315
11.5	Other personnel compensation .....	823	839	844
11.8	Special personal services payments .....	2,901	2,959	2,978
11.9	Total personnel compensation .....	25,316	25,821	25,984
12.1	Civilian personnel benefits .....	3,694	3,768	3,792
13.0	Benefits for former personnel .....	50	51	51
21.0	Travel and transportation of persons .....	621	583	750
22.0	Transportation of things .....	99	84	87
23.2	Rental payments to others .....	1,160	903	945
24.0	Printing and reproduction .....	304	528	550
25.0	Other services .....	39,985	43,614	39,007
26.0	Supplies and materials .....	9,017	10,360	7,445
31.0	Equipment .....	5,562	3,385	1,238
32.0	Land and structures .....	9	9	10
41.0	Grants, subsidies, and contributions .....	425,063	445,494	482,400
99.0	Subtotal, direct obligations .....	510,880	534,600	562,258
99.0	Reimbursable obligations .....	3,817	4,534	1,100
99.9	Total obligations .....	514,697	539,134	563,358

Personnel Summary

Total number of full-time permanent positions .....	583	583	583
Total compensable workyears:			
Full-time equivalent employment .....	608	596	588
Full-time equivalent of overtime and holiday hours .....	7	8	8

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological and communicative disorders and stroke, **[\$534,692,000]** \$557,585,000.

Further, for fiscal year 1990 for the foregoing purposes, \$568,131,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0886-0-1-550	1987 actual	1988 est.	1989 est.	
Program by activities:				
Direct program:				
00.01	Biological basis research .....	248,130	273,666	288,600
00.02	Clinical research .....	169,070	181,687	190,619
00.03	Intramural research .....	54,902	59,939	58,380
00.04	Research management and support .....	18,034	19,226	19,986
00.91	Total direct program .....	490,136	534,518	557,585

General and special funds—Continued

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE  
DISORDERS AND STROKE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-0886-0-1-550	1987 actual	1988 est.	1989 est.
01.01	Reimbursable program.....	1,533	2,050	2,050
10.00	Total obligations.....	491,669	536,568	559,635
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-1,525	-2,000	-2,000
14.00	Non-Federal sources.....	-8	-50	-50
25.00	Unobligated balance lapsing.....	97	174	
40.00	<b>Budget authority (appropriation).....</b>	<b>490,233</b>	<b>534,692</b>	<b>557,585</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	490,136	534,518	557,585
72.40	Obligated balance, start of year.....	282,836	348,342	410,330
74.40	Obligated balance, end of year.....	-348,342	-410,330	-432,834
77.00	Adjustments in expired accounts.....	-317		
90.00	Outlays.....	424,313	472,530	535,081

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$3,685 thousand) and 1988 (\$12,212 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for research and research training in the areas of neurological and communicative disorders and stroke.

Object Classification (in thousands of dollars)

Identification code	75-0886-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	15,657	16,148	15,620
11.3	Other than full-time permanent.....	7,542	7,775	7,663
11.5	Other personnel compensation.....	528	548	562
11.8	Special personal services payments.....	1,937	2,250	2,450
11.9	Total personnel compensation.....	25,664	26,721	26,295
12.1	Civilian personnel benefits.....	3,700	3,852	3,929
13.0	Benefits for former personnel.....	53	53	55
21.0	Travel and transportation of persons.....	802	749	733
22.0	Transportation of things.....	133	109	102
23.2	Rental payments to others.....	1,166	1,228	1,228
24.0	Printing and reproduction.....	271	286	271
25.0	Other services.....	45,188	49,767	49,605
26.0	Supplies and materials.....	4,856	5,113	4,792
31.0	Equipment.....	4,041	4,255	3,974
41.0	Grants, subsidies, and contributions.....	404,262	442,384	466,600
42.0	Insurance claims and indemnities.....		1	1
99.0	Subtotal, direct obligations.....	490,136	534,518	557,585
99.0	Reimbursable obligations.....	1,533	2,050	2,050
99.9	Total obligations.....	491,669	536,568	559,635

Personnel Summary

Direct:	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	553	553	553
Total compensable workyears:			
Full-time equivalent employment.....	714	704	704
Full-time equivalent of overtime and holiday hours.....	6	7	7

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, **[\$638,800,000] \$435,084,000.**

Further, for fiscal year 1990 for the foregoing purposes, \$443,123,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0885-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Immunology, allergic and immunologic diseases.....	137,055	143,255	145,500
00.02	Microbiology and infectious diseases.....	313,810	392,156	208,478
00.03	Intramural research.....	72,262	77,604	59,881
00.04	Research management and support.....	22,306	25,507	21,225
00.91	Total direct program.....	545,433	638,522	435,084
01.01	Reimbursable program.....	6,710	7,983	5,577
10.00	Total obligations.....	552,143	646,505	440,661
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-6,710	-7,983	-5,577
25.00	Unobligated balance lapsing.....	90	278	
40.00	<b>Budget authority (appropriation).....</b>	<b>545,523</b>	<b>638,800</b>	<b>435,084</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	545,433	638,522	435,084
72.40	Obligated balance, start of year.....	238,215	391,505	528,036
74.40	Obligated balance, end of year.....	-391,505	-528,036	-420,046
77.00	Adjustments in expired accounts.....	348		
90.00	Outlays.....	392,490	501,991	543,074

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$145,760 thousand) and 1988 (\$223,383 thousand) are included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for research and research training in immunology, allergic and immunologic diseases and in microbiology and infectious diseases.

Object Classification (in thousands of dollars)

Identification code	75-0885-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	17,628	19,889	18,084
11.3	Other than full-time permanent.....	6,379	7,174	6,752
11.5	Other personnel compensation.....	1,093	1,202	1,116
11.8	Special personal services payments.....	1,606	1,767	1,580
11.9	Total personnel compensation.....	26,706	30,032	27,532
12.1	Civilian personnel benefits.....	4,404	5,889	5,609
13.0	Benefits for former personnel.....	60	60	64
21.0	Travel and transportation of persons.....	987	986	1,054
22.0	Transportation of things.....	340	357	352
23.2	Rental payments to others.....	1,793	1,950	2,040
24.0	Printing and reproduction.....	344	450	468
25.0	Other services.....	125,015	133,343	52,866
26.0	Supplies and materials.....	9,195	9,655	5,938
31.0	Equipment.....	9,447	9,919	6,202
32.0	Land and structures.....	65		
41.0	Grants, subsidies, and contributions.....	367,076	445,881	332,959
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	545,433	638,522	435,084
99.0	Reimbursable obligations.....	6,710	7,983	5,577
99.9	Total obligations.....	552,143	646,505	440,661

Personnel Summary

Total number of full-time permanent positions.....	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	652	652	652
Total compensable workyears:			
Full-time equivalent employment.....	752	796	805
Full-time equivalent of overtime and holiday hours.....	11	12	12

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, **[\$632,676,000]** \$676,728,000.

Further, for fiscal year 1990 for the foregoing purposes, \$639,465,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0851-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Cellular and molecular basis of disease .....	167,454	184,955	201,264
00.02 Genetics .....	188,926	213,847	229,060
00.03 Pharmacological sciences .....	79,528	83,940	86,083
00.04 Biophysics and physiological sciences .....	110,861	123,945	133,416
00.05 Minority access to research careers .....	8,566	8,703	8,945
00.06 Intramural research .....	794	906	941
00.07 Research management and support .....	14,738	16,349	17,019
00.91 Total direct program .....	570,867	632,645	676,728
01.01 Reimbursable program .....	8,057	7,900	2,390
10.00 Total obligations .....	578,924	640,545	679,118
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-8,057	-7,900	-2,390
25.00 Unobligated balance lapsing .....	49	31	
40.00 Budget authority (appropriation) .....	570,916	632,676	676,728
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	570,867	632,645	676,728
72.40 Obligated balance, start of year .....	297,324	401,447	517,021
74.40 Obligated balance, end of year .....	-401,447	-517,021	-586,178
77.00 Adjustments in expired accounts .....	410		
90.00 Outlays .....	467,154	517,071	607,571

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$180 thousand) and 1988 (\$2,394 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for biomedical research and research training in the areas of cellular and molecular basis of disease, genetics, pharmacological sciences, physiology, biophysics, physiological sciences, and minority access to research careers.

Object Classification (in thousands of dollars)

Identification code 75-0851-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	4,444	4,815	4,843
11.3 Other than full-time permanent .....	711	769	769
11.5 Other personnel compensation .....	93	95	95
11.9 Total personnel compensation .....	5,248	5,679	5,707
12.1 Civilian personnel benefits .....	759	821	924
13.0 Benefits for former personnel .....	15	15	15
21.0 Travel and transportation of persons .....	153	152	153
22.0 Transportation of things .....	13	20	20
23.2 Rental payments to others .....	144	165	169
24.0 Printing and reproduction .....	224	300	300
25.0 Other services .....	11,326	14,705	15,274
26.0 Supplies and materials .....	73	73	73
31.0 Equipment .....	483	483	483
41.0 Grants, subsidies, and contributions .....	552,429	610,232	653,610
99.0 Subtotal, direct obligations .....	570,867	632,645	676,728
99.0 Reimbursable obligations .....	8,057	7,900	2,390
99.9 Total obligations .....	578,924	640,545	679,118

Personnel Summary

Direct:	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions .....	165	165	165
Total compensable workyears: Full-time equivalent employment .....	157	161	159

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, **[\$396,811,000]** \$397,945,000.

Further, for fiscal year 1990 for the foregoing purposes, \$405,139,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0844-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Research for mothers and children .....	190,505	212,008	210,177
00.02 Population .....	118,720	123,923	123,957
00.03 Intramural research .....	40,855	42,985	45,307
00.04 Research management and support .....	16,571	17,721	18,504
00.91 Total direct program .....	366,651	396,637	397,945
01.01 Reimbursable program .....	2,480	1,800	1,800
10.00 Total obligations .....	369,131	398,437	399,745
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-2,480	-1,800	-1,800
25.00 Unobligated balance lapsing .....	129	174	
40.00 Budget authority (appropriation) .....	366,780	396,811	397,945
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	366,651	396,638	397,945
72.40 Obligated balance, start of year .....	219,299	271,298	331,187
74.40 Obligated balance, end of year .....	-271,298	-331,187	-351,922
77.00 Adjustments in expired accounts .....	-184		
90.00 Outlays .....	314,468	336,749	377,210

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$4,762 thousand) and 1988 (\$14,292 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The National Institute of Child Health and Human Development supports research and research training in maternal and child health and in population sciences.

Object Classification (in thousands of dollars)

Identification code 75-0844-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	11,362	12,685	12,656
11.3 Other than full-time permanent .....	3,995	4,460	4,450
11.5 Other personnel compensation .....	645	720	718
11.8 Special personal services payments .....	2,003	2,236	2,231
11.9 Total personnel compensation .....	18,005	20,101	20,055
12.1 Civilian personnel benefits .....	2,597	2,899	2,892
13.0 Benefits for former personnel .....	36	36	36
21.0 Travel and transportation of persons .....	778	740	914
22.0 Transportation of things .....	159	165	165
23.2 Rental payments to others .....	1,286	1,350	1,400
24.0 Printing and reproduction .....	273	425	440
25.0 Other services .....	52,637	58,044	49,570
26.0 Supplies and materials .....	6,432	6,604	7,000
31.0 Equipment .....	3,032	3,113	3,300
32.0 Land and structures .....	2		
41.0 Grants, subsidies, and contributions .....	281,413	303,160	312,173
43.0 Interest and dividends .....	1		
99.0 Subtotal, direct obligations .....	366,651	396,637	397,945
99.0 Reimbursable obligations .....	2,480	1,800	1,800
99.9 Total obligations .....	369,131	398,437	399,745

Personnel Summary

Direct:	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions .....	386	386	386

General and special funds—Continued

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT—Continued

Personnel Summary—Continued

Total compensable workyears:			
Full-time equivalent employment.....	451	448	447
Full-time equivalent of overtime and holiday hours.....	6	7	7

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, **[\$224,947,000] \$229,021,000.**

Further, for fiscal year 1990 for the foregoing purposes, **\$233,397,000.** (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0887-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Retinal and choroidal diseases.....	83,939	95,731	94,545
00.02	Anterior segment diseases.....	65,714	59,581	62,360
00.03	Strabismus, amblyopia, and visual processing.....	39,676	42,795	44,255
00.04	Construction.....	2,250		
00.05	Intramural research.....	18,549	19,852	20,756
00.06	Research management and support.....	6,400	6,919	7,105
00.91	Total direct program.....	216,528	224,878	229,021
01.01	Reimbursable program.....	341	200	200
10.00	Total obligations.....	216,869	225,078	229,221
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-341	-200	-200
25.00	Unobligated balance lapsing.....	109	69	
40.00	<b>Budget authority (appropriation).....</b>	<b>216,637</b>	<b>224,947</b>	<b>229,021</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	216,528	224,878	229,021
72.40	Obligated balance, start of year.....	127,745	158,267	178,994
74.40	Obligated balance, end of year.....	-158,267	-178,994	-186,934
77.00	Adjustments in expired accounts.....	270		
90.00	Outlays.....	186,277	204,151	221,081

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$253 thousand) and 1988 (\$3,830 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for research and research training in the areas of eye diseases and visual disorders.

Object Classification (in thousands of dollars)

Identification code	75-0887-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	5,325	5,707	5,839
11.3	Other than full-time permanent.....	1,989	2,186	2,254
11.5	Other personnel compensation.....	200	240	240
11.8	Special personal services payments.....	424	477	490
11.9	Total personnel compensation.....	7,938	8,610	8,823
12.1	Civilian personnel benefits.....	1,026	1,330	1,403
13.0	Benefits for former personnel.....	17	17	17
21.0	Travel and transportation of persons.....	318	390	429
22.0	Transportation of things.....	56	52	58
23.2	Rental payments to others.....	571	593	550
24.0	Printing and reproduction.....	126	191	220
25.0	Other services.....	17,497	18,818	18,793
26.0	Supplies and materials.....	2,173	2,976	3,274
31.0	Equipment.....	2,073	1,300	1,300
41.0	Grants, subsidies, and contributions.....	184,733	190,601	194,154
99.0	Subtotal, direct obligations.....	216,528	224,878	229,021

99.0	Reimbursable obligations.....	341	200	200
99.9	Total obligations.....	216,869	225,078	229,221

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	187	187	187
Total compensable workyears:			
Full-time equivalent employment.....	200	209	208
Full-time equivalent of overtime and holiday hours.....	1	1	1

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311, and title IV of the Public Health Service Act with respect to environmental health sciences, **[\$215,666,000] \$218,934,000.**

Further, for fiscal year 1990 for the foregoing purposes, **\$222,768,000.** (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0862-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Characterization of environmental health hazards.....	27,044	28,160	30,292
00.02	Biological response to environmental health hazards....	26,676	25,762	27,499
00.03	Applied toxicological research and testing.....	58,037	61,183	58,112
00.04	Biometry and risk estimation.....	8,311	8,295	8,476
00.05	Resources and manpower development.....	24,861	25,430	25,610
00.06	Intramural research.....	57,991	60,097	62,106
00.07	Research management and support.....	6,331	6,564	6,839
00.91	Total direct program.....	209,251	215,491	218,934
01.01	Reimbursable program.....	18,505	21,648	22,400
10.00	Total obligations.....	227,756	237,139	241,334
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-18,505	-21,648	-22,400
25.00	Unobligated balance lapsing.....	43	175	
40.00	<b>Budget authority (appropriation).....</b>	<b>209,294</b>	<b>215,666</b>	<b>218,934</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	209,251	215,491	218,934
72.40	Obligated balance, start of year.....	110,345	125,744	107,643
74.40	Obligated balance, end of year.....	-125,744	-107,643	-108,618
77.00	Adjustments in expired accounts.....	-610		
90.00	Outlays.....	193,242	233,592	217,959

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$216 thousand) and 1988 (\$3,917 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for biomedical research and research training related to environmental health hazards and toxicology research.

Object Classification (in thousands of dollars)

Identification code	75-0862-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	15,748	16,315	16,202
11.3	Other than full-time permanent.....	4,980	5,159	5,043
11.5	Other personnel compensation.....	455	471	473
11.8	Special personal services payments.....	1,413	1,464	1,471
11.9	Total personnel compensation.....	22,596	23,409	23,189
12.1	Civilian personnel benefits.....	3,072	3,920	4,037
13.0	Benefits for former personnel.....	57	60	60
21.0	Travel and transportation of persons.....	768	810	810
22.0	Transportation of things.....	134	140	140
23.2	Rental payments to others.....	5,130	5,536	5,536
24.0	Printing and reproduction.....	443	459	459
25.0	Other services.....	73,269	76,421	75,370



26.0	Supplies and materials.....	7,782	8,070	8,070
31.0	Equipment.....	6,189	6,375	6,375
32.0	Land and structures.....	7	25	25
41.0	Grants, subsidies, and contributions.....	89,803	90,266	94,863
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	209,251	215,491	218,934
99.0	Reimbursable obligations.....	18,505	21,648	22,400
99.9	Total obligations.....	227,756	237,139	241,334

31.0	Equipment.....	2,241	2,353	2,470
41.0	Grants, subsidies, and contributions.....	134,689	149,115	158,190
99.0	Subtotal, direct obligations.....	177,461	194,665	204,770
99.0	Reimbursable obligations.....	825	596	625
99.9	Total obligations.....	178,286	195,261	205,395

**Personnel Summary**

Total number of full-time permanent positions.....	620	620	620
Total compensable workyears:			
Full-time equivalent employment.....	742	730	723
Full-time equivalent of overtime and holiday hours.....	8	9	9

**Personnel Summary**

Total number of full-time permanent positions.....	304	304	304
Total compensable workyears:			
Full-time equivalent employment.....	374	370	367
Full-time equivalent of overtime and holiday hours.....	5	5	5

**NATIONAL INSTITUTE ON AGING**

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, **[\$194,746,000] \$204,770,000.**  
Further, for fiscal year 1990 for the foregoing purposes, **\$208,702,000.**  
(Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code 75-0843-0-1-550	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Aging.....	145,547	160,805	169,881
00.02	Intramural research.....	22,935	23,609	24,055
00.03	Research management and support.....	8,979	10,251	10,834
00.91	Total direct program.....	177,461	194,665	204,770
01.01	Reimbursable program.....	825	596	625
10.00	Total obligations.....	178,286	195,261	205,395
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-825	-596	-625
25.00	Unobligated balance lapsing.....	220	81	
40.00	<b>Budget authority (appropriation).....</b>	<b>177,681</b>	<b>194,746</b>	<b>204,770</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	177,461	194,666	204,770
72.40	Obligated balance, start of year.....	116,147	144,868	176,514
74.40	Obligated balance, end of year.....	-144,868	-176,514	-194,510
77.00	Adjustments in expired accounts.....	-498		
90.00	Outlays.....	148,241	163,020	186,774

**NOTES**

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$184 thousand) and 1988 (\$361 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for biomedical research and research training in the field of aging.

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

Identification code 75-0843-0-1-550	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	8,720	9,382	9,523
11.3	Other than full-time permanent.....	2,883	3,102	3,148
11.5	Other personnel compensation.....	359	386	392
11.8	Special personal services payments.....	1,049	1,129	1,146
11.9	Total personnel compensation.....	13,011	13,999	14,209
12.1	Civilian personnel benefits.....	1,843	2,466	2,565
13.0	Benefits for former personnel.....	29	29	29
21.0	Travel and transportation of persons.....	346	360	394
22.0	Transportation of things.....	92	100	110
23.2	Rental payments to others.....	2,022	2,225	2,336
24.0	Printing and reproduction.....	258	273	287
25.0	Other services.....	20,647	21,348	21,664
26.0	Supplies and materials.....	2,283	2,397	2,516

**NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES**

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis, and musculoskeletal and skin diseases, **[\$147,679,000] \$158,244,000.**  
Further, for fiscal year 1990 for the foregoing purposes, **\$161,311,000.**  
(Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code 75-0888-0-1-550	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Arthritis, musculoskeletal and skin diseases.....	127,948	134,405	144,504
00.02	Intramural research.....	6,887	8,626	8,919
00.03	Research management and support.....	3,840	4,618	4,821
00.91	Total direct program.....	138,675	147,649	158,244
01.01	Reimbursable program.....	1,697	1,616	900
10.00	Total obligations.....	140,372	149,265	159,144
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,697	-1,616	-900
25.00	Unobligated balance lapsing.....	38	30	
40.00	<b>Budget authority (appropriation).....</b>	<b>138,713</b>	<b>147,679</b>	<b>158,244</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	138,675	147,649	158,244
72.40	Obligated balance, start of year.....		109,238	116,904
74.40	Obligated balance, end of year.....	-109,238	-116,904	-125,286
90.00	Outlays.....	29,437	139,983	149,862

**NOTES**

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$100 thousand) and 1988 (\$660 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for biomedical research and research training in the areas of arthritis, and musculoskeletal and skin diseases.

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

Identification code 75-0888-0-1-550	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	1,919	2,839	2,902
11.3	Other than full-time permanent.....	636	895	915
11.5	Other personnel compensation.....	135	201	206
11.8	Special personal services payments.....	98	146	149
11.9	Total personnel compensation.....	2,788	4,081	4,172
12.1	Civilian personnel benefits.....	447	675	709
13.0	Benefits for former personnel.....	3	5	8
21.0	Travel and transportation of persons.....	151	200	238
22.0	Transportation of things.....	14	19	20
23.2	Rental payments to others.....	106	145	150
24.0	Printing and reproduction.....	55	60	62
25.0	Other services.....	7,604	9,652	9,843
26.0	Supplies and materials.....	1,366	1,400	1,413
31.0	Equipment.....	966	525	543

General and special funds—Continued

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	75-0888-0-1-550	1987 actual	1988 est.	1989 est.
41.0	Grants, subsidies, and contributions .....	125,175	130,887	141,086
99.0	Subtotal, direct obligations .....	138,675	147,649	158,244
99.0	Reimbursable obligations .....	1,697	1,616	900
99.9	Total obligations .....	140,372	149,265	159,144

Personnel Summary

Total number of full-time permanent positions.....	67	67	67
Total compensable workyears:			
Full-time equivalent employment .....	67	107	106
Full-time equivalent of overtime and holiday hours .....	1	1	1

RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, [\$368,153,000, of which \$23,935,000 shall remain available until expended to provide for the repair, renovation, modernization, and expansion of existing facilities and purchase of associated equipment, and to make grants and enter into contracts for such purposes] \$319,977,000: Provided, That none of these funds, with the exception of funds for the Minority Biomedical Research Support program, shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants.

Further, for fiscal year 1990 for the foregoing purposes, \$326,286,000: Provided, That none of these funds, with the exception of funds for the Minority Biomedical Research Support program, shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0848-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Clinical research .....	92,115	103,072	92,337
00.02	Biomedical research technology .....	44,922	44,575	44,520
00.03	Laboratory animal sciences and primate research.....	54,879	66,159	52,920
00.04	Biomedical research support .....	92,976	91,139	90,753
00.05	Minority biomedical research support.....	28,178	28,502	28,502
00.06	Research facilities improvement .....		23,935	
00.07	Research management and support .....	9,711	10,738	10,945
00.91	Total direct program .....	322,781	368,120	319,977
01.01	Reimbursable program.....	14,591	12,640	14,140
10.00	Total obligations.....	337,372	380,760	334,117
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-14,591	-12,640	-14,140
25.00	Unobligated balance lapsing .....	78	33	
40.00	Budget authority (appropriation) .....	322,859	368,153	319,977
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	322,781	368,120	319,977
72.40	Obligated balance, start of year .....	146,911	184,546	211,877
74.40	Obligated balance, end of year .....	-184,546	-211,877	-192,097
77.00	Adjustments in expired accounts.....	849		
90.00	Outlays.....	285,995	340,789	339,757

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$11,027 thousand) and 1988 (\$50,418 thousand) are included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Division of Research Resources develops and supports specialized transdisciplinary research resources in the Nation's research institutions.

Object Classification (in thousands of dollars)

Identification code	75-0848-0-1-550	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	3,040	3,397	3,270
11.3	Other than full-time permanent .....	332	397	382
11.5	Other personnel compensation .....	128	144	139
11.9	Total personnel compensation .....	3,500	3,938	3,791
12.1	Civilian personnel benefits .....	524	680	681
13.0	Benefits for former personnel .....	9	9	9
21.0	Travel and transportation of persons .....	160	163	164
22.0	Transportation of things.....	19	18	19
23.3	Communications, utilities, and miscellaneous charges...	204	225	238
24.0	Printing and reproduction .....	150	200	208
25.0	Other services .....	9,640	9,668	10,139
26.0	Supplies and materials.....	79	73	71
31.0	Equipment.....	145	173	172
41.0	Grants, subsidies, and contributions .....	308,351	352,973	304,485
99.0	Subtotal, direct obligations.....	322,781	368,120	319,977
99.0	Reimbursable obligations .....	14,591	12,640	14,140
99.9	Total obligations.....	337,372	380,760	334,117

Personnel Summary

Total number of full-time permanent positions.....	82	82	82
Total compensable workyears:			
Full-time equivalent employment .....	92	101	102
Full-time equivalent of overtime and holiday hours .....	1	2	2

NATIONAL CENTER FOR NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, [\$23,380,000] \$24,400,000.

Further, for fiscal year 1990 for the foregoing purposes, \$23,822,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0889-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Nursing research .....	18,650	21,317	22,257
00.91	Total direct program .....	19,924	23,366	24,400
01.01	Reimbursable program.....	71	160	160
10.00	Total obligations.....	19,995	23,526	24,560
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-71	-160	-160
25.00	Unobligated balance lapsing .....	76	14	
40.00	Budget authority (appropriation) .....	20,000	23,380	24,400
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	19,924	23,366	24,400
72.40	Obligated balance, start of year .....		18,363	20,483
74.40	Obligated balance, end of year .....	-18,363	-20,483	-21,357
90.00	Outlays.....	1,561	21,246	23,526

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. The comparable amount in 1988 (\$510 thousand) is included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for biomedical research and research training in the field of nursing.

Object Classification (in thousands of dollars)

Identification code	75-0889-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	616	1,085	1,103
11.3	Other than full-time permanent .....	6	15	15
11.5	Other personnel compensation .....	26	75	75
11.9	Total personnel compensation .....	648	1,175	1,193
12.1	Civilian personnel benefits .....	75	150	152
21.0	Travel and transportation of persons .....	44	76	100
22.0	Transportation of things .....	8	9	9
23.2	Rental payments to others .....	24	28	32
24.0	Printing and reproduction .....	24	38	42
25.0	Other services .....	943	425	465
26.0	Supplies and materials .....	20	33	35
31.0	Equipment .....	99	115	115
41.0	Grants, subsidies, and contributions .....	18,039	21,317	22,257
99.0	Subtotal, direct obligations .....	19,924	23,366	24,400
99.0	Reimbursable obligations .....	71	160	160
99.9	Total obligations .....	19,995	23,526	24,560

Personnel Summary

Total number of full-time permanent positions .....	15	15	15
Total compensable workyears:			
Full-time equivalent employment .....	15	30	30
Full-time equivalent of overtime and holiday hours .....		1	1

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, **[\$15,651,000]** \$11,338,000, of which \$1,852,000 shall be available for payment to the Gorgas Memorial Institute [for maintenance and operation of the Gorgas Memorial Laboratory].

Further, for fiscal year 1990 for the foregoing purposes, \$11,516,000, of which \$1,852,000 shall be available for payment to the Gorgas Memorial Institute. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0819-0-1-552	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Gorgas Memorial Institute .....	1,934	1,852	1,852
00.02	International research activities .....	4,784	9,007	4,507
00.03	Research management and support .....	4,658	4,782	4,979
00.91	Total direct program .....	11,376	15,641	11,338
01.01	Reimbursable program .....	557	750	700
10.00	Total obligations .....	11,933	16,391	12,038
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-557	-750	-700
25.00	Unobligated balance lapsing .....	44	10	
40.00	Budget authority (appropriation) .....	11,420	15,651	11,338
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	11,376	15,641	11,338
72.40	Obligated balance, start of year .....	5,232	6,814	9,407
74.40	Obligated balance, end of year .....	-6,814	-9,407	-8,642
77.00	Adjustments in expired accounts .....	-84		
90.00	Outlays .....	9,711	13,048	12,103

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. The comparable amount in 1988 (\$4,500 thousand) is included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Fogarty International Center administers programs of advanced study and related international activities.

Object Classification (in thousands of dollars)

Identification code	75-0819-0-1-552	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,611	1,770	1,824
11.3	Other than full-time permanent .....	190	208	215
11.5	Other personnel compensation .....	54	62	64
11.8	Special personal services payments .....	35	42	43
11.9	Total personnel compensation .....	1,890	2,082	2,146
12.1	Civilian personnel benefits .....	259	278	288
13.0	Benefits for former personnel .....	6	6	6
21.0	Travel and transportation of persons .....	68	74	72
22.0	Transportation of things .....	8	8	8
23.2	Rental payments to others .....	175	177	184
24.0	Printing and reproduction .....	46	48	50
25.0	Other services .....	1,999	1,912	2,025
26.0	Supplies and materials .....	49	50	50
31.0	Equipment .....	158	148	150
41.0	Grants, subsidies, and contributions .....	6,718	10,859	6,359
99.0	Subtotal, direct obligations .....	11,376	15,641	11,338
99.0	Reimbursable obligations .....	557	750	700
99.9	Total obligations .....	11,933	16,391	12,038

Personnel Summary

Total number of full-time permanent positions .....	51	51	51
Total compensable workyears:			
Full-time equivalent employment .....	57	59	58
Full-time equivalent of overtime and holiday hours .....	1	1	1

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, **[\$67,910,000]** \$70,626,000.

Further, for fiscal year 1990 for the foregoing purposes, \$71,595,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0807-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Extramural programs .....	14,283	20,094	15,277
00.02	Intramural programs and services .....	41,563	46,843	48,788
00.03	Research management and support .....	5,829	6,309	6,561
00.91	Total direct program .....	61,675	73,246	70,626
01.01	Reimbursable program .....	4,287	5,563	6,067
10.00	Total obligations .....	65,962	78,809	76,693
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-4,287	-5,563	-6,067
21.40	Unobligated balance available, start of year .....	-5,405	-5,405	
24.40	Unobligated balance available, end of year .....	5,405		
25.00	Unobligated balance lapsing .....	163	69	
40.00	Budget authority (appropriation) .....	61,838	67,910	70,626
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	61,675	73,246	70,626
72.40	Obligated balance, start of year .....	25,217	27,274	30,959
74.40	Obligated balance, end of year .....	-27,274	-30,959	-31,560
77.00	Adjustments in expired accounts .....	152		
90.00	Outlays .....	59,770	69,561	70,025

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for medical library services, and research and development in biomedical communications.

General and special funds—Continued

NATIONAL LIBRARY OF MEDICINE—Continued

Object Classification (in thousands of dollars)

Identification code 75-0807-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	15,284	16,170	16,467
11.3 Other than full-time permanent.....	1,809	1,914	1,949
11.5 Other personnel compensation.....	425	449	457
11.8 Special personal services payments.....	28	30	31
11.9 Total personnel compensation.....	17,546	18,563	18,904
12.1 Civilian personnel benefits.....	2,198	2,685	2,734
13.0 Benefits for former personnel.....	55	59	61
21.0 Travel and transportation of persons.....	224	255	265
22.0 Transportation of things.....	128	100	104
23.2 Rental payments to others.....	1,075	1,740	1,810
24.0 Printing and reproduction.....	1,157	1,175	1,222
25.0 Other services.....	19,191	28,767	24,825
26.0 Supplies and materials.....	378	510	530
31.0 Equipment: Literature.....	2,901	3,266	3,397
31.0 Equipment: Other.....	4,915	4,012	4,172
32.0 Land and structures.....	4		
41.0 Grants, subsidies, and contributions.....	11,903	12,114	12,602
99.0 Subtotal, direct obligations.....	61,675	73,246	70,626
99.0 Reimbursable obligations.....	4,287	5,563	6,067
99.9 Total obligations.....	65,962	78,809	76,693

Personnel Summary

Total number of full-time permanent positions.....	505	505	505
Total compensable workyears:			
Full-time equivalent employment.....	548	546	539
Full-time equivalent of overtime and holiday hours.....	9	9	9

OFFICE OF THE DIRECTOR

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, **[\$61,819,000]** \$52,413,000, including purchase of not to exceed **[six]** five passenger motor vehicles for replacement only.

Further, for fiscal year 1990 for the foregoing purposes, \$53,016,000, including purchase of not to exceed five passenger motor vehicles for replacement only. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0846-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	56,917	61,780	52,413
01.01 Reimbursable program.....	25,434	31,014	31,014
10.00 Total obligations.....	82,351	92,794	83,427
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-25,434	-31,014	-31,014
25.00 Unobligated balance lapsing.....	291	39	
40.00 Budget authority (appropriation).....	57,208	61,819	52,413
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	56,917	61,780	52,413
72.40 Obligated balance, start of year.....	101,545	97,703	76,602
74.40 Obligated balance, end of year.....	-97,703	-76,602	-55,998
77.00 Adjustments in expired accounts.....	-66		
90.00 Outlays.....	60,693	82,881	73,017

NOTES

Excludes AIDS research and education which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$9,999 thousand) and 1988 (\$10,977 thousand) are included above. The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Office of the Director provides overall administration to the National Institutes of Health through

centralized services, policy development, and program coordination.

Object Classification (in thousands of dollars)

Identification code 75-0846-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	16,569	17,667	18,498
11.3 Other than full-time permanent.....	950	1,001	1,057
11.5 Other personnel compensation.....	253	267	279
11.8 Special personal services payments.....	79	83	87
11.9 Total personnel compensation.....	17,851	19,018	19,921
12.1 Civilian personnel benefits.....	2,223	2,732	2,901
13.0 Benefits for former personnel.....	61	65	69
21.0 Travel and transportation of persons.....	189	190	210
22.0 Transportation of things.....	15	24	24
23.2 Rental payments to others.....	588	600	616
24.0 Printing and reproduction.....	278	280	290
25.0 Other services.....	34,332	37,781	27,292
26.0 Supplies and materials.....	285	290	290
31.0 Equipment.....	1,095	800	800
41.0 Grants, subsidies and contributions.....			
99.0 Subtotal, direct obligations.....	56,917	61,780	52,413
99.0 Reimbursable obligations.....	25,434	31,014	31,014
99.9 Total obligations.....	82,351	92,794	83,427

Personnel Summary

Total number of full-time permanent positions.....	495	495	495
Total compensable workyears:			
Full-time equivalent employment.....	518	561	555
Full-time equivalent of overtime and holiday hours.....	3	4	4

BUILDINGS AND FACILITIES

For construction of, and acquisition of **[sites and]** equipment for, facilities of or used by the National Institutes of Health, **[\$47,870,000]** \$5,000,000, to remain available until expended.

Further, for fiscal year 1990 for the foregoing purposes, \$5,000,000, to remain available until expended. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0838-0-1-552	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Research facilities.....	21,271	62,394	
00.02 Service and administrative.....	4,515	5,996	5,000
01.01 Reimbursable program.....	357		
10.00 Total obligations.....	26,143	68,390	5,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-357		
21.40 Unobligated balance available, start of year.....	-14,406	-20,520	
24.40 Unobligated balance available, end of year.....	20,520		
40.00 Budget authority (appropriation).....	31,900	47,870	5,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	25,786	68,390	5,000
72.40 Obligated balance, start of year.....	27,758	34,061	67,248
74.40 Obligated balance, end of year.....	-34,061	-67,248	-41,749
90.00 Outlays.....	19,483	35,203	30,499

Note.—Includes \$19,150 thousand in 1988 for AIDS related activities.

The National Institutes of Health direct construction program provides for the design and construction of Federal laboratories, libraries, office buildings, and other facilities essential to the mission of the National Institutes of Health.

Object Classification (in thousands of dollars)				
Identification code	75-0838-0-1-552	1987 actual	1988 est.	1989 est.
Direct obligations:				
24.0	Printing and reproduction	1	5	5
25.0	Other services	25,628	68,285	4,895
31.0	Equipment	140	100	100
32.0	Land and structures	17		
99.0	Subtotal, direct obligations	25,786	68,390	5,000
99.0	Reimbursable obligations	357		
99.9	Total obligations	26,143	68,390	5,000

**Intragovernmental funds:**

**NATIONAL INSTITUTES OF HEALTH MANAGEMENT FUND**

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

Identification code	75-3966-0-4-552	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Computer services	10,009	13,365	13,701
00.02	Intramural scientific services	16,704	16,902	17,503
00.03	Clinical services	136,232	148,527	153,800
00.04	Grant review and approval	22,662	25,691	26,954
00.05	Intramural research support services	80,185	83,186	85,929
00.06	Rental payments	9,288	11,222	12,132
10.00	Total obligations	275,080	298,893	310,019
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-275,088	-298,893	-310,019
25.00	Unobligated balance lapsing	8		
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-8		
72.98	Obligated balance, start of year: Fund balance	54,764	70,139	70,139
74.98	Obligated balance, end of year: Fund balance	-70,139	-70,139	-70,139
90.00	Outlays	-15,383		

The NIH management fund supports the conduct of NIH central operations which include computer services, intramural scientific services, clinical services, grant review and approval, and intramural research support services. These activities are financed through advances and reimbursements from all NIH appropriations.

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

Identification code	75-3966-0-4-552	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	82,513	95,248	94,835
11.3	Other than full-time permanent	10,227	11,629	11,817
11.5	Other personnel compensation	8,003	8,969	9,147
11.8	Special personal services payments	349	363	368
11.9	Total personnel compensation	101,092	116,209	116,167
12.1	Civilian personnel benefits	15,984	17,785	18,497
13.0	Benefits for former personnel	403	349	350
21.0	Travel and transportation of persons	795	1,017	1,047
22.0	Transportation of things	591	556	582
23.1	Rental payments to GSA	7,367	9,270	10,089
23.2	Rental payments to others		2,686	2,866
23.3	Communications, utilities, and miscellaneous charges	21,435	25,517	27,320
24.0	Printing and reproduction	2,332	1,698	1,776
25.0	Other services	82,043	77,269	79,964
26.0	Supplies and materials	29,846	32,859	37,733
31.0	Equipment	13,126	13,678	13,708
32.0	Land and structures	57		
42.0	Insurance claims and indemnities	7		
43.0	Interest and dividends	2		
99.9	Total obligations	275,080	298,893	310,019

**Personnel Summary**

Total number of full-time permanent positions	3,385	3,385	3,385
Total compensable workyears:			
Full-time equivalent employment	3,438	3,533	3,483
Full-time equivalent of overtime and holiday hours	150	175	178

**SERVICE AND SUPPLY FUND**

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

Identification code	75-4554-0-4-552	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
Administrative services:				
00.01	Cost of goods sold	27,672	28,173	28,337
00.02	Other	86,598	97,992	102,352
00.04	Data processing services	54,378	56,876	58,767
Instrumentation:				
00.06	Cost of goods sold	1,096	893	893
00.07	Other	5,592	5,917	5,959
00.09	Research animals	8,391	9,340	11,478
00.91	Total operating expenses	183,727	199,191	207,786
Capital investment:				
01.01	Administrative services: Purchase of equipment and systems design	1,545	1,679	1,851
01.02	Data processing services	1,217	1,264	1,308
01.03	Instrumentation: Purchase of equipment	724	1,406	1,500
01.04	Research animals: Purchase of equipment	52	52	52
01.91	Total capital investment	3,538	4,401	4,711
10.00	Total obligations	187,265	203,592	212,497
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds: Sales program	-187,270	-203,592	-212,497
25.00	Unobligated balance lapsing	5		
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-5		
72.98	Obligated balance, start of year: Fund balance	10,542	9,161	9,161
74.98	Obligated balance, end of year: Fund balance	-9,161	-9,161	-9,161
90.00	Outlays	1,376		

The National Institutes of Health Service and Supply fund provides a single means for consolidated financing and accounting of business-type operations involving the sale of services and commodities to NIH and non-NIH customers.

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

Identification code	75-4554-0-4-552	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	26,151	30,871	30,021
11.3	Other than full-time permanent	1,749	1,885	2,043
11.5	Other personnel compensation	2,262	2,385	2,550
11.8	Special personal services payments	7	2	22
11.9	Total personnel compensation	30,169	35,143	34,636
12.1	Civilian personnel benefits	3,813	5,502	5,948
13.0	Benefits for former personnel	57	42	34
21.0	Travel and transportation of persons	158	262	272
22.0	Transportation of things	391	412	434
23.1	Rental payments to GSA	705	308	325
23.2	Rental payments to others	71	39,917	41,323
23.3	Communications, utilities, and miscellaneous charges	59,778	28,106	28,500
24.0	Printing and reproduction	2,610	4,122	4,250
25.0	Other services	48,591	48,235	52,457
26.0	Supplies and materials	35,213	35,661	38,069
31.0	Equipment	5,704	5,882	6,249
32.0	Land and structures			
42.0	Insurance claims and indemnities	3		

**Intragovernmental funds—Continued**

**SERVICE AND SUPPLY FUND—Continued**

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

Identification code	75-4554-0-4-552	1987 actual	1988 est.	1989 est.
43.0	Interest and dividends .....	2		
99.9	Total obligations .....	187,265	203,592	212,497

**Personnel Summary**

Total number of full-time permanent positions .....	1,118	1,118	1,118
Total compensable workyears:			
Full-time equivalent employment .....	998	1,058	1,058
Full-time equivalent of overtime and holiday hours .....	60	65	65

**ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH**

For carrying out the Public Health Service Act with respect to mental health, drug abuse, alcohol abuse, and alcoholism, and the Protection and Advocacy for Mentally Ill Individuals Act of 1986, **[\$1,373,727,000** of which **\$4,787,000** shall be available, on a pro rata basis, for grants to the States for State comprehensive mental health services plans pursuant to title V of Public Law 99-660 (100 Stat. 3794-3797), and] **\$1,326,796,000** of which **[\$191,000]** **\$200,000** for renovation of government owned or leased intramural research facilities shall remain available until expended.

Further, for fiscal year 1990 for the foregoing purposes, **\$1,314,652,000** of which **\$200,000** for renovation of government owned or leased intramural research facilities shall remain available until expended. (Department of Health and Human Services Appropriations Act, 1988.)

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

identification code	75-1361-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Grants to States .....	671,711	686,923	689,077
Mental health:				
01.01	Research .....	247,011	279,630	271,767
01.02	Demonstrations .....	14,849	33,235	30,885
01.03	Protection and advocacy .....	10,490	10,555	8,000
01.04	Training .....	33,894	35,854	29,949
01.05	Direct operations .....	35,767	37,488	32,521
01.91	Total mental health .....	342,011	396,762	373,122
Drug abuse:				
02.01	Research .....	122,619	130,802	103,895
02.02	Demonstrations .....	14,009	51,504	
02.03	Training .....	2,250	2,298	2,400
02.04	Direct operations .....	12,950	14,778	12,429
02.91	Total drug abuse .....	151,828	199,382	118,724
Alcohol abuse:				
03.01	Research .....	69,560	80,318	83,081
03.02	Demonstrations .....		9,200	4,600
03.03	Training .....	2,500	2,538	2,651
03.04	Direct operations .....	9,701	9,683	9,278
03.91	Total alcohol abuse .....	81,761	101,739	99,610
04.01	Direct prevention .....	50,551	36,147	34,264
05.01	Treatment outcome research .....		2,310	2,310
06.01	Buildings and facilities .....	639	965	200
07.01	Program management .....	8,120	8,000	9,489
08.00	Total direct program .....	1,306,621	1,432,228	1,326,796

08.01	Reimbursable program .....	5,804	3,190	3,190
10.00	Total obligations .....	1,312,425	1,435,418	1,329,986
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-5,804	-3,190	-3,190
21.40	Unobligated balance available, start of year .....	-809	-58,835	
24.40	Unobligated balance available, end of year .....	58,835		
25.00	Unobligated balance lapsing .....	23	334	
39.00	<b>Budget authority .....</b>	<b>1,364,670</b>	<b>1,373,727</b>	<b>1,326,796</b>
Budget authority:				
40.00	Appropriation .....	1,375,065	1,373,727	1,326,796
41.00	Transferred to other accounts .....	-10,395		
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,364,670</b>	<b>1,373,727</b>	<b>1,326,796</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,306,621	1,432,228	1,326,796
72.40	Obligated balance, start of year .....	279,395	399,402	442,365
74.40	Obligated balance, end of year .....	-399,402	-442,365	-409,882
77.00	Adjustments in expired accounts .....	-20,593		
90.00	Outlays .....	1,166,021	1,389,265	1,359,279

NOTES

Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amounts in 1987 (\$47,553 thousand) and 1988 (\$112,257 thousand) are included above.

The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This program provides Federal support for treatment, research, and research training in the areas of alcohol, drug abuse, and mental health.

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

Identification code	75-1361-0-1-550	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	43,402	48,969	47,657
11.3	Other than full-time permanent .....	12,627	14,239	14,391
11.5	Other personnel compensation .....	1,718	1,949	1,961
11.8	Special personal services payments .....	1,933	1,853	1,858
11.9	Total personnel compensation .....	59,680	67,010	65,867
12.1	Civilian personnel benefits .....	8,339	9,518	11,089
13.0	Benefits for former personnel .....	34	34	34
21.0	Travel and transportation of persons .....	1,773	1,818	2,029
22.0	Transportation of things .....	286	312	318
23.1	Rental payments to GSA .....	2,563	2,623	2,391
23.3	Communications, utilities, and miscellaneous charges .....	3,847	3,640	3,616
24.0	Printing and reproduction .....	2,678	2,800	2,522
25.0	Other services .....	117,563	134,873	97,031
26.0	Supplies and materials .....	7,932	8,419	7,800
31.0	Equipment .....	10,339	8,875	7,642
41.0	Grants, subsidies, and contributions .....	1,091,587	1,192,306	1,126,457
99.0	Subtotal, direct obligations .....	1,306,621	1,432,228	1,326,796
99.0	Reimbursable obligations .....	5,804	3,190	3,190
99.9	Total obligations .....	1,312,425	1,435,418	1,329,986

**Personnel Summary**

Total number of full-time permanent positions .....	1,241	1,302	1,297
Total compensable workyears:			
Full-time equivalent employment .....	1,625	1,710	1,705
Full-time equivalent of overtime and holiday hours .....	11	11	11

**FEDERAL SUBSIDY FOR SAINT ELIZABETHS HOSPITAL**

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

To carry out the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, **[\$62,793,000**, together with any unobligated balances from "Saint Elizabeths Hospital, Construction and Renovation" (except those balances determined by the Secretary of Health and Human Services to be necessary to carry out existing

Federal renovation contracts), all of] \$24,000,000 which shall be available in fiscal year [1988] 1989 for payments to the District of Columbia as authorized by [sections 2, 4, and 9] section 9(a) of the Act; and in addition, \$2,609,000 which shall be available through September 30, 1989 for Federal activities authorized by sections 6 and 9 of the Act: *Provided*, That funds appropriated under this heading may be used for multi-year contracts with the District of Columbia for maintenance of Saint Elizabeths Hospital]: *Provided [further]*, That any amounts determined by the Secretary of Health and Human Services to be in excess of the amounts requested and estimated to be necessary to carry out sections 6 and 9(f)(2) of the Act shall be returned to the Treasury.

*Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, \$18,000,000.*

In fiscal year [1988] 1989 and thereafter, the maximum amount available to Saint Elizabeths Hospital from Federal sources shall not exceed the total of the following amounts: the appropriations made under this heading, amounts billed to Federal agencies and entities by the District of Columbia for services provided at Saint Elizabeths Hospital, and amounts authorized by titles XVIII and XIX of the Social Security Act. This maximum amount shall not include Federal funds appropriated to the District of Columbia under "Federal Payment to the District of Columbia" and payments made pursuant to section 9(c) of Public Law 98-621. Amounts chargeable to and available from Federal sources for inpatient and outpatient services provided through Saint Elizabeths Hospital as authorized by 24 U.S.C. 191, 196, 211, 212, 222, 253, and 324; 31 U.S.C. 1535; and 42 U.S.C. 249 and 251 shall not exceed the estimated total cost of such services as computed using only the proportionate amount of the direct Federal subsidy appropriated under this heading. (*Department of Health and Human Services Appropriations Act, 1988.*)

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

Identification code	75-1300-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Federal subsidy:				
00.01	Inpatient psychiatric care.....	19,976		
00.02	Outpatient, day care, and outplacement activities, other than area D (CMHC).....	1,601		
00.03	Training.....	571		
00.04	Program support.....	14,271		
00.05	Payments to the District of Columbia.....		67,313	24,000
00.06	Federal activities.....		1,915	
00.91	Total direct program.....	36,419	69,228	24,000
01.01	Reimbursable program.....		102,302	
10.00	Total obligations.....	138,721	69,228	24,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-13,352		
13.00	Trust funds.....	-4,913		
14.00	Non-Federal sources.....	-84,037		
22.40	Unobligated balance transferred, net.....		-3,826	
25.00	Unobligated balance lapsing.....	4,362		
40.00	Budget authority (appropriation).....	40,781	65,402	24,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	36,420	69,228	24,000
72.10	Receivables in excess of obligations, start of year.....	-43,355	-47,749	
74.10	Receivables in excess of obligations, end of year.....	47,749		
77.00	Adjustments in expired accounts.....	-9,658	-3,826	
90.00	Outlays.....	31,156	17,653	24,000

The 1989 request carries out Public Law 98-621, the "Saint Elizabeths Hospital and District of Columbia Mental Health Services Act."

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

Identification code	75-1300-0-1-551	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	20,146	11,749	
11.3	Other than full-time permanent.....	1,823	120	

11.5	Other personnel compensation.....	2,167		
11.8	Special personal services payments.....	252		
11.9	Total personnel compensation.....	24,388	11,869	
12.1	Civilian personnel benefits.....	3,925		
13.0	Benefits for former personnel.....	17	150	
21.0	Travel and transportation of persons.....	94		
22.0	Transportation of things.....	53		
23.2	Rental payments to others.....	1		
23.3	Communications, utilities, and miscellaneous charges.....	898		
24.0	Printing and reproduction.....	15		
25.0	Other services.....	2,513	1,736	
26.0	Supplies and materials.....	3,362		
31.0	Equipment.....	1,095		
32.0	Land and structures.....	54		
41.0	Grants, subsidies, and contributions.....		55,473	24,000
42.0	Insurance claims and indemnities.....	4		
99.0	Subtotal, direct obligations.....	36,419	69,228	24,000
99.0	Reimbursable obligations.....	102,302		
99.9	Total obligations.....	138,721	69,228	24,000

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions.....	982		
	Total compensable workyears:			
	Full-time equivalent employment.....	905		
	Full-time equivalent of overtime and holiday hours.....	23		
<b>Reimbursable:</b>				
	Total number of full-time permanent positions.....	2,403		
	Total compensable workyears:			
	Full-time equivalent employment.....	2,216		
	Full-time equivalent of overtime and holiday hours.....	55		

**CONSTRUCTION AND RENOVATION, SAINT ELIZABETHS HOSPITAL**

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

Identification code	75-1312-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	1,778	1,825	
10.00	Total obligations.....	1,778	1,825	
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-37		
21.40	Unobligated balance available, start of year.....	-7,392	-5,651	
22.40	Unobligated balance transferred, net.....		3,826	
24.40	Unobligated balance available, end of year.....	5,651		
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,778	1,825	
72.40	Obligated balance, start of year.....	1,591	532	
74.40	Obligated balance, end of year.....	-532		
78.00	Adjustments in unexpired accounts.....	-37		
90.00	Outlays.....	2,800	2,357	

This activity supports construction, maintenance, and upgrading of buildings and facilities housing the patients of Saint Elizabeths Hospital.

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

Identification code	75-1312-0-1-551	1987 actual	1988 est.	1989 est.
23.3	Communications, utilities, and miscellaneous charges.....	76		
25.0	Other services.....	1,617	1,825	
26.0	Supplies and materials.....	30		
31.0	Equipment.....	15		
32.0	Land and structures.....	40		
99.9	Total obligations.....	1,778	1,825	

**OFFICE OF ASSISTANT SECRETARY FOR HEALTH**

*Federal Funds*

**General and special funds:**

**PUBLIC HEALTH SERVICE MANAGEMENT**

For the expenses necessary for the Office of the Assistant Secretary for Health and for carrying out titles III, [XVII,] X, and XX of the Public Health Service Act, [ \$106,737,000 ] \$194,191,000, together with not to exceed [ \$1,005,000 ] \$1,050,000 to be transferred and expended as authorized by section 201(g) of the Social Security Act from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein [ and \$1,915,000 to be transferred and expended for patient outcome assessment research as authorized by section 9316 of Public Law 99-509, of which \$1,245,000 will come from the Federal Hospital Insurance Trust Fund and \$670,000 will come from the Federal Supplementary Medical Insurance Trust Fund, ] and, in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: *Provided*, That in addition to amounts provided herein, up to [ \$15,318,000 ] \$3,330,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Medical Expenditure Survey [ and \$5,827,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Health and Nutrition Examination Survey ].

Further, for fiscal year 1990 for the foregoing purposes, \$195,944,000, together with not to exceed \$1,050,000 to be transferred and expended as authorized by section 201(g) of the Social Security Act from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein: *Provided*, That in addition to the amounts provided herein, up to \$1,155,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Medical Expenditure Survey. (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code 75-1101-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Program operations:			
00.01 Health services research .....	18,760	19,220	18,500
00.02 Health statistics .....	52,031	48,424	
00.03 Adolescent family life .....	13,989	9,626	9,645
00.04 Family planning .....			140,000
Health initiatives:			
01.01 Smoking and health .....	3,128		
01.02 Disease prevention/health promotion .....	8,518	3,472	3,000
01.03 Physical fitness and sports .....	1,316	1,375	1,499
01.04 Minority health .....		4,351	2,872
01.05 National AIDS program coordination .....		1,788	
01.91 Subtotal, health initiatives .....	12,962	10,986	7,371
01.92 Total program operations .....	97,742	88,256	175,516
02.01 Public Health Service management .....	18,642	18,148	18,675
03.94 Total direct program .....	116,384	106,404	194,191
04.01 Reimbursable program .....	63,081	67,441	40,487
10.00 Total obligations .....	179,465	173,845	234,678
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-61,698	-67,635	-39,437
13.00 Trust funds .....	-1,045	-2,920	-1,050
14.00 Non-Federal sources .....	-338	-400	
21.40 Unobligated balance available, start of year .....	-72	-72	-3,586
22.98 Unobligated balance transferred, net .....			3,586
24.40 Unobligated balance available, end of year .....	72	3,586	
25.00 Unobligated balance lapsing .....	682	333	
39.00 Budget authority .....	117,066	106,737	194,191
<b>Budget authority:</b>			
40.00 Appropriation .....	117,126	106,737	194,191

41.00 Transferred to other accounts .....	-60		
43.00 <b>Appropriation (adjusted) .....</b>	<b>117,066</b>	<b>106,737</b>	<b>194,191</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	116,384	102,890	194,191
72.40 Obligated balance, start of year .....	93,062	102,543	102,804
74.40 Obligated balance, end of year .....	-102,543	-102,804	-147,237
77.00 Adjustments in expired accounts .....	-886		
90.00 <b>Outlays .....</b>	<b>106,017</b>	<b>102,629</b>	<b>149,758</b>

**NOTES**

Includes \$140,000 thousand in 1989 for Family Planning activities transferred from Health Resources and Services. Comparable amounts for 1988 (\$139,663 thousand) and 1987 (\$145,798 thousand) are excluded above.  
Excludes \$3,475 thousand in 1989 and \$3,466 thousand in 1988 for smoking and health activities transferred to Disease Control, Research, and Training. Comparable amount is included above for 1987 (\$3,128 thousand).  
Excludes \$48,938 thousand in 1989 for health statistics activities transferred to Disease Control, Research, and Training. Comparable amounts are included above for 1988 (\$48,604 thousand) and 1987 (\$52,031 thousand).  
Excludes AIDS research and education, which is included under "Fund for Acquired Immune Deficiency Syndrome Research and Education" in 1989. Comparable amount is included above for 1988 (\$4,308 thousand).  
Includes \$150 thousand in 1989 for activities transferred from Health Resources and Services. Comparable amounts for 1988 (\$147 thousand) and 1987 (\$144 thousand) are excluded above.  
The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This account funds management staffing for the Public Health Service. In addition, it funds health services research, disease prevention and health promotion, adolescent family life, family planning, minority health, and physical fitness and sports.

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

Identification code 75-1101-0-1-550	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	34,136	35,694	19,113
11.3 Other than full-time permanent .....	3,170	3,306	1,905
11.5 Other personnel compensation .....	627	730	326
11.9 Total personnel compensation .....	37,933	39,730	21,344
12.1 Civilian personnel benefits .....	4,876	6,030	2,963
21.0 Travel and transportation of persons .....	1,222	1,530	762
22.0 Transportation of things .....	95	72	48
23.1 Rental payments to GSA .....	2,757	3,035	2,214
23.2 Rental payments to others .....	378	295	
23.3 Communications, utilities, and miscellaneous charges .....	2,837	3,659	908
24.0 Printing and reproduction .....	1,628	940	500
25.0 Other services .....	37,276	35,346	12,477
26.0 Supplies and materials .....	529	578	199
31.0 Equipment .....	4,101	319	229
41.0 Grants, subsidies, and contributions .....	22,752	14,870	152,547
99.0 Subtotal, direct obligations .....	116,384	106,404	194,191
99.0 Reimbursable obligations .....	63,081	67,441	40,487
99.9 Total obligations .....	179,465	173,845	234,678

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	917	896	459
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	1,036	1,023	542
Full-time equivalent of overtime and holiday hours .....	6	10	5
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	32	36	15
Total compensable workyears: Full-time equivalent employment .....	32	36	15

**FUND FOR ACQUIRED IMMUNE DEFICIENCY SYNDROME RESEARCH AND EDUCATION**

For carrying out Title III of the Public Health Service Act with respect to Acquired Immune Deficiency Syndrome research and education, \$1,300,000,000, to remain available until expended, of which \$25,000,000 shall be available for equipment and construction and renovation of facilities.

Further, for fiscal year 1990 for the foregoing purposes, \$1,350,000,000, to remain available until expended.

In addition, in fiscal year 1989 and fiscal year 1990, such amounts as the Secretary deems necessary may be transferred to this heading



from funds available to the Public Health Service other than "Retirement Pay and Medical Benefits for Commissioned Officers": Provided, That the amount transferred from any such appropriation shall not exceed 3 percent of that appropriation: Provided further, That the Congress shall be advised thirty calendar days in advance of any such transfer.

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

Identification code 75-1103-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)			1,300,000
<b>Financing:</b>			
40.00 Budget authority (appropriation)			1,300,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net			1,300,000
74.40 Obligated balance, end of year			-715,000
90.00 Outlays			585,000

This account supports Public Health Service (PHS) research and education activities on Acquired Immune Deficiency Syndrome (AIDS). To address rapidly changing priorities, the PHS AIDS activities are coordinated under the Assistant Secretary for Health.

**PUBLIC HEALTH SERVICE EMERGENCY FUND**

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

Identification code 75-1104-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	29,710	290	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-290	
24.40 Unobligated balance available, end of year	290		
40.00 Budget authority (appropriation)	30,000		
Relation of obligations to outlays:			
71.00 Obligations incurred, net	29,710	290	
72.40 Obligated balance, start of year		29,710	6,660
74.40 Obligated balance, end of year	-29,710	-6,660	-1,560
90.00 Outlays		23,340	5,100

The 1987 appropriation under this heading provided grants to States for the purchase of anti-AIDS drugs.

**RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS**

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), [such amounts as may be required during the current fiscal year] and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), not to exceed \$102,687,000; and in addition \$5,000,000 which shall be available only to the extent necessary to pay retirement and medical benefits not anticipated in the budget estimates.

Further, for fiscal year 1990 for the foregoing purposes, not to exceed \$105,712,000; and in addition \$5,000,000 which shall be available only to the extent necessary to pay retirement pay and medical benefits not anticipated in the budget estimates. (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code 75-0379-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Retirement payments	69,355	73,703	78,455
00.02 Survivors' benefits	3,895	4,467	5,136
00.03 Medical care	11,080	11,689	12,402
00.04 Reserve fund			5,000
00.05 Military service credits			6,694
10.00 Total obligations	84,330	89,859	107,687
<b>Financing:</b>			
39.00 Budget authority	84,330	89,859	107,687
Budget authority:			
40.00 Appropriation (indefinite)	84,330	89,859	
40.00 Appropriation			107,687
Relation of obligations to outlays:			
71.00 Obligations incurred, net	84,330	89,859	107,687
72.40 Obligated balance, start of year	8,301	9,154	10,309
74.40 Obligated balance, end of year	-9,154	-10,309	-16,613
90.00 Outlays	83,477	88,704	101,383

This activity funds annuities of retired Public Health Service (PHS) commissioned officers and survivors of retirees, and medical care to active duty PHS commissioned officers, retirees, and dependents of members and retirees of the PHS Commissioned Corps.

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

Identification code 75-0379-0-1-551	1987 actual	1988 est.	1989 est.
13.0 Benefits for former personnel	73,250	78,170	83,591
25.0 Other services	11,080	11,689	24,096
99.9 Total obligations	84,330	89,859	107,687

**SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)**

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

Identification code 75-1102-0-1-552	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	3,198	2,400	2,960
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-1,845		
21.40 Unobligated balance available, start of year	-6,713	-5,360	-2,960
24.40 Unobligated balance available, end of year	5,360	2,960	
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	3,198	2,400	2,960
72.40 Obligated balance, start of year	26,799	26,523	27,457
74.40 Obligated balance, end of year	-26,523	-27,457	-28,891
78.00 Adjustments in unexpired accounts	-1,845		
90.00 Outlays	1,629	1,466	1,526

Scientific activities overseas (special foreign currency program) are supported entirely by foreign currencies owned by the United States abroad. The 1989 program will be carried out from appropriated, but unused, funds from prior years.

General and special funds—Continued

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)—Continued

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-1102-0-1-552			
21.0 Travel and transportation of persons.....	287	300	300
25.0 Other services.....	2,911	2,100	2,660
99.9 Total obligations.....	3,198	2,400	2,960

Intragovernmental funds:

SERVICE AND SUPPLY FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-4552-0-4-551			
<b>Program by activities:</b>			
00.01 Supply distribution sales.....	14,570	19,600	22,820
00.02 Data management services.....	13,110	12,901	13,474
00.03 Fiscal services.....	5,643	6,820	7,084
00.04 Parklawn services.....	19,699	20,285	21,249
00.05 Central personnel services.....	1,522	1,757	1,784
00.06 Commissioned officer personnel.....	3,306	3,858	3,936
00.07 Facilities engineering services.....	373	325	330
10.00 Total obligations.....	58,223	65,546	70,677
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-57,017	-64,891	-69,263
21.98 Unobligated balance available, start of year: Fund balance.....	-3,868	-2,662	-2,007
24.98 Unobligated balance available, end of year: Fund balance.....	2,662	2,007	593
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,206	655	1,414
72.10 Receivables in excess of obligations, start of year.....	-2,040		
72.98 Obligated balance, start of year: Fund balance.....		1,797	2,452
74.98 Obligated balance, end of year: Fund balance.....	-1,797	-2,452	-3,866
90.00 Outlays.....	-2,631		

This fund finances common user supply and service operations of PHS, including purchase of equipment, data management, fiscal services, personnel services and other miscellaneous services handled centrally.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-4552-0-4-551			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	17,651	19,386	20,777
11.3 Other than full-time permanent.....	1,101	1,250	1,337
11.5 Other personnel compensation.....	414	471	503
11.9 Total personnel compensation.....	19,166	21,107	22,617
12.1 Civilian personnel benefits.....	2,557	2,667	2,931
21.0 Travel and transportation of persons.....	160	261	268
22.0 Transportation of things.....	272	629	867
23.1 Rental payments to GSA.....	3,050	3,588	3,660
23.3 Communications, utilities, and miscellaneous charges.....	6,713	6,425	6,812
24.0 Printing and reproduction.....	368	513	573
25.0 Other services.....	8,608	9,972	10,541
26.0 Supplies and materials.....	14,737	18,040	20,646
31.0 Equipment.....	2,592	2,344	1,762
99.9 Total obligations.....	58,223	65,546	70,677

Personnel Summary

Total number of full-time permanent positions.....	573	555	555
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	637	617	617
Full-time equivalent of overtime and holiday hours.....	4	3	3

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-9971-0-7-551			
<b>Program by activities:</b>			
00.01 Patients' benefits.....	109	58	58
00.02 Gifts.....	2,033	847	847
00.03 Contributions, Indian health facilities.....	22,056	7,219	7,219
10.00 Total obligations.....	24,198	8,124	8,124
<b>Financing:</b>			
11.00 Offsetting collecting from: Federal funds.....	-52		
17.00 Recovery of prior year obligations.....	-34		
<b>Unobligated balance available, start of year:</b>			
21.40 Treasury balance.....	-9,828	-14,231	-14,231
21.40 U.S. securities (par).....	-4,814	-4,730	-4,730
<b>Unobligated balance available, end of year:</b>			
24.40 Treasury balance.....	14,231	14,231	14,231
24.40 U.S. securities (par).....	4,730	4,730	4,730
60.00 Budget authority (appropriation) (permanent, indefinite).....	28,430	8,124	8,124
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	24,146	8,124	8,124
72.40 Obligated balance, start of year.....	19,745	21,719	20,169
74.40 Obligated balance, end of year.....	-21,719	-20,169	-19,129
78.00 Adjustments in unexpired accounts.....	-34		
90.00 Outlays.....	22,137	9,674	9,164
<b>Distribution of budget authority by account:</b>			
Patients' benefits.....	143	89	89
Gifts.....	3,470	1,135	1,132
Contributions, Indian health facilities.....	24,817	6,900	6,903
<b>Distribution of outlays by account:</b>			
Patients' benefits.....	95	39	37
Gifts.....	1,439	271	256
Contributions, Indian health facilities.....	20,603	9,364	8,871

Gifts to the PHS are for the benefit of patients and for research. Contributions are made for the construction, improvement, extension, and provision of sanitation facilities.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-9971-0-7-551			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	42	43	43
11.3 Other than full-time permanent.....	2,664	624	624
11.5 Other personnel compensation.....	846	100	100
11.8 Special personal services payments.....	504	100	100
11.9 Total personnel compensation.....	4,056	867	867
12.1 Civilian personnel benefits.....	212	65	65
21.0 Travel and transportation of persons.....	377	158	158
22.0 Transportation of things.....	506	690	690
23.3 Communications, utilities, and miscellaneous charges.....	101	10	10
24.0 Printing and reproduction.....	7	5	5
25.0 Other services.....	7,607	1,999	1,999
26.0 Supplies and materials.....	4,058	1,300	1,300
31.0 Equipment.....	474	100	100
32.0 Land and structures.....	6,800	2,930	2,930
99.9 Total obligations.....	24,198	8,124	8,124

Personnel Summary

Total number of full-time permanent positions.....	1	1	1
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	161	35	35
Full-time equivalent of overtime and holiday hours.....	14	4	4

**HEALTH CARE FINANCING ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**GRANTS TO STATES FOR MEDICAID**

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, **[\$22,946,000,000]** *\$24,732,589,000 for fiscal year 1989, to remain available until expended, and \$35,814,639,000 for fiscal year 1990, to remain available until expended.*

For making, after May 31, 1988, of fiscal years 1989 and 1990, payments to States under title XIX of the Social Security Act for the last quarter of each such fiscal year [1988] for unanticipated costs, incurred for [the current] each such fiscal year, such sums as may be necessary.

Payment under title XIX for fiscal year 1989 may be made for any quarter beginning after June 30, 1987, 1988, and before October 1, 1988, 1989, and payment for fiscal year 1990 may be made for any quarter beginning after June 30, 1989 and before October 1, 1990, with respect to any State plan or plan amendment in effect during any such quarter, if submitted in, or prior to such quarter and approved in that or any such subsequent quarter.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year [1989] 1991, **[\$8,000,000,000]** *\$9,800,000,000, to remain available until expended. (Department of Health and Human Services Appropriations Act, 1988.)*

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

Identification code	75-0512-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Medicaid vendor payments	26,189,216	29,070,052	31,068,237
00.02	State and local administration	1,423,626	1,593,580	1,564,352
10.00	Total obligations (object class 41.0)	27,612,842	30,663,632	32,732,589
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-60,000	-6,700	
24.40	Unobligated balance available, end of year	6,700		
25.00	Unobligated balance lapsing	52,818		
39.00	<b>Budget authority</b>	<b>27,612,360</b>	<b>30,656,932</b>	<b>32,732,589</b>
Budget authority:				
Current:				
40.00	Appropriation	19,770,000	22,946,000	24,732,589
40.00	Appropriation (indefinite)	1,342,860	610,932	
41.00	Transferred to other accounts	-500		
43.00	<b>Appropriation (adjusted)</b>	<b>21,112,360</b>	<b>23,556,932</b>	<b>24,732,589</b>
Permanent:				
60.00	<b>Appropriation</b>	<b>6,500,000</b>	<b>7,100,000</b>	<b>8,000,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	27,612,842	30,663,632	32,732,589
72.40	Obligated balance, start of year	184,660	362,250	362,250
74.40	Obligated balance, end of year	-362,250	-362,250	-362,250
77.00	Adjustments in expired accounts	-48		
90.00	Outlays	27,435,204	30,663,632	32,732,589

Medicaid assists States in providing medical care to their low-income population by granting Federal matching payments under title XIX of the Social Security Act to States with approved plans. The 1989 appropriation request reflects biennial budgeting.

**PAYMENTS TO HEALTH CARE TRUST FUNDS**

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, and section 278(d) of Public Law 97-248, **[\$25,893,000,000]** *\$32,100,000,000.*

Further, for payment for the foregoing purposes, for fiscal year 1990, *\$35,082,000,000. (Department of Health and Human Services Appropriations Act, 1988.)*

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

Identification code	75-0580-0-1-571	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Supplementary medical insurance (SMI)	20,285,000	25,418,000	31,585,000
00.02	Military service credits (HI)	94,000		
00.03	Hospital insurance for uninsured (HI)	435,000	461,000	493,000
00.04	Federal uninsured payment (HI)	12,000	14,000	22,000
00.05	SECA credits (HI)	457,938	537,000	541,000
10.00	Total obligations	21,283,938	26,430,000	32,641,000
<b>Financing:</b>				
39.00	<b>Budget authority</b>	<b>21,283,938</b>	<b>26,430,000</b>	<b>32,641,000</b>
Budget authority:				
40.00	<b>Appropriation</b>	<b>20,826,000</b>	<b>25,893,000</b>	<b>32,100,000</b>
60.00	<b>Appropriation (permanent, indefinite)</b>	<b>457,938</b>	<b>537,000</b>	<b>541,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	21,283,938	26,430,000	32,641,000
77.00	Adjustments in expired accounts	14,288		
90.00	Outlays	21,298,226	26,430,000	32,641,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority	21,283,938	26,430,000	32,641,000
Outlays	21,298,226	26,430,000	32,641,000
Proposed for later transmittal under proposed legislation:			
Budget authority			-205,000
Outlays			-205,000
<b>Total:</b>			
Budget authority	21,283,938	26,430,000	32,436,000
Outlays	21,298,226	26,430,000	32,436,000

Payments are made (1) to the Federal Supplementary Medical Insurance Trust Fund; and (2) to the Federal Hospital Insurance Trust Fund for individuals aged 65 and over who meet certain transitional insured status requirements, and for civil service employees and annuitants who worked before 1983 and who were employed during January 1983.

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

Identification code	75-0580-0-1-571	1987 actual	1988 est.	1989 est.
41.0	Grants, subsidies, and contributions	20,285,000	25,418,000	31,585,000
42.0	Insurance claims and indemnities	998,938	1,012,000	1,056,000
99.9	Total obligations	21,283,938	26,430,000	32,641,000

**PAYMENTS TO HEALTH CARE TRUST FUNDS**

(Proposed for later transmittal, proposed legislation)

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

Identification code	75-0580-2-1-571	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			-205,000
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>			<b>-205,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-205,000
90.00	Outlays			-205,000

The amounts in this schedule reflect the impact of legislative proposals on the SMI trust fund.

General and special funds—Continued

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, **[\$98,211,000]** \$95,246,000, together with not to exceed **[\$1,373,585,000]** \$1,663,156,000 to be transferred to this appropriation as authorized by section 201(g) of the Social Security Act, from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein and in addition, \$112,400,000 for administrative costs, to be transferred to this appropriation from funds in any catastrophic health trust funds established by catastrophic health insurance legislation which is enacted and effective by January 1, 1989: Provided, That **[\$105,314,000]** of said trust funds shall be expended only to the extent necessary to process workloads not anticipated in the budget estimates, including the cost of administration of catastrophic health insurance if enacted into law, and to meet unanticipated costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: Provided further, That all funds derived in accordance with 31 U.S.C. 9701, are to be credited to this appropriation.

Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, \$105,611,000, together with not to exceed \$1,738,878,000 to be transferred to this appropriation from the Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds: Provided, That in addition, for fiscal year 1990, \$135,700,000 to be transferred to this appropriation from the catastrophic health trust funds for ongoing administrative costs. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-0511-0-1-550	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Research, demonstrations, and evaluation projects.....	28,418	26,807	32,000
00.02 Medicare contractors.....	1,090,792	1,122,100	1,391,000
00.03 State certification.....	56,519	65,859	65,859
00.04 Administrative costs.....	227,250	252,793	271,100
10.00 Total obligations.....	1,402,979	1,467,559	1,759,959
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-2,049		
13.00 Trust funds.....	-1,311,767	-1,368,121	-1,663,156
14.00 Non-Federal sources.....		-1,557	-1,557
25.00 Unobligated balance lapsing.....	1,543	330	
39.00 Budget authority.....	90,706	98,211	95,246
<b>Budget authority:</b>			
40.00 Appropriation.....	85,396	98,211	95,246
42.00 Transferred from other account.....	5,310		
43.00 Appropriation (adjusted).....	90,706	98,211	95,246
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	89,163	97,881	95,246
72.40 Obligated balance, start of year.....	8,019		14,880
73.40 Obligated balance transferred, net.....	1,091		
74.40 Obligated balance, end of year.....		-14,880	-19,318
77.00 Adjustments in expired accounts.....	665		
83.00 Prior year deficiencies, start of year.....		-10,262	
83.10 Adjustments, net.....	10,262		
86.00 Portion of offsetting collections applied to liquidate deficiencies.....		10,262	
90.00 Outlays.....	109,200	83,001	90,808

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

In 1989, program management activities include funding for research, medicare contractors, State certification, and administrative costs.

Object Classification (in thousands of dollars)

Identification code 75-0511-0-1-550	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	141,687	144,330	153,546
11.3 Other than full-time permanent.....	3,319	3,367	3,368
11.5 Other personnel compensation.....	1,777	1,752	1,752
11.8 Special personal services payments.....	50		
11.9 Total personnel compensation.....	146,833	149,449	158,666
12.1 Civilian personnel benefits.....	17,576	21,816	23,584
13.0 Benefits for former personnel.....	75		
21.0 Travel and transportation of persons.....	5,125	5,325	6,048
22.0 Transportation of things.....	532	378	1,293
23.1 Rental payments to GSA.....	11,192	13,666	14,879
23.2 Rental payments to others.....	578	578	601
23.3 Communications, utilities, and miscellaneous charges.....	7,163	6,839	8,674
24.0 Printing and reproduction.....	5,505	4,718	5,012
25.0 Other services.....	1,180,696	1,245,113	1,518,364
26.0 Supplies and materials.....	1,501	1,677	1,872
31.0 Equipment.....	8,568	5,146	5,757
41.0 Grants, subsidies, and contributions.....	17,271	12,653	15,000
42.0 Insurance claims and indemnities.....	364	201	209
99.9 Total obligations.....	1,402,979	1,467,559	1,759,959

Personnel Summary

Total number of full-time permanent positions.....	3,990	4,021	4,311
Total compensable workyears:			
Full-time equivalent employment.....	3,829	3,860	4,096
Full-time equivalent of overtime and holiday hours.....	39	40	41

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

Program and Financing (in thousands of dollars)

Identification code 75-4420-0-3-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.03 Interest paid to private banks, defaulted.....	113	109	106
00.04 Principal paid to private banks, defaulted.....	30	34	37
00.05 Interest payments to FFB.....	11,168	8,558	7,968
00.06 Premium payments to FFB.....		14,700	1,200
00.07 New direct loans.....	394		
10.00 Total obligations.....	11,705	23,401	9,311
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal sources.....	407		
<b>Non-Federal sources: Direct loan program:</b>			
14.00 Interest earned on loans sold to FFB.....	-9,307	-7,872	-7,482
14.00 Interest earned on loans not sold.....	-203	-201	-187
14.00 Income on defaulted loans.....	-24		
14.00 Principal repaid on loans sold.....	-12,913	-10,391	-11,025
14.00 Principal repaid on loans not sold.....	-163	-177	-78
14.00 Proceeds from sale of loans, FFB.....		-20,000	-20,000
21.98 Unobligated balance available, start of year: Fund balance.....	-10,534	-3,023	2,433
24.98 Unobligated balance available, end of year: Fund balance.....	3,023	-2,433	-4,075
31.00 Redemption of debt.....	18,403	20,696	31,103
67.10 Authority to borrow (substantive law).....	394		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-10,498	-15,240	-29,461
72.10 Receivables in excess of obligations, start of year.....			
72.98 Obligated balance, beginning of year.....	7,653		
74.98 Obligated balance, end of year.....			
77.00 Adjustments in expired accounts.....	-7,653		
90.00 Outlays.....	-10,498	-15,240	-29,461

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

Identification code	75-4420-0-3-551	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	104,387	91,705	41,137
1231	Disbursements: Direct loan disbursements	394		
Repayments:				
1251	Repayments and prepayments	-10,892	-15,240	-9,461
1253	Loan asset sales to the public		-20,000	-20,000
Adjustments:				
1263	Discount on loan asset sales to the public		-10,000	-10,034
1264	Other adjustments, net <sup>1</sup>	-2,184	-5,328	-1,642
1290	Outstanding, end of year	91,705	41,137	

<sup>1</sup> Represents prepayment premiums and interest.

These loans will be sold as part of a government-wide asset sale program.

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

Identification code	75-4420-0-3-551	1987 actual	1988 est.	1989 est.
33.0	Investments and loans	394		
43.0	Interest and dividends	11,311	23,401	9,311
99.9	Total obligations	11,705	23,401	9,311

**Trust Funds**

**FEDERAL HOSPITAL INSURANCE TRUST FUND**

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

Identification code	20-8005-0-7-571	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Benefit payments	49,823,020	51,652,000	54,710,000
00.02	Administration	819,616	848,848	947,051
00.03	Peer review organizations	171,697	169,978	257,367
00.04	Research	6,560	8,617	10,285
10.00	Total obligations	50,820,893	52,679,443	55,924,703
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	-179,438	345,918	-1,000
21.40	U.S. securities (par)	-38,340,060	-50,779,163	-65,610,302
Unobligated balance available, end of year:				
24.40	Treasury balance	-345,918	1,000	1,000
24.40	U.S. securities (par)	50,779,163	65,610,302	82,479,599
60.00	Budget authority (appropriation) (permanent, indefinite)	62,734,640	67,857,500	72,794,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	50,820,893	52,679,443	55,924,703
Obligated balance, start of year:				
72.40	Treasury balance	154,708	172,572	1,000
72.40	U.S. securities (par)			367,076
Obligated balance, end of year:				
74.40	Treasury balance	-172,572	-1,000	-1,000
74.40	U.S. securities (par)		-367,076	-509,686
90.00	Outlays	50,803,029	52,483,939	55,782,093

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	62,734,640	67,857,500	72,794,000
Outlays	50,803,029	52,483,939	55,782,093
Proposed for later transmittal under proposed legislation:			
Budget authority			1,660,000
Outlays			-980,000
Total:			
Budget authority	62,734,640	67,857,500	74,454,000
Outlays	50,803,029	52,483,939	54,802,093

The Hospital Insurance program (HI) funds the costs of hospital and related care for most individuals age 65 or older and for disabled people.

The status of the trust fund is as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of period:			
Cash	334,146	-173,346	2,000
U.S. securities (par)	38,340,060	50,779,163	65,977,378
Balance of trust fund, start of year	38,674,206	50,605,817	65,979,378

**Cash income during period:**

<b>Governmental receipts:</b>			
Contributions on earnings: FICA and SECA reg. taxes	53,785,691	59,602,000	63,269,000
Proposed legislation			1,615,000
Refund of contributions	-112,650	-156,000	-174,000
Gifts	26		
Deposits by States	1,989,450	-52,000	
Transfer from railroad retirement account	329,900	324,000	309,700
<b>Intragovernmental transactions:</b>			
Federal employer contributions	1,382,000	1,484,000	1,526,000
Postal employer contributions	318,000	324,000	338,000
Federal payment for transitional coverage for uninsured Federal employees			
	12,000	14,000	22,000
Federal payment for transitional coverage for the uninsured			
	435,000	461,000	493,000
Federal payment for noncontributory military service credits			
	94,000		
Federal payment for SECA tax credits			
	457,938	537,000	541,000
Interest on inter-trust fund borrowings			
	-147		
Interest payment from railroad retirement account			
	38,105	27,500	29,300
Interest on investments			
	3,956,464	5,163,000	6,305,000
Proposed legislation			
			45,000
Transfer from Department of Defense for military service credits			
		80,000	81,000
<b>Proprietary receipts:</b>			
Premiums collected from uninsured individuals	40,334	49,000	54,000
Interest (other)	8,529		

**Total annual income:**

Present law	62,734,640	67,857,500	72,794,000
Proposed legislation			1,660,000

**Cash outgo during period:**

For benefit payments	49,803,837	51,472,000	54,597,000
Proposed legislation			-980,000
For administrative expenses	822,385	835,068	919,497
For peer review organizations	171,697	169,978	257,367
For research	5,110	6,893	8,229

**Total annual outgo:**

Present law	50,803,029	52,483,939	55,782,093
Proposed legislation			-980,000

**Unexpended balance, end of year:**

Cash	-173,346	2,000	2,000
U.S. securities (par)	50,779,163	65,977,378	85,629,285

Balance of trust fund, end of year	50,605,817	65,979,378	85,631,285
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**Object Classification (in thousands of dollars)**

Identification code	20-8005-0-7-571	1987 actual	1988 est.	1989 est.
25.0	Grants, subsidies, and contributions: Other services	514,792	539,701	632,195
41.0	Payment for health insurance experiments and demonstration projects	6,560	8,617	10,285
41.0	Payment for review organization (PRO) activities	171,697	169,978	257,367
42.0	Insurance claims and indemnities	49,823,020	51,652,000	54,710,000
92.0	Undistributed: Reimbursement for administrative expenses of Department of the Treasury	18,765	29,246	29,600
93.0	Administrative expenses: Portion of limitation on salaries and expenses: Social Security Administration	286,059	279,901	285,256
99.9	Total obligations	50,820,893	52,679,443	55,924,703

**FEDERAL HOSPITAL INSURANCE TRUST FUND**

(Proposed for later transmittal, proposed legislation)

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

Identification code	20-8005-2-7-571	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 42.0)			-980,000

General and special funds—Continued

FEDERAL HOSPITAL INSURANCE TRUST FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	20-8005-2-7-571	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
24.40	Unobligated balance available, end of year: U.S. securities (par)			2,640,000
40.00	<b>Budget authority (appropriation)</b>			<b>1,660,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-980,000
90.00	Outlays			-980,000

There are a number of legislative proposals that affect the Federal Hospital Insurance Trust Fund.

FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	20-8004-0-7-571	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Benefit payments	29,897,058	34,112,000	38,732,000
00.02	Administration	907,116	1,051,416	1,259,075
00.03	Peer review organizations	5,311	21,009	64,663
00.04	Research	8,313	8,617	10,286
10.00	<b>Total obligations</b>	<b>30,817,798</b>	<b>35,193,042</b>	<b>40,066,024</b>
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	5,903	-232,066	-1,000
21.40	U.S. securities (par)	-9,424,396	-6,166,068	-6,075,093
Unobligated balance available, end of year:				
24.40	Treasury balance	232,066	1,000	1,000
24.40	U.S. securities (par)	6,166,068	6,075,093	8,864,069
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>27,797,439</b>	<b>34,871,000</b>	<b>42,855,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	30,817,798	35,193,041	40,066,024
Obligated balance, start of year:				
72.40	Treasury balance	12,639	-6,372	1,000
72.40	U.S. securities (par)			12,899
Obligated balance, end of year:				
74.40	Treasury balance	6,372	-1,000	-1,000
74.40	U.S. securities (par)		-12,899	-53,337
90.00	Outlays	30,836,809	35,172,771	40,025,586

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:			
Budget authority	27,797,439	34,871,000	42,855,000
Outlays	30,836,809	35,172,771	40,025,586
Proposed for later transmittal under proposed legislation:			
Budget authority			-285,000
Outlays			-337,000
Total:			
Budget authority	27,797,439	34,871,000	42,570,000
Outlays	30,836,809	35,172,771	39,688,586

The Supplementary Medical Insurance program (SMI) is a voluntary program which affords protection against the costs of physician and certain other medical services. The program also covers treatment of end-stage renal disease for eligible enrollees.

SMI costs are financed by premium payments from enrollees and contributions from the general revenues.

The status of the trust fund is as follows (in thousands of dollars):

Unexpended balance, start of year:			
Cash	6,736	225,694	2,000
U.S. securities	9,424,396	6,166,068	6,087,992
Balance of trust fund, start of year	9,431,132	6,391,762	6,089,992
Cash income during year:			
Proprietary receipts:			
Premiums from aged participants	5,897,171	7,976,000	9,582,000
Proposed legislation			-80,000
Premiums from disabled participants	582,340	775,000	927,000
Proposed legislation			-7,000
Other receipts	12		
Intrabudgetary transactions:			
Federal contributions	20,299,288	25,418,000	31,585,000
Proposed legislation			-205,000
Interest on investments	1,018,628	702,000	761,000
Proposed legislation			7,000
Total annual income:			
Present law	27,797,439	34,871,000	42,855,000
Proposed legislation			-285,000
Cash outgo during year:			
For benefit payments	29,931,826	34,112,000	38,732,000
Proposed legislation			-337,000
For administrative expenses	891,359	1,032,869	1,220,694
For peer review organizations	5,311	21,009	64,663
For research	8,313	6,893	8,229
Total annual outgo:			
Present law	30,836,809	35,172,771	40,025,586
Proposed legislation			-337,000
Unexpended balance, end of year:			
Cash	225,694	2,000	2,000
U.S. securities (par)	6,166,068	6,087,992	8,969,406
Balance of trust fund, end of year	6,391,762	6,089,992	8,971,406

Object Classification (in thousands of dollars)

Identification code	20-8004-0-7-571	1987 actual	1988 est.	1989 est.
25.0	Grants, subsidies, and contributions: Other services	705,226	851,297	1,054,834
41.0	Payment for review organization (PRO) activity	5,311	21,009	64,663
41.0	Payment for health insurance experiments and demonstration projects	8,313	8,617	10,286
42.0	Insurance claims and indemnities	29,897,058	34,112,000	38,732,000
92.0	Undistributed: Reimbursement for administrative expenses of Department of the Treasury	-1,416	1,190	1,507
93.0	Administrative expenses: Portion of limitation on salaries and expenses: Social Security Administration	203,306	198,929	202,734
99.9	<b>Total obligations</b>	<b>30,817,798</b>	<b>35,193,042</b>	<b>40,066,024</b>

FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-8004-2-7-571	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 42.0)			-337,000
<b>Financing:</b>				
24.40	Unobligated balance available, end of year: U.S. securities (par)			52,000
40.00	<b>Budget authority (appropriation)</b>			<b>-285,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-337,000
90.00	Outlays			-337,000

There are a number of legislative proposals that affect the Federal Supplementary Medical (SMI) Trust Fund.

The Administration continues to support enactment of Senate-passed legislation (H.R. 2470) relating to acute

care catastrophic illnesses and outpatient prescription drugs. This legislation would be budget neutral.

**SOCIAL SECURITY ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**PAYMENTS TO SOCIAL SECURITY TRUST FUNDS**

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, as provided under sections 201(m), 217(g), 228(g), and 1131(b)(2) of the Social Security Act and section 152 of Public Law 98-21, **[\$105,298,000]** *\$93,631,000.*

*Further, for the foregoing purposes for fiscal year 1990, \$85,275,000. (Department of Health and Human Services Appropriations Act, 1988.)*

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

Identification code 75-0404-0-1-651	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Military service credits	368,917		
00.02 Special payments for certain uninsured persons	69,394	54,554	42,606
00.03 Pension reform	744	744	1,025
00.04 Unnegotiated checks	61,500	50,000	50,000
00.05 FICA and SECA tax credits	1,807,545	2,152,000	2,270,000
00.06 Income tax equivalents, benefits	3,237,000	3,511,000	3,905,000
00.07 Income tax equivalents, non-resident aliens	70,147	73,533	78,165
10.00 Total obligations	5,615,247	5,841,831	6,346,796
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-62		
39.00 <b>Budget authority</b>	<b>5,615,185</b>	<b>5,841,831</b>	<b>6,346,796</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> (current)	<b>500,555</b>	<b>105,298</b>	<b>93,631</b>
60.00 <b>Appropriation</b> (permanent, indefinite)	<b>5,114,630</b>	<b>5,736,533</b>	<b>6,253,165</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	5,615,247	5,841,831	6,346,796
72.10 Receivables in excess of obligations, start of year	-7	-16	
74.10 Receivables in excess of obligations, end of year	16		
78.00 Adjustments in unexpired accounts	-62		
90.00 <b>Outlays</b>	<b>5,615,194</b>	<b>5,841,815</b>	<b>6,346,796</b>

This account finances certain benefits and related administrative costs not financed by social security taxes, and transfers other moneys to the trust fund.

Beginning in 1988, this account no longer includes an appropriation request for military service credits, which will be funded by Defense Department, Public Health Service, Coast Guard, and National Oceanic and Atmospheric Administration appropriations.

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

Identification code 75-0404-0-1-651	1987 actual	1988 est.	1989 est.
25.0 Other services	744	744	1,025
42.0 Insurance claims and indemnities	5,614,503	5,841,087	6,345,771
99.9 Total obligations	5,615,247	5,841,831	6,346,796

**SPECIAL BENEFITS FOR DISABLED COAL MINERS**

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, including the payment of travel expenses on an actual cost or commuted basis, to an individual, for travel incident to medical examinations, and when travel of more than 75 miles is required, to parties, their representatives, and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, **[\$663,452,000]** *\$628,581,000,* to remain available until expended: *Provided, That monthly benefit pay-*

ments shall be paid consistent with section 215(g) of the Social Security Act.

*Further, for the foregoing purposes for fiscal year 1990, \$847,755,000 to remain available until expended.*

For making, after July 31, of the current fiscal year of fiscal years 1989 and 1990, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in [the current fiscal year] in each of these fiscal years, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year [1989, \$250,000,000] 1991, \$203,000,000, to remain available until expended. (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code 75-0409-0-1-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Benefit payments	950,253	915,000	875,000
00.02 Administration	5,147	6,477	6,680
00.03 Reimbursable administrative costs	374	416	499
10.00 Total obligations	955,774	921,893	882,179
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-436	-416	-499
21.40 Unobligated balance available, start of year	-584	-8,683	-3,099
24.40 Unobligated balance available, end of year	8,683	3,099	
25.00 Unobligated balance lapsing		9	
39.00 <b>Budget authority</b>	<b>963,437</b>	<b>915,902</b>	<b>878,581</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> (current)	<b>693,437</b>	<b>663,452</b>	<b>628,581</b>
60.00 <b>Appropriation</b> (permanent, indefinite)	<b>270,000</b>	<b>252,450</b>	<b>250,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	955,338	921,477	881,680
72.40 Obligated balance, start of year	62,532	62,616	59,616
74.40 Obligated balance, end of year	-62,616	-59,616	-55,616
77.00 Adjustments in expired accounts	-24		
90.00 <b>Outlays</b>	<b>955,230</b>	<b>924,477</b>	<b>885,680</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

Title IV of the Federal Mine Safety and Health Act authorizes monthly benefits to coal miners disabled from pneumoconiosis and to surviving widows, and dependents. After 1973, jurisdiction for new claims shifted to the Department of Labor.

**BENEFITS AND BENEFICIARIES, MID-POINT OF FISCAL YEAR**

	1987 actual	1988 est.	1989 est.
Benefit payments (in thousands)	949,651	918,000	879,000
Beneficiaries	271,872	253,000	236,000

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

Identification code 75-0409-0-1-601	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	3,317	3,868	3,818
11.3 Other than full-time permanent	127	117	119
11.5 Other personnel compensation	23	52	122
11.8 Special personal services payments	24	21	22
11.9 Total personnel compensation	3,491	4,058	4,081
12.1 Civilian personnel benefits	469	734	875
21.0 Travel and transportation of persons	21	34	41
22.0 Transportation of things	13	11	13
23.1 Rental payments to GSA	571	745	773
23.3 Communications, utilities, and miscellaneous charges	388	420	453
24.0 Printing and reproduction	34	38	38
25.0 Other services	400	597	639
26.0 Supplies and materials	74	104	114
31.0 Equipment	52	147	147
32.0 Land and structures	2		

General and special funds—Continued

SPECIAL BENEFITS FOR DISABLED COAL MINERS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	75-0409-0-1-601	1987 actual	1988 est.	1989 est.
42.0	Insurance claims and indemnities.....	950,259	915,005	875,005
99.9	Total obligations.....	955,774	921,893	882,179

Personnel Summary

Total number of full-time permanent positions.....	144	161	147
Total compensable workyears:			
Full-time equivalent employment.....	152	164	158
Full-time equivalent of overtime, holiday, and nonceiling hours..	1	1	4

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income Program, *Title XI of the Social Security Act*, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, **[\$9,535,384,000]**, **\$9,473,953,000**, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury. *Further, for the foregoing purposes for fiscal year 1990, \$12,300,201,000, to remain available until expended.*

For making, after July 31 [of the current fiscal year] of fiscal years 1989 and 1990, benefit payments to individuals under title XVI of the Social Security Act, and for payment to the Social Security trust funds, for administrative costs in each of these fiscal years, for unanticipated costs incurred [for the current fiscal year], such sums as may be necessary.

For carrying out the Supplemental Security Income Program for the first quarter of fiscal year [1989, \$3,000,000,000] 1991, **\$3,234,000,000**, to remain available until expended. (*Department of Health and Human Services Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	75-0406-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Federal benefit payments.....	9,815,060	11,396,000	11,368,000
00.02	Beneficiary services.....	11,136	12,474	13,547
Administrative costs:				
00.03	Payments to the trust funds for administrative costs.....	972,118	1,179,635	1,090,131
00.04	Disability demonstration projects.....	444	1,445	2,275
00.05	Federal fiscal liability.....	1,390	38,004	.....
00.91	Total direct program.....	10,800,148	12,627,558	12,473,953
01.01	Reimbursable program.....	2,486,623	2,850,000	2,935,000
10.00	Total obligations.....	13,286,771	15,477,558	15,408,953
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources (State-financed State supplementation).....	-2,486,623	-2,850,000	-2,935,000
17.00	Recovery of prior year obligations.....	-5,974	-10,000	.....
21.40	Unobligated balance available, start of year.....	-43,120	-46,218	.....
24.40	Unobligated balance available, end of year.....	46,218	.....	.....
39.00	Budget authority.....	10,797,272	12,571,340	12,473,953
Budget authority:				
40.00	Appropriation.....	8,230,068	9,535,384	9,473,953
40.00	Appropriation (indefinite).....	227,954	270,956	.....
43.00	Appropriation (adjusted).....	8,458,022	9,806,340	9,473,953
60.00	Appropriation (permanent).....	2,339,250	2,765,000	3,000,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,800,148	12,627,558	12,473,953
72.10	Receivables in excess of obligations, start of year.....	-353,005	-477,523	-495,538

74.10	Receivables in excess of obligations, end of year	477,523	495,538	495,538
77.00	Adjustments in expired accounts.....	-9,418	.....	.....
78.00	Adjustments in unexpired accounts.....	-5,974	-10,000	.....
90.00	Outlays.....	10,909,274	12,635,573	12,473,953

Title XVI of the Social Security Act established the Federal Supplemental Security Income (SSI) program for the aged, blind, and disabled. In 1988, the SSI program provides a minimum income of \$354 per month for an eligible individual and \$532 per month for an eligible couple.

AVERAGE SSI RECIPIENTS—PRESENT LAW

(In thousands)

	1987 actual	1988 est.	1989 est.
Aged.....	1,284	1,256	1,233
Blind and disabled.....	2,664	2,790	2,922
Total Federal.....	3,948	4,046	4,155
State supplementation recipients.....	353	365	377
Total SSI recipients.....	4,301	4,411	4,532

Object Classification (in thousands of dollars)

Identification code	75-0406-0-1-609	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services.....	983,698	1,193,554	1,105,953
41.0	Grants, subsidies, and contributions.....	9,815,060	11,396,000	11,368,000
42.0	Insurance claims and indemnities.....	1,390	38,004	.....
99.0	Subtotal, direct obligations.....	10,800,148	12,627,558	12,473,953
99.0	Reimbursable obligations.....	2,486,623	2,850,000	2,935,000
99.9	Total obligations.....	13,286,771	15,477,558	15,408,953

FAMILY SUPPORT ADMINISTRATION

Federal Funds

General and special funds:

PROGRAM ADMINISTRATION

For necessary administrative expenses to carry out titles I, IV, X, XI, XIV, and XVI of the Social Security Act, the Act of July 5, 1960 (24 U.S.C., ch. 9), title XXVI of the Omnibus Budget Reconciliation Act of 1981, the Community Services Block Grant Act, [the Stewart B. McKinney Homeless Assistance Act,] title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980. **[\$79,464,000]** **\$79,533,000** for fiscal year 1989.

*For the foregoing purposes for fiscal year 1990, \$77,041,000. (Department of Health and Human Services Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	75-1500-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	91,723	78,918	79,533
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	1,419	546	.....
39.00	Budget authority.....	93,142	79,464	79,533
Budget authority:				
40.00	Appropriation.....	92,642	79,464	79,533
42.00	Transferred from other accounts.....	500	.....	.....
43.00	Appropriation (adjusted).....	93,142	79,464	79,533
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	91,723	78,918	79,533
72.40	Obligated balance, start of year.....	.....	35,541	27,093
74.40	Obligated balance, end of year.....	-35,541	-27,093	-20,704
90.00	Outlays.....	56,181	87,366	85,921

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.



This account finances Federal administration of Family Support Administration programs, and related research and evaluation.

COMPARABILITY TABLE

	1987 actual	1988 est.	1989 est.
Federal administration outlays in this account.....	56,181	87,366	85,921
Outlays from pre-1987 appropriations for Federal administration appearing in other FSA accounts.....	5,307	1,490	7,000
Total outlays for Federal administration.....	61,488	88,856	92,921

Outlays from BA appropriated before fiscal year 1987 appear in other accounts in the Family Support Administration. Most of the additional outlays are from the Family Support Payments to States account. The majority of the additional outlays for fiscal years 1988 and 1989 are for developing a national Child Support Enforcement telecommunications network. Outlays shown above exclude funds available from the Interim Assistance to States for Legalization account.

Object Classification (in thousands of dollars)

Identification code 75-1500-0-1-609	1987 actual	1988 est.	1989 est.
<b>HEALTH AND HUMAN SERVICES</b>			
Personel compensation:			
11.1 Full-time permanent.....	38,720	39,402	39,215
11.3 Other than full-time permanent.....	865	1,231	1,250
11.5 Other personnel compensation.....	238	244	255
11.8 Special personal services payments.....	18	18	19
11.9 Total personnel compensation.....	39,841	40,895	40,739
12.1 Civilian personnel benefits.....	4,577	5,139	4,796
13.0 Benefits for former personnel.....	8	8	.....
21.0 Travel and transportation of persons.....	1,421	2,250	2,220
22.0 Transportation of things.....	75	79	80
23.1 Rental payments to CSA.....	4,536	4,607	5,300
23.3 Communications, utilities, and miscellaneous charges.....	2,038	2,225	2,450
24.0 Printing and reproduction.....	1,057	780	750
25.0 Other services.....	14,862	13,884	18,768
26.0 Supplies and materials.....	1,137	437	446
31.0 Equipment.....	4,509	2,961	1,234
41.0 Grants, subsidies, and contributions.....	14,008	2,850	2,750
42.0 Insurance claims and indemnities.....	13	50	.....
99.0 Subtotal obligations, Health and Human Services.....	88,083	76,165	79,533
<b>ALLOCATION TO DEPARTMENT OF LABOR</b>			
11.1 Personnel compensation: full-time permanent.....	1,827	1,854	.....
11.9 Total personnel compensation.....	1,827	1,854	.....
12.1 Personnel benefits: Civilian.....	203	217	.....
21.0 Travel and transportation of persons.....	81	84	.....
22.0 Transportation of things.....	.....	1	.....
23.3 Communications, utilities, and miscellaneous charges.....	237	280	.....
24.0 Printing and reproduction.....	2	2	.....
25.0 Other services.....	276	290	.....
26.0 Supplies and materials.....	12	12	.....
31.0 Equipment.....	13	13	.....
41.0 Grants, subsidies, and contributions.....	989	.....	.....
99.0 Subtotal obligations, Department of Labor.....	3,640	2,753	.....
99.9 Total obligations.....	91,723	78,918	79,533

Personnel Summary

<b>HEALTH AND HUMAN SERVICES</b>			
Total number of full-time permanent positions.....	977	1,009	992
Total compensable workyears:			
Full-time equivalent employment.....	1,046	1,042	1,012
Full-time equivalent of overtime and holiday hours.....	31	31	31
<b>ALLOCATION TO DEPARTMENT OF LABOR</b>			
Total number of full-time permanent positions.....	60	60	.....
Total compensable workyears: Full-time equivalent employment.....	49	49	.....

FAMILY SUPPORT PAYMENTS TO STATES

For making payments to States or other non-Federal entities, except as otherwise provided, under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C., ch. 9), **[\$8,644,385,000]** \$7,855,137,000, to remain available until expended.

For making, after May 31 [of the current fiscal year] in each of fiscal years 1989 and 1990, payments to States or other non-Federal entities under titles I, IV-A and -D, X, XIV, and XVI of the Social Security Act, for the last three months of [the current year] each of these fiscal years, for unanticipated costs, incurred for [the current] such fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C., ch. 9) for [the first quarter of] fiscal year [1989, \$2,500,000,000] 1990, \$10,574,268,000, to remain available until expended[.]; and for the first quarter of fiscal year 1991, \$2,730,000,000, to remain available until expended. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-1501-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Maintenance assistance:			
Aid to families with dependent children payments:			
00.01 Properly issued payments.....	8,377,374	8,512,045	8,824,698
00.02 Erroneously issued payments.....	601,591	572,315	553,302
00.03 Collection of excess state errors.....	.....	.....	-349,200
00.04 Payments to territories.....	13,887	13,368	13,368
00.05 Emergency assistance and repatriation.....	80,092	115,300	124,000
00.06 State welfare administrative costs.....	1,062,616	1,134,100	1,186,200
01.00 Subtotal.....	10,135,560	10,347,128	10,352,368
Child support enforcement:			
01.01 Gross federal share of collections.....	-602,244	-686,000	-757,000
01.02 Federal incentive payments to states.....	202,417	230,000	270,000
01.03 State child support administrative costs.....	730,277	826,000	900,000
01.91 Subtotal.....	330,450	370,000	413,000
02.01 Federal administration.....	.....	8,490	.....
10.00 Total obligations (object class 41.0).....	10,466,010	10,725,618	10,765,368
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-72,655	-66,812	-466,194
24.40 Unobligated balance available, end of year.....	66,812	466,194	55,963
39.00 <b>Budget authority</b> .....	<b>10,460,167</b>	<b>11,125,000</b>	<b>10,355,137</b>
Budget authority:			
40.00 Appropriation.....	7,550,769	8,644,385	7,855,137
40.00 Appropriation (indefinite).....	544,894	.....	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>8,095,663</b>	<b>8,644,385</b>	<b>7,855,137</b>
60.00 <b>Appropriation (permanent)</b> .....	<b>2,364,504</b>	<b>2,480,615</b>	<b>2,500,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	10,466,010	10,725,618	10,765,368
72.40 Obligated balance, start of year.....	136,998	66,444	7,000
74.40 Obligated balance, end of year.....	-66,444	-7,000	.....
77.00 Adjustments in expired accounts.....	3,230	.....	.....
90.00 Outlays.....	10,539,794	10,785,062	10,772,368

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	10,460,167	11,125,000	10,355,137
Outlays.....	10,539,794	10,785,062	10,772,368
Proposed for later transmittal under proposed legislation:			
Budget authority.....	.....	.....	368,000
Outlays.....	.....	.....	168,000
Total:			
Budget authority.....	10,460,167	11,125,000	10,723,137
Outlays.....	10,539,794	10,785,062	10,940,368

This appropriation makes grants to States for the Federal share of State expenditures for aid to families

General and special funds—Continued

FAMILY SUPPORT PAYMENTS TO STATES—Continued

with dependent children (AFDC), child support enforcement, and related activities.

MAINTENANCE ASSISTANCE PROGRAM COSTS

(In thousands of dollars)

AFDC: <sup>1</sup>	1987 actual	1988 est.	1989 est.
Total payments.....	16,308,000	16,585,000	17,107,000
Federal share.....	8,978,965	9,084,360	9,028,800
Payments to territories:			
Total payments.....	18,516	17,824	17,824
Federal share.....	13,887	13,368	13,368
Emergency assistance:			
Total payments.....	159,300	228,600	245,900
Federal share.....	79,650	114,300	123,000
State welfare administrative costs:			
Total costs.....	2,125,232	2,230,600	2,329,100
Federal share.....	1,062,616	1,134,100	1,186,200
Repatriation of U.S. Nationals—total.....	442	1,000	1,000
Total maintenance assistance:			
Total expenses.....	18,611,490	19,063,024	19,700,824
Federal share.....	10,135,560	10,347,128	10,352,368

<sup>1</sup> Not adjusted for child support collections.

MAINTENANCE ASSISTANCE RECIPIENT CASELOAD—PRESENT LAW

Average monthly number

	1987 actual	1988 est.	1989 est.
AFDC individuals.....	11,045,000	11,002,000	11,079,000
AFDC families.....	(3,777,000)	(3,771,000)	(3,802,000)
Payments to territories families.....	41,500	41,500	41,500
Emergency assistance families.....	38,900	42,900	45,000
Total.....	11,125,400	11,086,400	11,165,500

CHILD SUPPORT ENFORCEMENT COLLECTIONS—PRESENT LAW

(In millions of dollars)

	1987 actual	1988 est.	1989 est.
Total collections (AFDC).....	1,381	1,570	1,745
Federal share.....	400	456	487
Total collections (non-AFDC).....	2,394	2,854	3,226

CHILD SUPPORT ENFORCEMENT CASES WITH COLLECTIONS—PRESENT LAW

(Families in thousands)

AFDC cases.....	800	844	894
Non-AFDC cases.....	930	1,010	1,118

FAMILY SUPPORT PAYMENTS TO STATES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 75-1501-2-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....			368,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			368,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			368,000
74.40 Obligated balance, end of year.....			-200,000
90.00 Outlays.....			168,000

The Administration continues to support the AFDC Employment and Training Reorganization Act of 1987 (H.R. 3200 and S. 1655) to promote self-sufficiency and prevent welfare dependency. Under a comprehensive employment and training program, teenage AFDC recipients will be encouraged to stay in or return to school, and older recipients will participate in a variety of employment-related activities. States will be required

to establish mandatory child support guidelines and improve methods of paternity establishment. States will have broad authority to demonstrate alternatives to existing welfare systems.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, **[\$1,531,840,000]** \$1,187,000,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-1502-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	1,822,265	1,531,840	1,187,000
<b>Financing:</b>			
39.00 Budget authority.....	1,822,265	1,531,840	1,187,000
<b>Budget authority:</b>			
40.00 Appropriation.....	1,822,765	1,531,840	1,187,000
41.00 Transferred to other accounts.....	-500		
43.00 Appropriation (adjusted).....	1,822,265	1,531,840	1,187,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,822,265	1,531,840	1,187,000
72.40 Obligated balance, start of year.....	199,649	185,508	159,370
74.40 Obligated balance, end of year.....	-185,508	-159,370	-128,334
77.00 Adjustments in expired accounts.....	-7,291		
90.00 Outlays.....	1,829,115	1,557,978	1,218,036

This program makes grants to States and Indian tribes to aid low-income households with high energy costs through payments to eligible households, energy suppliers, and building operators.

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities [authorized by] pursuant to title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-122), **[\$346,933,000]** \$278,883,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 75-1503-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 State-administered programs.....	321,687	298,968	233,758
00.02 Voluntary agency programs.....	5,828	7,659	7,659
00.03 Targeted assistance.....		34,466	34,466
00.05 Preventive health.....	8,039	5,840	3,000
10.00 Total obligations (object class 41.0).....	335,554	346,933	278,883
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-984		
21.40 Unobligated balance available, start of year.....	-3,584	-3,316	-3,316
22.40 Unobligated balance transferred, net.....	1,252		
24.40 Unobligated balance available, end of year.....	3,316	3,316	3,316
25.00 Unobligated balance lapsing.....	4,043		
40.00 Budget authority (appropriation).....	339,597	346,933	278,883
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	335,554	346,933	278,883
72.40 Obligated balance, start of year.....	178,388	94,450	136,231
74.40 Obligated balance, end of year.....	-94,450	-136,231	-119,799
77.00 Adjustments in expired accounts.....	-31,450		
78.00 Adjustments in unexpired accounts.....	-984		
90.00 Outlays.....	387,058	305,152	295,315

**Refugee and entrant assistance.**—This program provides Federal funds for the resettlement of refugees in the United States. Services include cash and medical assistance, English and vocational training, and health screening. States are subsidized for administering the refugee assistance program, and are given Federal subsidies for the normal State share of AFDC and Medicaid costs for newly arriving refugees.

**COMMUNITY SERVICES BLOCK GRANT**

For making payments under sections 672 through 681 of the Community Services Block Grant Act, \$310,000,000 for fiscal year 1989. [section 408 of Public Law 99-425 and the Stewart B. McKinney Homeless Assistance Act, \$382,290,000 of which \$18,909,000 shall be for carrying out section 681(a)(2)(A), \$3,925,000 shall be for carrying out section 681(a)(2)(D), \$2,968,000 shall be for carrying out section 681(a)(2)(E), \$6,319,000 shall be for carrying out section 681(a)(2)(F), \$239,000 shall be for carrying out section 681(a)(3), \$2,872,000 shall be for carrying out section 408 of Public Law 99-425 and \$2,394,000 shall be for carrying out section 681A with respect to the community food and nutrition program.]

Further, for the foregoing purposes for fiscal year 1990, \$245,000,000. (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
75-1504-0-1-506			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	368,318	419,090	310,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	- 261		
21.40 Unobligated balance available, start of year		- 36,800	
24.40 Unobligated balance available, end of year	36,800		
25.00 Unobligated balance lapsing	179		
<b>40.00 Budget authority (appropriation)</b>	<b>405,036</b>	<b>382,290</b>	<b>310,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	368,056	419,090	310,000
72.40 Obligated balance, start of year	124,245	127,237	140,720
74.40 Obligated balance, end of year	- 127,237	- 140,720	- 101,606
77.00 Adjustments in expired accounts	- 3,984		
<b>90.00 Outlays</b>	<b>361,080</b>	<b>405,607</b>	<b>349,114</b>

The 1989 estimate assumes a phased termination of the community services block grant program to allow local grantees to solicit funds from other Federal, State, local, and private sources.

**【WORK INCENTIVES】**

【For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such programs, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, \$92,551,000 which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes.】 (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
75-1505-0-1-504			
<b>Program by activities:</b>			
00.01 Grants to States	126,000	92,551	
10.00 Total obligations (object class 41.0)	126,000	92,551	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	126,000	92,551	

Relation of obligations to outlays:			
71.00 Obligations incurred, net	126,000	92,551	
72.40 Obligated balance, start of year	18,943	8,304	5,553
74.40 Obligated balance, end of year	- 8,304	- 5,553	
77.00 Adjustments in expired accounts	225		
<b>90.00 Outlays</b>	<b>136,864</b>	<b>95,302</b>	<b>5,553</b>

The work incentive (WIN) program was designed to encourage and assist individuals receiving support from the aid to families with dependent children (AFDC) program to achieve self-support through a program of employment, training, and support services. Training was administered by the Department of Labor; supportive services by the Department of Health and Human Services. State expenditures have been federally matched at the rate of 90%. Repeated studies, however, have shown that the WIN program is not cost effective. The budget provides no funding for WIN, but supports instead the "AFDC Employment and Training Reorganization Act of 1987" (H.R. 3200 and S. 1655) now under consideration by the Congress. Under that measure's comprehensive employment and training program, teenage recipients would be encouraged to remain in or return to school; and older recipients would participate in a variety of employment and training activities designed to improve their employment status.

**INTERIM ASSISTANCE TO STATES FOR LEGALIZATION**

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

Identification code	1987 actual	1988 est.	1989 est.
75-1508-0-1-506			
<b>Program by activities:</b>			
00.01 Grants to States		928,500	643,500
00.02 Federal administration		1,500	1,500
10.00 Total obligations (object class 41.0)		930,000	645,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent)		930,000	645,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		930,000	645,000
72.40 Obligated balance, start of year			225
74.40 Obligated balance, end of year		- 225	- 259
<b>90.00 Outlays</b>		<b>929,775</b>	<b>644,966</b>

Transitional grants for each of fiscal years 1988 through 1991 will be given to States to assist in providing financial, medical and educational assistance to newly legalized aliens. Federal administrative expenses are included in this appropriation.

**PAYMENTS TO STATES FROM RECEIPTS FOR CHILD SUPPORT**

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

Identification code	1987 actual	1988 est.	1989 est.
75-5734-0-2-609			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	401	88	
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent)	401	88	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	401	88	
72.40 Obligated balance, start of year	113	99	
74.40 Obligated balance, end of year	- 99		
<b>90.00 Outlays</b>	<b>415</b>	<b>187</b>	

General and special funds—Continued

PAYMENTS TO STATES FROM RECEIPTS FOR CHILD SUPPORT—  
Continued

The Omnibus Budget Reconciliation Act of 1987 made the treatment of these collections consistent with other IRS collection activities performed on behalf of the child support enforcement program, eliminating this account.

Trust Funds

GIFTS AND CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code	75-8905-0-7-506	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-12	-12	-12
24.40	Unobligated balance available, end of year.....	12	12	12
39.00	<b>Budget authority</b> .....			
Relations of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

HUMAN DEVELOPMENT SERVICES

Federal Funds

General and special funds:

SOCIAL SERVICES BLOCK GRANT

For monthly payments to States for carrying out the Social Services Block Grant Act, \$2,700,000,000.

Further, for fiscal year 1990 for the foregoing purposes, \$2,700,000,000. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-1634-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Social services block grant.....	2,696,746	2,700,000	2,700,000
01.01	Reimbursable program.....	1,604		
10.00	<b>Total obligations (object class 41.0)</b> .....	2,698,350	2,700,000	2,700,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal Funds.....	-1,604		
17.00	Recovery of prior year obligations.....	-324		
21.40	Unobligated balance available, start of year.....	-60,176	-16,917	-16,917
22.40	Unobligated balance transferred, net.....	43,583		
24.40	Unobligated balance available, end of year.....	16,917	16,917	16,917
25.00	Unobligated balance lapsing.....	3,254		
40.00	<b>Budget authority (appropriation)</b> .....	2,700,000	2,700,000	2,700,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,696,746	2,700,000	2,700,000
72.40	Obligated balance, start of year.....	100,325	95,234	110,701
74.40	Obligated balance, end of year.....	-95,234	-110,701	-110,701
77.00	Adjustments in expired accounts.....	-13,714		
78.00	Adjustments in unexpired accounts.....	-324		
90.00	Outlays.....	2,687,799	2,684,533	2,700,000

*Social services block grant.*—The proposed level will support grants to States for social services to: (1) prevent, reduce, or eliminate dependency; (2) prevent neglect, abuse, or exploitation of children and adults; (3) prevent or reduce inappropriate institutional care; (4) secure admission or referral for institutional care when

other forms of care are not appropriate; and (5) provide services to individuals in institutions.

HUMAN DEVELOPMENT SERVICES

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Older Americans Act of 1965, the Developmental Disabilities Assistance and Bill of Rights Act, the Child Abuse Prevention and Treatment Act, section 404 of Public Law 98-473, the Family Violence Prevention and Services Act (title III of Public Law 98-457), the Native [Americans] American Programs Act, title II of Public Law 95-266 (adoption opportunities), [title II of the Children's Justice and Assistance Act of 1986,] chapter 8-D of title VI of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and development of dependent care programs), the Head Start Act, the Child Development Associate Scholarship Assistance Act of 1985, and part B of title IV and section 1110 of the Social Security Act, [\$2,455,532,000.] \$2,456,868,000: Provided, That with regard to projects funded under the Head Start Act, grantees shall be considered as educational institutions within the meaning of section 3304(a)(6)(A) of the Federal Unemployment Tax Act.

Further, for fiscal year 1990 for the foregoing purposes and subject to the same terms and conditions, \$2,505,023,000. (Department of Health and Human Services Appropriations Act, 1988; additional authorizing legislation to be proposed for \$26,089,000.)

Program and Financing (in thousands of dollars)

Identification code	75-1636-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Administration for children, youth, and families:				
00.01	Head Start.....	1,130,344	1,206,324	1,206,324
00.02	Child Development Associate Scholarships..	1,000	1,436	1,436
00.03	Runaway and Homeless Youth.....	23,249	26,089	26,089
00.04	Child Abuse State Grants.....	11,940	11,489	11,489
00.05	Child Abuse Discretionary activities.....	13,947	13,306	
00.06	Child Abuse Challenge Grants.....	5,000	4,787	4,787
00.07	Dependent Care Planning and Development Grants.....	4,846	8,377	8,377
00.08	Temporary Child Care and Crisis Nurseries Grants.....		4,787	
00.09	Child Welfare Services.....		239,350	239,350
00.10	Child Welfare Training.....		3,660	
00.11	Child Welfare Research and Demonstration.....		10,857	
00.12	Adoption Opportunities.....		4,787	
00.14	Family Violence Grants.....	8,468	8,138	8,138
Administration on Aging:				
00.23	Title III Services and Meals.....	693,366	689,328	689,328
00.25	Grants to Indian Tribes.....	7,500	7,181	7,181
00.27	Research, Training and Discretionary Programs.....	24,995	23,935	
00.29	Federal Council on Aging.....	150	191	
00.30	Frail Elderly Grants.....		4,787	4,787
Administration for developmental disabilities:				
00.31	State Grants and Advocacy.....	72,000	77,549	77,549
00.32	Special Projects and UAP's.....	11,645	15,318	
00.33	Administration for Native Americans.....	28,989	29,679	29,679
00.34	Human Services Research, Training, and Demonstration.....			76,650
00.40	Federal Administration.....	61,668	63,970	65,704
00.91	<b>Total direct program</b> .....	2,099,107	2,455,325	2,456,868
01.01	Reimbursable program.....	1,005		
10.00	<b>Total obligations</b> .....	2,100,112	2,455,325	2,456,868
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,005		
17.00	Recovery of prior year obligations.....	-64		
21.40	Unobligated balance available, start of year.....		-64	-64
24.40	Unobligated balance available, end of year.....	64	64	64
25.00	Unobligated balance lapsing.....	1,228	207	
40.00	<b>Budget authority (appropriation)</b> .....	2,100,335	2,455,532	2,456,868
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,099,107	2,455,325	2,456,868
72.40	Obligated balance, start of year.....	950,089	1,007,637	1,073,938
74.40	Obligated balance, end of year.....	-1,007,637	-1,073,938	-1,079,809
77.00	Adjustments in expired accounts.....	-82,991		

78.00	Adjustments in unexpired accounts .....	- 64		
90.00	Outlays .....	1,958,504	2,389,024	2,450,997

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

*Services for children, the elderly, and other special groups.*—The proposed level will enhance State, local, and private efforts to provide developmental and other services for children, supportive services for the elderly, grants to improve support networks for persons with developmental disabilities, and economic development assistance to Native American populations.

*Human Services Research, Training, and Demonstrations.*—The proposed level will continue to support discretionary research, demonstrations, training, technical assistance, and evaluation activities in these human services fields.

*Federal administration—Human development services.*—The proposed level will fund administrative expenses to carry out Office of Human Development Services programs.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-1636-0-1-506			
Personnel compensation:			
11.1	40,439	41,095	42,045
11.3	1,512	1,574	1,343
11.5	59	328	235
11.9	42,010	42,997	43,623
12.1	4,690	4,839	5,122
13.0	14		
21.0	1,024	897	900
22.0	17	18	18
23.1	5,381	5,400	5,323
23.2	2,553	2,500	2,790
24.0	1,024	1,000	1,000
25.0	13,023	17,876	18,092
26.0	172	214	214
31.0	3,142	370	572
41.0	2,027,062	2,379,214	2,379,214
99.9	2,100,112	2,455,325	2,456,868

Personnel Summary

Total number of full-time permanent positions.....	966	970	978
Total compensable workyears:			
Full-time equivalent employment .....	1,014	1,026	1,025
Full-time equivalent of overtime and holiday hours .....	15.4	15.4	15.4

【FAMILY SOCIAL SERVICES】

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For carrying out part E of title IV of the Social Security Act, **【\$811,178,000】** \$1,074,907,000.

Further, for fiscal year 1990 for the foregoing purposes, **【\$1,034,507,000】** (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-1645-0-1-506			
Program by activities:			
Direct program:			
00.01	719,184	658,178	940,971
00.03	45,000	45,000	
00.04	87,112	108,000	133,936
00.06	222,500		
00.07	3,822		
00.08	11,336		

00.09	Child welfare research and demonstration .....	5,000		
00.91	Total direct program .....	1,093,954	811,178	1,074,907
01.01	Reimbursable program .....	1,475		
10.00	Total obligations (object class 41.0) .....	1,095,429	811,178	1,074,907
Financing:				
11.00	Offsetting collections from: Federal funds .....	- 1,475		
22.40	Unobligated balance transferred, net .....	- 43,583		
25.00	Unobligated balance lapsing .....	10,840		
40.00	Budget authority (appropriation) .....	1,061,211	811,178	1,074,907
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,093,954	811,178	1,074,907
72.40	Obligated balance, start of year .....	161,203	451,078	266,578
74.40	Obligated balance, end of year .....	- 451,078	- 266,578	- 327,180
77.00	Adjustments in expired accounts .....	- 2,268		
90.00	Outlays .....	801,811	995,678	1,014,305

*Foster care.*—The proposed level will support maintenance assistance for children who must be placed outside the home. An average of 115,000 children will be served monthly.

*Adoption assistance.*—The proposed funding level will support subsidies for families adopting children with special needs.

*Discretionary activities.*—Discretionary activities previously included in this account (child welfare services and training, child welfare research and demonstration, and adoption opportunities) are now appropriated in the Human Development Services account.

OFFICE OF THE SECRETARY

Federal Funds

General and special funds:

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six medium sedans, **【\$67,840,000】** \$68,160,000, together with not to exceed **【\$6,702,000】** \$7,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein **【**, of which \$4,308,000 shall be for construction and fixed equipment for the Mary Babb Randolph Center in West Virginia**】**.

Further, for the foregoing purposes for fiscal year 1990, \$69,184,000, including hire of six medium sedans, together with not to exceed \$7,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
75-0120-0-1-609			
Program of activities:			
00.01	150,246	74,428	75,160
01.01	20,909	19,973	19,973
10.00	171,155	94,401	95,133
Financing:			
Offsetting collections from:			
11.00	- 20,909	- 19,973	- 19,973
13.00	- 27,500	- 6,702	- 7,000
25.00	1,273	114	
40.00	124,019	67,840	68,160
Relation of obligations to outlays:			
71.00	122,746	67,726	68,160
72.40	41,000	63,814	58,036
74.40	- 63,814	- 58,036	- 55,760

General and special funds—Continued

GENERAL DEPARTMENTAL MANAGEMENT—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-0120-0-1-609	1987 actual	1988 est.	1989 est.
77.00	Adjustments in expired accounts.....	1,297		
90.00	Outlays.....	101,229	73,504	70,436

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

General departmental management activities provide leadership, policy or administrative guidance to HHS components.

Object Classification (in thousands of dollars)

Identification code	75-0120-0-1-609	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	75,692	37,530	38,767
11.3	Other than full-time permanent.....	3,164	1,569	1,620
11.5	Other personnel compensation.....	1,145	568	586
11.8	Special personal services payments.....	73	36	38
11.9	Total personnel compensation.....	80,074	39,703	41,011
12.1	Civilian personnel benefits.....	9,549	5,956	6,152
13.0	Benefits for former personnel.....	454	148	153
21.0	Travel and transportation of persons.....	1,092	371	383
22.0	Transportation of things.....	131	20	21
23.1	Rental payments to GSA.....	16,139	10,387	8,494
23.3	Communications, utilities, and miscellaneous charges.....	4,801	1,975	2,040
24.0	Printing and reproduction.....	1,255	1,311	1,354
25.0	Other services.....	15,241	9,994	11,167
26.0	Supplies and materials.....	975	255	263
31.0	Equipment.....	6,035		4,122
41.0	Grants, subsidies, and contributions.....	14,500	4,308	
99.0	Subtotal, direct obligations.....	150,246	74,428	75,160
99.0	Reimbursable obligations.....	20,909	19,973	19,973
99.9	Total obligations.....	171,155	94,401	95,133

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions.....	2,173	980	996
<b>Total compensable workyears:</b>				
	Full-time equivalent employment.....	2,089	934	946
	Full-time equivalent of overtime and holiday hours.....	16	5	12
<b>Reimbursable:</b>				
	Total number of full-time permanent positions.....	21	19	19
	Total compensable workyears: Full-time equivalent employment.....	20	18	18

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, **[\$35,769,000]** \$46,430,000, together with not to exceed **[\$38,296,000]** \$40,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

Further, for the foregoing purposes for fiscal year 1990, \$46,950,000, together with not to exceed \$40,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein. (Department of Health and Human Services Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	75-0128-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	69,984	73,322	86,430
01.01	Reimbursable program.....	789	1,000	1,000
10.00	Total obligations.....	70,773	74,322	87,430

Financing:

<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-789	-1,000	-1,000
13.00	Trust funds.....	-40,000	-38,296	-40,000
17.00	Recovery of prior year obligations.....	-1,061		
21.40	Unobligated balance available, start of year.....		-1,061	-1,061
24.40	Unobligated balance available, end of year.....	1,061	1,061	1,061
25.00	Unobligated balance lapsing.....	532	743	
39.00	<b>Budget authority.....</b>	<b>30,516</b>	<b>35,769</b>	<b>46,430</b>

Budget authority:

40.00	Budget authority (appropriation).....	30,016	35,769	46,430
42.00	Transferred from other accounts.....	500		
43.00	<b>Appropriation (adjusted).....</b>	<b>30,516</b>	<b>35,769</b>	<b>46,430</b>

Relation of obligations to outlays:

71.00	Obligations incurred, net.....	29,984	35,026	46,430
72.40	Obligated balance, start of year.....	11,297	13,989	17,190
74.40	Obligated balance, end of year.....	-13,989	-17,190	-22,047
77.00	Adjustments in expired accounts.....	1,477		
78.00	Adjustments in unexpired accounts.....	-1,061		
90.00	<b>Outlays.....</b>	<b>27,708</b>	<b>31,825</b>	<b>41,573</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Office of the Inspector General identifies and recommends actions to correct fraud, waste and abuse in HHS administered and assisted programs and operations through audits and investigations.

Object Classification (in thousands of dollars)

Identification code	75-0128-0-1-609	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	43,744	46,313	49,869
11.3	Other than full-time permanent.....	448	609	614
11.5	Other personnel compensation.....	715	323	323
11.9	Total personnel compensation.....	44,907	47,245	50,806
12.1	Civilian personnel benefits.....	6,479	8,078	8,748
13.0	Benefits for former personnel.....	177	183	183
21.0	Travel and transportation of persons.....	3,882	3,283	5,230
22.0	Transportation of things.....	146	184	184
23.1	Rental payments to GSA.....	3,643	3,859	4,700
23.3	Communications, utilities, and miscellaneous charges.....	2,115	1,937	2,104
24.0	Printing and reproduction.....	287	305	305
25.0	Other services.....	5,367	7,649	12,591
26.0	Supplies and materials.....	379	357	412
31.0	Equipment.....	2,602	242	1,167
99.0	Subtotal, direct obligations.....	69,984	73,322	86,430
99.0	Reimbursable obligations.....	789	1,000	1,000
99.9	Total obligations.....	70,773	74,322	87,430

Personnel Summary

	Total number of full-time permanent positions.....	1,252	1,285	1,354
<b>Total compensable workyears:</b>				
	Full-time equivalent employment.....	1,204	1,236	1,302
	Full-time equivalent of overtime and holiday hours.....	12	4	9

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, **[\$16,343,000]** \$16,173,000, together with not to exceed **[\$3,830,000]** \$4,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

Further, for the foregoing purposes for fiscal year 1990, \$16,404,000, together with not to exceed \$4,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein. (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
75-0135-0-1-751			
<b>Program by activities:</b>			
10.00 Total obligations	19,065	20,094	20,173
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds	-4,000	-3,830	-4,000
25.00 Unobligated balance lapsing	220	79	
40.00 <b>Budget authority (appropriation)</b>	<b>15,285</b>	<b>16,343</b>	<b>16,173</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	15,065	16,264	16,173
72.40 Obligated balance, start of year	1,885	1,804	2,568
74.40 Obligated balance, end of year	-1,804	-2,568	-1,901
77.00 Adjustments in expired accounts	-92		
90.00 <b>Outlays</b>	<b>15,054</b>	<b>15,500</b>	<b>16,840</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Office for Civil Rights carries out the Department's civil rights and nondiscrimination enforcement programs.

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

Identification code	1987 actual	1988 est.	1989 est.
75-0135-0-1-751			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	13,692	13,668	13,219
11.3 Other than full-time permanent	214	290	298
11.5 Other personnel compensation	123	125	125
11.9 Total personnel compensation	14,029	14,083	13,642
12.1 Civilian personnel benefits	1,785	1,791	1,762
13.0 Benefits for former personnel	82	12	
21.0 Travel and transportation of persons	425	336	431
22.0 Transportation of things	16	13	18
23.1 Rental payments to GSA	1,472	1,688	1,935
23.3 Communications, utilities, and miscellaneous charges	609	670	704
24.0 Printing and reproduction	63	51	53
25.0 Other services	406	1,339	1,549
26.0 Supplies and materials	66	63	66
31.0 Equipment	105	48	13
42.0 Insurance claims and indemnities	7		
99.9 Total obligations	19,065	20,094	20,173

**Personnel Summary**

Total number of full-time permanent positions	373	364	338
Total compensable workyears:			
Full-time equivalent employment	359	350	325
Full-time equivalent of overtime and holiday hours	1		

**OFFICE OF CONSUMER AFFAIRS**

For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, **[\$1,870,000] \$1,708,000.**

Further, for the foregoing purposes for fiscal year 1990, **\$1,735,000.** (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
75-0137-0-1-506			
<b>Program by activities:</b>			
00.01 Direct program	1,703	1,670	1,708
10.00 Total obligations	1,703	1,670	1,708
<b>Financing:</b>			
25.00 Unobligated balance lapsing	65		
40.00 <b>Budget authority (appropriation)</b>	<b>1,768</b>	<b>1,670</b>	<b>1,708</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	1,703	1,670	1,708

72.40 Obligated balance, start of year	297	376	368
74.40 Obligated balance, end of year	-376	-368	-371
77.00 Adjustments in expired accounts	3		
90.00 <b>Outlays</b>	<b>1,627</b>	<b>1,678</b>	<b>1,705</b>

The Office of Consumer Affairs presents consumer needs and viewpoints in the Federal Government. The Director is also a Special Advisor to the President.

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

Identification code	1987 actual	1988 est.	1989 est.
75-0137-0-1-506			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	754	639	665
11.3 Other than full-time permanent	65	110	112
11.5 Other personnel compensation	11	7	8
11.9 Total personnel compensation	830	756	785
12.1 Civilian personnel benefits	85	84	90
13.0 Benefits for former personnel	2	2	2
21.0 Travel and transportation of persons	39	45	45
23.1 Rental payments to GSA	126	129	132
23.3 Communications, utilities, and miscellaneous charges	65	65	69
24.0 Printing and reproduction	122	70	82
25.0 Other services	391	479	458
26.0 Supplies and materials	18	18	20
31.0 Equipment	25	22	25
99.9 Total obligations	1,703	1,670	1,708

**Personnel Summary**

Total number of full-time permanent positions	22	22	22
Total compensable workyears: Full-time equivalent employment	20	22	22

**POLICY RESEARCH**

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, **[\$4,873,000] \$5,019,000.**

Further, for the foregoing purposes for fiscal year 1990, **\$5,107,000.** (Department of Health and Human Services Appropriations Act, 1988.)

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

Identification code	1987 actual	1988 est.	1989 est.
75-0122-0-1-609			
<b>Program by activities:</b>			
00.01 Direct program	8,135	4,869	5,019
01.01 Reimbursable program	1,745	1,625	1,500
10.00 Total obligations	9,880	6,494	6,519
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-1,745	-1,625	-1,500
25.00 Unobligated balance lapsing	65	4	
40.00 <b>Budget authority (appropriation)</b>	<b>8,200</b>	<b>4,873</b>	<b>5,019</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	8,135	4,869	5,019
72.40 Obligated balance, start of year	4,000	7,573	6,417
74.40 Obligated balance, end of year	-7,573	-6,417	-6,050
77.00 Adjustments in expired accounts	-1,759		
90.00 <b>Outlays</b>	<b>2,803</b>	<b>6,025</b>	<b>5,386</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor Health and Human Services, and Education, and Related agencies Appropriations Act, 1988.

This activity supports research to develop policy initiatives and improve existing HHS programs.

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

Identification code	1987 actual	1988 est.	1989 est.
75-0122-0-1-609			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	176	240	265

General and special funds—Continued

POLICY RESEARCH—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	75-0122-0-1-609	1987 actual	1988 est.	1989 est.
11.3	Other than full-time permanent.....	2	4	
11.5	Other personnel compensation.....			
11.8	Special personal services payments.....	26	15	
11.9	Total personnel compensation.....	204	259	265
12.1	Civilian personnel benefits.....	36	58	62
21.0	Travel and transportation of persons.....	24	14	20
22.0	Transportation of things.....		1	1
23.3	Communications, utilities, and miscellaneous charges.....			
24.0	Printing and reproduction.....	32	20	25
25.0	Other services.....	3,343	3,466	3,586
26.0	Supplies and materials.....	15	27	30
31.0	Equipment.....	24	24	30
41.0	Grants, subsidies, and contributions.....	4,457	1,000	1,000
99.0	Subtotal, direct obligations.....	8,135	4,869	5,019
99.0	Reimbursable obligations.....	1,745	1,625	1,500
99.9	Total obligations.....	9,880	6,494	6,519

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	5	5	5
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Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code	75-4503-0-4-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Operating expenses.....	3,542	75,107	82,956
10.00	Total obligations.....	3,542	75,107	82,956
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-3,275	-75,107	-82,956
17.00	Recovery of prior year obligations.....	-1,197		
21.98	Unobligated balance available, start of year: Fund balance.....	-11,099	-12,029	-8,927
24.98	Unobligated balance available, end of year: Fund balance.....	12,029	8,927	8,927
25.00	Unobligated balance lapsing.....		3,102	
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	267		
72.98	Obligated balance, start of year: Fund balance.....	1,966	641	641
74.98	Obligated balance, end of year: Fund balance.....	-641	-641	
78.00	Adjustments in unexpired accounts.....	-1,197		
90.00	Outlays.....	395		641

The fund provides common centralized services to operational components of HHS.

Object Classification (in thousands of dollars)

Identification code	75-4503-0-4-506	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	642	44,496	46,334
11.5	Other personnel compensation.....	5		
11.9	Total personnel compensation.....	647	44,496	46,334
12.1	Civilian personnel benefits.....	74	6,675	6,938
13.0	Benefits for former personnel.....		176	174
21.0	Travel and transportation of persons.....		555	579
22.0	Transportation of things.....		23	24
23.1	Rental payments to CSA.....		7,936	11,564
23.3	Communications, utilities, and miscellaneous charges.....	943	3,397	3,274
24.0	Printing and reproduction.....	1,378	1,207	1,446
25.0	Other services.....	316	9,752	11,285
26.0	Supplies and materials.....	76	636	690

31.0	Equipment.....	108	254	648
99.9	Total obligations.....	3,542	75,107	82,956

Personnel Summary

Total number of full-time permanent positions.....	1,240	1,228
Total compensable workyears: Full-time equivalent employment.....	1,192	1,181

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. None of the funds made available by this Act for the National Institutes of Health may be used to provide forward funding or multiyear funding of research project grants except in those cases where the Director of the National Institutes of Health has determined that such funding is specifically required because of the scientific requirements of a particular research project grant.

SEC. 203. Appropriations in this or any other Act [for the Health Resources and Services Administration, the National Institutes of Health, the Centers for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Office of the Assistant Secretary for Health, the Health Care Financing Administration, and Departmental Management] shall be available for expenses for not to exceed 3,200 active commissioned officers in the Public Health Service Reserve Corps and for not to exceed [two thousand four hundred] 2,400 commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents, between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; expenses for medical care for civilian and commissioned employees of the Public Health Service and their dependents, assigned abroad on a permanent basis in accordance with such regulations as the Secretary may provide; rental or lease of living quarters (for periods not exceeding five years), and provision of heat, fuel, and light and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18; not to exceed \$9,500 for each fiscal year for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

SEC. 204. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

SEC. 205. Funds advanced to the National Institutes of Health Management Fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 327A of the Public Health Service Act.



SEC. 206. Funds appropriated in this title for the Social Security Administration and the Family Support Administration shall be available for not to exceed **[\$10,000]** a total of \$15,000 for each fiscal year for official reception and representation expenses when specifically approved by the Commissioner of Social Security or the Administrator of Family Support.

SEC. 207. Funds appropriated in this title for the Health Care Financing Administration shall be available for not to exceed \$2,000 for each fiscal year for official reception and representation expenses when specifically approved by the Administrator of the Health Care Financing Administration.

SEC. 208. No funds appropriated for the fiscal year ending September 30, **[1988]** 1989 or September 30, 1990, by this or any other Act, may be used to pay basic pay, special pays, basic allowances for subsistence and basic allowances for quarters of the commissioned corps of the Public Health Service described in section 204 of title 42, United States Code, at a level that exceeds 110 percent of the Executive Level **[I]** II annual rate of basic pay except for Commissioned Corps Officers currently receiving such levels of pay: *Provided*, That amounts received from employees of the Department in payment for room and board may be credited to the appropriation accounts which finance the services **["Health Resources and Services", National Institutes of Health "Office of the Director", "Disease Control, Research, and Training", and "Federal Subsidy for Saint Elizabeths Hospital"]**; *Provided further*, That none of the funds made available by this Act shall be used to provide special retention pay (bonuses) under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve medical officer of the Public Health Service for any period during which the officer is assigned to the clinical, research, or staff associate program administered by the National Institutes of Health: *Provided further*, That funds appropriated by this Act or any other Act shall not be used for special, revised special, or continuation pay to any physician or dentist appointed to the Public Health Service Commissioned Corps during the current year whose primary duties are determined by the Secretary to be administrative or managerial: *Provided further*, That any physician or dentist who, through promotion or reassignment within the Corps assumes as primary duties administrative or managerial responsibilities may, at the discretion of the Secretary, receive such special, revised special, or continuation pay.

SEC. 209. None of the funds appropriated in this title shall be used to transfer the general administration of programs authorized under the Native American Programs Act from the Department of Health and Human Services to the Department of the Interior.

SEC. 210. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years, so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

**[SEC. 211. The Secretary shall make available through assignment not more than 50 employees of the Public Health Service, who shall be exempt from all FTE limitations in the Department, to assist in**

child survival activities through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization. In addition, commissioned officers assigned under this section shall be exempt from all limitations on the number and grade of officers in the Public Health Service Commissioned Corps.]

SEC. **[212]** 211. Funds appropriated by this Act may be used to pay physicians' comparability allowances, as authorized under 5 U.S.C. 5948, only to those persons who are licensed to practice medicine, except that this provision shall not apply to individuals receiving such allowances prior to January 1, 1989.

SEC. **[213]** 212. For the purpose of insuring proper management of federally supported computer systems and data bases, funds appropriated by this Act are available for the purchase of dedicated telephone service between the private residences of employees assigned to computer centers funded under this Act, and the computer centers to which such employees are assigned.

**[SEC. 214. The Secretary of Health and Human Services shall:**

(1) Issue a report to Congress within 90 days of the close of fiscal year 1988, of violations occurring during such year, of Department of Health and Human Services travel policy; and

(2) Require that personnel found by the report to be in violation of Department travel policy, shall reimburse the Department for funds spent in violation of Department policy.]

**[SEC. 215. Section 465(b) of 42 U.S.C. 286 is amended by inserting between (5) and (6) an additional charge to the Secretary to "publicize the availability of the above products and services of the National Library of Medicine".]**

**[SEC. 216. Funds available in this title for activities related to acquired immune deficiency syndrome (AIDS) may be transferred between appropriation accounts upon the approval by the House and Senate Committees on Appropriations of a transfer request submitted by the Secretary of Health and Human Services.]**

SEC. 213. Funds derived from collections under section 1803 of Public Law 99-570 shall be credited to and used for the purposes of those appropriations of the Department of Health and Human Services that finance the activities under such section, with such funds to remain available until expended.

SEC. 214. The Secretary is authorized to recover funds appropriated in this or any other Act for purposes of facility construction and modernization grants from any grantee who has title or ownership interest in a facility financed in whole or in part by such funds, when the basic use of such assisted facilities no longer meets the program requirements and purposes as originally authorized.

SEC. 215. No funds in this Act appropriated to an agency of the Department of Health and Human Services shall be transferred to the Working Capital Fund without the approval of the agency administrator or the Secretary. (Department of Health and Human Services Appropriations Act, 1988.)



# DEPARTMENT OF HEALTH AND HUMAN SERVICES, SOCIAL SECURITY

## SOCIAL SECURITY

### Trust Funds

#### FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

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

Identification code 20-8006-8-7-651	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	182,809,948	194,203,465	207,101,900
Administration:			
00.02	1,632,789	1,607,317	1,655,067
00.03	972,118	1,179,635	1,090,131
00.04	2,557,282	2,842,000	2,961,000
00.05	625,017	747,951	706,353
00.91	188,597,154	200,580,368	213,514,451
01.01	23,092	40,128	40,162
10.00	188,620,246	200,620,496	213,554,613
<b>Financing:</b>			
Offsetting collections from:			
11.00	-988,282	-1,207,725	-1,118,244
14.00	-6,928	-12,038	-12,049
21.40	-22,892,411	-42,792,489	-78,385,343
24.40	42,792,489	78,385,343	121,511,457
60.00	207,525,114	234,993,587	255,550,434
Relation of obligations to outlays:			
71.00	187,625,036	199,400,733	212,424,320
Obligated balance, start of year:			
72.40	572,923	-89,338	600,000
72.40	14,055,565	15,563,120	15,998,448
Obligated balance, end of year:			
74.40	89,338	-600,000	-600,000
74.40	-15,563,120	-15,998,448	-17,101,600
90.00	186,779,742	198,276,067	211,321,168

**Direct program.**—The old-age and survivors insurance (OASI) program provides income to retired workers, their dependents, and survivors. The program is financed by payroll taxes paid by employers, employees, and self-employed individuals.

The contribution rates are applied to taxable earnings up to a specified maximum. The maximum was \$43,800 in 1987, \$45,000 in 1988, and is expected to increase to \$46,500 in 1989.

**Benefit payments.**—Benefits are based on average taxable earnings, indexed for inflation.

**Administration.**—This activity reflects the costs of administering this program.

**Payment to railroad retirement account.**—Since 1951, approximately \$33 billion in annual payments from the social security trust funds have helped finance the railroad retirement system. The annual OASI payment includes funds for some benefits which are not, in turn, paid to railroad workers and their families.

**Reimbursable program.**—Advances are made from the OASI trust fund for the administrative expenses of the general fund programs and certain other services ad-

ministered by SSA with full reimbursement to the trust fund (including interest when appropriate).

#### STATUS OF FUNDS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:			
Cash	572,923	-89,338	600,000
U.S. securities (par)	36,947,976	58,355,609	94,383,791
Balance of trust fund, start of year	37,520,899	58,266,271	94,983,791
Cash income during year:			
Governmental receipts:			
Contributions on earnings:			
FICA and SECA taxes	189,590,710	219,380,000	236,515,000
Refund of contributions	-374,265	-537,000	-643,000
Deposits by States	5,324,577	47,000	.....
Gifts	454	.....	.....
Interbudgetary transactions:			
Federal employer contributions	3,011,000	3,638,000	4,018,000
Agency payment for military service credits	.....	284,000	288,000
FICA and SECA tax credits	1,653,807	1,962,938	2,072,000
Individual income tax equivalents on OASI benefits	3,322,716	3,531,533	3,777,165
Federal payment for noncontributory military service credits	348,391	.....	.....
Federal payment for special benefits for the aged ...	69,394	54,554	42,606
Pension reform	691	790	1,025
Interest on investments	4,494,953	6,587,772	9,435,638
Credit for unnegotiated OASI benefit checks	52,229	44,000	44,000
Proprietary receipts: Other receipts	30,457	.....	.....
Total annual income:			
Present law	207,525,114	234,993,587	255,550,434
Cash outgo during year:			
Benefit payments	182,055,047	193,148,000	206,013,000
Administrative expenses:			
Authorized program	1,542,348	1,538,116	1,640,815
Adjustment for net change in agent cashier fund	48	.....	.....
Payment to railroad retirement account (net settlement) (45 U.S.C. 228g)	2,557,282	2,842,000	2,961,000
Interest on normalized tax transfers	625,017	747,951	706,353
Total annual outgo:			
Present law	186,779,742	198,276,067	211,321,168
Unexpended balance, end of year:			
Cash	-89,338	600,000	600,000
U.S. securities (par)	58,355,609	94,383,791	138,613,057
Balance of trust fund, end of year	58,266,271	94,983,791	139,213,057

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

Identification code 20-8006-8-7-651	1987 actual	1988 est.	1989 est.
Direct obligations:			
Other services:			
25.0			
	11,935	2,909	3,038
25.0	99	95	99
25.0	18,000	17,233	18,000
42.0	182,809,948	194,203,465	207,101,900
43.0	625,017	747,951	706,353
Undistributed:			
92.0	140,442	164,858	171,613
92.0	2,557,282	2,842,000	2,961,000

FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND—  
Continued

Object Classification (in thousands of dollars)—Continued

Identification code	20-8006-8-7-651	1987 actual	1988 est.	1989 est.
	Administrative expenses: Portion of limitation on administrative expenses, Social Security Administration:			
93.0	OASI program .....	1,462,313	1,422,222	1,462,317
93.0	SSI program .....	972,118	1,179,635	1,090,131
99.0	Subtotal, direct obligations.....	188,597,154	200,580,368	213,514,451
99.0	Reimbursable obligations.....	23,092	40,128	40,162
99.9	Total obligations.....	188,620,246	200,620,496	213,554,613

FEDERAL DISABILITY INSURANCE TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	20-8007-8-7-651	1987 actual	1988 est.	1989 est.
	<b>Program by activities:</b>			
00.01	Benefit payments.....	20,655,275	21,465,676	22,486,300
00.02	Administration.....	709,601	698,978	718,926
00.03	Payment to railroad retirement account.....	56,895	49,000	48,000
00.04	Interest on normalized tax transfers.....	59,816	72,000	68,000
00.05	Disability demonstration projects.....	3,212	6,850	5,640
10.00	Total obligations.....	21,484,799	22,292,504	23,326,866
	<b>Financing:</b>			
21.40	Unobligated balance available, start of year: U.S. securities (par).....	-7,153,273	-5,783,323	-5,806,819
24.40	Unobligated balance available, end of year: U.S. securities (par).....	5,783,323	5,806,819	6,611,953
60.00	Budget authority (appropriation) (permanent, indefinite).....	20,114,849	22,316,000	24,132,000
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	21,484,799	22,292,504	23,326,866
	Obligated balance, start of year:			
72.40	Treasury balance.....	13,521	-19,276	1,000
72.40	U.S. securities (par).....	1,182,199	1,409,516	1,420,871
	Obligated balance, end of year:			
74.40	Treasury balance.....	19,276	-1,000	-1,000
74.40	U.S. securities (par).....	-1,409,516	-1,420,871	-1,525,080
90.00	Outlays.....	21,290,280	22,260,872	23,222,657

The disability insurance (DI) program provides income to insured disabled workers (and their dependents). This program is financed by payroll taxes paid by workers, employers, and self-employed individuals.

**Benefit payments.**—Disability insurance benefits are made to certain disabled individuals and their dependents. Automatic cost-of-living benefit increases are the same as for the OASI program.

**Administration.**—This activity reflects administrative and other nonbenefit expenses attributable to the DI program.

**Payment to railroad retirement account.**—Annual adjustments are made between the DI trust fund and the railroad retirement fund. This adjustment is computed on the same basis as the payment from the OASI trust fund which is described in the preceding section.

STATUS OF FUNDS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:			
Cash.....	13,521	-19,276	1,000
U.S. securities (par).....	8,335,473	7,192,839	7,227,691
Balance of trust fund, start of year.....	8,348,994	7,173,563	7,228,691

Cash income during year:

Governmental receipts:			
Contributions on earnings:			
FICA and SECA taxes.....	18,240,534	21,054,000	22,671,000
Refund of contributions.....	-28,675	-51,000	-62,000
Deposits by States.....	648,515	6,000	.....
Gifts.....	137	.....	.....
Interbudgetary transactions:			
Federal employer contributions.....	289,000	349,000	386,000
Agency payment for military service credits.....	.....	27,000	27,000
FICA and SECA tax credits.....	153,738	189,000	198,000
Individual income taxes on DI benefits.....	-15,569	53,000	206,000
Federal payment for noncontributory military service credits.....	20,526	.....	.....
Interest on investments.....	795,208	683,000	700,000
Credit for unnegotiated DI benefit checks.....	8,463	6,000	6,000
Proprietary receipts: Other receipts.....	2,972	.....	.....
Total annual income:			
Present law.....	20,114,849	22,316,000	24,132,000
Cash outgo during year:			
Benefit payments.....	20,421,057	21,404,000	22,373,000
Administrative expenses: Authorized program.....	738,000	713,222	712,217
Demonstration projects.....	1,000	6,850	5,640
Vocational rehabilitation services.....	13,512	15,800	15,800
Payment to railroad retirement account (net settlement).....	56,895	49,000	48,000
Interest on normalized tax transfers.....	59,816	72,000	68,000
Total annual outgo:			
Present law.....	21,290,280	22,260,872	23,222,657
Unexpended balance, end of year:			
Cash.....	-19,276	1,000	1,000
U.S. securities (par).....	7,192,839	7,227,691	8,137,034
Balance of trust fund, end of year.....	7,173,563	7,228,691	8,138,034

Object Classification (in thousands of dollars)

Identification code	20-8007-8-7-651	1987 actual	1988 est.	1989 est.
	Other services:			
25.0	General departmental management, Department of Health and Human Services.....	5,115	1,302	1,302
25.0	Office of the Inspector General, Department of Health and Human Services.....	1,600	1,600	1,600
25.0	Vocational rehabilitation services.....	16,209	15,800	15,800
25.0	Disability demonstration projects.....	3,212	6,850	5,640
42.0	Insurance claims and indemnities: Disability insurance benefits.....	20,639,066	21,449,876	22,470,500
43.0	Interest on normalized tax transfers.....	59,816	72,000	68,000
	Undistributed:			
92.0	Reimbursement for administrative expenses of Department of the Treasury.....	18,599	26,521	27,593
92.0	Payment to railroad retirement account (net settlement).....	56,895	49,000	48,000
93.0	Administrative expenses: Portion of limitation on administrative expenses, Social Security Administration.....	684,287	669,555	688,431
99.9	Total obligations.....	21,484,799	22,292,504	23,326,866

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, not more than **[\$3,524,114,000]** \$3,775,661,000, may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That travel expense payments under section 1631(h) of such Act for travel to hearings may be made only when travel of more than seventy-five miles is required: *Provided further*, That \$47,870,000 of the foregoing amount shall be apportioned for use only to the extent necessary to process workloads not anticipated in the budget estimates, for automation projects and their impact on the work force, and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That not to exceed **[\$53,040,000]** \$20,000,000 for automatic data processing and telecommunications activities shall remain available until expended: *Provided further*,

That none of the funds appropriated by this Act may be used for the manufacture, printing, or procuring of social security cards, as provided in section 205(c)(2)(D) of the Social Security Act, where paper and other materials used in the manufacture of such cards are produced, manufactured, or assembled outside of the United States.]

Further, for the foregoing purposes for fiscal year 1990, not more than \$3,765,870,000 may be expended: Provided, That \$47,870,000 of the foregoing amount shall be apportioned for use only to the extent necessary to process workloads not anticipated in the budget estimates, for automation projects and their impact on the work force, and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: Provided further, That not to exceed \$228,000,000 for automatic data processing and telecommunications activities shall remain available until expended. (Department of Health and Human Services Appropriations Act, 1988.)

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

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
1. Old-age and survivors insurance.....	1,110,134	1,117,176	1,098,693
2. Disability insurance .....	1,224,520	1,276,533	1,277,483
3. Health insurance:			
(a) Hospital insurance.....	64,548	78,901	68,290
(b) Supplementary medical insurance .....	79,242	90,954	88,453
4. Supplemental security income .....	980,918	1,080,184	1,090,931
5. Annual reporting of earnings .....	74,199	74,385	74,841
6. Construction .....	74,522	32,109	30,178
Total direct program.....	3,608,083	3,750,242	3,728,869
Reimbursable program.....	23,092	40,128	40,162
Total obligations.....	3,631,175	3,790,370	3,769,031
<b>Financing:</b>			
Offsetting collections from:			
Federal funds.....	-16,164	-28,090	-28,113
Non-Federal sources.....	-6,928	-12,038	-12,049
Recovery of prior year obligations .....	-8,673	-4,781	
Unobligated balance available, start of year.....	-221,044	-282,106	-6,207
Unobligated balance available, end of year.....	282,106	6,207	5,129
Unobligated balance lapsing.....	179,528	54,552	47,870
Limitation .....	3,840,000	3,524,114	3,775,661
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	3,599,410	3,750,242	3,728,869
Obligated balance, start of year .....	429,251	525,432	570,204
Obligated balance, end of year.....	-525,432	-570,204	595,964
Adjustments in expired accounts.....	-13,963		
Outlays from limitation.....	3,489,266	3,705,470	3,703,109
<b>Distribution of budget authority by account:</b>			
Limitation on administrative expenses.....	3,632,602	3,524,114	3,555,661
Limitation on information technology systems.....	207,398		220,000

The Social Security Administration administers programs of old-age, survivors, and disability insurance, and supplemental security income. In addition, it administers some health insurance activities, as well as annual reporting of earnings.

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

Identification code 20-8007-8-7-651	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	1,712,678	1,718,950	1,694,561
11.3 Other than full-time permanent.....	96,345	103,154	98,282
11.5 Other personnel compensation.....	21,423	21,612	15,781
11.8 Special personal services payments.....	12,369	31,979	31,621
11.9 Total personnel compensation .....	1,842,815	1,875,695	1,840,245
12.1 Civilian personnel benefits .....	259,914	286,194	288,528
13.0 Benefits for former personnel.....	3,528	4,500	4,500
21.0 Travel and transportation of persons .....	17,354	23,259	27,874
22.0 Transportation of things .....	6,143	6,252	7,282
23.1 Rental payments to GSA.....	249,966	232,227	235,706
23.2 Rental payments to others.....	3,677	4,633	6,251
23.3 Communications, utilities, and miscellaneous charges.....	170,181	159,017	184,461
24.0 Printing and reproduction .....	19,634	25,035	23,421
25.0 Other services.....	901,560	986,319	994,651
26.0 Supplies and materials.....	24,837	21,660	21,777
31.0 Equipment.....	82,083	104,494	87,104
32.0 Land and structures.....	20,637	16,302	2,734
41.0 Grants, subsidies, and contributions .....	2,753	1,663	1,345
42.0 Insurance claims and indemnities.....	2,903	2,992	2,990
43.0 Interest and dividends.....	98		
93.0 Administrative expenses.....	-3,608,083	-3,750,242	-3,728,869
99.0 Subtotal, direct obligations .....			
<b>Reimbursable obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	10,040	15,020	14,230
11.3 Other than full-time permanent.....	225	765	713
11.5 Other personnel compensation.....	86	396	457
11.8 Special personal services payments.....	137	98	90
11.9 Total personnel compensation .....	10,488	16,279	15,490
12.1 Civilian personnel benefits .....	1,491	2,662	3,153
21.0 Travel and transportation of persons .....	50	95	94
22.0 Transportation of things .....	39	26	27
23.1 Rental payments to GSA.....	1,586	1,322	1,345
23.3 Communications, utilities, and miscellaneous charges.....	5,641	19,038	19,454
24.0 Printing and reproduction .....	138	71	74
25.0 Other services.....	2,628	325	238
26.0 Supplies and materials.....	863	141	114
31.0 Equipment.....	168	169	173
93.0 Administrative expenses.....	-23,092	-40,128	-40,162
99.0 Subtotal, reimbursable obligations .....			
99.9 Total obligations .....			

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	63,834	62,622	60,420
Total compensable workyears:			
Full-time equivalent employment.....	70,784	68,386	65,045
Full-time equivalent of overtime and holiday hours and nonceiling employment .....	1,937	1,684	1,260
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	551	567	533
Total compensable workyears:			
Full-time equivalent employment .....	527	578	566
Full-time equivalent of overtime and holiday hours.....	7	25	26



## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

This chapter presents the budget and program estimates for the Department of Housing and Urban Development. Most of the Department's programs are also discussed in Part 5 of the Budget (the Federal program by function) under one of three headings: commerce and housing credit (mortgage credit and deposit insurance); community and regional development; and income security (public assistance and other income supplements).

The major divisions of this chapter conform to the following Department activities:

*Housing programs* cover the Department's major housing subsidy programs except for those activities under the public and Indian housing programs. The mortgage insurance activities of the Federal Housing Administration, including loan management and property disposition activities, are also included under this heading. Other activities included under this heading are community disposal operations, the Office of Interstate Land Sales Registration, manufactured home inspection and monitoring, the rental development grant program, and the supportive housing demonstration program.

*Public and Indian housing programs* cover public housing management and development activities (including modernization) and provision of Indian housing assistance. Also included are credit and financing activities related to development and modernization.

*Government National Mortgage Association (GNMA)* covers the Department's programs to assist in the availability of mortgage credit and stabilize financing of selected types of mortgage loans. This heading also covers GNMA management and liquidating functions, the guarantee of mortgage-backed securities, and trustee activities in connection with participation certificates that are backed by loan obligations of various trustor agencies.

*Community planning and development* covers the community development grant and urban development action grant programs authorized by the Housing and Community Development Act of 1974, as amended. This organization is also responsible for the administration of the rental rehabilitation grant and the urban home-steading programs as well as the rehabilitation loan (section 312) program, the emergency shelter grants program, terminated categorical community development programs, and the revolving fund for liquidating programs.

*Fair housing and equal opportunity* includes the Fair Housing Assistance Program authorized by title VIII of the Civil Rights Act of 1968, as amended, and the Fair Housing Initiatives program.

*Policy development and research* includes the policy development, economic analysis, program evaluation, and research activities of the Department.

## HOUSING PROGRAMS

### Federal Funds

#### General and special funds:

#### ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

#### (INCLUDING RESCISSION)

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, **[\$7,887,405,000] \$6,886,765,000**, to remain available until expended: *Provided*, That of the new budget authority provided herein, **[\$130,200,000] \$71,850,788** shall be for the development or acquisition cost of public housing for Indian families; **[\$210,923,000]** shall be for the development or acquisition cost of public housing, including major reconstruction of obsolete public housing projects, other than for Indian families; **\$1,685,732,500] \$1,000,000,000** shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437i); **[\$1,519,257,600] \$952,560,000** shall be for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); **[\$200,000,000]** shall be for rental rehabilitation grants pursuant to section 17(a)(1)(A) of the Act (42 U.S.C. 1437o); **\$848,850,000** shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f); **\$495,975,000** shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f); and **[\$1,167,367,650] \$3,032,189,400** shall be **[available]** for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)) **[** and shall be used without regard for the limitations in section 8(o)(1) that the Secretary conduct a voucher demonstration, and in section 8(o)(4) that the Secretary use substantially all voucher authority in connection with certain programs, but of that portion of such budget authority to be used to achieve a net increase in the number of dwelling units for assisted families, highest priority shall be given to assisting families who are involuntarily displaced, or who are or would be displaced in consequence of increased rents, as a result of rental rehabilitation program actions **]** and notwithstanding the provisions of section 18(b)(3) of the Act, vouchers may be used to assist tenants of public housing projects which are sold or demolished: *Provided further*, That the contracts for such vouchers may be for terms of five years: *Provided further*, That of the amounts of budget authority that have been provided under this head in prior appropriations Acts, reserved or obligated **[** for the development or acquisition cost of public housing other than for Indian families, for such costs for Indian families, for modernization of existing public housing projects, **]** for rental rehabilitation grants under section 17(a)(1)(A) of the Act, **[** and for housing development grants under section 17(a)(1)(B) of the Act (42 U.S.C. 1437o), **]** and recaptured during fiscal year **[** 1988 (not including amounts that become available for rescission pursuant to section 4(c)(3) of the Act) **]** 1989, an amount equal to such recaptured amount shall be made available for the respective purpose for which such recaptured amount was last reserved or obligated **[** but **]**: *Provided further*, That amounts equal to all other amounts of budget authority (and contract authority) reserved or obligated **[** for programs under section 8 of the Act (42 U.S.C. 1437f), **]** which are recaptured during fiscal year **[** 1988 **]** 1989 shall be rescinded: *Provided further*, That **[** any part of the new and recaptured budget authority for the development or acquisition costs of public housing other than for Indian families may, in the discretion of the Secretary, based on applications submitted by public housing authorities, be used for new construction or major reconstruction of obsolete public housing projects other than for Indian families: *Provided further*, That new budget authority, amounts that are available for obligation as of October 1, 1987, and amounts (other than amounts to be rescinded) to which the second proviso hereof refers, shall be available until expended, except that for rental rehabilitation grants under section 17(a)(1)(A), new budget authority shall be available until September 30, 1990, and amounts equal to recaptured amounts, and amounts which are available for obligation as of October 1, 1987, shall be available for the respective time periods applicable to such recaptured amounts: *Provided further*,

General and special funds—Continued

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING—Continued  
(INCLUDING RESCISSION)—Continued

That amounts of funds for housing development grants as authorized by section 17(a)(1)(B) of the Act (42 U.S.C. 1437o) that were appropriated under this head in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371, 98 Stat. 1213-1215, amending Public Law 98-45, 97 Stat. 219-220) to become available in part during fiscal year 1984, and in part on October 1, 1984, shall remain available for obligation through September 30, 1988: *Provided further*, That amounts equal to recaptured amounts for housing development grants shall be made available during 1988 on the terms specified in the sixth proviso under this head in the Department of Housing and Urban Development appropriation for 1987 (section 101(g) of Public Laws 99-500 and 99-591, 100 Stat. 1783, 1783-242, 3341, 3341-242): *Provided further*, That section 17(d)(4)(G) of the Act is amended by striking "36 months" and inserting "48 months": *Provided further*, That any amounts of new budget authority provided under this head in prior appropriations Acts that are recaptured or carried over from one fiscal year to another which are available for use in fiscal year 1988 and thereafter shall be available as an appropriation of funds without regard to whether such budget authority has heretofore been available as an appropriation of funds: *Provided further*, That any amount of contract authority provided prior to fiscal year 1976 for any purpose authorized by the Act, as in effect prior to the effective date for amendments to such 1937 Act prescribed under section 201(b) of the Housing and Community Development Act of 1974 (Public Law 93-383, 88 Stat. 633, 667) and as in effect thereafter, that is not reserved or obligated on October 1, 1987, or that is recaptured during fiscal year 1988 or thereafter, is rescinded as of October 1, 1987, or upon recapture, as the case may be; any amounts of unreserved budget authority, heretofore provided under this head under prior appropriation Acts, carried over and available for use in fiscal year 1989, except for those amounts for rental rehabilitation grants under section 17(a)(1)(A) of the Act (42 U.S.C. 1437o), shall be merged with amounts made available hereunder: *Provided further*, That none of the amounts under this head that are available for obligation in [1988] 1989 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439). (Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1988; additional authorizing legislation to be proposed.)

RENTAL HOUSING ASSISTANCE  
(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1) is reduced in fiscal year [1988] 1989 by not more than \$2,000,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	86-0164-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Assistance contracts:				
00.01	Lower income housing (section 8)	12,019,875	9,660,559	7,819,050
00.02	Public and Indian housing	6,121,109	4,976,652	4,027,996
00.03	Rent supplement	20,531	47,019	59,993
00.04	Homeownership and rental housing assistance (sections 235 and 236)	41,060	248,107	68,800
00.05	Rental housing development grants	104,875	18,420	
00.06	Rental rehabilitation grants	205,602	223,056	20,000
10.00	Total obligations (object class 41.0)	18,513,052	15,173,813	11,995,839
<b>Financing:</b>				
Recovery of prior year obligations:				
17.00	Rental development and rehabilitation grants	-13,973	-26,354	-20,000
17.00	Debt forgiveness	-3,094,780	-15,700,000	-15,000,000
17.00	Sections 235 and 236	-884,655	-152,486	-79,000
17.00	Rent supplement	-420,637	-21,164	-20,350
17.00	Other	-820,048	-429,475	-303,500
Unobligated balance, start of year:				
21.40	Grants (available)	-412	-3,427	

21.49	Administrative commitments (reserved)	-42,555,590	-32,243,333	-26,021,706
21.49	Contract authority (available)	-3,021,405	-3,148,796	-2,352,411
22.49	Unobligated balance transferred, net	4,204	4,000	4,000
	Unobligated balance rescinded (Public Law 99-272):			
23.40	Debt forgiveness	3,094,780	15,700,000	15,000,000
	Unobligated balance, end of year:			
24.40	Grants (available)	3,427		
24.49	Administrative commitments	32,243,333	26,021,706	21,061,414
24.49	Contract authority (available)	3,148,796	2,352,411	2,184,585
25.00	Unobligated balance lapsing	1,037,582	87,732	84,394
25.00	Unobligated balance restored	-16,808	-41,395	
39.00	<b>Budget authority</b>	<b>7,216,866</b>	<b>7,573,232</b>	<b>6,533,265</b>
<b>Budget authority:</b>				
Current:				
40.00	Appropriation	2,149,628	7,891,068	6,886,765
40.00	Appropriation rescinded (contract authority) (appropriation acts)	-638,187	-319,875	-353,500
49.00	Contract authority (appropriation acts)	5,691,040		
50.00	Reappropriation	14,385	2,039	
Permanent:				
60.00	Appropriation	11,270,366	11,554,263	12,380,878
60.49	Portion applied to liquidate contract authority	-11,270,366	-11,554,263	-12,380,878
63.00	<b>Appropriation (adjusted)</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	18,513,052	15,173,813	11,995,839
	Obligated balance, start of year:			
72.40	Appropriation	2,814,096	4,429,198	4,342,220
72.49	Contract authority	190,635,202	192,347,289	180,325,047
	Obligated balance, end of year:			
74.40	Appropriation	-4,429,198	-4,342,220	-3,965,720
74.49	Contract authority	-192,347,289	-180,325,047	-164,872,671
78.00	Adjustments in unexpired accounts	-5,234,093	-16,329,479	-15,422,850
90.00	<b>Outlays</b>	<b>9,951,770</b>	<b>10,953,554</b>	<b>12,401,865</b>
<b>Distribution of outlays by program:</b>				
	Subsidized housing, total	9,951,770	10,953,554	12,401,865
	Lower income housing assistance (sec. 8)	8,124,998	8,682,369	9,274,838
	Public housing	773,077	1,110,979	1,975,312
	Rent supplement	47,702	34,496	35,818
	Homeownership assistance (sec. 235)	182,054	160,002	140,723
	Rental housing assistance (sec. 236)	637,816	620,716	621,295
	College housing grants	20,264	21,000	21,000
	Rental housing development grants	66,365	143,992	109,479
	Rental rehabilitation grants	99,494	180,000	223,400

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

Status of Unfunded Contract Authority (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Unfunded balance, start of year:</b>			
Annual contributions for assisted housing	188,453,189	180,677,019	154,054,266
Homeownership and rental housing assistance	33,217,933	31,397,723	30,543,733
Rent supplement	2,832,827	2,293,403	2,223,848
College housing grants	588,298	567,106	546,106
Total unfunded balance, start of year	225,092,247	214,935,251	187,367,954
<b>Contract authority:</b>			
Annual contributions for assisted housing: 5,691,040			
<b>Unfunded balances rescinded:</b>			
Rent supplement	-419,913		
Rental assistance	-6,707	-52,000	-50,000
College housing	-192		
Annual contributions for assisted housing	-3,306,155	-15,904,700	-15,303,500
Total, unfunded balances rescinded	-3,732,907	-15,956,700	-15,353,500
<b>Unobligated balance lapsing or restored:</b>			
Homeownership and rental housing assistance	-950,431	-17,271	-50,921
Annual contributions for assisted housing	16,808		
Rent supplement	-72,735	-35,059	-33,473
Total, unobligated balance lapsing	-1,006,358	52,330	84,394
Unfunded balances transferred for liquidation	-11,104,507	-11,554,267	-12,007,560
Other transfers	-4,204	-4,000	-4,000
<b>Unfunded balance, end of year:</b>			
Annual contributions for assisted housing	180,677,019	154,054,266	127,562,042
Homeownership and rental housing assistance	31,397,723	30,543,733	29,676,794



Rent supplement.....	2,293,403	2,223,848	2,154,557
College housing grants.....	567,106	546,106	525,106
Total unfunded balance, end of year.....	214,935,251	187,367,954	159,918,499

**ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING**

**Summary of Administrative Commitments**

(In thousands of dollars)

Program by activities:	1987 actual	1988 est.	1989 est.
Assistance contracts:			
Lower income housing (section 8).....	5,548,605	6,034,056	5,755,766
Public and Indian housing.....	2,280,122	2,381,530	1,130,988
Rent supplement.....	20,531	47,019	59,993
Homeownership and rental housing assistance (sections 235 and 236).....	41,066	248,107	68,800
Grants:			
Rental housing development grants.....	104,875	18,420	.....
Rental rehabilitation grants.....	205,602	223,056	20,000
Subtotal.....	8,200,795	8,952,188	7,035,547
Administrative commitments, start of year.....	42,555,590	32,243,333	26,021,708
Administrative commitments, end of year.....	-32,243,333	-26,021,708	-21,061,416
Total obligations.....	18,513,052	15,173,813	11,995,839

The subsidized housing schedule reflects appropriations for grants starting in 1987 for the public and Indian housing programs and starting in 1988 for the section 8 programs, rather than release of contract/budget authority.

The schedule also reflects proposals for equality between certificate and voucher fees and adjustments to the section 8 existing program vacancy payment procedures. In addition, legislation is being proposed that would: (1) increase housing choice for subsidized tenants with section 8 certificates by allowing them to rent units higher than the officially designated Fair Market Rent; and (2) remove subsidy inequities among welfare tenants receiving vouchers and certificates by including a "welfare rent" provision.

**Lower-income housing (section 8).**—The budget proposes the reservation of 124,787 units in 1989—1,000 Indian Housing units and 123,787 section 8 units. The total includes 108,000 incremental units—comprised of 7,000 section 202 elderly or handicapped units, 1,000 units for Indian families and 100,000 vouchers. The balance of 16,787 units are for section 8 opt-outs, demolitions, prepayment units, loan management and property disposition. In addition to 2,461 units made available under the regular property disposition program, the budget assumes the use of 2,461 vouchers for this purpose in 1989. Furthermore, it is being proposed that 2,500 vouchers be used to assist tenants of public housing projects which are sold or demolished.

**Public and Indian housing.**—The budget proposes to fund 1,000 units of Indian Housing in 1989. Amounts are also included for amendments to prior year contracts and lease adjustments. A total of \$1.0 billion of new appropriations are being requested for modernization in 1989.

**Rental rehabilitation and development grants.**—The Housing and Urban-Rural Recovery Act of 1983 authorized programs of assistance grants to States and localities to stimulate the rehabilitation of older multifamily units and the development of new construction units.

For 1989, an appropriation of \$150 million is being requested separately from the subsidized housing account in the Community Planning and Development part of the HUD budget. The Rental Housing Develop-

ment Grant program (HoDAG) is to be terminated at the end of 1989.

**Rent supplement.**—Rent supplement assistance payments will continue to be made on behalf of qualified low-income tenants in approximately 23,500 units which have not converted to section 8.

**Section 235.**—The Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181) authorized a restructured section 235 program based on a 10-year interest reduction subsidy. A total of \$150 million of budget authority was provided in the Second Supplemental Appropriations Act of 1984 (Public Law 98-396) to fund the program, and it is estimated that the unobligated balances will be reserved in 1988. Recaptures of budget authority from terminations must be transferred into the Homeownership Assistance Fund account established pursuant to Public Law 98-181. Amounts deposited will be available for use to assist program beneficiaries still in need of assistance at the expiration of their present ten-year assistance contracts.

**Section 236.**—The Housing and Urban Development Act of 1968, as amended, authorizes the section 236 Rental Housing Assistance Program which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants.

**College housing grants.**—No new applications for grants have been approved since the program was terminated in 1973. Payments are made pursuant to the existing contracts.

**RENTAL HOUSING DEVELOPMENT GRANTS**

**Summary of Obligations**

(In thousands of dollars)

Program by activities:	1987 actual	1988 est.	1989 est.
Total obligations.....	104,875	18,420	.....
Financing:			
Recovery of prior year obligations.....	-5,477	-6,651	.....
Unobligated balance available, start of year.....	-219	-371	.....
Unobligated balance lapsed.....	-5,696	.....	.....
Unobligated balance restored.....	.....	-5,696	.....
Unobligated balance available, end of year.....	371	.....	.....
Budget authority.....	105,246	5,702	.....
Budget authority:			
Appropriation: Grant (P.L. 100-162).....	99,550	3,663	.....
Reappropriation pursuant to P.L. 100-202.....	5,696	2,039	.....
Appropriation (adjusted).....	105,246	5,702	.....
Relation of obligations to outlays:			
Obligations incurred, net.....	104,875	18,420	.....
Obligated balance, start of year.....	324,024	357,057	225,131
Obligated balance, end of year.....	-357,057	-225,131	-115,652
Adjustment in unexpired account.....	-5,447	-6,354	.....
Outlays.....	66,365	143,992	109,479

The Housing Act of 1987 includes language that will terminate the Rental Housing Development Grants program at the end of 1989. Under the program, assistance is provided to States and units of local government for the development of rental housing.

**[CONGREGATE SERVICES]**

For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance

General and special funds—Continued

【CONGREGATE SERVICES】—Continued

with the provisions of the Congregate Housing Services Act of 1978, \$4,224,000, to remain available until September 30, 1989.】 (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 86-0178-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,744	5,000	2,422
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-2,542	-3,198	-2,422
24.40 Unobligated balance available, end of year	3,198	2,422	
40.00 <b>Budget authority (appropriation)</b>	<b>3,400</b>	<b>4,224</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,744	5,000	2,422
72.40 Obligated balance, start of year	6,450	4,921	4,921
74.40 Obligated balance, end of year	-4,921	-4,921	-2,343
90.00 <b>Outlays</b>	<b>4,273</b>	<b>5,000</b>	<b>5,000</b>

Under the congregate services program the Department contracted directly with local public housing agencies and section 202 housing for the elderly or handicapped sponsors to supply support services, including meals and other services. These three- and five-year contracts commenced in 1980 and were evaluated over the life of the contracts. No additional resources are requested for 1989.

【HOUSING COUNSELING ASSISTANCE】

【For contracts, grants, and other assistance, not otherwise provided for, providing counseling and advice to tenants and homeowners—both current and prospective—with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as authorized by section 106(a)(1)(iii) and section 106(a)(2) of the Housing and Urban Development Act of 1968, as amended, \$3,360,000.】 (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 86-0156-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	3,500	3,360	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b>	<b>3,500</b>	<b>3,360</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	3,500	3,360	
72.40 Obligated balance, start of year	4,267	5,005	4,615
74.40 Obligated balance, end of year	-5,005	-4,615	-1,185
77.00 Adjustments in expired accounts	-185		
90.00 <b>Outlays</b>	<b>2,577</b>	<b>3,750</b>	<b>3,430</b>

The housing counseling assistance program provides comprehensive housing counseling services to eligible homeowners or tenants, including default, prepurchase and renter counseling. In light of the inconclusive record of this program and the fact that communities may use community development block grant funds for this purpose, the Budget proposes no additional appropriation in 1989.

【TRANSITIONAL AND】 SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

【(INCLUDING TRANSFER OF FUNDS)】

For the 【transitional and supportive housing demonstration】 *Supportive Housing Demonstration* program, as authorized under subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77, 101 Stat. 482, 498), 【\$65,000,000】 \$75,000,000, to remain available until expended: *Provided*, That 【of the foregoing amount, \$750,000 shall be transferred to the Interagency Council on the Homeless for operations under title II of such Act (Public Law 100-77, 101 Stat. 482, 486): *Provided further*, That the provision in section 203(a)(4) of such Act that relates to employment of personnel in the regions shall not be implemented】 *notwithstanding section 428(b)(2) of such Act, no amount shall be allocated for permanent housing for handicapped homeless persons.* (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 86-0188-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	4,949	144,301	75,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-80,051	
24.40 Unobligated balance available, end of year	80,051		
39.00 <b>Budget authority</b>	<b>85,000</b>	<b>64,250</b>	<b>75,000</b>
<b>Budget authority:</b>			
40.00 Appropriation	85,000	65,000	75,000
41.00 Transferred to other accounts		-750	
43.00 <b>Appropriation (adjusted)</b>	<b>85,000</b>	<b>64,250</b>	<b>75,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	4,949	144,301	75,000
72.40 Obligated balance, start of year		4,949	120,000
74.40 Obligated balance, end of year	-4,949	-120,000	-150,000
90.00 <b>Outlays</b>		<b>29,250</b>	<b>45,000</b>

Title IV, subtitle C, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77) authorizes assistance to deinstitutionalized homeless individuals, homeless families with children, homeless individuals with mental disabilities and other homeless persons. Such assistance is available for the acquisition and rehabilitation of structures to be used for the homeless as well as to pay a portion of annual operating costs. The funds requested in 1989 will be used exclusively for transitional housing (normally up to 18 months) for these various homeless groups.

MOBILE HOME STANDARDS PROGRAM

Program and Financing (in thousands of dollars)

Identification code 86-0167-0-1-376	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	198		
77.00 Adjustments in expired accounts	-198		
90.00 <b>Outlays</b>			

The undisbursed balance of the mobile home standards program was deobligated by the end of 1987.

**FEDERAL HOUSING ADMINISTRATION LOAN GUARANTEE SUBSIDIES**  
(Proposed for later transmittal, proposed legislation)

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

Identification code	86-0183-6-1-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct loan subsidy.....			2,147
00.02	Guaranteed loan subsidy.....			419,669
10.00	<b>Total obligations (object class 33.0)</b> .....			<b>421,816</b>
<b>Financing:</b>				
24.47	Unobligated balance available, end of year.....			481,388
40.00	<b>Budget authority (appropriation)</b> .....			<b>903,204</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			421,816
90.00	Outlays.....			421,816

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

Identification code	86-0183-6-1-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			103,350
1150	<b>Total direct loan obligations</b> .....			<b>103,350</b>
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements.....			52,572
1251	Repayments: Repayments and prepayments.....			-11,625
1290	Outstanding, end of year.....			40,947
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			3.1
1330	Subsidy amount (in thousands of dollars).....			3,204

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

Identification code	86-0183-6-1-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders.....			75,000,000
2112	Uncommitted limitation.....			-13,210,345
2150	<b>Total guaranteed loan commitments</b> .....			<b>61,789,655</b>
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans.....			34,972,380
2251	Repayments: Repayments and prepayments.....			-171,233
2290	Outstanding, end of year.....			34,801,147
2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....			34,261,729
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			1.2
2330	Subsidy amount (in thousands of dollars).....			900,000

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

**HOUSING FOR THE ELDERLY OR HANDICAPPED LOAN SUBSIDIES**  
(Proposed for later transmittal, proposed legislation)

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

Identification code	86-0184-6-1-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....			
<b>Financing:</b>				
24.40	Unobligated balance available, end of year.....			72,462
40.00	<b>Budget authority (appropriation)</b> .....			<b>72,462</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

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

Identification code	86-0184-6-1-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			333,465
1150	<b>Total direct loan obligations</b> .....			<b>333,465</b>
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			21.7
1330	Subsidy amount (in thousands of dollars).....			72,462

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

**NONPROFIT SPONSOR ASSISTANCE LOAN SUBSIDIES**  
(Proposed for later transmittal, proposed legislation)

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

Identification code	86-0185-6-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0).....			139
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b> .....			<b>139</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			139
74.40	Obligated balance, end of year.....			-139
90.00	Outlays.....			

**Status of Direct Loans** (in thousands of dollars)

Identification code	86-0185-6-1-604	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			630
1150	<b>Total direct loan obligations</b> .....			<b>630</b>
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			22.1
1330	Subsidy amount (in thousands of dollars).....			139

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan

## General and special funds—Continued

## NONPROFIT SPONSOR ASSISTANCE LOAN SUBSIDIES—Continued

commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

## MANUFACTURED HOME INSPECTION AND MONITORING

## Program and Financing (in thousands of dollars)

Identification code 86-5271-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Transfer to salaries and expenses .....	685	865	865
00.02 Other program costs .....	5,140	5,360	5,610
10.00 Total obligations (object class 25.0) .....	5,825	6,225	6,475
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2,190	-1,869	-1,020
24.40 Unobligated balance available, end of year .....	1,869	1,020	1,020
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund) .....	5,504	5,376	6,475
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	5,824	6,225	6,475
72.40 Obligated balance, start of year .....	793	1,202	1,127
74.40 Obligated balance, end of year .....	-1,202	-1,127	-1,140
90.00 Outlays .....	5,416	6,300	6,462

Section 620 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, authorizes enforcement of appropriate construction standards for the construction, design and performance of manufactured homes to assure their quality, durability and safety. All manufactured homes produced since the standards took effect on June 15, 1976 must comply with Federal construction and safety standards. The States are actively encouraged to participate in the program under compliance plans approved by HUD.

A fee is charged to the manufacturers for each manufactured home produced to cover the costs of the monitoring and enforcement activities by HUD contract agents. These fees are deposited in a special fund administered by the Department. Fee receipts are transferred to the salaries and expenses account to defray the direct administrative expenses of the program.

## INTERSTATE LAND SALES

## Program and Financing (in thousands of dollars)

Identification code 86-5270-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	576	600	600
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-34	-34	-34
24.40 Unobligated balance available, end of year .....	34	34	34
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund) .....	576	600	600
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	576	600	600
72.40 Obligated balance, start of year .....	11		
90.00 Outlays .....	587	600	600

The Interstate Land Sales Full Disclosure Act provides protection to the public with respect to purchases or leases of subdivision lots. Statements of record must

be filed with the Secretary before subdivisions with 100 or more lots may be sold in interstate commerce, except when the subdivision is eligible for exemption.

The Secretary is authorized to charge a fee, to be paid by the developer when filing a statement of record. The fee receipts are permanently appropriated and have helped finance a portion of the direct administrative expenses incurred in program operations.

## Public enterprise funds:

## TITLE III—CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development and the Federal Home Loan Bank Board which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for [1988] 1989 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

## FEDERAL HOUSING ADMINISTRATION FUND

For payment to cover losses, not otherwise provided for, sustained by the Special Risk Insurance Fund and General Insurance Fund as authorized by the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f)), [\$162,866,000] \$237,720,000, to remain available until expended.

During fiscal year [1988] 1989, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the National Housing Act, as amended.

During fiscal year [1988] 1989, additional commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, shall not exceed a loan principal of [\$96,000,000,000] \$75,000,000,000.

During fiscal year [1988] 1989, gross obligations for direct loans of not to exceed [\$79,272,000] \$103,350,000 are authorized for payments under section 230(a) of the National Housing Act, as amended, from the insurance fund chargeable for benefits on the mortgage covering the property to which the payments made relate, and payments in connection with such obligations are hereby approved.

[Section 247(c)(1) of the National Housing Act is amended by inserting before the period at the end the following: "(or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian homelands, such lower percentage as may be established for such succession under section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5))".]

[Section 247 of the National Housing Act is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section

under which the mortgage is insured.”.] (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
86-4070-0-3-371				
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	288,962	358,132	359,348	
00.02	274,027	293,841	294,627	
00.03	21,619	21,150	25,130	
00.04	32,725	44,500	44,500	
00.05	176,241	175,000	170,000	
00.06	323,513	345,513	364,780	
00.07	10,370	74,862	139,285	
00.91	<b>1,127,457</b>	<b>1,312,998</b>	<b>1,397,670</b>	
<b>Capital investment:</b>				
01.01	94,540	94,593	92,300	
01.02	683,352	547,324	386,167	
01.03	3,625,195	4,160,044	4,151,048	
01.04		40,625	103,350	
01.05	3,650	57,410	57,410	
01.06	22,658	152,700	180,100	
01.07	1,767			
01.91	<b>4,431,162</b>	<b>5,052,696</b>	<b>4,970,375</b>	
10.00	<b>5,558,619</b>	<b>6,365,694</b>	<b>6,368,045</b>	
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
<b>Federal funds:</b>				
11.00	Interest on U.S. securities	-560,669	-601,712	-628,357
11.00	Urban homesteading	-12,730	-12,640	-9,450
<b>Non-Federal sources:</b>				
14.00	Fees and premiums	-3,221,966	-2,309,234	-2,289,015
14.00	Rebate of unearned prepaid premiums collected	336,113	141,819	150,937
14.00	Proceeds from sale of real property	-2,287,337	-2,525,440	-2,685,970
14.00	Notes taken on sale	-1,767		
14.00	Proceeds from sale of mortgages	-10,633	-98,440	-108,550
14.00	Repayment of mortgage notes and sales contracts	-40,032	-39,101	-65,930
14.00	Interest and operating income	-392,556	-431,237	-456,197
14.00	Recoveries on defaulted mortgages	-125,451	-131,837	-152,072
14.00	Recoveries on defaulted title I notes	-16,662	-22,597	-24,681
14.00	Other interest, dividends, and revenue	-29,381	-30,000	-30,000
17.00	Recovery of prior year obligations	-23,070		
21.98	Unobligated balance available, start of year: Fund balance	-5,286,040	-6,576,283	-6,740,909
24.98	Unobligated balance available, end of year: Fund balance	6,576,283	6,740,909	7,125,969
31.00	Redemption of debt	17,682	355,366	503,500
39.00	<b>Budget authority</b>	<b>480,404</b>	<b>825,266</b>	<b>957,320</b>
<b>Budget authority:</b>				
<b>Current:</b>				
40.00	Appropriation	272,955	162,866	237,720
40.47	Portion applied to debt reduction	-147,000		
43.00	<b>Appropriation (adjusted)</b>	<b>125,955</b>	<b>162,866</b>	<b>237,720</b>
<b>Permanent:</b>				
64.00	Proceeds of loan asset sales with recourse		317,510	
64.47	Portion applied to debt reduction		-317,510	
67.10	<b>Authority to borrow (12 U.S.C. 1701) (indefinite)</b>	<b>354,449</b>	<b>662,400</b>	<b>719,600</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	-804,452	305,275	68,760
72.98	Obligated balance, start of year: Fund balance	487,631	215,332	239,610
74.98	Obligated balance, end of year: Fund balance	-215,332	-239,610	-272,342
78.00	Adjustments in unexpired accounts	-23,070		
90.00	<b>Outlays</b>	<b>-555,223</b>	<b>280,997</b>	<b>36,028</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority	480,404	825,266	957,320
Outlays	-555,223	280,997	36,028

Credit reform:			
Budget authority			
Outlays			1,163,918
Total:			
Budget authority	480,404	825,266	957,320
Outlays	-555,223	280,997	1,199,946

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
86-4070-0-3-371				
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans	73,800	79,272	103,350
1112	Unobligated direct loan limitation	-73,800	-38,647	
1150	<b>Total direct loan obligations</b>		<b>40,625</b>	<b>103,350</b>
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	4,246,093	4,644,839	4,442,180
<b>Disbursements:</b>				
1231	Direct loan disbursements	1,766	16,348	69,245
1232	Disbursements for guaranteed loan claims	800,550	794,617	658,567
<b>Repayments:</b>				
1251	Repayments and prepayments	-182,145	-193,533	-242,676
1253	Loan asset sales to the public	-10,633	-98,442	-108,550
1254	Loan asset sales to the public with recourse		-317,510	
<b>Adjustments:</b>				
1262	Write-offs for default	-64,705	-68,053	-69,056
1263	Discount on loan asset sales to the public		-154,848	-48,506
1264	Other adjustments, net <sup>1</sup>	-146,087	-181,238	-175,808
1290	<b>Outstanding, end of year</b>	<b>4,644,839</b>	<b>4,442,180</b>	<b>4,525,396</b>
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent)		3.1	3.1
1330	Subsidy amount (in thousands of dollars)		2,458	3,204

<sup>1</sup> Includes foreclosures of direct loans and other miscellaneous adjustments.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
86-4070-0-3-371				
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders	100,000,000	96,000,000	75,000,000
2112	Uncommitted limitation	-20,005,047	-35,708,741	-13,210,345
2132	Guaranteed loan commitments for loan asset sales with recourse		-440,943	
2150	<b>Total guaranteed loan commitments</b>	<b>79,994,953</b>	<b>59,850,316</b>	<b>61,789,655</b>
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year	223,520,431	275,417,057	283,101,800
<b>Disbursements:</b>				
2231	Disbursements of new guaranteed loans	94,087,927	49,324,040	50,397,464
2232	Guarantees of loans sold to the public		440,943	
2251	Repayments: Repayments and prepayments	-37,735,927	-36,911,688	-37,562,530
<b>Adjustments:</b>				
2261	Terminations for default that result in direct loans	-777,892	-641,917	-478,467
2262	Terminations for default that result in acquisition of property	-3,625,195	-4,160,044	-4,151,048
2263	Terminations for default that result in claim payments	-29,629	-213,891	-397,957
2264	Other adjustments, net	-22,658	-152,700	-180,100
2290	<b>Outstanding, end of year</b>	<b>275,417,057</b>	<b>283,101,800</b>	<b>290,729,162</b>
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year	270,668,132	278,400,807	285,978,493
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent)		1.2	1.2
2330	Subsidy amount (in thousands of dollars)	1,200,000	1,152,000	900,000

Public enterprise funds—Continued

FEDERAL HOUSING ADMINISTRATION FUND—Continued

The FHA fund consists of four separate funds. Financial data for each individual fund is maintained for control and reporting purposes.

The *Mutual mortgage insurance fund* provides for the Department's basic single family mortgage insurance program. It is a mutual fund where mortgagors, upon termination of their mortgages, share surplus premiums paid into the fund that are not required for operating expenses or losses.

The *Cooperative management housing insurance fund*, also a mutual fund, provides mortgage insurance for management-type cooperatives authorized by section 213 of the National Housing Act, as amended.

The *General insurance fund* provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for cooperatives, condominiums, housing for the elderly, land development, group practice medical facilities and nonprofit hospitals.

The *Special risk insurance fund* provides mortgage insurance on behalf of mortgagors eligible for interest reduction payments who otherwise would not be eligible for mortgage insurance. In addition, the fund provides insurance on mortgages covering experimental housing where strict adherence to State or local building regulations is not observed. Also provided is insurance for high-risk mortgagors who normally would not be eligible for mortgage insurance.

Expenses and losses connected with defaulted notes, assigned mortgages and acquired properties are charged to the appropriate insurance fund by the mortgage insurance program. During 1989, it is estimated that applications for single-family and multifamily mortgage insurance covering 1,142,823 units will be received and that mortgage insurance will be written covering 811,208 single-family and multifamily units. In addition, it is estimated that approximately 80,502 single-family and multifamily units will be acquired by the Department during 1989 and that 72,723 single-family and multifamily units will be sold. More detailed activity information follows in the "Program Highlights" table shown below.

PROGRAM HIGHLIGHTS

	[In millions of dollars]		
	1987 actual	1988 est.	1989 est.
Insurance initiation:			
Mortgage insurance applications (units).....	1,588,990	1,150,323	1,142,823
Mortgage insurance written:			
Units.....	1,618,771	841,466	811,208
Amount.....	93,161	48,712	49,216
Title I property improvement loans insured:			
Notes.....	98,304	112,000	122,000
Amount.....	927	1,053	1,181
Insurance maintenance: Outstanding balance of insurance in force, end of year:			
Mortgage insurance.....	269,968	277,708	285,278
Title I property improvement loan insurance.....	5,449	5,394	5,451
Maximum liability—Title I.....	-700	-693	-700
Total outstanding balance of insurance in force, end of year.....	275,417	283,102	290,729
Insurance settlement:			
Property acquired during year (units):			
Homes.....	70,057	77,205	74,802

Multifamily.....	3,330	5,904	5,700
Total property acquired during year (units).....	73,387	83,109	80,502
Direct acquisitions from mortgagee.....	69,017	76,125	73,722
Foreclosure of mortgages.....	4,370	6,984	6,780
Property sales during year (units):			
Homes.....	162,691	64,957	65,589
Multifamily.....	4,646	9,904	7,134
Total property sales during year (units).....	67,337	74,861	72,723
Property on hand, end of year (units):			
Homes.....	47,648	59,896	69,109
Multifamily.....	9,446	5,446	4,012
Total property on hand (units).....	57,094	65,342	73,121
Defaulted mortgage assignments during year (units):			
Homes.....	5,847	4,000	500
Multifamily.....	13,175	13,824	13,744
Total mortgage assignments during year (units).....	19,022	17,824	14,244
Claims on current mortgages during year (units):			
Homes.....	3,904	4,000	4,000
Multifamily.....	425	19,500	24,058
Total claims on current mortgages during year (units)....	4,329	23,500	28,058
Assigned mortgages on hand, end of year (units):			
Homes.....	50,443	56,563	55,487
Multifamily.....	157,357	158,735	183,631
Total assigned mortgages on hand, end of year (units)...	207,800	215,298	239,118
Inventory of property and assigned mortgages on hand, end of year (units):			
Homes.....	98,091	116,459	124,596
Multifamily.....	166,803	164,181	187,643
Total inventory of property and assigned mortgages on hand, end of year (units).....	264,894	280,640	312,239
Claims with no acquisition:			
Number.....		4,287	8,122
Amount.....	10,370	75	139
Defaulted title I property improvement loans:			
Number.....	15,271	14,600	13,800
Amount.....	95	95	92

<sup>1</sup> Accounting procedures have been revised to recognize sales at time of closing even if documentation is incomplete. The 1987 sales include a one time adjustment of 7,870 additional unit sales.  
Note.—1988 data include impact from legislative changes.

Insurance reserves from operations reflect the interest earned on mortgage notes and the income and expenses applicable to acquired properties.

Insurance reserves from operations at the end of 1989 are estimated to be in a surplus position for the Mutual mortgage insurance and Cooperative management housing insurance funds, but in a deficit status of about \$6.1 billion for the two other funds. The status of estimated insurance reserves from operations (retained income or deficit) through 1989 is as follows:

STATUS OF INSURANCE RESERVES FROM OPERATIONS

	[In millions of dollars]		
	1987 actual	1988 est.	1989 est.
Insurance fund:			
Mutual mortgage.....	4,006	4,011	4,143
Cooperative management housing.....	18	16	14
General.....	-2,635	-2,744	-2,865
Special risk.....	-2,840	-3,029	-3,224
Total FHA Fund.....	-1,451	-1,746	-1,932

The Department has taken several steps to reduce the net loss on acquisition and sale of properties and notes. These include faster foreclosures of properties in default and faster sales of acquired properties to reduce holding costs. The Administration is also proposing to

preempt State redemption laws in order to accelerate the sale of FHA-acquired, single-family properties.

The Budget assumes that the cash flow from approximately \$440.9 million in multifamily mortgages will be sold in 1988 generating an estimated \$317.5 million in proceeds. Because these are recourse sales, proceeds will not be recognized for budgetary purposes.

1988 sales also will include the sale, without recourse, of an estimated \$103.3 million in single family (PMMs) and assigned mortgages and multifamily mortgage notes. These nonrecourse sales will generate an estimated \$78.5 million in proceeds.

During 1989, an additional \$145.7 million in single family PMMs and assigned mortgages and multifamily mortgage notes will be sold without recourse. Because the sales are expected to be "nonrecourse," the estimated \$100.0 million in proceeds will be scored for Budget purposes.

For 1988, a new Temporary mortgage assistance payments program is being implemented that is designed to prevent precipitous foreclosure by helping insured homeowners who have experienced temporary financial reverses and cannot make their full monthly mortgage payments. This new program is viewed as a viable alternative to the Home mortgage assignment program currently being carried out by the Department and will assist in the effort to minimize insurance claims against the FHA fund.

**Budget program.**—The budget proposes an appropriation of \$237.7 million to restore the net realized losses from the sale of property and notes covered by the General insurance and Special risk insurance funds.

**Financing.**—This Budget includes a proposal to modify the method of premium collections in the Title I manufactured housing program. In lieu of the current .54 percent premium for 15-year term loans, it is proposed that 1.0 percent be charged in years 1-4; .75 percent in years 5-7; .50 percent in years 8-10; and no premium in years 11-15. In addition, the Department will propose regulatory changes to deregulate FHA post endorsement fees, the one point cap on FHA loan origination fees and adopt the "conventional method" for underwriting calculations.

**Operating expenses.**—Funds are paid directly into a consolidated account, Salaries and expenses, Department of Housing and Urban Development, for administrative expenses based on workload related to programs financed from the FHA fund.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Mutual mortgage insurance fund:			
Revenue .....	1,488,207	1,735,867	1,912,163
Expense .....	—1,388,642	—1,560,402	—1,615,781
Net operating income .....	99,565	175,465	296,382
Cooperative management housing insurance fund:			
Revenue .....	4,838	4,170	4,020
Expense .....	—983	—548	—991
Net operating income .....	3,855	3,622	3,029
General insurance fund:			
Revenue .....	531,676	522,701	526,813
Expense .....	—743,396	—632,010	—646,879
Net operating loss .....	—211,720	—109,309	—120,066

Special risk insurance fund:			
Revenue .....	176,294	146,533	150,805
Expense .....	—257,583	—335,884	—345,987
Net operating loss .....	—81,289	—189,351	—195,182
Net operating profit or loss (—) .....	—189,589	—119,573	—15,837
Nonoperating income or loss (—):			
Mutual mortgage insurance fund:			
Proceeds from sale of securities .....	126,591		
Pay value of securities sold .....	125,000		
Net gain from sale .....	1,591		
Total profit or loss (—) .....	—187,998	—119,573	—15,837

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Fund balance with Treasury .....	114,195	175,331	53,450	36,958
Investments:				
Federal securities (par value) ....	5,659,476	6,616,284	6,927,068	7,361,352
Unamortized premium (+) or discount .....	10,532	9,302	9,302	9,302
Accounts receivable (net) .....	1,315,415	814,339	814,339	814,339
Loans receivable (net):				
Mortgage notes and sales contracts .....	329,701	263,424	158,406	124,492
Assigned mortgage notes .....	2,655,373	2,924,385	2,899,367	2,975,847
Defaulted title I notes .....	190,710	190,047	192,846	191,826
Real property (net) .....	1,320,821	1,634,440	2,194,265	2,597,912
Other assets .....	77,524	76,878	80,528	84,178
Total assets .....	11,673,747	12,704,430	13,329,571	14,196,206
Liabilities:				
Selected liabilities:				
Accounts payable including funded accrued liabilities .....	738,706	874,082	874,082	874,082
Deferred credits .....	4,284,952	5,111,855	5,879,188	6,477,832
Debt issued under borrowing authority:				
Borrowings from Treasury .....	3,308,434	3,436,434	3,370,758	3,439,758
Debentures outstanding .....	116,509	178,276	233,476	380,576
Reserve for foreclosure costs .....	21,632	24,741	24,741	24,741
Total liabilities .....	8,470,233	9,625,388	10,382,245	11,196,989
Government equity:				
Selected equities:				
Unexpended balance: Unobligated balance .....	5,275,230	6,576,283	6,740,909	7,125,969
Unobligated balance available (P.L. 99-177) .....	10,810			
Unfilled orders .....	—3,212,636	—4,946,964	—5,714,297	—6,314,315
Undelivered orders .....	2,555		24,277	58,382
Invested capital .....	1,127,554	1,449,723	1,896,437	2,129,181
Total Government equity .....	3,203,513	3,079,042	2,947,326	2,999,217

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
86-4070-0-3-371			
Other services:			
25.0 Fee expenses .....	14,930	10,000	10,000
25.0 Administrative expenses .....	288,962	358,132	359,348
25.0 Miscellaneous .....	17,795	33,500	33,500
32.0 Land and structures .....	3,948,708	4,505,557	4,515,828
33.0 Investments and loans .....	805,967	892,652	819,327
42.0 Insurance claims and indemnities .....	10,370	74,862	139,285
43.0 Interest and dividends .....	295,646	314,991	319,757
44.0 Refunds .....	176,241	176,000	171,000
99.9 Total obligations .....	5,558,619	6,365,694	6,368,045

Public enterprise funds—Continued

FEDERAL HOUSING ADMINISTRATION FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	86-4070-6-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
01.04	Temporary mortgage assistance payments.....			-103,350
10.00	Total obligations (object class 33.0) .....			-103,350
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Interest on U.S. securities.....			39,750
Non-Federal sources:				
14.00	Fees and premiums .....			1,172,205
14.00	Rebate of unearned prepaid premiums collected.....			-7,090
14.00	Proceeds from sale of real property .....			11,625
24.47	Unobligated balance available, end of year: Borrowing authority.....			-1,113,140
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			1,113,140
74.98	Obligated balance, end of year: Fund balance .....			50,778
90.00	Outlays .....			1,163,918

Status of Direct Loans (in thousands of dollars)

Identification code	86-4070-6-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			-103,350
1150	Total direct loan obligations.....			-103,350
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....			
1231	Disbursements: Direct loan disbursements .....			-52,572
1251	Repayments: Repayments and prepayments.....			11,625
1290	Outstanding, end of year .....			-40,947
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent) .....			3.1
1330	Subsidy amount (in thousands of dollars) .....			3,204

Status of Guaranteed Loans (in thousands of dollars)

Identification code	86-4070-6-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....			-75,000,000
2112	Uncommitted limitation.....			13,210,345
2150	Total guaranteed loan commitments.....			-61,789,655
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....			
2231	Disbursements: Disbursements of new guaranteed loans .....			-34,972,380
2251	Repayments: Repayments and prepayments.....			171,233
2290	Outstanding, end of year .....			-34,801,147

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....			-34,261,729
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent) .....			1.2
2330	Subsidy amount (in thousands of dollars) .....			900,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

In fiscal year [1988, \$565,776,000] 1989, \$350,175,000 of direct loan obligations may be made under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q), utilizing the resources of the fund authorized by subsection (a)(4) of such section, in accordance with paragraph (C) of such subsection: *Provided*, That such commitments shall be available only to qualified nonprofit sponsors for the purpose of providing 100 per centum loans for the development of housing for the elderly or handicapped [with any cash equity or other financial commitments imposed as a condition of loan approval to be returned to the sponsor if sustaining occupancy is achieved in a reasonable period of time]: *Provided further*, That the full amount shall be available for permanent financing (including construction financing) for housing projects for the elderly or handicapped: *Provided further*, That 25 percent of the direct loan authority provided herein shall be used only for the purpose of providing loans for projects for the handicapped, with the mentally ill homeless handicapped receiving priority: *Provided further*, That the Secretary may borrow from the Secretary of the Treasury in such amounts as are necessary to provide the loans authorized herein: *Provided further*, That, notwithstanding any other provision of law, the receipts and disbursements of the aforesaid fund shall be included in the totals of the Budget of the United States Government: [Provided further, That, notwithstanding section 202(a)(3) of the Housing Act of 1959, loans made in fiscal year 1988 shall bear an interest rate which does not exceed 9.25 per centum, including the allowance adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program:] *Provided further*, That [no direct loan authority under this head in this or any other appropriations Act shall be made available to fund HUD Project No. 023-EH273 (Milton, MA) unless the sponsor of such project identifies a site for such project, other than the site specified in the sponsor's application documents, that complies with the site standards and criteria of the Secretary] none of the amounts made available for direct loan obligations in 1989 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439). (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	86-4115-0-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Housing for the elderly or handicapped loans ..	384,641	666,642	592,622
00.02	Maintenance security and collateral .....		3,500	3,500
00.91	Total capital investment.....	384,641	670,142	596,122
Operating expenses:				
01.01	Interest expense on participation certificates ..	6,077	4,797	
01.02	Interest on borrowings .....	577,083	600,245	640,156
01.03	Other expenses.....	474	407	407
01.91	Total operating expenses.....	583,634	605,450	640,563
10.00	Total obligations .....	968,275	1,275,592	1,236,686
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Revenue from participation sales fund.....	-2,669	-893	
Non-Federal sources:				
14.00	Loan repayments .....	-521,037	-544,825	-587,757
14.00	Collection on acquired security .....	-35,696	-37,696	-39,696
14.00	Revenue.....	-44	-48	-48
17.00	Recovery of prior year obligations .....	-5,327	-4,883	-7,263
21.98	Unobligated balance available, start of year: Fund balance.....	-1,497,938	-1,625,958	-1,445,419



22.98	Unobligated balance transferred, net: Fund balance.....	1,567	-20,349	
24.98	Unobligated balance available, end of year: Fund balance.....	1,625,958	1,445,419	1,132,146
31.00	Redemption of debt.....		97,323	
47.00	<b>Authority to borrow</b> (appropriation acts) (current, indefinite).....	<b>533,088</b>	<b>583,683</b>	<b>288,649</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	408,829	692,131	609,183
	Obligated balance, start of year:			
72.47	Authority to borrow.....	449,583	304,652	604,953
72.98	Fund balance.....	29,714	173,965	16,207
	Obligated balance, end of year:			
74.47	Authority to borrow.....	-304,652	-604,953	-675,485
74.98	Fund balance.....	-173,965	-16,207	-17,284
78.00	Adjustments in unexpired accounts.....	-5,327	-4,883	-7,263
90.00	Outlays.....	404,182	544,705	530,311

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:		1987 actual	1988 est.	1989 est.
Budget authority.....		533,088	583,683	288,649
Outlays.....		404,182	544,705	530,311
Credit reform:				
Budget authority.....				-288,649
Outlays.....				
Total:				
Budget authority.....		533,088	583,683	
Outlays.....		404,182	544,705	530,311

**Status of Direct Loans** (in thousands of dollars)

Identification code 86-4115-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....	592,661	565,776	350,175
1112 Unobligated direct loan limitation.....	-18,612		
1150 Total direct loan obligations.....	574,049	565,776	350,175
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	6,189,126	6,565,844	7,070,910
1231 Disbursements: Direct loan disbursements.....	412,414	542,762	529,242
1251 Repayments: Repayments and prepayments.....	-35,696	-37,696	-39,696
1290 Outstanding, end of year.....	6,565,844	7,070,910	7,560,456
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	17.3	20.3	21.7
1330 Subsidy amount (in thousands of dollars).....	99,535	111,036	72,462

The Housing for the elderly or handicapped fund was established pursuant to section 202 of the Housing Act of 1959, as amended. The fund provides direct loans to nonprofit organizations building and managing housing projects for lower income persons who are elderly or handicapped.

Projects must include an assured range of necessary services for the occupants of such projects. In addition, the section 8 lower income housing assistance payments program is used in conjunction with the section 202 program. Applications under the two programs are processed simultaneously. The Budget proposes a loan limitation of \$350.2 million to support 7,000 units in 1989. Special priority will be given to projects for the mentally ill, homeless handicapped, with an estimated \$50 million in loan funds to be used for such housing.

The program and financing schedule for this account summarizes the Federal government's obligations for this program. The amounts reflected in the following summary of administrative commitments reflect outstanding section 202 fund reservations, whereas, the

obligations portion of the program and financing schedule reflects commitments which have reached the initial loan closing stage of processing.

**SUMMARY OF ADMINISTRATIVE COMMITMENTS**

[In thousands of dollars]

Program by activities:		1987 actual	1988 est.	1989 est.
Capital investment:				
Housing for the elderly or handicapped loans.....		574,049	565,776	350,175
Administrative commitments, start of year.....		1,497,938	1,625,958	1,445,419
Cancellation of prior year commitment.....		-61,388	-79,672	-70,826
Administrative commitments, end of year.....		-1,625,958	-1,445,419	-1,132,146
Subtotal, capital investment-loan obligations.....		384,641	666,642	592,622
Maintenance security and collateral.....			3,500	3,500
Total capital investment.....		384,641	670,142	596,122

**Financing.**—Prior to the implementation of the revised program, funds for loans had been provided by appropriation to a revolving fund. Additional financing had been obtained through issuance of certificates of participation in pools of mortgages financed from this program as provided by the Participation Sales Act of 1966. The following table shows the financing of participation insufficiencies:

**PARTICIPATION INSUFFICIENCIES**

[In thousands of dollars]

Interest expense on participation certificates.....	1987 actual	1988 est.	1989 est.
Other expenses.....	6,077	4,797	
Total.....	103	108	
Interest earned on pledged bonds.....	6,180	4,905	
Insufficiency.....	-2,392	-2,580	
Financed by:	3,788	2,325	
Retained earnings reserved to meet insufficiency.....			
Investment income from participation sales fund.....	-1,119	-631	
Budget authority.....	-2,669	-1,694	

Repayments and interest income from loans made prior to 1988 continue to be available to pay for commitments of the fund. In addition, borrowing authority as may be necessary is available in sufficient amounts to meet the proposed \$350.2 million needed in 1989.

**Revenue and Expense** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	523,705	545,718	587,757
Expense.....	-584,461	-608,841	-644,064
Net operating income.....	-60,756	-63,123	-56,306
Net nonoperating loss.....	-103	-108	
Net income for the year.....	-60,859	-63,231	-56,306

**Financial Condition** (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	29,714	173,965	16,207	17,284
Accounts receivable (net).....	60,142	54,489	53,886	59,147
Advances made.....	435		210	210
Loans receivable (net).....	6,173,653	6,549,429	7,053,232	7,541,555
Acquired security and collateral (net).....	287	242	335	335
Total assets.....	6,264,231	6,778,125	7,123,870	7,618,531
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	261,639	288,417	312,128	332,881
Advances received.....	636	179		

Public enterprise funds—Continued

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Debt issued under borrowing authority:</b>				
Borrowing from Treasury.....	5,351,000	5,901,000	6,361,951	6,892,164
Participation certificates outstanding.....	97,323	97,323		
Principal repayments on loans pledged to redemption of participation certificates.....	-20,249	-21,819		
<b>Total liabilities.....</b>	<b>5,690,349</b>	<b>6,265,100</b>	<b>6,674,079</b>	<b>7,225,045</b>
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended budget authority: Un-</b>				
disbursed loans.....	1,775,168	1,870,466	1,808,547	1,551,391
<b>Unfinancing budget authority: Bor-</b>				
rowing authority.....	-1,947,152	-1,930,610	-2,050,371	-1,807,631
Invested capital.....	745,866	573,167	691,617	649,726
<b>Total Government equity.....</b>	<b>573,882</b>	<b>513,023</b>	<b>449,792</b>	<b>393,486</b>

Object Classification (in thousands of dollars)

Identification code 86-4115-0-3-371	1987 actual	1988 est.	1989 est.
25.0 Other services.....	474	407	407
32.0 Land and structures.....		3,500	3,500
33.0 Investments and loans.....	384,641	666,642	592,622
43.0 Interest and dividends.....	583,160	605,043	640,157
99.9 Total obligations.....	968,275	1,275,592	1,236,686

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 86-4115-6-3-371	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
24.98 Unobligated balance available, end of year.....			-333,465
32.47 Balance of authority to borrow withdrawn.....			44,816
47.00 Authority to borrow.....			-288,649
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

Status of Direct Loans (in thousands of dollars)

Identification code 86-4115-6-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			-333,465
1150 Total direct loan obligations.....			-333,465
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....			21.7
1330 Subsidy amount (in thousands of dollars).....			72,462

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

RENTAL HOUSING ASSISTANCE FUND

Notwithstanding the provisions of section 236(f)(3) of the National Housing Act, as amended (12 U.S.C. 1715z-1(f)), Section 201 of the Housing and Community Development Amendments of 1978, as amended (12 U.S.C. 1707), and any other provision of law, the excess of the reserve fund authorized by Section 236(g) of the National Housing Act, as amended, shall be transferred to the general fund of the Treasury. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 86-4041-0-3-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	97,342	68,665	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-62,771	-63,928	-50,000
21.98 Unobligated balance available, start of year: Fund balance.....	-39,308	-4,737	
24.98 Unobligated balance available, end of year: Fund balance.....	4,737		
27.00 Capital transfer to general fund.....			50,000
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	34,571	4,737	-50,000
72.10 Receivables in excess of obligations, start of year.....	-5,378		
72.98 Obligated balance, start of year: Fund balance.....		7,291	
74.98 Obligated balance, end of year: Fund balance.....	-7,291		
90.00 Outlays.....	21,902	12,028	-50,000

The Housing and Urban Development Act of 1968 authorized the Secretary to establish a revolving fund into which rental collections in excess of the established basic rents for units in section 236 subsidized projects would be deposited.

The Housing and Community Development Amendment of 1978 authorized the Secretary, subject to approval in appropriation acts, to transfer excess rent collections received after 1978 to the Troubled projects operating subsidy program. Prior to that time, collections were used for paying tax and utility increases in section 236 projects. The Housing and Community Development Act of 1980 amended the 1978 Act by authorizing the transfer of excess rent collections regardless of when collected. No transfer is proposed for 1989. Appropriation language is being proposed to transfer excess rent collections to the Treasury.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss:</b>			
Revenue.....	62,771	63,928	50,000
Expense.....	-97,342	-68,665	
<b>Net operating income or loss.....</b>	<b>-34,571</b>	<b>-4,737</b>	<b>50,000</b>

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury.....	33,930	12,029		
Accounts receivable (net).....	5,378	4,670		
<b>Total assets.....</b>	<b>39,308</b>	<b>16,699</b>		
<b>Liabilities:</b>				
Current.....		11,962		

**Government equity:**

Selected equities:			
Unexpended budget authority: Unobligated balance.....	39,308	4,737	.....
Total Government equity.....	39,308	4,737	.....

**[TROUBLED PROJECTS OPERATING SUBSIDY] FLEXIBLE SUBSIDY FUND**

[For assistance payments to owners of eligible multifamily housing projects insured, or formerly insured, under the National Housing Act, as amended, in the program of operating subsidies for troubled multifamily housing projects under the Housing and Community Development Amendments of 1978, all uncommitted balances of excess rental charges and any collections after September 30, 1987, to remain available until September 30, 1989: *Provided*, That assistance payments to an owner of a multifamily housing project assisted, but not insured, under the National Housing Act may be made if the project owner and the mortgagee have provided or agreed to provide assistance to the project in a manner as determined by the Secretary of Housing and Urban Development.] (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 86-4044-0-3-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	41,653	35,000	35,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-97,270	-64,737	.....
14.00 Non-Federal sources.....	.....	-500	-1,000
17.00 Recovery of prior year obligations.....	-414	.....	.....
21.40 Unobligated balance available, start of year.....	-87,675	-143,366	-173,603
24.40 Unobligated balance available, end of year.....	143,366	173,603	139,603
25.00 Unobligated balance lapsing.....	339	.....	.....
39.00 <b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-55,617	-30,237	34,000
72.40 Obligated balance, start of year.....	9,364	10,639	9,800
74.40 Obligated balance, end of year.....	-10,639	-9,800	-8,800
78.00 Adjustments in unexpired accounts.....	-414	.....	.....
90.00 Outlays.....	-57,305	-29,399	35,000

The Flexible Subsidy Fund, formerly the Troubled Projects Operating Subsidy Program, assists financially troubled subsidized projects under certain FHA authorities. The subsidies are intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low- and moderate-income tenants.

Funding is provided for essential repairs to correct deficiencies resulting from deferred maintenance and for major capital improvements. No appropriation is requested for 1989. The Budget projects that \$174.6 million will be available for assistance in 1989. Obligations of \$35 million are estimated in 1989. The revenue and expense and financial condition statements shown below reflect the establishment of the Flexible Subsidy Fund as a revolving fund in 1988.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss:</b>			
Revenue.....	.....	65,237	1,000
Expense.....	.....	-35,000	-35,000
Net operating income or loss.....	.....	30,237	-34,000

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	.....	.....	173,603	139,603
Accounts receivable (net).....	.....	.....	.....	.....
Total assets.....	.....	.....	173,603	139,603
<b>Liabilities:</b>				
Total liabilities.....	.....	.....	.....	.....
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	.....	.....	173,603	139,603
Total Government equity.....	.....	.....	173,603	139,603

**NONPROFIT SPONSOR ASSISTANCE**

During fiscal year [1988] 1989, within the resources and authority available, gross obligations for the principal amounts of direct loans shall not exceed [1986,000] \$630,000. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 86-4042-0-3-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	998	960	630
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-184	-630	-640
17.00 Recovery of prior year obligations.....	-748	.....	.....
21.98 Unobligated balance available, start of year: Fund balance.....	-5,605	-5,538	-5,209
24.98 Unobligated balance available, end of year: Fund balance.....	5,538	5,209	5,219
39.00 <b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	814	330	-10
72.98 Obligated balance, start of year: Fund balance.....	768	836	1,050
74.98 Obligated balance, end of year: Fund balance.....	-836	-1,050	-1,000
78.00 Adjustments in unexpired accounts.....	-748	.....	.....
90.00 Outlays.....	-1	115	40

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4042-0-3-604	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....	1,000	960	630
1112 Unobligated direct loan limitation.....	-2	.....	.....
1150 Total direct loan obligations.....	998	960	630
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,597	1,603	1,718
1231 Disbursements: Direct loan disbursements.....	183	745	680
1251 Repayments: Repayments and prepayments.....	-184	-630	-640
1264 Adjustments: Other adjustments.....	7	.....	.....
1290 Outstanding, end of year.....	1,603	1,718	1,758
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	20.4	20.4	22.1
1330 Subsidy amount (in thousands of dollars).....	204	203	139

The Nonprofit sponsor assistance fund provides interest-free loans to nonprofit organizations to plan housing projects to be financed under the section 202 Housing for the elderly or handicapped program. To ensure a sufficient commitment by the sponsor to the proposed project, the fund will only finance up to 80 percent of

**Public enterprise funds—Continued**  
**NONPROFIT SPONSOR ASSISTANCE—Continued**

the start-up costs through these “seed money” loans. Sponsors are required to demonstrate their financial capacity by providing 20 percent from their own funds which is repaid from the initial proceeds of the section 202 construction loan. Loans may not exceed \$50,000. The Budget proposes a loan limitation of \$630,000.

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets: Fund balance with Treasury.....	6,374	6,374	6,259	6,219
Loans receivable (net).....	782	788	903	943
<b>Total assets.....</b>	<b>7,156</b>	<b>7,162</b>	<b>7,162</b>	<b>7,162</b>
<b>Liabilities:</b>				
Current.....	53	59	59	59
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Undisbursed loan obligations.....	537	598	813	763
Undisbursed grant obligations.....	178	178	178	178
Unobligated balance.....	5,605	5,539	5,209	5,219
<b>Total unexpended balance.....</b>	<b>6,321</b>	<b>6,315</b>	<b>6,200</b>	<b>6,160</b>
Invested capital.....	782	788	903	943
<b>Total Government equity.....</b>	<b>7,103</b>	<b>7,103</b>	<b>7,103</b>	<b>7,103</b>

**NONPROFIT SPONSOR ASSISTANCE**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 86-4042-6-3-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....			-630
<b>Financing:</b>			
24.47 Unobligated balance available, end of year.....			630
39.00 <b>Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-630
74.98 Obligated balance, end of year: Fund balance.....			630
90.00 <b>Outlays.....</b>			

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4042-6-3-604	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			-630
1150 Total direct loan obligations.....			-630
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....			22.1
1330 Subsidy amount (in thousands of dollars).....			139

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

**COMMUNITY DISPOSAL OPERATIONS FUND**

**Program and Financing (in thousands of dollars)**

Identification code 86-4040-0-3-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		1	1
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-150	-71	-72
21.98 Unobligated balance available, start of year: Fund balance.....	-65	-66	-35
24.98 Unobligated balance available, end of year: Fund balance.....	66	35	31
27.00 Capital transfer to general fund.....	150	100	75
39.00 <b>Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-150	-70	-71
72.98 Obligated balance, start of year: Fund balance.....	100	86	71
74.98 Obligated balance, end of year: Fund balance.....	-86	-71	-50
90.00 <b>Outlays.....</b>	<b>-136</b>	<b>-55</b>	<b>-50</b>

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4040-0-3-451	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	347	213	153
1251 Repayments: Repayments and prepayments.....	-134	-60	-64
1290 Outstanding, end of year.....	213	153	89

The community disposition program was established by the Atomic Energy Community Act of 1955 to dispose of federally owned properties.

**Budget program.**—All sales under the program have been completed. The Department will continue to service the mortgage inventory it currently holds.

**Operating results.**—The cumulative deficit in the fund is expected to be about \$14 million at the end of 1989. Total funds recovered and transferred to the Treasury over the life of the program are estimated to reach \$87.2 million by the end of 1989.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income: Revenue.....	16	11	8
Nonoperating income or loss.....			
<b>Net income for year.....</b>	<b>16</b>	<b>11</b>	<b>8</b>

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	166	152	122	118
Accounts receivable, net.....	1	2	1	1
Loans receivable, net.....	346	212	152	88
<b>Total assets.....</b>	<b>512</b>	<b>366</b>	<b>275</b>	<b>207</b>
<b>Liabilities:</b>				
Current.....	101	89	88	88
<b>Government equity:</b>				
Selected equities: Unobligated and unexpended balances.....				
Invested capital and earnings.....	65	65	35	31
<b>Total Government equity.....</b>	<b>411</b>	<b>277</b>	<b>187</b>	<b>119</b>

HOMEOWNERSHIP ASSISTANCE FUND

Program and Financing (in thousands of dollars)

Identification code	86-4043-0-3-376	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Interest on U.S. securities .....	-1	-2	-4
14.00	Non-Federal sources .....	-61	-92	-137
Unobligated balances, start of year:				
21.49	Contract authority .....	-352	-4,554	-8,554
21.98	Fund balance .....		-64	-158
22.98	Unobligated balance transferred, net: Fund balance .....	-4,204	-4,000	-4,000
Unobligated balances, end of year:				
24.49	Contract authority .....	4,554	8,554	12,554
24.98	Fund balance .....	64	158	299
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-62	-94	-141
72.10	Receivables in excess of obligations, start of year .....	-3		
72.98	Obligated balance, start of year: Fund balance .....		3	3
74.98	Obligated balance, end of year: Fund balance .....	-3	-3	-3
90.00	<b>Outlays</b> .....	-67	-94	-141

HOMEOWNERSHIP ASSISTANCE FUND

Status of Unfunded Contract Authority (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year .....	350	4,554	8,554
Unfunded balance transferred .....	4,204	4,000	4,000
Unfunded balance, end of year .....	4,554	8,554	12,554

The Homeownership Assistance Fund was established by the Housing and Urban-Rural Recovery Act of 1983. It provides for the receipt of recaptures of budget authority, cash, and interest earnings under the restructured section 235 program. The funds are authorized to be used, to the extent approved in Appropriation Acts, by the Secretary to provide additional section 235 assistance payments for mortgagors who are unable to assume the full payment due under the mortgage after the termination of the original 10-year assistance payments contract.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss:</b>			
Revenue .....	62	158	299
Expense .....			
Net operating income or loss .....	62	158	299

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....		3	3	3
Accounts receivable (net) .....	3	2	2	2
US Securities: Treasury issuance (par) .....		64	158	299
Total assets .....	3	69	163	304
<b>Liabilities:</b>				
Selected liabilities: Unamortized discount .....				
		4	5	5
Total liabilities .....		4	5	5

<b>Government equity:</b>				
Retained earnings .....	3	65	158	299
Total Government equity .....	3	65	158	299

PUBLIC AND INDIAN HOUSING

Federal Funds

General and special funds:

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

For payments to public housing agencies and Indian housing authorities for operating subsidies for low-income housing projects as authorized by section [9] 9(a) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), [ \$1,450,000,000 ] and notwithstanding section 9(d) of such Act, \$1,517,508,000, to remain available until September 30, 1990. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	86-0163-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	1,460,072	1,515,000	1,517,508
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-6,906		
21.40	Unobligated balance available, start of year .....	-173,138	-65,000	
24.40	Unobligated balance available, end of year .....		65,000	
25.00	Unobligated balance lapsing .....	4,972		
40.00	<b>Budget authority (appropriation)</b> .....	<b>1,350,000</b>	<b>1,450,000</b>	<b>1,517,508</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,460,072	1,515,000	1,517,508
72.40	Obligated balance, start of year .....	739,155	802,335	831,600
74.40	Obligated balance, end of year .....	-802,335	-831,600	-834,604
77.00	Adjustments in expired accounts .....	-2,001		
78.00	Adjustments in unexpired accounts .....	-6,906		
90.00	<b>Outlays</b> .....	<b>1,387,985</b>	<b>1,485,735</b>	<b>1,514,504</b>

Operating subsidy payments are provided to assist local Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to meet certain deficits in the operation of PHA-owned and IHA-owned low-income housing. These payments are in addition to the debt service and capital funding provided by HUD from the annual contributions account. The operating subsidy estimates for 1989 are based upon the Performance Funding System (PFS) formula but include savings projected from improved tenant income verification procedures.

Savings are also projected in conjunction with a proposal in this budget to allow HUD to waive current Federal rent requirements when housing authorities choose to forgo operating subsidy payments.

Public enterprise funds:

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

During 1989, within the resources and authority available, gross obligations for the principal amount of direct loans are authorized in such amounts as may be necessary to carry out the purposes of the low-rent public housing loan fund.

[PUBLIC HOUSING DEVELOPMENT LOAN]

[The Bay City, Michigan, Housing Authority is hereby forgiven with respect to any requirement to repay the Secretary of Housing and Urban Development any excess principal and accrued interest associated with a loan for public housing development awarded in 1974, under the United States Housing Act of 1937 and designated as

## Public enterprise funds—Continued

## [PUBLIC HOUSING DEVELOPMENT LOAN]—Continued

MI 24-7, and such loan is hereby cancelled.] (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

## Program and Financing (in thousands of dollars)

Identification code 86-4098-0-3-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Capital investment: Loans to public housing agencies and Indian housing authorities.....	1,317,704	1,394,000	929,000
01.01 Operating expenses: Interest on Treasury borrowings.....	15	42,500	26,900
01.02 Alaska 500 expenses.....	995		
10.00 Total obligations.....	1,318,714	1,436,500	955,900
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-38,036		
14.00 Non-Federal sources.....	-60,798	-39,481	-41,638
21.40 Unobligated balance available, start of year.....	-50,224	-93,308	-93,308
24.40 Unobligated balance available, end of year.....	93,308	93,308	93,308
31.00 Redemption of debt.....	37,036	39,481	41,638
67.10 Budget authority (authority to borrow) (P.L. 75-412) (permanent, indefinite) (12 U.S.C. 2281-96).....	1,300,000	1,436,500	955,900
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,219,880	1,397,019	914,262
Obligated balance, start of year:			
72.40 Appropriation.....	2,442,902	2,303,345	2,166,205
72.98 Fund balance.....	-806	2,976	45,476
Obligated balance, end of year:			
74.40 Appropriation.....	-2,303,345	-2,166,205	-2,031,392
74.98 Fund balance.....	-2,976	-45,476	-72,376
90.00 Outlays.....	1,355,655	1,491,659	1,022,175

## Status of Direct Loans (in thousands of dollars)

Identification code 86-4098-0-3-604	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	2,111,407	2,074,371	2,034,890
1251 Repayments: Repayments and prepayments.....	-37,036	-39,481	-41,638
1290 Outstanding, end of year.....	2,074,371	2,034,890	1,993,252

## Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4098-0-3-604	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	6,500,904	6,252,319	5,977,319
2251 Repayments: Repayments and prepayments.....	-248,585	-275,000	-300,000
2290 Outstanding, end of year.....	6,252,319	5,977,319	5,677,319

## MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	6,252,319	5,977,319	5,677,319
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The Low-Rent Public Housing Loan Fund currently is used to provide direct Federal loans to fund remaining Public Housing Agency (PHA) and Indian Housing Authority (IHA) construction, acquisition, and modernization activities reserved under the Annual Contributions appropriation through 1986. These loans are made from available resources of this fund and from borrowings from the Treasury. Under legislation enacted during 1986 (Public Law 99-272), the borrowings from the Treasury are forgiven at the end of each fiscal year and the loans to PHAs/IHAs are forgiven as construction, acquisition, and modernization activities are completed. For these reasons, these loans are not included in the

status of direct loans table shown above. Amounts of loans to PHAs/IHAs outstanding at the end of each fiscal year are shown below (in millions of dollars):

## PUBLIC HOUSING AGENCIES/INDIAN HOUSING AUTHORITIES

## Loans Outstanding

	1987 actual	1988 est.	1989 est.
Outstanding, start of year.....	15,482	16,306	9,439
Direct loan disbursements.....	1,318	1,394	929
Repayments and prepayments.....	-494	-8,261	-4,200
Outstanding, end of year.....	16,306	9,439	6,168

Starting in 1987, new fund reservations for construction, acquisition, and modernization activities began to be provided directly from the Annual Contributions appropriation on a capital cost basis.

During 1987, loans totaling \$494 million were forgiven and the Annual Contributions debt services budget authority associated with these loans was recaptured and rescinded. This action required that all relevant Annual Contributions contracts be amended. In 1988, this process is expected to proceed more quickly and an estimated \$8.3 billion in outstanding loans will be forgiven followed by an additional \$4.2 billion in 1989.

*Operating results.*—The actual and estimated net operating income for 1987, 1988 and 1989 follows:

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	-5,716	137,140	134,813
Expense.....	-145,525	-134,813	-131,457
Net operating income.....	-151,241	2,327	3,356

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	2,492,319	2,399,629	2,262,489	2,127,676
Accounts receivable (net).....	9,841	128,459	128,459	128,459
Advances made.....	192	192	192	192
Loans receivable (net).....	82,969	14,009	14,009	14,009
Total assets.....	2,585,321	2,542,289	2,405,149	2,270,336
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable, including funded accrued liabilities.....	148,783	256,992	254,665	251,309
Debt obligation payable to FFB.....		2,076,517	2,037,036	1,995,398
Total liabilities.....	148,783	2,333,509	2,291,701	2,246,707
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	50,224	93,308	93,308	93,308
Unliquidated obligations—FFB.....	2,303,345	2,166,205	2,031,391	1,899,844
Unfinanced budget authority:				
Invested capital.....	82,969	-2,050,733	-2,011,251	-1,969,523
Total Government equity.....	2,436,538	208,780	113,448	23,629

## Object Classification (in thousands of dollars)

Identification code 86-4098-0-3-604	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	1,317,704	1,394,000	929,000
41.0 Grants, subsidies, and contributions.....	995		
43.0 Interest and dividends.....	15	42,500	26,900
99.9 Total obligations.....	1,318,714	1,436,500	955,900

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**

*Federal Funds*

**General and special funds:**

**PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES**

**Program and Financing (in thousands of dollars)**

Identification code	86-0145-0-1-371	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	1,079		
40.00	Budget authority (appropriation).....	1,079		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

Appropriations are authorized to cover the excess of interest payments to holders of participation certificates over the interest payments received from pooled mortgages or other obligations. No insufficiency is expected for 1988 or 1989.

**GUARANTEE OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	86-0186-6-1-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			977,579
<b>Financing:</b>				
24.40	Unobligated balance available, end of year.....			922,421
40.00	Budget authority (appropriation).....			1,900,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			977,579
90.00	Outlays.....			977,579

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code	86-0186-6-1-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders.....			100,000,000
2112	Uncommitted limitation.....			-16,391,299
2150	Total guaranteed loan commitments.....			83,608,701
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans.....			51,451,508
2251	Repayments: Repayments and prepayments.....			-1,029,030
2290	Outstanding, end of year.....			50,422,478

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			50,422,478
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			1.9
2330	Subsidy amount (in thousands of dollars).....			1,900,000

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this

schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

**Public enterprise funds:**

**LOANS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION**

The Treasury is authorized to make up to \$2.25 billion of loans to the Federal National Mortgage Association. Such loans were made in the first few months of the Association's existence as a private corporation while it arranged lines of credit with commercial banks. No loans have been made since that time and the loan authority will be used only in emergency situations.

**MANAGEMENT AND LIQUIDATING FUNCTIONS FUND**

**Program and Financing (in thousands of dollars)**

Identification code	86-4016-0-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Mortgage servicing and miscellaneous expense.....	218	137	371
00.02	Interest on participation certificates.....	24,690	11,984	
00.03	Administrative expense.....	910	928	947
00.04	Functional services.....	980	788	837
10.00	Total obligations.....	26,798	13,837	2,155
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Interest income from: Participation sales fund, net.....	-44,606	-24,796	
11.00	Interest on U.S. securities.....	-35,186	-7,189	-4,741
Non-Federal sources:				
14.00	Mortgage loan repayments and other credits.....	-195,047	-32,284	-8,211
14.00	Receipts from sales.....	-217,144		
14.00	Interest on mortgage loans.....	-36,382	-13,953	-6,163
14.00	Purchasing and marketing and other revenue.....	-5,672	-22	
17.00	Recovery of prior year obligations.....	-278,348	-455	
21.98	Unobligated balance available, start of year: Fund balance.....	-278,293	-258,838	-69,549
22.98	Unobligated balance transferred, net: Participation sales fund.....	11,445	-371,251	
24.98	Unobligated balance available, end of year: Fund balance.....	258,838	69,549	67,639
27.00	Capital transfer to general fund.....	736,000	268,550	288,370
31.00	Redemption of debt.....	57,598	371,251	
64.00	Budget authority (proceeds of loan asset sales with recourse) (permanent, indefinite).....		14,400	269,500
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-507,239	-64,407	-16,960
72.10	Receivables in excess of obligations, start of year.....		-108,954	
72.98	Obligated balance, start of year: Fund balance.....	213,709		8,467
74.10	Receivables in excess of obligations, end of year.....	108,954		1,805
74.98	Obligated balance, end of year: Fund balance.....		-8,467	
78.00	Adjustments in unexpired accounts.....	-278,348	-455	
90.00	Outlays.....	-462,925	-182,281	-6,688

**Status of Direct Loans (in thousands of dollars)**

Identification code	86-4016-0-3-371	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	883,552	456,627	402,043
1233	Disbursements: Purchase of loan assets from the public.....	11,933	1,700	
Repayments:				
1251	Repayments and prepayments.....	-195,047	-32,284	-8,211
1254	Loan asset sales to the public with recourse.....	-217,144	-14,400	-269,500
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-26,667	-9,600	-115,500
1290	Outstanding, end of year <sup>2</sup> .....	456,627	402,043	8,832

<sup>1</sup> Represents primarily discounts from face value on loan asset sales.  
<sup>2</sup> Includes \$24,000 thousand and \$385,000 thousand of loans that have been sold to the public but scored as borrowing in 1988 and 1989, respectively.

Public enterprise funds—Continued

MANAGEMENT AND LIQUIDATING FUNCTIONS FUND—Continued

STATUS OF MORTGAGE PURCHASE COMMITMENTS OUTSTANDING

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Commitments outstanding, start of year.....	292,436	2,155	
Cancellation of prior year commitments.....	-278,348	-455	
Commitments presented for purchase.....	-11,933	-1,700	
Commitments outstanding, end of year.....	2,155		

The Association is required to manage and liquidate its initial mortgage portfolio and other mortgages, loans or obligations. Liquidation of the portfolio is accomplished through regular principal repayments according to their amortization schedules, by sales of mortgages when they can be absorbed by private investors without disruption of normal market conditions and through principal credits arising from prepayments and foreclosures.

The fund's initial portfolio consisted of mortgages on hand, or purchased under contracts made before November 1, 1954. Certain additional mortgages, loans, and other obligations may be acquired for this portfolio from the Secretary of Housing and Urban Development. Residential housing mortgages may also be acquired from any Federal instrumentality.

**Budget program.**—Congress approved appropriation language included in the 1985 Budget that: (1) forgave all outstanding Treasury borrowing issued under the Special Assistance Functions Fund and Emergency Mortgage Purchase Assistance Fund and (2) transferred all remaining assets and liabilities of these funds to the Management and Liquidating Functions Fund.

Mortgage purchases, representing deliveries from commitment contracts in prior years of the Special Assistance Functions Fund are estimated at \$1.7 million in 1988 which would exhaust all remaining outstanding commitment contracts. Sales of these mortgages which are based on the above purchases are estimated at \$24 million in 1988 and \$385 million in 1989. Because of a change in budget scorekeeping procedures, the proceeds from these sales of GNMA-held loans with FHA mortgage insurance will be treated as borrowing from the public rather than offsetting collections. As a result, budget authority is scored to reflect this borrowing.

**Financing.**—These functions are financed principally by portfolio liquidations and by the sales of portfolio mortgages and participation certificates in mortgage pools.

**Operating results.**—Net income of \$42.8 million and \$26.9 million are estimated for 1988 and 1989, respectively.

PARTICIPATION INSUFFICIENCIES

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates.....	24,690	11,984	
Interest accrued on an equal amount of loans in the pool.....	-2,544		
Insufficiency.....	22,146	11,984	
Financed by:			
Applicable investment income from Participation sales fund.....	-44,606	-24,796	
Retained earnings reserved to meet insufficiencies.....	-22,460	-12,812	
Budget authority.....			

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	173,447	56,606	29,096
Expense.....	-26,798	-13,837	-2,155
Net operating income.....	146,649	42,769	26,941

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	957	7,041	2,200	300
Public debt securities.....	417,185	71,165	11,637	1,855
U.S. securities (par): Agency securities.....	73,861	71,679	64,179	63,679
Accounts receivable (net).....	10,701	37,586	11,635	2,423
Advances made: Interest advances to Participation sales fund.....	106,611	113,269		
Loans receivable (net).....	883,552	<sup>1</sup> 299,686	<sup>1</sup> 265,348	<sup>1</sup> 5,829
Total assets.....	1,492,867	600,426	354,999	74,086
<b>Liabilities:</b>				
Selected liabilities: Accounts payable including funded accrued liabilities.....				
	38,586	39,748	20,102	618
Borrowing from the public.....				
Participation certificates outstanding.....	428,849	371,251		
Principal collections held by trustee.....	-359,806	-371,251		
Total liabilities.....	107,629	39,748	20,102	618
<b>Government equity:</b>				
Selected equities: Unexpended balances:				
Undelivered orders.....	292,436	2,155		
Unobligated balance.....	278,293	258,837	69,549	67,639
Invested capital.....	814,509	299,686	265,348	5,829
Total Government equity.....	1,385,238	560,678	334,897	73,468

<sup>1</sup> Beginning in fiscal year 1987 loans receivable are off-set by unrealized depreciation (lower of cost or market) of \$156.9 million, \$136.7 million and \$300.3 million, respectively.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
86-4016-0-3-371			
25.0 Other services.....	2,108	1,853	2,155
43.0 Interest and dividends.....	24,690	11,984	
99.9 Total obligations.....	26,798	13,837	2,155

GUARANTEES OF MORTGAGE-BACKED SECURITIES

During fiscal year [1988] 1989, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721g), shall not exceed [\$144,000,000,000] \$100,000,000,000 of loan principal. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
86-4238-0-3-371			
<b>Program by activities:</b>			
Operating expenses:			
00.01 Administrative expenses.....	3,639	4,512	3,899
00.02 Functional services.....	2,304	2,946	3,647
00.03 Claims.....	10,930	15,855	8,935
00.04 Mobile home expenses.....	9,543	23,709	17,337
00.05 Other expenses.....	13,648	15,921	18,821
00.91 Total operating expenses.....	40,064	62,943	52,639
Capital investment:			
01.01 Advances of guaranty payments.....	168,967	276,194	280,715
01.02 Mobile home properties.....		321,389	146,903
10.00 Total obligations.....	209,031	660,526	480,257



Financing:				
Offsetting collections from:				
Federal funds:				
11.00	Investment interest.....	-135,259	-142,458	-140,895
11.00	Insurance claims.....		-36,556	-23,045
Non-Federal sources:				
14.00	Guarantee fees.....	-183,657	-218,463	-233,793
14.00	Repayments of guaranteed payments.....	-3,199	-23,659	-29,186
14.00	Other.....	-44,078	-27,180	-27,296
14.00	Mobile home services income.....	-4,581	-7,921	-3,713
14.00	Receipts from sale of modified pools.....	-74,125	-249,998	-249,998
14.00	Receipts from sale of mobile home units.....		-69,933	-51,540
21.98	Unobligated balance available, start of year: Fund balance.....	-1,339,899	-1,575,767	-1,691,409
24.98	Unobligated balance available, end of year: Fund balance.....	1,575,767	1,691,409	1,970,618
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-235,868	-115,642	-279,209
72.10	Receivables in excess of obligations, start of year.....	-29,142	-31,392	-47,523
74.10	Receivables in excess of obligations, end of year.....	31,392	47,523	48,684
90.00	Outlays.....	-233,619	-99,511	-278,048

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]			
Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....			
Outlays.....	-233,619	-99,511	-278,048
Credit reform:			
Budget authority.....			
Outlays.....			29,109
Total:			
Budget authority.....			
Outlays.....	-233,619	-99,511	-248,939

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4238-0-3-371				
	1987 actual	1988 est.	1989 est.	
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	10,079	101,722	103,859
1232	Disbursements: Disbursements for guaranteed loan claims.....	168,967	276,194	280,715
1252	Repayments: Repayments of defaulted guaranteed loans.....	-77,324	-273,657	-279,184
1262	Adjustments: Write-offs for default.....		-400	-30,000
1290	Outstanding, end of year.....	101,722	103,859	75,390
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			
1330	Subsidy amount (in thousands of dollars).....			

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 86-4238-0-3-371				
	1987 actual	1988 est.	1989 est.	
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....	150,000,000	144,000,000	100,000,000
2112	Uncommitted limitation.....	-10,024,500	-60,645,034	-16,391,299
2150	Total guaranteed loan commitments.....	139,975,500	83,354,966	83,608,701
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	241,229,527	308,996,739	341,518,716
2231	Disbursements: Disbursements of new guaranteed loans.....	115,299,081	64,119,205	64,314,385
2251	Repayments: Repayments and prepayments.....	-47,531,869	-31,597,228	-36,581,512
2290	Outstanding, end of year.....	308,996,739	341,518,716	369,251,589

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	308,996,739	341,518,716	369,251,589
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			1.9
2330	Subsidy amount (in thousands of dollars).....			1,900,000

The Housing and Urban Development Act of 1968 authorized the Government National Mortgage Association (GNMA) to guarantee the timely payment of principal and interest on trust certificates or other securities issued by any financial institution approved for this purpose, and based on and backed by a trust or pool of FHA-insured, FmHA-insured, or VA-guaranteed mortgages.

GNMA guarantees the timely payment of principal and interest on the guaranteed securities. Actual losses for 1987 and estimated losses for 1988 and 1989 are presented below.

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Mobile home pools.....	10,545	15,432	8,469
Single-family pools.....	253	278	306
Project pools.....	132	145	160
Total.....	10,930	15,855	8,935

**Budget program.**—Program activity is summarized in the following table:

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Commitments issued.....	139,975,500	83,354,966	83,608,701
Guarantees issued.....	115,299,081	64,119,205	64,314,385
Securities outstanding.....	308,996,739	341,518,716	369,251,589

**Financing.**—In addition to an application fee, guarantee fees and other charges are assessed issuers of guaranteed securities to cover costs incurred by GNMA in connection with the guarantees and to establish a reserve against possible future payments of claims under the guarantee.

**Operating results.**—Fee collections and other income are expected to exceed expenses by \$197 million and \$235 million in 1988 and 1989, respectively. These amounts will be retained to cover future year expenses and as a reserve against losses that may be incurred on guarantees.

Receipts decline to \$100 million (from \$234 million in 1987) in 1988 due to GNMA buying \$321 million foreclosed loans in defaulted mobile home pools. The Budget also reflects that an additional \$393 million in mobile homes will be purchased out of defaulted mobile home pools between 1989 and 1993. These mobile home units will be sold during approximately the same period, with estimated write-offs approaching \$418 million. This is a result of GNMA having to assume the security servicing responsibility for a number of defaulted mobile home lenders.

**Proposed program reforms.**—The Administration is proposing to deregulate the fee GNMA mortgage-backed issuers earn servicing FHA and VA mortgages underlying GNMA's securities. The servicing fee issuers currently earn is set by GNMA at 44 basis points per annum (44/100 of one percent) of the outstanding mortgage amount. This minimum fee was originally established to assure that lenders could profitably service the

Public enterprise funds—Continued

GUARANTEES OF MORTGAGE-BACKED SECURITIES—Continued

GNMA mortgage pools. However, the fee may be in excess of that needed to protect the government's interests and may in fact lead to higher mortgage rates for borrowers. The Administration proposes to deregulate the fee and increase minimum capital requirements for issuers to protect the government against issuers defaulting on their mortgage pools.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	367,575	396,022	405,697
Expense.....	-124,102	-198,953	-170,649
Net income for the year.....	243,473	197,069	235,048

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
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Assets:

Selected assets:				
Equipment.....	68	58	48	38
Fund balance with Treasury.....	788	4,940	100	100
Conventional mortgages.....	1,283	1,257	1,239	1,221
U.S. securities (par):				
Public debt securities.....	1,300,931	1,522,054	1,631,243	1,904,291
Agency securities.....	9,037	17,381	12,543	17,543
Accounts receivable (net).....	33,613	36,773	50,723	52,084
Loan advances on MBS pool.....	8,796	100,465	102,620	74,169
Allowance for loan losses (advances).....		-90,820	-90,420	-60,420
Mobile home units.....			78,900	33,218
Total assets.....	1,354,516	1,592,108	1,786,996	2,022,244

Liabilities:

Selected liabilities:				
Accounts payable including funded accrued liabilities.....	4,470	5,381	3,200	3,400

Government equity:

Selected equities:				
Unexpended balances: Unobligated balance.....	1,339,899	1,575,767	1,691,409	1,970,618
Invested capital.....	10,147	10,960	92,387	48,226
Total Government equity.....	1,350,046	1,586,727	1,783,796	2,018,844

Note.—GNMA guarantees timely payment of principal and interest installments on securities which are issued upon the basis and backing of FHA-insured, FmHA-insured, or VA-guaranteed mortgages. Such guarantees are excluded from the Government total of guaranteed obligations as duplicating FHA, FmHA, and VA guarantees. Amounts excluded are as follows: 1987, \$308,996 million; 1988, \$341,519 million; 1989, \$369,252 million.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
86-4238-0-3-371			
25.0 Other services.....	40,064	62,943	52,639
33.0 Investments and loans.....	168,967	597,583	427,618
99.9 Total obligations.....	209,031	660,526	480,257

GUARANTEES OF MORTGAGE BACKED SECURITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
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Financing:

Offsetting collections from:			
11.00 Federal funds: Investment interest.....			572
Non-Federal sources:			
14.00 Guarantee fees.....			15,126
14.00 Repayments of guaranteed payments.....			17,381
24.98 Unobligated balance available, end of year.....			-33,079
39.00 Budget authority.....			

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			33,079
74.10 Receivables in excess of obligations, end of year.....			-3,970
90.00 Outlays.....			29,109

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
86-4238-6-3-371			
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders.....			-100,000,000
2112 Uncommitted limitation.....			16,391,299
2150 Total guaranteed loan commitments.....			-83,608,701
Cumulative balance of guaranteed loans outstanding:			
2231 Disbursements: Disbursements of new guaranteed loans.....			-51,451,508
2251 Repayments: Repayments and prepayments.....			1,029,030
2290 Outstanding, end of year.....			-50,422,478

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....			-50,422,478
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Estimate of guaranteed loan subsidy:

2320 Subsidy amount (in percent).....			1.9
2330 Subsidy amount (in thousands of dollars).....			1,900,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

PARTICIPATION SALES FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
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Program by activities:

00.01 Administrative expenses.....	152	150	
00.02 Distribution of net revenue to trustors.....	214,604	111,099	
10.00 Total obligations.....	214,756	111,249	

Financing:

11.00 Offsetting collections from: Federal funds.....	-214,756	-111,249	
21.98 Unobligated balance available, start of year: Fund balance.....	-1,739,379	-1,701,102	
22.98 Unobligated balance transferred, net: Fund balance.....	38,277	1,701,102	
24.98 Unobligated balance available, end of year: Fund balance.....	1,701,102		
39.00 Budget authority.....			

Relation of obligations to outlays:

71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance....	515,990	475,257	
74.98 Obligated balance, end of year: Fund balance....	-475,257		
90.00 Outlays.....	40,734	475,257	

The National Housing Act, as amended, authorized the Association to create trusts to facilitate the financing of mortgages and other loan obligations owned by Government agencies. Under this authority, participations in the interest and principal collections on pooled loan obligations pledged by various trustor agencies were sold to private investors.

The budget schedules of the trustor agencies originally owning the loan obligations reflected sale of participation certificates as borrowing from the public. Collections on the pooled obligations are transferred to the Association and invested until distributed to the holders of participation certificates as required by the trust agreement. Collections are then redistributed to trustor agencies for payment of interest and retirement of certificates.

Whenever interest collections on pooled obligations, together with investment income, are insufficient to cover required interest payments and a share of administrative and other costs, the trustor agencies pay to the Association, as trustee, amounts equal to the insufficiencies. The costs of any such insufficiencies are covered by appropriations which appear in the accounts of the trustor agencies or by balances available in those accounts.

In the event the principal collections on pooled loans are not sufficient to meet scheduled retirements of participation certificates, the Association, as trustee, may either borrow from the Treasury or sell additional certificates to redeem those coming due. Alternatively, those trustor accounts with unobligated balances available may repurchase pooled loans to provide the cash required for scheduled redemptions.

All remaining outstanding certificates are scheduled to be redeemed in 1988. No further activity is anticipated in this account.

**SOLD AND OUTSTANDING PARTICIPATION SALES CERTIFICATES**

[In millions of dollars]				
	Sold cumulative through 1986	1987 actual	Outstanding 1988 estimate	1989 estimate
<b>Sold and outstanding at end of year:</b>				
Veterans Administration .....	2,095	578		
Small Business Administration .....	1,350	56		
Department of Education .....	2,400	534		
Public Health Service .....	15	10		
Farmers Home Administration .....	1,350	259		
<b>Department of Housing and Urban Development:</b>				
Public facility loans .....	160	60		
Housing for the elderly .....	100	97		
Government National Mortgage Association .....	2,150	371		
<b>Total .....</b>	<b>9,620</b>	<b>1,965</b>		

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue .....	214,756	111,249	
Expense .....	-152	-150	
<b>Net income for the year .....</b>	<b>214,604</b>	<b>111,099</b>	

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury .....	38	27		
<b>U.S. securities (par):</b>				
Public debt securities .....	2,242,952	2,163,952		
Agency securities .....	12,380	12,380		
Accrued interest on investments .....	50,753	47,350		
Deferred income .....	-11,675	-6,676		
Due from trustors on pooled obligations: Interest .....	287	193		

Accounts receivable from trustors .....	1,221,210	1,080,805		
<b>Total assets .....</b>	<b>3,515,945</b>	<b>3,298,031</b>		
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accrued interest payable on participation certificates .....	33,728	28,770		
Accounts payable .....	78	95		
Liabilities to trustors .....	1,742,760	1,568,064		
<b>Total liabilities .....</b>	<b>1,776,566</b>	<b>1,596,929</b>		
<b>Government equity:</b>				
Unobligated balance (Total Government equity) ..	1,739,379	1,701,102		

Note.—GNMA acts as trustee for participation certificates liabilities and guarantees timely payment of principal and interest; principal totals are supported by loan receivables.

**Object Classification (in thousands of dollars)**

Identification code 86-4206-0-3-999	1987 actual	1988 est.	1989 est.
25.0 Other services .....		152	150
92.0 Distribution of net revenue to trustors .....	214,604	111,099	
<b>99.9 Total obligations .....</b>	<b>214,756</b>	<b>111,249</b>	

**COMMUNITY PLANNING AND DEVELOPMENT**

*Federal Funds*

**General and special funds:**

**COMMUNITY DEVELOPMENT GRANTS**

**(INCLUDING TRANSFER OF FUNDS)**

For grants to States and units of general local government and for related expenses, not otherwise provided for, necessary for carrying out a community development grant program as authorized by title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), **[\$2,880,000,000] \$2,625,000,000, including the unobligated balance available at the end of fiscal year 1988 in the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), which balance shall be transferred to and merged with this account, to remain available until September 30, [1990] 1991: Provided, That not to exceed 20 per centum of any grant made with funds appropriated herein [other than a grant using funds set aside in the next two following provisions] shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department of Housing and Urban Development [Provided further, That \$5,000,000 shall be made available from the foregoing \$2,880,000,000 to carry out a child care demonstration under section 222 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181): Provided further, That \$1,000,000 shall be made available from the foregoing \$2,880,000,000 to carry out a neighborhood development demonstration under section 123 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181)].**

**[During fiscal year 1988, total commitments to guarantee loans, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), shall not exceed \$144,000,000 of contingent liability for loan principal.]**

**[Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out the third sentence and inserting in lieu thereof the following: "Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this title, if it elects to have its population included in an urban county under subsection (d). Notwithstanding the second sentence of this paragraph, a city may elect not to retain its classification as a metropolitan city for fiscal year 1988 or 1989." ] (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)**

## General and special funds—Continued

COMMUNITY DEVELOPMENT GRANTS—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

## Program and Financing (in thousands of dollars)

Identification code 86-0162-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Community development grants.....	3,125,852	2,965,723	2,631,000
01.01 Reimbursable obligations.....	352	1,000	1,000
10.00 Total obligations (object class 41.0).....	3,126,204	2,966,723	2,632,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-352	-1,000	-1,000
14.00 Non-Federal sources: Loan repayments.....	-39,406	-79,000	-76,000
17.00 Recovery of prior year obligations.....	-4,818	-6,000	-6,000
21.40 Unobligated balance available, start of year.....	-300,767	-179,723	-100,000
22.40 Unobligated balance transferred, net.....			-145,000
24.40 Unobligated balance available, end of year.....	179,723	100,000	100,000
25.00 Unobligated balance lapsing.....	10		
31.00 Redemption of debt.....	39,406	79,000	76,000
40.00 Budget authority (appropriation).....	3,000,000	2,880,000	2,480,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,086,446	2,886,723	2,555,000
Obligated balance, start of year:			
72.40 Appropriation.....	5,349,042	5,497,686	5,420,410
72.47 Authority to borrow.....	299,095	235,809	213,809
Obligated balance, end of year:			
74.40 Appropriation.....	-5,497,686	-5,420,410	-5,030,410
74.47 Authority to borrow.....	-235,809	-213,809	-193,809
77.00 Adjustments in expired accounts.....	-4,987		
78.00 Adjustments in unexpired accounts.....	-4,818	-6,000	-6,000
90.00 Outlays.....	2,991,283	2,980,000	2,959,000
Distribution of outlays by account:			
Community development grants.....	2,943,483	3,022,351	3,009,000
Jobs bill.....	19,869	8,649	
Categorical Program Financial Settlement Fund.....	4,050	6,000	6,000
FFB Direct Loans.....	23,881	-57,000	-56,000

## Status of Direct Loans (in thousands of dollars)

Identification code 86-0162-0-1-451	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	300,369	324,249	267,249
1231 Disbursements: Direct loan disbursements.....	63,286	22,000	20,000
1251 Repayments: Repayments and prepayments.....	-39,406	-79,000	-76,000
1290 Outstanding, end of year.....	324,249	267,249	211,249

## Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-0162-0-1-451	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriation act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders.....	150,000	144,000	
2112 Uncommitted limitation.....	-119,993		
2150 Total guaranteed loan commitments.....	30,007	144,000	
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....		53,885	180,885
2231 Disbursements: Disbursements of new guaranteed loans.....	53,885	129,000	72,000
2251 Repayments: Repayments and prepayments.....		-2,000	-26,000
2290 Outstanding, end of year.....	53,885	180,885	226,885

## MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	53,885	180,885	226,885
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent).....	3.7	3.9	
2330 Subsidy amount (in thousands of dollars).....	1,100	5,600	

Title I of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to make grants to units of general local government and States to fund local community development programs.

Funds are distributed to eligible entitlement applicants using the higher of two objective formulas. Funds must be allocated between entitlement cities and urban counties and States and small cities.

**Guaranteed loans.**—Guaranteed loan assistance under section 108 has been provided to permit eligible communities to finance acquisition of real property and rehabilitation of publicly owned real property, plus certain related expenses. The Federal Financing Bank had financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 requires private financing of all loan guarantees committed after July 1, 1986. FFB will continue disbursing loans for commitments approved prior to July 1, 1986. No guarantee commitments are proposed for 1989, and legislation is being proposed to repeal section 108.

**Budget program.**—An appropriation of \$2,480 million is proposed for 1989. This amount, together with an estimated unobligated balance of \$145 million proposed for transfer from the section 312 Rehabilitation Loan Fund, will provide a \$2,625 million funding level for the CDBG program in 1989. To the extent the actual amount of Rehabilitation Loan Fund balance available for transfer is different than estimated, the direct appropriation for the Community Development Grants program will be adjusted accordingly. Grant outlays are estimated at \$3 billion in 1988 and in 1989.

In 1988, the Department is funding a \$1 million Neighborhood Development Demonstration as authorized by section 123 of the Housing and Urban-Rural Recovery Act of 1983. The Department also is funding a \$5 million public housing child care demonstration as authorized by section 222 of the 1983 Act. No additional funds are requested for these demonstrations in 1989.

## URBAN DEVELOPMENT ACTION GRANTS

For grants to carry out urban development action grant programs authorized in section 119 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), pursuant to section 103 of that Act, \$216,000,000, to remain available until September 30, 1991: *Provided*, That title 42, United States Code, section 5318(n)(2), is amended as follows: After the word "reservation" add the words " , or on former Indian reservations in Oklahoma as determined by the Secretary of the Interior, ". *Of amounts previously appropriated for grants to carry out urban development action grant programs authorized in section 119 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), pursuant to section 103 of that Act, unobligated balances (including amounts deobligated in fiscal year 1989 and thereafter), except such amounts as are required to fund projects which have received preliminary approval in accordance with regulations promulgated by the Department of Housing and Urban Development, are rescinded. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)*

## Program and Financing (in thousands of dollars)

Identification code 86-0170-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	306,315	379,149	75,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-102,383	-75,000	-50,000
21.40 Unobligated balance available, start of year.....	-142,117	-163,149	-75,000
24.40 Unobligated balance available, end of year.....	163,149	75,000	

25.00	Unobligated balance lapsing.....	37		
39.00	<b>Budget authority.....</b>	<b>225,000</b>	<b>216,000</b>	<b>- 50,000</b>
Budget authority:				
40.00	Appropriation.....	225,000	216,000	
40.00	Appropriation rescission proposal (unobligated balances).....			- 50,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	306,315	379,149	75,000
72.40	Obligated balance, start of year.....	1,119,156	933,909	838,058
74.40	Obligated balance, end of year.....	- 933,909	- 838,058	- 496,696
77.00	Adjustments in expired accounts.....	- 34,971		
78.00	Adjustments in unexpired accounts.....	- 102,383	- 75,000	- 50,000
90.00	Outlays.....	354,207	400,000	366,362

Title I of the Housing and Community Development Act of 1974, as amended, authorizes grants to distressed cities and distressed urban counties to fund economic development projects.

A rescission of an estimated \$50 million of recaptured funds is proposed in 1989; and legislation to terminate this program by repeal of section 119 of the 1974 Act, as amended, will be proposed.

**RENTAL REHABILITATION GRANTS**

For the rental rehabilitation grant program, pursuant to section 17(a)(1)(A) of the Housing Act of 1937, as amended (42 U.S.C. 1437o), \$150,000,000, to remain available until September 30, 1991. (Additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	86-0182-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			150,000
<b>Financing:</b>				
40.00	Budget authority (appropriation).....			150,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			150,000
74.40	Obligated balance, end of year.....			- 135,000
90.00	Outlays.....			15,000

This program is authorized under section 17(a)(1)(A) of the United States Housing Act of 1937, as amended by section 301 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181). Rental Rehabilitation grants are made to States, urban counties, and cities with populations in excess of 50,000 to help support the rehabilitation of privately owned rental housing.

Funding for this program before 1989 was provided under the Annual Contributions for Assisted Housing account. A separate appropriation is proposed for the program, independent of the Assisted Housing account. An appropriation of \$150 million, together with estimated recaptures of \$20 million (within the Assisted Housing account), will provide a 1989 program level of \$170 million. For purposes of comparison, the table below presents data for the entire program, including that resulting from appropriations under the Assisted Housing account.

**RENTAL REHABILITATION GRANTS**

**Summary of Obligations**

(In thousands of dollars)

Program by activities:	1987 actual	1988 est.	1989 est.
Total obligations.....	205,602	223,056	170,000
<b>Financing:</b>			
Recovery of prior year obligations.....	- 8,496	- 20,000	- 20,000
Unobligated balance available, start of year.....	- 193	3,056	
Unobligated balance available, end of year.....	3,056		
Unobligated balance lapsing.....	8,720		
Budget authority.....	208,689	200,000	150,000
<b>Budget authority:</b>			
Appropriation: Grant.....	200,000	200,000	150,000
Reappropriation.....	8,689		
Appropriation (adjusted).....	208,689	200,000	150,000
Relation of obligations to outlays:			
Obligations incurred, net.....	205,602	223,056	170,000
Obligated balance, start of year.....	276,922	374,534	397,590
Obligated balance, end of year.....	- 374,534	- 397,590	- 309,190
Adjustments to unexpired accounts.....	- 8,496	- 20,000	- 20,000
Outlays.....	99,494	180,000	238,400

**URBAN HOMESTEADING**

For reimbursement to the Federal Housing Administration Fund or the Rehabilitation Loan Fund for losses incurred under the urban homesteading program (12 U.S.C. 1706e), and for reimbursement to the Administrator of Veterans Affairs and the Secretary of Agriculture for properties conveyed by the Administrator of Veterans Affairs and the Secretary of Agriculture, respectively, for use in connection with an urban homesteading program approved by the Secretary of Housing and Urban Development pursuant to section 810 of the Housing and Community Development Act of 1974, as amended, [\$14,400,000] \$12,000,000, to remain available until expended. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	86-0171-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	13,502	15,191	12,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	- 469	- 500	
21.40	Unobligated balance available, start of year.....	- 1,324	- 291	
24.40	Unobligated balance available, end of year.....	291		
40.00	Budget authority (appropriation).....	12,000	14,400	12,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	13,502	15,191	12,000
72.40	Obligated balance, start of year.....	6,953	3,996	2,087
74.40	Obligated balance, end of year.....	- 3,996	- 2,087	
78.00	Adjustments in unexpired accounts.....	- 469	- 500	
90.00	Outlays.....	15,991	16,600	14,087

Section 810 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary of HUD to transfer one- to four-unit HUD-owned properties, without payment, to units of local government for use in an urban homesteading program. In addition, the Act authorizes the Administrator of Veterans Affairs and the Secretary of Agriculture to transfer their unoccupied, single family properties for use in such programs.

**Budget program.**—An appropriation of \$12 million is proposed for 1989 which will support the transfer of an estimated 705 single family properties.

General and special funds—Continued

[SOLAR ENERGY AND ENERGY CONSERVATION BANK]

[ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS]

For financial assistance and other expenses, not otherwise provided for, to carry out the provisions of the Solar Energy and Energy Conservation Bank Act of 1980 (12 U.S.C. 3601), \$1,500,000, to remain available until September 30, 1989: *Provided*, That the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1985 (Public Law 98-371) shall remain available until September 30, 1988: *Provided further*, That all funds recaptured from prior year appropriations under this heading shall be reallocated to eligible financial institutions. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 86-0179-0-1-272	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,544	2,687	
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-2,232	-700	
21.40 Unobligated balance available, start of year	-811	-487	
24.40 Unobligated balance available, end of year	487		
25.00 Unobligated balance lapsing	1,663	200	
39.00 <b>Budget authority</b>	<b>1,651</b>	<b>1,700</b>	
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>		<b>1,500</b>	
50.00 <b>Reappropriation</b>	<b>1,651</b>	<b>200</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,544	2,687	
72.40 Obligated balance, start of year	13,758	4,206	2,393
74.40 Obligated balance, end of year	-4,206	-2,393	
77.00 Adjustments in expired accounts			-290
78.00 Adjustments in unexpired accounts	-2,232	-700	
90.00 <b>Outlays</b>	<b>9,863</b>	<b>3,800</b>	<b>2,103</b>

Note.—The recovery of prior year obligations in 1987 and an estimated \$500 thousand in 1988 reflect monies made available due to court order.

Title V of the Energy Security Act of 1980 authorized the creation of the Solar Energy and Energy Conservation Bank to encourage energy conservation and the use of solar energy. It has provided funds to subsidize loans and grants for the installation of energy conservation and solar energy improvements in single and multifamily residences, and agricultural and commercial buildings.

The Solar Bank program expires on March 15, 1988. Therefore, no appropriation is requested for 1989.

[EMERGENCY SHELTER GRANTS PROGRAMS]

For the emergency shelter grants program, as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77, 101 Stat. 482, 495), \$8,000,000, to remain available until expended. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 86-0181-0-1-604	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	10,000	58,000	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-50,000	
24.40 Unobligated balance available, end of year	50,000		
40.00 <b>Budget authority (appropriation)</b>	<b>60,000</b>	<b>8,000</b>	

Relation of obligations to outlays:			
71.00	Obligations incurred, net	10,000	58,000
72.40	Obligated balance, start of year		8,343
74.40	Obligated balance, end of year	-8,343	-29,800
90.00	<b>Outlays</b>	<b>1,657</b>	<b>36,543</b>

Title IV, subtitle B, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77), authorizes the Secretary to make Emergency Shelter Grants to States, units of local government, and nonprofit organizations to provide emergency shelter and other support for the homeless. No appropriation is requested for 1989. A \$75,000,000 appropriation is being requested for the Supportive Housing Demonstration Program, another HUD program for the homeless.

MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 86-9911-0-1-451	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net		
72.40	Obligated balance, start of year	129	11
74.40	Obligated balance, end of year	-11	
77.00	Adjustments in expired accounts	-133	
90.00	<b>Outlays</b>	<b>-14</b>	<b>11</b>
<b>Distribution of outlays by account:</b>			
	Planning assistance	-15	8
	Neighborhood self-help development program	1	3

The budget schedule for Miscellaneous appropriations includes the Planning Assistance program which was terminated in 1981, pursuant to section 313(b) of the Housing and Community Development Amendments of 1981 (Public Law 97-35), as well as the Neighborhood Self-Help Development program, which was terminated by the Housing and Community Development Amendments of 1981.

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in thousands of dollars)

Identification code 86-4015-0-3-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01	Disposition and management expenses	1	200
<b>Public facility loans:</b>			
00.02	Interest on participation certificates	4,215	2,015
00.03	Other expenses	217	110
00.04	Project operations	8	10
00.05	Urban renewal grants	1,781	
10.00	<b>Total obligations</b>	<b>6,222</b>	<b>2,335</b>
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00	Federal funds	-5,367	-2,680
<b>Non-Federal sources:</b>			
14.00	Repayments	-18,984	-9,500
14.00	Revenue	-15,504	-7,000
14.00	Sale of assets	-8,307	-187,800
17.00	Recovery of prior year obligations	-40,923	-10,787
21.98	Unobligated balance available, start of year: Fund balance	-52,776	-69,951
	Unobligated balance transferred, net: Fund balance:		
22.98	To: Participation sales fund, net	-2,804	-57,468
	From: Urban renewal:		
24.98	Unobligated balance available, end of year: Fund balance	69,951	66,843
27.00	Capital transfer to general fund	50,000	185,000

31.00	Redemption of debt.....	18,493	91,008	.....
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-41,940	-204,645	-44
72.98	Obligated balance, start of year: Fund balance.....	87,316	42,067	16,378
	Obligated balance transferred, net:			
74.98	Obligated balance, end of year: Fund balance.....	-42,067	-16,378	-3,586
78.00	Adjustments in unexpired accounts.....	-40,923	-10,787	.....
90.00	Outlays.....	-37,614	-189,743	12,748

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4015-0-3-451		1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	391,580	329,172	2,203
Repayments:				
1251	Repayments and prepayments.....	-18,711	-9,500	-54
1253	Proceeds from loan asset sales to the public.....	-8,307	-187,800	.....
Adjustments:				
1262	Write-offs for default.....	-2,333	-11,049	.....
1263	Discount on loan asset sales to the public.....	-1,620	-118,620	.....
1264	Other adjustments, net <sup>1</sup> .....	-31,437	.....	.....
1290	Outstanding, end of year.....	329,172	2,203	2,149

<sup>1</sup> Net adjustment in 1987 represents transfer of \$763 thousand from Urban Renewal programs and \$32,200 thousand reduction to obligations to conform to OMB Bulletin 87-7, dated 12-5-86.

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 86-4015-0-3-451		1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	54,374	63,136	58,936
2251	Repayments: Repayments and prepayments.....	-3,600	-4,200	-8,441
2264	Adjustments: Other adjustments, net <sup>1</sup> .....	12,362	.....	.....
2290	Outstanding, end of year.....	63,136	58,936	50,495

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	39,524	37,324	31,187
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<sup>1</sup> Represents transfer of \$13,741 thousand and principal reduction of \$1,379 thousand from Urban Renewal programs in 1987.

The Revolving fund (liquidating programs) was established by the Independent Offices Appropriation Act of 1955 for the more efficient liquidation of assets acquired under a number of housing and urban development programs. The budget reflects the transfer of assets and liabilities of the Urban Renewal program to the Revolving fund (liquidating programs) on October 1, 1986, as authorized by the Housing and Community Development Act of 1974.

The budget also reflects receipts from the sale of public facility loan assets of \$8.3 million in 1987 and \$187.8 million in 1988. These proceeds will be returned to the Treasury.

**Financing.**—In the past, certificates of participation in pools of public facility loans were sold. Funds were appropriated annually to cover the difference between interest due on the participation certificates and interest collections on the loans underlying the certificates. Budget authority no longer is required for public facility loans as shown in the following table:

**PARTICIPATION INSUFFICIENCIES**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Interest expense on participation certificates.....	4,215	2,015	.....
Interest earned on pledged bonds.....	-368	-150	.....
Net interest costs.....	3,847	1,865	.....

Servicing expenses.....	5	2	.....
Investment income from Participation sales fund, net.....	-5,367	-2,680	.....
Insufficiency.....	-1,515	-813	.....
Excess funds (-), unfinanced deficit (+), start of year.....	-1,591	-3,106	-3,919
Excess funds (+), unfinanced deficit (-), end of year.....	3,106	3,919	3,919
Budget authority.....	.....	.....	.....

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue.....	26,389	9,680	.....
Expense.....	-10,919	-122,921	-549
Net income or loss for the year.....	15,470	-113,241	-549

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Drawing account with Treasury.....	69,004	112,017	83,220	70,472
Accounts receivable (net).....	12,976	12,529	12,529	12,529
Loans receivable (net).....	346,708	317,499	2,115	2,064
Acquired security and collateral.....	1	.....	.....	.....
Receivables from purchasers.....	122	122	122	122
Total assets.....	428,811	442,167	97,986	85,187
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	2,705	2,777	2,777	2,777
Participation certificates outstanding.....	77,301	60,433	.....	.....
Principal payments to be applied to redemption of participation certificates.....	-60,272	-57,467	.....	.....
Intra-Governmental Debt.....	.....	30,575	.....	.....
Total liabilities.....	19,734	36,318	2,777	2,777
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Undisbursed grants.....	4,559	4,235	3,835	3,835
Unobligated balance.....	11,272	69,950	66,843	66,887
Invested capital.....	329,802	284,080	2,237	2,186
Undelivered orders.....	63,444	47,584	22,295	9,503
Total Government equity.....	409,077	405,849	95,209	82,410

**Object Classification (in thousands of dollars)**

Identification code 86-4015-0-3-451		1987 actual	1988 est.	1989 est.
25.0	Other services.....	2,007	320	10
43.0	Interest and dividends.....	4,215	2,015	.....
99.9	Total obligations.....	6,222	2,335	10

**Public enterprise funds:**

**REHABILITATION LOAN FUND**

【During fiscal year 1988, collections, unexpended balances of prior appropriations (including any recoveries of prior reservations) and any other amounts in the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), after September 30, 1987, are available and may be used for commitments for loans and operating costs and the capitalization of delinquent interest on delinquent or defaulted loans notwithstanding section 312(h) of such Act: *Provided*, That none of the funds in this Act may be used to sell any loan asset that the Secretary holds as evidence of indebtedness under such section 312.】

*The assets and liabilities of the Revolving Fund established pursuant to Section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), remaining after the transfer of the unobligated balance available at the end of fiscal year 1988 to the Community Development Grants account, including any collections after September 30, 1988, shall be added to and merged with the Revolving Fund (liquidating*

## Public enterprise funds—Continued

## REHABILITATION LOAN FUND—Continued

programs), established pursuant to title II of the Independent Offices Appropriation Act, 1955, as amended (12 U.S.C. 1701g-5). (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

## Program and Financing (in thousands of dollars)

Identification code	86-4036-0-3-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Rehabilitation loans.....	63,781	85,000	.....
00.02	Maintenance of acquired security and collateral.....	17,544	26,040	18,000
00.91	Total capital investment.....	81,325	111,040	18,000
01.01	Operating expenses: Loan servicing and other.....	13,246	15,044	12,000
10.00	Total obligations.....	94,571	126,084	30,000
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Fees and premiums.....	-110,387	-113,040	-117,000
14.00	Sale of assets.....	-556	-	-
17.00	Recovery of prior year obligations.....	-15,562	-14,335	-5,000
21.98	Unobligated balance available, start of year: Fund balance.....	-111,775	-143,709	-145,000
22.98	Unobligated balance transferred, net.....	-	-	145,000
24.98	Unobligated balance available, end of year: Fund balance.....	143,709	145,000	92,000
39.00	<b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-16,371	13,044	-87,000
72.98	Obligated balance, start of year: Fund balance.....	47,783	66,524	76,738
74.98	Obligated balance, end of year: Fund balance.....	-66,524	-76,738	-30,738
78.00	Adjustments in unexpired accounts.....	-15,562	-14,335	-5,000
90.00	Outlays.....	-50,674	-11,505	-46,000

## Status of Direct Loans (in thousands of dollars)

Identification code	86-4036-0-3-451	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....	.....	.....	.....
1131	Direct loan obligations exempt from limitation.....	63,781	85,000	.....
1150	Total direct loan obligations.....	63,781	85,000	.....
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	709,702	658,078	638,529
1231	Disbursements: Direct loan disbursements.....	37,689	74,786	47,122
1251	Repayments: Repayments and prepayments.....	-78,120	-80,000	-81,000
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-11,193	-14,335	-5,000
1290	Outstanding, end of year.....	658,078	638,529	599,651
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....	54.0	54.0	.....
1330	Subsidy amount (in thousands of dollars).....	34,505	46,000	.....

<sup>1</sup> Net adjustments are due entirely to refinancing delinquent loans.

Section 312 of the Housing Act of 1964, as amended, authorizes loans for the rehabilitation of residential and commercial properties. Approximately \$230 million will be available to local agencies participating, in the program in 1988. Of that amount, the Budget estimates new loan obligations of \$85 million. The Budget proposes the transfer of the unobligated balance of \$145 million to partially fund the Community Development Grants program in 1989.

The program is proposed for termination at the end of 1988, and all remaining assets and liabilities of the Rehabilitation Loan Fund will be transferred to the Revolving Fund (liquidating programs).

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	27,865	33,040	36,000
Expense.....	23,139	-40,974	29,805
Net income or loss (-) for the year.....	4,726	-7,934	6,195

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets: Fund balance with Treasury.....	159,559	210,232	76,737	128,662
Accounts receivable (net).....	14,897	15,078	15,078	.....
Loans receivable (net).....	706,477	654,775	635,336	596,653
Acquired security and collateral.....	1,741	5,101	5,101	5,101
Other.....	1,597	2,743	2,743	2,743
Total assets.....	884,271	887,929	734,995	733,159
<b>Liabilities:</b>				
Selected liabilities: Accounts payable and accrued liabilities.....	1,224	317	317	.....
Deferred credits.....	7,874	7,714	7,714	.....
Total liabilities.....	9,098	8,031	8,031	.....
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Undisbursed loan obligations.....	53,583	73,570	83,785	36,662
Unobligated balance.....	111,775	143,709	.....	92,000
Invested capital.....	709,815	662,619	643,180	604,497
Total Government equity.....	875,173	879,898	726,965	733,159

## Object Classification (in thousands of dollars)

Identification code	86-4036-0-3-451	1987 actual	1988 est.	1989 est.
25.0	Other services.....	30,790	41,084	30,000
33.0	Investments and loans.....	63,781	85,000	.....
99.9	Total obligations.....	94,571	126,084	30,000

## POLICY DEVELOPMENT AND RESEARCH

## Federal Funds

## General and special funds:

## RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, **[\$16,512,000]** \$19,000,000, to remain available until September 30, **[1989]** 1990. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

## Program and Financing (in thousands of dollars)

Identification code	86-0108-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	16,069	18,888	19,000
01.01	Reimbursable program.....	75	300	300
10.00	Total obligations.....	16,144	19,188	19,300
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-20	-300	-300
17.00	Recovery of prior year obligations.....	-	-100	.....
21.40	Unobligated balance available, start of year.....	-1,400	-2,276	.....



24.40	Unobligated balance available, end of year.....	2,276		
40.00	<b>Budget authority (appropriation).....</b>	<b>17,000</b>	<b>16,512</b>	<b>19,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	16,124	18,888	19,000
72.40	Obligated balance, start of year.....	19,623	15,891	17,879
74.40	Obligated balance, end of year.....	-15,891	-17,879	-19,465
77.00	Adjustments in expired accounts.....	-396		
78.00	Adjustments in unexpired accounts.....		-100	
90.00	Outlays.....	19,459	16,800	17,414

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to the HUD mission. These functions are carried out internally and through contracts with industry, nonprofit research organizations, and educational institutions, and through agreements with State and local governments and other Federal agencies.

In 1989, the research program will continue to emphasize the improvement of the operation of the Department's programs and the development of new programs to meet HUD's goals.

**Object Classification (in thousands of dollars)**

Identification code 86-0108-0-1-451		1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services.....	15,520	17,888	18,000
41.0	Grants, subsidies, and contributions.....	549	1,000	1,000
99.0	Subtotal, direct obligations.....	16,069	18,888	19,000
99.0	Reimbursable obligations.....	75	300	300
99.9	Total obligations.....	16,144	19,188	19,300

**SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS**

**Program and Financing (in thousands of dollars)**

Identification code 86-0187-0-1-451		1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....		15,000	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....		-15,000	
24.40	Unobligated balance available, end of year.....	15,000		
40.00	<b>Budget authority (appropriation).....</b>	<b>15,000</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		15,000	
72.40	Obligated balance, start of year.....			10,000
74.40	Obligated balance, end of year.....		-10,000	-5,000
90.00	Outlays.....		5,000	5,000

Title IV, subtitle D, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77) authorizes HUD to provide comprehensive assistance for particularly innovative programs or alternative methods of meeting the immediate and long-term needs of the homeless. Funding is also available to supplement assistance received under the emergency shelter grants program and the supportive housing demonstration program so as to help meet the needs of special population groups and to make use of underutilized public buildings to assist the homeless. Special population groups include homeless families with children, elderly homeless individuals and the handicapped. No appropriation is requested for 1989. A \$75 million appropriation is

being requested for the Supportive Housing Demonstration program.

**FAIR HOUSING AND EQUAL OPPORTUNITY**

**Federal Funds**

**General and special funds:**

**FAIR HOUSING ASSISTANCE**

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended, [[\$4,800,000] \$5,000,000, to remain available until September 30, [1989] 1990. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 86-0144-0-1-751		1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	State and local agency assistance grants.....	5,467	6,511	4,350
00.02	Community housing resource boards assistance.....	3,751	1,081	1,050
10.00	Total obligations (object class 41.0).....	9,218	7,592	5,400
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-48	-600	-400
21.40	Unobligated balance available, start of year.....	-5,038	-2,192	
24.40	Unobligated balance available, end of year.....	2,192		
25.00	Unobligated balance lapsing.....	16		
40.00	<b>Budget authority (appropriation).....</b>	<b>6,341</b>	<b>4,800</b>	<b>5,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	9,218	7,592	5,400
72.40	Obligated balance, start of year.....	7,323	9,896	8,888
74.40	Obligated balance, end of year.....	-9,896	-8,888	-4,448
77.00	Adjustments in expired accounts.....	-845		
78.00	Adjustments in unexpired accounts.....	-48	-600	-400
90.00	Outlays.....	5,752	8,000	9,440

The Fair Housing Assistance program, authorized by title VIII of the Civil Rights Act of 1968, provides funding to State and local agencies and community housing resource boards to aid in eliminating housing discrimination.

The budget proposes an appropriation of \$5 million in 1989 of which \$4.0 million will be available to State and local agencies to assure prompt and effective processing of title VIII (Civil Rights Act of 1968) complaints. The budget also proposes funding of \$1.0 million for community housing resource boards which assist HUD, realtors and builders in designing, implementing, and monitoring voluntary affirmative marketing agreements and programs.

**FAIR HOUSING INITIATIVES**

For contracts, grants, and other assistance, not otherwise provided for, as authorized by section 561 of the Housing and Community Development Act of 1987, \$5,000,000 to remain available until September 30, 1990.

**Program and Financing (in thousands of dollars)**

Identification code 86-0151-0-1-751		1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			5,000
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation).....</b>			<b>5,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			5,000

General and special funds—Continued

FAIR HOUSING INITIATIVES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
86-0151-0-1-751			
74.40	Obligated balance, end of year.....		—4,000
90.00	Outlays.....		1,000

The budget proposes funding for the newly enacted Fair Housing Initiatives program for 1989. This program, which is authorized by the Housing and Community Development Act of 1987, is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities.

MANAGEMENT AND ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and nonadministrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed \$4,000 for official reception and representation expenses, **[\$666,251,000]** \$697,191,000, of which **[\$358,132,000]** \$359,348,000 shall be provided from the various funds of the Federal Housing Administration: *Provided*, That during fiscal year 1988, notwithstanding any other provision of law, the Department of Housing and Urban Development shall maintain an average employment of at least 1,315 for Public and Indian Housing Programs. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
86-0143-0-1-999				
<b>Program by activities:</b>				
00.01	Housing, mortgage credit, regulatory and energy conservation programs.....	282,951	296,816	302,031
00.02	Community planning and development programs.....	48,148	58,558	56,141
00.03	Equal opportunity and research programs.....	33,255	38,134	44,154
00.04	Departmental management, legal and audit services.....	168,527	186,164	201,668
00.05	Field direction and administration.....	86,066	96,469	100,508
10.00	Total obligations.....	618,947	676,141	704,502
<b>Financing:</b>				
Offsetting collections from: Federal funds: Non-operating receipts:				
11.00	Federal Housing Administration.....	—288,962	—358,132	—359,348
11.00	Other.....	—9,033	—9,890	—7,311
25.00	Unobligated balance lapsing.....	19,471		
40.00	Budget authority (appropriation).....	340,423	308,119	337,843
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	320,952	308,119	337,843
72.40	Obligated balance, start of year.....	75,040	86,176	84,126
74.40	Obligated balance, end of year.....	—86,176	—84,126	—85,368
77.00	Adjustments in expired accounts.....	—2,719		
90.00	Outlays.....	307,097	310,169	336,601

This appropriation finances all salaries and related costs associated with administering the programs of the Department of Housing and Urban Development, including: housing and mortgage credit programs; community planning and development programs; equal opportunity, research, regulatory and insurance pro-

grams; departmental management, legal and audit services; and field direction and administration.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
86-0143-0-1-999				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	372,436	410,235	407,200
11.3	Other than full-time permanent.....	12,550	10,271	9,780
11.5	Other personnel compensation.....	9,538	5,781	5,795
11.8	Special personal services payments.....	68	100	100
11.9	Total personnel compensation.....	394,592	426,387	422,875
12.1	Civilian personnel benefits.....	55,813	65,528	68,620
13.0	Benefits for former personnel.....	1,165	600	400
21.0	Travel and transportation of persons.....	13,245	14,530	14,480
22.0	Transportation of things.....	935	600	700
23.1	Rental payments to CSA.....	37,499	46,340	47,412
23.3	Communications, utilities, and miscellaneous charges.....	23,948	27,426	28,082
24.0	Printing and reproduction.....	6,151	5,429	5,429
25.0	Other services.....	72,929	78,551	101,254
26.0	Supplies and materials.....	4,608	5,500	7,000
31.0	Equipment.....	7,810	5,000	8,000
42.0	Insurance claims and indemnities.....	252	250	250
99.9	Total obligations.....	618,947	676,141	704,502

Personnel Summary

Total number of full-time permanent positions.....	11,910	12,553	11,926
Total compensable workyears:			
Full-time equivalent employment.....	12,072	12,879	12,440
Full-time equivalent of overtime and holiday hours.....	245	118	118

NEW COMMUNITY ASSISTANCE GRANTS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
86-0149-0-1-451			
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....		
72.40	Obligated balance, start of year.....	186	186
74.40	Obligated balance, end of year.....	—186	
90.00	Outlays.....		186

New community assistance grants were authorized by the Housing and Urban Development Act of 1970, as amended.

*Budget program.*—Grants were distributed to new community developers under section 718 to supplement public facility projects in existing new communities. Public Law 96-7, dated April 9, 1979, rescinded all budget authority not administratively committed. Any amounts recovered subsequent to that date will be rescinded automatically. All remaining commitments are estimated to be disbursed by the end of 1988.

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
86-4586-0-4-451				
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	Printing and reproduction services.....	4,165		
00.02	Visual arts services.....	613		
00.03	Data processing services.....	63,003	61,754	82,324
00.91	Total operating expenses.....	67,781	61,754	82,324
01.01	Capital investment: Data processing services.....		2,500	1,205
10.00	Total obligations.....	67,781	64,254	83,529

<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-63,930	-65,222	-83,544
17.00	Recovery of prior year obligations .....	-1,651		
21.98	Unobligated balance available, start of year: Fund balance .....	-2,384	-184	-1,152
24.98	Unobligated balance available, end of year: Fund balance .....	184	1,152	1,167
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	3,851	-968	-15
72.98	Obligated balance, start of year: Fund balance .....	6,873	8,215	7,247
74.98	Obligated balance, end of year: Fund balance .....	-8,215	-7,247	-7,232
78.00	Adjustments in unexpired accounts .....	-1,651		
90.00	Outlays .....	858		

The Working capital fund, authorized by the Department of Housing and Urban Development Act of 1965, finances automated data processing services which can be performed more efficiently on a centralized basis. The fund is financed from fees charged for services performed.

**Object Classification** (in thousands of dollars)

Identification code 86-4586-0-4-451	1987 actual	1988 est.	1989 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	9,222	9,291	10,078
11.3	Other than full-time permanent .....	128	131	131
11.5	Other personnel compensation .....	162	167	167
11.9	Total personnel compensation .....	9,512	9,589	10,376
12.1	Civilian personnel benefits .....	1,101	1,130	1,153
21.0	Travel and transportation of persons .....	137	200	200
22.0	Transportation of things .....	47	27	23
23.3	Communications, utilities, and miscellaneous charges .....	9,332	8,779	28,404
24.0	Printing and reproduction .....	3,219	223	214
25.0	Other services .....	38,921	40,596	41,076
26.0	Supplies and materials .....	682	452	453
31.0	Equipment .....	4,830	3,258	1,630
99.9	Total obligations .....	67,781	64,254	83,529

**Personnel Summary**

Total number of full-time permanent positions .....	217	222	232
Total compensable workyears:			
Full-time equivalent employment .....	210	222	233
Full-time equivalent of overtime and holiday hours .....	2	2	2

**Trust Funds**

**GIFTS AND BEQUESTS**

**Program and Financing** (in thousands of dollars)

Identification code 86-8093-0-7-451	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	17	5	5
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-17		
21.98	Unobligated balance available, start of year: Fund balance .....	-4	-4	-4
24.98	Unobligated balance available, end of year: Fund balance .....	4	4	4
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite) .....		5	5
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		5	5
90.00	Outlays .....		5	5

This fund is the repository of gifts and bequests that the Secretary of Housing and Urban Development is authorized to accept and use for the purposes of aiding

the work of the Department. Section 7(k)(1) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(k)(1), authorizes the installment of a fund amount for the above purpose.

**TITLE IV—GENERAL PROVISIONS**

**SEC. 401.** Where appropriations in titles I and II of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans Administration; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Disaster Relief Act of 1974; to site-related travel performed in connection with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; to site-related travel under the Solid Waste Disposal Act, as amended; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I and II exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates in the same proportion.

**SEC. 402.** Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

**SEC. 403.** Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal home loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1831).

**SEC. 404.** No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

**SEC. 405.** No funds appropriated by this Act may be expended—  
(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

**SEC. 406.** None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of the Secretary of the Department of Housing and Urban Development, who, under title 5, United States Code, section 101, is exempted from such limitation.

**SEC. 407.** None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the maximum rate paid for GS-18, unless specifically authorized by law.

[SEC. 409. No part of any appropriation contained in this Act for personnel compensation and benefits shall be available for other object classifications set forth in the budget estimates submitted for the appropriations.]

SEC. [410] 409. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. [411] 410. Except as otherwise provided under existing law or under an existing Executive order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. [412] 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

SEC. [413] 412. Except as otherwise provided in section 406, none of the funds provided in this Act of any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. [414] 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

[SEC. 415. None of the funds appropriated by this Act or any other Act for any fiscal year shall be used for demolishing George Loving Place, at 3320 Rupert Street, Edgar Ward Place, at 3901 Holystone, Elmer Scott Place, at 2600 Morris, in Dallas, Texas, or Allen Parkway Village, 1600 Allen Parkway, in Houston, Texas.] (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

## DEPARTMENT OF THE INTERIOR

### LAND AND MINERALS MANAGEMENT

#### BUREAU OF LAND MANAGEMENT

The Bureau of Land Management (BLM) is responsible for the conservation, management and development of 270 million acres of public lands. The Bureau also has full responsibility for mineral leasing and supervision of minerals operations on the public lands and on some 300 million acres of Federal mineral estate underlying other agency jurisdictions and ownerships.

#### Federal Funds

##### General and special funds:

##### MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau of Land Management, **[\$498,983,000]** \$464,487,000, of which not to exceed \$1,000,000 to remain available until expended is to be derived from the special fee account established pursuant to section 5201 of Public Law 100-203, and of which **[\$75,000,000]** \$52,153,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, **[1987, as contained in Public Law 99-591]** 1988, shall remain available until expended: *Provided*, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau of Land Management or its contractors] and of which \$23,000,000 for the Automated Land and Mineral Record System Project under the Data Management subactivity shall remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

##### Program and Financing (in thousands of dollars)

Identification code	14-1109-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Energy and minerals management .....	78,338	80,670	75,521
00.02	Lands and realty management .....	42,839	47,496	35,846
00.03	Renewable resources management .....	120,987	128,551	122,762
00.04	Planning and data management .....	24,475	30,619	48,687
00.05	Cadastral survey .....	27,058	27,943	23,880
00.06	Firefighting and rehabilitation .....	83,105	5,418	52,153
00.07	Technical services .....	16,178	17,975	19,306
00.08	General administration .....	86,648	87,425	86,532
00.91	Total direct program .....	479,628	426,097	464,687
01.01	Reimbursable program .....	12,423	11,000	11,000
10.00	Total obligations .....	492,051	437,097	475,687
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-10,829	-11,000	-11,000
14.00	Non-Federal sources .....	-1,594	.....	.....
21.40	Unobligated balance available, start of year .....	.....	-5,432	-4,660
22.40	Unobligated balance transferred, net .....	-17,750	.....	.....
24.40	Unobligated balance available, end of year .....	5,432	4,660	4,460
25.00	Unobligated balance lapsing .....	2,386	.....	.....
39.00	<b>Budget authority .....</b>	<b>469,696</b>	<b>425,325</b>	<b>464,487</b>
Budget authority:				
40.00	Appropriation (general fund) .....	495,138	498,983	463,487
40.00	Appropriation (special fund) .....	.....	.....	1,000

41.00	Transferred to other accounts .....	-83,000	-75,000	.....
42.00	Transferred from other accounts .....	57,558	1,342	.....
43.00	<b>Appropriation (adjusted) .....</b>	<b>469,696</b>	<b>425,325</b>	<b>464,487</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	479,628	426,097	464,687
72.40	Obligated balance, start of year .....	76,426	95,323	67,924
74.40	Obligated balance, end of year .....	-95,323	-67,924	-60,904
77.00	Adjustments in expired accounts .....	-11,025	.....	.....
90.00	<b>Outlays .....</b>	<b>449,705</b>	<b>453,496</b>	<b>471,707</b>

**Energy and minerals management.**—Provides for leasing of Federal minerals onshore, for Federal mineral resource and economic evaluation, and for the supervision of minerals development activities on Federal and Indian lands, including oil and gas, coal, geothermal, oil shale, tar sands, phosphates, sodium, and potash. Emphasis is also placed on surface management regulation and compliance for mining on public lands.

**Lands and realty management.**—Includes processing rights-of-way applications; processing land selections under the Alaska Native Claims Settlement Act and the Alaska Statehood Act; processing State indemnity selections, land exchanges, and other lands and realty cases; review and processing of public land withdrawals, and sale of lands under the terms of the Federal Land Policy and Management Act and other laws. BLM is also responsible for the system of public land records, some of which date back nearly 200 years.

**Renewable resources management.**—Provides for development, utilization, protection, preservation and sustained yield management of the natural resources on the public lands through such activities as forest management; range management; recreation management; soil, water, and air management; wildlife habitat management; and fire management.

**Planning and data management.**—Provides for resource management and land use planning, and automated data management including implementation of the Automated Land and Minerals Records System (ALMRS).

**Cadastral survey.**—Provides for identification of Federal land boundaries and legal property descriptions.

**Firefighting and rehabilitation.**—Provides for suppression of wildfires on or threatening the public lands; and rehabilitation of public land resources.

**Technical services.**—Provides for enforcement of laws and regulations governing the management, use, and protection of public lands; and for maintenance of buildings, roads, and trails.

**General administration.**—Includes executive management, equal employment opportunity programs, general administrative services, and Bureau-wide fixed costs.

##### Object Classification (in thousands of dollars)

Identification code	14-1109-0-1-302	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	200,711	184,900	206,706

**BUREAU OF LAND MANAGEMENT—Continued**  
**General and special funds—Continued**  
**MANAGEMENT OF LANDS AND RESOURCES—Continued**  
**Object Classification (in thousands of dollars)—Continued**

Identification code	14-1109-0-1-302	1987 actual	1988 est.	1989 est.
11.3	Other than full-time permanent.....	20,542	14,850	20,631
11.5	Other personnel compensation.....	14,228	10,441	14,289
11.8	Special personal services payments.....	7,989	8,109	8,024
11.9	Total personnel compensation.....	243,470	218,300	249,650
12.1	Civilian personnel benefits.....	43,483	44,265	46,768
13.0	Benefits for former personnel.....	2,572	2,900	2,900
21.0	Travel and transportation of persons.....	14,852	16,500	16,500
22.0	Transportation of things.....	12,652	10,600	11,700
23.1	Rental payments to GSA.....	22,865	17,424	17,424
23.2	Rental payments to others.....	5,205	13,576	14,576
23.3	Communications, utilities, and miscellaneous charges.....	13,434	12,500	13,500
24.0	Printing and reproduction.....	2,731	3,000	2,500
25.0	Other services.....	73,389	47,232	50,969
26.0	Supplies and materials.....	24,342	23,750	23,250
31.0	Equipment.....	18,616	15,000	13,900
32.0	Land and structures.....	1,972	1,000	1,000
42.0	Insurance claims and indemnities.....	45	50	50
99.0	Subtotal, direct obligations.....	479,628	426,097	464,687
99.0	Reimbursable obligations.....	12,423	11,000	11,000
99.9	Total obligations.....	492,051	437,097	475,687

**Personnel Summary**

<b>Direct:</b>			
Total number of permanent positions.....	6,814	6,953	6,845
Total compensable workyears:			
Full-time equivalent employment.....	8,020	8,204	8,077
Full-time equivalent of overtime and holiday hours.....	325	325	325
<b>Reimbursable:</b>			
Total number of permanent positions.....	165	123	123
Total compensable workyears:			
Full-time equivalent employment.....	194	145	145
Full-time equivalent of overtime and holiday hours.....	2	2	2

**CONSTRUCTION AND ACCESS**

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, **[\$3,430,000]** \$1,338,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	14-1110-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Construction.....	2,154	2,455	.....
00.02	Access.....	1,198	1,275	1,338
10.00	Total obligations.....	3,352	3,730	1,338
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	—55	.....	.....
21.40	Unobligated balance available, start of year.....	—1,187	—690	—390
24.40	Unobligated balance available, end of year.....	690	390	390
40.00	Budget authority (appropriation).....	2,800	3,430	1,338
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	3,352	3,730	1,338
72.40	Obligated balance, start of year.....	7,157	3,357	2,872
74.40	Obligated balance, end of year.....	—3,357	—2,872	—2,161
77.00	Adjustments in expired accounts.....	—511	.....	.....
78.00	Adjustments in unexpired accounts.....	—55	.....	.....
90.00	Outlays.....	6,586	4,215	2,049

**Construction.**—Provides for the construction of buildings, recreation facilities, roads and trails.

**Access.**—Provides for the acquisition of easements for legal access to public land areas.

**Object Classification (in thousands of dollars)**

Identification code	14-1110-0-1-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	764	917	795
11.3	Other than full-time permanent.....	24	30	26
11.5	Other personnel compensation.....	1	.....	.....
11.9	Total personnel compensation.....	789	947	821
12.1	Civilian personnel benefits.....	103	123	107
21.0	Travel and transportation of persons.....	75	100	100
22.0	Transportation of things.....	25	40	30
23.2	Rental payments to others.....	9	10	10
23.3	Communications, utilities, and miscellaneous charges.....	29	40	30
24.0	Printing and reproduction.....	7	10	5
25.0	Other services.....	645	1,000	190
26.0	Supplies and materials.....	38	50	40
31.0	Equipment.....	11	10	5
32.0	Land and structures.....	1,621	1,400	.....
99.9	Total obligations.....	3,352	3,730	1,338

**Personnel Summary**

Total number of full-time permanent positions.....	21	25	22
Total compensable workyears: Full-time equivalent employment.....	25	30	26

**PAYMENTS IN LIEU OF TAXES**

For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 6901-07), \$105,000,000, of which not to exceed \$400,000 shall be available for administrative expenses. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	14-1114-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	104,699	105,000	105,000
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	301	.....	.....
40.00	Budget authority (appropriation).....	105,000	105,000	105,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	104,699	105,000	105,000
72.40	Obligated balance, start of year.....	8	8	.....
74.40	Obligated balance, end of year.....	—8	.....	.....
77.00	Adjustments in expired accounts.....	286	.....	.....
90.00	Outlays.....	104,985	105,008	105,000

Public Law 94-565 (31 U.S.C. 6901), as amended, authorizes payments in lieu of taxes to counties and other units of local government for lands within their boundaries which are administered by the Bureau of Land Management, Forest Service, National Park Service, Fish and Wildlife Service and certain other agencies (entitlement land payments).

**Object Classification (in thousands of dollars)**

Identification code	14-1114-0-1-806	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent.....	39	40	40
12.1	Civilian personnel benefits.....	5	5	5
24.0	Printing and reproduction.....	4	5	5
25.0	Other services.....	60	95	95
26.0	Supplies and materials.....	1	5	5
31.0	Equipment.....	4	.....	.....
41.0	Grants, subsidies, and contributions.....	104,586	104,850	104,850
99.9	Total obligations.....	104,699	105,000	105,000

**Personnel Summary**

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	1	1	1

**OREGON AND CALIFORNIA GRANT LANDS**

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; **[\$58,475,000] \$57,434,000**, to remain available until expended: *Provided*, That the amount appropriated herein for road construction shall be transferred to the Federal Highway Administration, Department of Transportation: *Provided further*, That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876). (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-1116-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Construction and acquisition.....	515	853	450
00.02 Maintenance.....	4,273	3,892	3,677
00.03 Renewable resources management.....	49,598	52,037	49,476
00.04 Planning and data management.....	946	1,693	3,831
10.00 Total obligations.....	55,333	58,475	57,434
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-1,245		
21.40 Unobligated balance available, start of year.....	-863	-2,430	-2,430
24.40 Unobligated balance available, end of year.....	2,430	2,430	2,430
25.00 Unobligated balance lapsing.....	163		
40.00 Budget authority (appropriation).....	55,818	58,475	57,434
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	55,332	58,475	57,434
72.40 Obligated balance, start of year.....	13,190	12,704	15,203
74.40 Obligated balance, end of year.....	-12,704	-15,203	-17,973
78.00 Adjustments in unexpired accounts.....	-1,245		
90.00 Outlays.....	54,573	55,976	54,664

The Oregon and California grant lands appropriation provides for the management, development and protection by BLM of 2.1 million acres of revested railroad and wagon road lands located in western Oregon, primarily for permanent forest production under the principle of sustained yield.

**Object Classification (in thousands of dollars)**

Identification code 14-1116-0-1-302	1987 actual	1988 est.	1989 est.
<b>BUREAU OF LAND MANAGEMENT</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	25,443	25,925	26,413
11.3 Other than full-time permanent.....	2,551	2,553	2,600
11.5 Other personnel compensation.....	743	700	700
11.8 Special personal services payments.....	38	38	38
11.9 Total personnel compensation.....	28,775	29,216	29,751
12.1 Civilian personnel benefits.....	4,011	3,856	3,927
21.0 Travel and transportation of persons.....	614	650	650
22.0 Transportation of things.....	2,300	2,300	2,200
23.2 Rental payments to others.....	370	350	340
23.3 Communications, utilities, and miscellaneous charges.....	707	700	700
24.0 Printing and reproduction.....	129	200	200
25.0 Other services.....	13,339	15,303	13,716

26.0 Supplies and materials.....	2,994	3,000	2,800
31.0 Equipment.....	1,458	2,000	2,500
32.0 Land and structures.....	387	500	250
42.0 Insurance claims and indemnities.....	12		
99.0 Subtotal, Bureau of Land Management.....	55,096	58,075	57,034

**FEDERAL HIGHWAY ADMINISTRATION**

<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	92	95	96
11.3 Other than full-time permanent.....	8	10	10
11.5 Other personnel compensation.....	3	5	5
11.9 Total personnel compensation.....	103	110	111
12.1 Civilian personnel benefits.....	5	10	10
21.0 Travel and transportation of persons.....	24	25	25
22.0 Transportation of things.....	10	20	20
23.3 Communications, utilities, and miscellaneous charges.....	10	10	10
24.0 Printing and reproduction.....	1		
31.0 Equipment.....	62		
32.0 Land and structures.....	22	225	224
99.0 Subtotal, Federal Highway Administration.....	237	400	400
99.9 Total obligations.....	55,333	58,475	57,434
<b>Obligations are distributed as follows:</b>			
Interior—Bureau of Land Management.....	55,096	58,075	57,034
Transportation—Federal Highway Administration.....	237	400	400

**Personnel Summary**

<b>BUREAU OF LAND MANAGEMENT</b>			
Total number of full-time permanent positions.....	886	889	901
Total compensable workyears:			
Full-time equivalent employment.....	1,043	1,058	1,072
Full-time equivalent of overtime and holiday hours.....	31	31	31
<b>FEDERAL HIGHWAY ADMINISTRATION</b>			
Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	4	4	4

**SPECIAL ACQUISITION OF LANDS AND MINERALS**

**Program and Financing (in thousands of dollars)**

Identification code 14-1117-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0).....	603	1,300	1,300
<b>Financing:</b>			
67.10 Authority to borrow (P.L. 96-476, as amended).....	603	1,300	1,300
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	603	1,300	1,300
90.00 Outlays.....	603	1,300	1,300

This account represents the monetary value of the quarterly adjustments to bidding rights issued under the authority of Public Law 96-476 as required by section 7 of the Lee Metcalf Wilderness and Management Act of 1983. The bidding rights may be used as monetary credits against that portion of any coal lease bonus payments, rentals or royalties payable under the Mineral Leasing Act of 1920, as amended, and retained by the Federal Government, on any Federal coal lease won or otherwise held by the holder. The value of unused bidding rights increases at a rate set quarterly by the Secretary of the Treasury, pursuant to section 11 of the Debt Collection Act of 1982 (31 U.S.C. 3717).

BUREAU OF LAND MANAGEMENT—Continued  
General and special funds—Continued

LAND ACQUISITION

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94-579 including administrative expenses and acquisition of lands or waters, or interest therein, **[\$8,885,000]** \$100,000, to be derived from the Land and Water Conservation Fund, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 14-5033-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operating expenses	864	942	187
01.01 Capital investment	939	10,699	2,913
10.00 Total obligations	1,803	11,641	3,100
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-3		
21.40 Unobligated balance available, start of year	-4,536	-5,756	-3,000
23.40 Unobligated balance rescinded (P.L. 99-591)		3,200	
24.40 Unobligated balance available, end of year	5,756	3,000	
40.00 Budget authority (appropriation) (special fund)	6,220	8,885	100
Relation of obligations to outlays:			
71.00 Obligations incurred, net	1,803	11,641	3,100
72.40 Obligated balance, start of year	653	570	4,672
74.40 Obligated balance, end of year	-570	-4,672	-50
78.00 Adjustments in unexpired accounts	-3		
90.00 Outlays	1,883	7,539	7,722

This appropriation provides for the acquisition of lands or interests in lands when necessary for public recreation use and other purposes related to the management of the public lands.

Object Classification (in thousands of dollars)

Identification code 14-5033-0-2-302	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent	483	492	75
11.3 Other than full-time permanent	50	52	
11.9 Total personnel compensation	533	544	75
12.1 Civilian personnel benefits	67	70	10
21.0 Travel and transportation of persons	29	40	40
22.0 Transportation of things	7	9	2
23.3 Communications, utilities, and miscellaneous charges		1	
24.0 Printing and reproduction	2	3	
25.0 Other services	214	250	50
26.0 Supplies and materials	10	20	10
31.0 Equipment	2	5	
32.0 Land and structures	939	10,699	2,913
99.9 Total obligations	1,803	11,641	3,100

Personnel Summary

Total number of full-time permanent positions	15	15	2
Total compensable workyears: Full-time equivalent employment	18	18	2

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.), but not less than \$8,506,000 (43 U.S.C. 1901), and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than \$8,506,000, to remain

available until expended: *Provided*, That not to exceed \$600,000 shall be available for administrative expenses. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year	6,370	6,289	6,289
Collections (offsetting receipts)	15,930	15,921	15,921
Transferred to general fund receipts	-4,991	-4,957	-4,961
Transferred to payments to States from grazing receipts, etc., public lands outside grazing districts	-955	-985	-985
Transferred to payments to States from grazing receipts, etc., public lands within grazing districts	-1,487	-1,514	-1,514
Transferred to payments to counties from grazing and mineral leasing receipts from National Grasslands	-532	-500	-500
Total available for appropriation	14,335	14,254	14,250
Appropriation	-8,046	-7,965	-7,961
Unappropriated balance, end of year <sup>1</sup>	6,289	6,289	6,289

<sup>1</sup> Payments to States and to the Range Improvements Fund are derived from statutory percentages of collections in the prior fiscal year.

Program and Financing (in thousands of dollars)

Identification code 14-5132-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Improvements to public lands	9,401	6,956	6,956
00.02 Farm tenant act lands	725	950	950
00.03 Administrative expenses	600	600	600
10.00 Total obligations	10,726	8,506	8,506
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-449		
21.40 Unobligated balance available, start of year	-2,082	-1,058	-1,058
24.40 Unobligated balance available, end of year	1,058	1,058	1,058
39.00 Budget authority	9,253	8,506	8,506
Budget authority:			
40.00 Appropriation (indefinite, special fund)	8,046	7,965	7,961
40.00 Appropriation (indefinite, general fund)	1,207	541	545
43.00 Appropriation (adjusted)	9,253	8,506	8,506
Relation of obligations to outlays:			
71.00 Obligations incurred, net	10,726	8,506	8,506
72.40 Obligated balance, start of year	2,405	2,733	3,130
74.40 Obligated balance, end of year	-2,733	-3,130	-3,130
78.00 Adjustments in unexpired accounts	-449		
90.00 Outlays	9,949	8,109	8,506

The appropriation is derived from a percentage of receipts received from grazing of livestock on the public lands, and from grazing and mineral leasing receipts on Bankhead-Jones Farm Tenant Act lands transferred from the Department of Agriculture by various Executive orders. On public lands, the fee from grazing includes a range improvement fee, which is available for the construction and development of range improvements when appropriated.

Object Classification (in thousands of dollars)

Identification code 14-5132-0-2-302	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent	2,761	2,713	2,726
11.3 Other than full-time permanent	379	372	374
11.5 Other personnel compensation	133	131	132
11.8 Special personal services payments	1		
11.9 Total personnel compensation	3,274	3,216	3,232
12.1 Civilian personnel benefits	425	417	419
21.0 Travel and transportation of persons	161	160	160
22.0 Transportation of things	921	750	750
23.3 Communications, utilities, and miscellaneous charges	18	20	20



24.0	Printing and reproduction.....	1	1	1
25.0	Other services.....	1,947	953	944
26.0	Supplies and materials.....	2,276	1,289	1,280
31.0	Equipment.....	153	100	100
32.0	Land and structures.....	1,550	1,600	1,600
99.9	Total obligations.....	10,726	8,506	8,506

**Personnel Summary**

Total number of full-time permanent positions.....	105	102	102
Total compensable workyears:			
Full-time equivalent employment.....	124	120	120
Full-time equivalent of overtime and holiday hours.....	9	9	9

RECREATION DEVELOPMENT AND OPERATION OF RECREATION FACILITIES

**Program and Financing** (in thousands of dollars)

Identification code 14-5011-0-2-302	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....	-19	-19
24.40	Unobligated balance available, end of year.....	19	19
39.00	<b>Budget authority</b> .....		
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....		
90.00	Outlays.....		

Prior to 1981, recreation user fees were available to the Bureau of Land Management for operation of recreation facilities.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under sections 209(b), 304(a), 304(b), 305(a), and 504(g) of the Act approved October 21, 1976 (43 U.S.C. 1701), and sections 101 and 203 of Public Law 93-153, to be immediately available until expended: *Provided*, That notwithstanding any provision to the contrary of subsection 305(a) of the Act of October 21, 1976 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that subsection, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to subsection 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this or subsequent appropriations Acts by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such forfeiture, compromise, or settlement are used on the exact lands damage to which led to the forfeiture, compromise, or settlement: *Provided further*, That such moneys [are] collected from each such forfeiture, compromise, or settlement in excess of amounts needed to repair damage to the exact land for which collected may be used for other lands. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing** (in thousands of dollars)

Identification code 14-5017-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01	Rights-of-way processing.....	876	2,100
00.02	Adopt-a-horse program.....	213	500
00.03	Repair of lands and facilities.....	404	650
00.04	Cost recoverable realty cases.....	59	150
00.05	Timber contract expenses.....	1,610	1,500
00.06	Copy fees.....		1,700
10.00	Total obligations.....	3,161	6,600

<b>Financing:</b>			
17.00	Recovery of prior year obligations.....	-241	
21.40	Unobligated balance available, start of year.....	-5,324	-7,289
24.40	Unobligated balance available, end of year.....	7,289	7,289
40.00	<b>Budget authority (appropriation)</b> .....	<b>4,885</b>	<b>6,600</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	3,161	6,600
72.40	Obligated balance, start of year.....	2,539	172
74.40	Obligated balance, end of year.....	-172	-1,927
78.00	Adjustments in unexpired accounts.....	-241	
90.00	Outlays.....	5,286	6,175

This appropriation is derived from: (1) revenues received to offset administrative and other costs incurred to process applications for rights-of-way, and the monitoring of construction, operation, and termination of rights-of-ways; (2) recovery of costs associated with the adopt-a-horse program; (3) revenues received for rehabilitation of damages to lands and facilities; (4) fees for processing specified categories of realty actions under FLPMA; (5) revenues received from contractors for slash burning and timber extension expenses; and (6) fees for costs of production and administrative services involved in providing requested copies of materials.

**Object Classification** (in thousands of dollars)

Identification code 14-5017-0-2-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1	Full-time permanent.....	1,051	2,314
11.3	Other than full-time permanent.....	173	381
11.5	Other personnel compensation.....	232	511
11.9	Total personnel compensation.....	1,456	3,206
12.1	Civilian personnel benefits.....	235	517
21.0	Travel and transportation of persons.....	81	200
22.0	Transportation of things.....	910	500
23.2	Rental payments to others.....	7	5
23.3	Communications, utilities, and miscellaneous charges.....	3	5
24.0	Printing and reproduction.....	11	300
25.0	Other services.....	353	742
26.0	Supplies and materials.....	84	1,000
31.0	Equipment.....	6	100
32.0	Land and structures.....	15	25
99.9	Total obligations.....	3,161	6,600

**Personnel Summary**

Total number of full-time permanent positions.....	34	77	69
Total compensable workyears:			
Full-time equivalent employment.....	40	91	81
Full-time equivalent of overtime and holiday hours.....	16	30	25

OPERATION AND MAINTENANCE OF QUARTERS

**Program and Financing** (in thousands of dollars)

Identification code 14-5048-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	Total obligations.....	135	250
<b>Financing:</b>			
17.00	Recovery of prior year obligations.....	-5	
21.40	Unobligated balance available, start of year.....	-128	-192
24.40	Unobligated balance available, end of year.....	192	192
60.00	<b>Budget authority (permanent, indefinite) (special fund)</b> .....	<b>194</b>	<b>250</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	135	250

**BUREAU OF LAND MANAGEMENT—Continued**  
**General and special funds—Continued**  
**OPERATION AND MAINTENANCE OF QUARTERS—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code	14-5048-0-2-302	1987 actual	1988 est.	1989 est.
72.40	Obligated balance, start of year	41	18	42
74.40	Obligated balance, end of year	-18	-42	-42
78.00	Adjustments in unexpired accounts	-5		
90.00	Outlays	152	226	250

This account provides for the maintenance of quarters used by Bureau employees in areas where other housing alternatives are unavailable. Expenses are offset by collections in the form of rental payments. This account was established in 1986 under provisions of the 1985 Interior Appropriations Act.

**Object Classification (in thousands of dollars)**

Identification code	14-5048-0-2-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	54	55	55
11.3	Other than full-time permanent	1	1	1
11.5	Other personnel compensation	6	4	4
11.9	Total personnel compensation	61	60	60
12.1	Civilian personnel benefits	8	9	9
21.0	Travel and transportation of persons	2	3	3
22.0	Transportation of things	3	10	10
25.0	Other services	18	83	83
26.0	Supplies and materials	33	50	50
31.0	Equipment	10	10	10
32.0	Land and structures		25	25
99.9	Total obligations	135	250	250

**Personnel Summary**

Total number of full-time permanent positions	2	2	2
Total compensable workyears: Full-time equivalent employment	2	2	2

**MISCELLANEOUS PERMANENT APPROPRIATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	14-9921-0-2-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Payments to Oklahoma (royalties)		6	6
00.02	Payments to Coos and Douglas Counties, Oregon, from receipts, Coos Bay Wagon Road grant lands	562	580	580
00.03	Payments to counties, Oregon and California grant lands	6,176	139,822	71,400
00.04	Payments to States (proceeds of sales)	35	1,449	772
00.05	Payments to States from grazing receipts, etc., public lands outside grazing districts	40	1,940	985
00.06	Payments to States from grazing receipts, etc., public lands within districts	60	2,997	1,514
00.07	Payments to States from grazing receipts, etc., public lands within grazing districts, miscellaneous		7	3
00.08	Payments to Alaska National Petroleum Reserve	221	1,350	1,350
00.09	Payments to counties, national grasslands	114	1,032	500
00.10	Expenses, road maintenance deposits	7,098	6,500	6,500
00.11	Payments to Nevada from receipts on land sales	117	750	600
10.00	Total obligations	14,423	156,433	84,210
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-3,353		
21.40	Unobligated balance available, start of year	-5,078	-2,475	-2,475
24.40	Unobligated balance available, end of year	2,475	2,475	2,475
60.00	Budget authority (appropriation) (permanent, indefinite) (special fund)	8,467	156,433	84,210

Relation of obligations to outlays:				
71.00	Obligations incurred, net	14,423	156,433	84,210
72.40	Obligated balance, start of year	74,456	955	77,767
74.40	Obligated balance, end of year	-955	-77,767	-77,601
78.00	Adjustments in unexpired accounts	-3,353		
90.00	Outlays	84,571	79,621	84,376

Distribution of budget authority by account:			
Payments to Oklahoma (royalties)		6	6
Payments to Coos and Douglas Counties, Oregon, from receipts, Coos Bay Wagon Road grant lands	562	580	580
Payments to counties, Oregon and California grant lands	6,176	139,822	71,400
Payments to States (proceeds of sales) (receipt limitations)	35	1,449	772
Payments to States from grazing receipts, etc., public lands outside grazing districts	40	1,940	985
Payments to States from grazing receipts, etc., public lands within grazing districts	60	2,997	1,514
Payments to States from grazing receipts, etc., public lands within districts, miscellaneous		7	3
Payments to Alaska, National Petroleum Reserve	221	1,350	1,350
Payments to counties, national grasslands	114	1,032	500
Expenses, road maintenance deposits	7,098	6,500	6,500
Payments to Nevada from receipts on land sales	117	750	600

Distribution of outlays by account:			
Payments to Oklahoma (royalties)	6	3	6
Payments to Coos and Douglas Counties, Oregon, from receipts, Coos Bay Wagon Road grant lands	562	426	580
Payments to counties, Oregon and California grant lands	71,844	68,422	71,400
Payments to States (proceeds of sales) (receipt limitation)	808	661	788
Payments to States from grazing receipts, etc., public lands outside grazing districts	989	955	985
Payments to States from grazing receipts, etc., public lands within grazing districts	1,507	1,483	1,514
Payments to States from grazing receipts, etc., public lands within districts, miscellaneous		4	3
Payments to Alaska, National Petroleum Reserve	1,196	1,002	1,350
Payments to counties, national grasslands	504	532	500
Expenses, road maintenance deposits	6,939	5,713	6,500
Payments to Nevada from receipts on land sales	212	420	750

**Payments to Oklahoma (royalties).**—The State of Oklahoma is paid 37½ percent of the Red River oil and gas royalties in lieu of State and local taxes on Kiowa, Comanche, and Apache tribal lands to be used for construction and maintenance of public roads and support of public schools (65 Stat. 252).

**Payments to Coos and Douglas Counties, Oregon, from receipts, Coos Bay Wagon Road grant lands.**—Out of receipts from the Coos Bay Wagon Road grant lands in Oregon, payments in lieu of taxes are made to Coos and Douglas Counties for schools, roads, highways, bridges, and port districts (53 Stat. 753-754).

**Payments to counties, Oregon and California grant lands.**—Fifty percent of the receipts of Oregon and California land-grant funds are paid to the counties in which the lands are situated, to be used as other county funds (39 Stat. 218; 50 Stat. 876).

**Payments to States (proceeds of sales).**—The States are paid 5 percent of the net proceeds from sale of public land and public land products (31 U.S.C. 1305).

**Payments to States from grazing receipts, etc., public lands outside grazing districts.**—The States are paid 50 percent of the grazing receipts from public lands outside of grazing districts (43 U.S.C. 315i, 315m).

**Payments to States from grazing receipts, etc., public lands within districts.**—The States are paid 12½ percent of grazing receipts from public lands inside grazing districts (43 U.S.C. 315b, 315i).

**Payments to States from grazing receipts, etc., public lands within grazing districts, miscellaneous.**—The States are paid specifically determined amounts from grazing receipts derived from miscellaneous lands

within grazing districts when payment is not feasible on a percentage basis (43 U.S.C. 315).

*Payments to Alaska, National Petroleum Reserve.*—Alaska is paid 50% of the receipts derived from bonuses, royalties, and rentals resulting from the leasing of oil and gas in the National Petroleum Reserve in Alaska (94 Stat. 2964).

*Payments to counties, national grasslands.*—Of the revenues received from the use of national grasslands, 25% is paid to the counties in which such lands are situated, for school and road purposes (7 U.S.C. 1012).

*Expenses, road maintenance deposits.*—Users of certain roads under jurisdiction of the Bureau of Land Management make deposits for maintenance purposes, and moneys collected are appropriated for necessary road maintenance. Moneys collected on Oregon and California grant lands are available only for those lands (43 U.S.C. 1701 et seq.).

*Payments to Nevada from receipts on land sales.*—Public Law 96-586 authorizes and directs the Secretary to sell not more than 700 acres of public lands per calendar year in and around Las Vegas, Nevada, proceeds of which are to be used to acquire environmentally sensitive lands in the Lake Tahoe Basin of California and Nevada. Annual revenues are distributed to the State of Nevada (5%) and the county in which the land is located (10%).

**Object Classification** (in thousands of dollars)

Identification code	14-9921-0-2-999	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,775	1,952	2,125
11.3	Other than full-time permanent.....	528	580	632
11.5	Other personnel compensation.....	112	123	134
11.9	Total personnel compensation.....	2,415	2,655	2,891
12.1	Civilian personnel benefits.....	299	329	358
22.0	Transportation of things.....	1,560	1,500	1,500
23.2	Rental payments to others.....	10	10	10
23.3	Communications, utilities, and miscellaneous charges.....	5	5	5
25.0	Other services.....	1,300	1,000	1,000
26.0	Supplies and materials.....	1,499	991	726
31.0	Equipment.....	18	10	10
32.0	Land and structures.....	—8		
41.0	Grants, subsidies, and contributions.....	7,325	149,933	77,710
99.9	Total obligations.....	14,423	156,433	84,210

**Personnel Summary**

Total number of full-time permanent positions.....	71	71	77
Total compensable workyears:			
Full-time equivalent employment.....	84	84	91
Full-time equivalent of overtime and holiday hours.....	5	5	5

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing** (in thousands of dollars)

Identification code	14-4525-0-4-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Land management related supplies and support:				
00.01	Operating expenses.....	8,978	9,960	10,318
00.02	Capital investment.....	6,133	380	2,100
10.00	Total obligations.....	15,111	10,340	12,418
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds: Revenue.....	—13,727	—13,800	—12,211

17.00	Recovery of prior year obligations.....	—878		
21.98	Unobligated balance available, start of year: Fund balance.....	—9,292	—8,786	—12,246
24.98	Unobligated balance available, end of year: Fund balance.....	8,786	12,246	12,039
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,384	—3,460	207
72.98	Obligated balance, start of year: Fund balance.....	4,512	6,711	5,766
74.98	Obligated balance, end of year: Fund balance.....	—6,711	—5,766	—5,973
78.00	Adjustments in unexpired accounts.....	—878		
90.00	Outlays.....	—1,694	—2,515	

Section 306 of the Federal Land Policy and Management Act of 1976 authorizes a BLM working capital fund. The fund is managed as a self-sustaining revolving fund for purchase and maintenance of vehicles and equipment, purchase of materials for resource conservation projects, uniforms, aviation management services, and other business-type functions.

**Object Classification** (in thousands of dollars)

Identification code	14-4525-0-4-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,062	898	903
11.3	Other than full-time permanent.....	34	29	29
11.5	Other personnel compensation.....	20	17	17
11.9	Total personnel compensation.....	1,116	944	949
12.1	Civilian personnel benefits.....	166	140	141
21.0	Travel and transportation of persons.....	95	95	95
22.0	Transportation of things.....	33	30	35
23.3	Communications, utilities, and miscellaneous charges.....	2	2	2
24.0	Printing and reproduction.....	3	3	3
25.0	Other services.....	1,379	1,500	1,500
26.0	Supplies and materials.....	6,184	7,246	7,593
31.0	Equipment.....	6,133	380	2,100
99.9	Total obligations.....	15,111	10,340	12,418

**Personnel Summary**

Total number of full-time permanent positions.....	26	26	26
Total compensable workyears: Full-time equivalent employment.....	30	30	30

**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

In addition to amounts authorized to be expended under existing law, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	14-9971-0-7-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Land and resource management trust fund.....	3,167	5,426	1,000
00.02	Trustee funds, Alaska townsites.....	7	100	100
10.00	Total obligations.....	3,174	5,526	1,100
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	—49		
21.40	Unobligated balance available, start of year.....	—2,578	—6,693	—1,867
24.40	Unobligated balance available, end of year.....	6,693	1,867	1,467
39.00	<b>Budget authority</b> .....	<b>7,240</b>	<b>700</b>	<b>700</b>

BUREAU OF LAND MANAGEMENT—Continued  
MISCELLANEOUS TRUST FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-9971-0-7-302	1987 actual	1988 est.	1989 est.
Budget authority:				
40.00	Appropriation (indefinite)	3	100	100
60.00	Appropriation (permanent, indefinite)	7,237	600	600
Relation of obligations to outlays:				
71.00	Obligations incurred, net	3,174	5,526	1,100
72.40	Obligated balance, start of year	575	787	224
74.40	Obligated balance, end of year	-787	-224	-624
78.00	Adjustments in unexpired accounts	-49		
90.00	Outlays	2,913	6,089	700
Distribution of budget authority by account:				
	Land and resource management trust fund	7,237	699	699
	Trustee funds, Alaska townsites	3	1	1
Distribution of outlays by account:				
	Land and resource management trust fund	2,909	6,088	699
	Trustee funds, Alaska townsites	4	1	1

*Land and resource management trust fund.*—Applicants for conveyance of lands omitted in original surveys pay the cost of surveys and the administrative costs of conveyance. Advances are also made to pay the costs of other types of surveys. Cooperators in the management of the public lands, including the Federal Range and the California off-road vehicle program, contribute funds for conservation practices, acquisition, protection, improvements to benefit the public lands and for other purposes (43 U.S.C. 315, 1719, 1721, and 1737; 31 U.S.C. 1305).

*Trustee funds, Alaska townsites.*—Amounts received from sale of Alaska town lots are available for expenses incident to the maintenance and sale of townsites (31 U.S.C. 1321; Comp. Gen. Dec. of Nov. 18, 1935).

Object Classification (in thousands of dollars)

Identification code	14-9971-0-7-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	780	480	333
11.3	Other than full-time permanent	331	203	141
11.5	Other personnel compensation	53	32	22
11.8	Special personal services payments	2		
11.9	Total personnel compensation	1,166	715	496
12.1	Civilian personnel benefits	136	83	58
21.0	Travel and transportation of persons	188	200	200
22.0	Transportation of things	133	350	50
23.2	Rental payments to others	2	5	2
23.3	Communications, utilities, and miscellaneous charges	70	70	20
24.0	Printing and reproduction	48	50	
25.0	Other services	428	1,500	124
26.0	Supplies and materials	701	2,003	150
31.0	Equipment	151	250	
32.0	Land and structures	151	300	
99.9	Total obligations	3,174	5,526	1,100

Personnel Summary

Total number of full-time permanent positions	41	25	17
Total compensable workyears: Full-time equivalent employment	48	29	20

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary struc-

tures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to \$25,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau of Land Management; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed \$10,000: *Provided*, That appropriations herein made for Bureau of Land Management expenditures in connection with the reconstituted Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the General Fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further*, That appropriations herein made may be expended for surveys of Federal lands of the United States and on a reimbursable basis for surveys of Federal lands of the United States and for protection of lands for the State of Alaska: *Provided further*, That an appeal of any reductions in grazing allotments on public rangelands must be taken within thirty days after receipt of a final grazing allotment decision. Reductions of up to 10 per centum in grazing allotments shall become effective when so designated by the Secretary of the Interior. Upon appeal any proposed reduction in excess of 10 per centum shall be suspended pending final action on the appeal, which shall be completed within two years after the appeal is filed: *Provided further*, That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Bureau: *Provided further*, That [Section 1(b) of the Act of October 17, 1984 entitled "An Act to withdraw certain public lands in Lincoln County, Nevada" (Public Law 99-485), is amended by striking out "December 31, 1987" and inserting in lieu thereof "March 31, 1988"] notwithstanding section 5901(a) of title 5, United States Code, as amended, the uniform allowance for each uniformed employee of the Bureau of Land Management shall not exceed \$400 annually.

[Notwithstanding any court order now or hereafter in effect, the Secretary of the Interior, through the State Director, Utah, Bureau of Land Management, is authorized to negotiate with the appropriate government officials in the State of Utah and to take any action necessary under the Federal Land Policy and Management Act and other applicable laws to consummate an exchange of Federal lands and improvements thereon identified as tracts U-a and U-b, for State lands of equal value if the Secretary determines that such an exchange is in the public interest. Any exchange involving such lands shall include the transfer of the remaining balance of funds conveyed to the Bureau of Land Management for the management and protection of the tracts U-a and U-b: *Provided*, That use of such funds shall be restricted to management and protection of the tracts.]

[Notwithstanding any court order now or hereafter in effect, the Secretary of the Interior is authorized to revoke the Bureau of Reclamation's Dixie project withdrawal, created by Commissioner's order of June 11, 1943; Public Land Order No. 1868 of June 3, 1959; Public Land Order No. 4036 of June 6, 1966; and Public Land Order No. 4061 of July 18, 1966, and to complete any land actions with regard to those lands required under the Federal Land Policy and Management Act and other applicable laws and that the Secretary determines to be in the public interest.] *Department of the Interior and related Agencies Appropriations Act, 1988.*

MINERALS MANAGEMENT SERVICE

Federal Funds

General and special funds:

LEASING AND ROYALTY MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; [\$168,717,000] \$171,317,000, of which not [less

than \$50,179,000 shall be available for royalty management activities including general administration: *Provided*, That notwithstanding any other provision of law, funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d)] *to exceed \$3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine clean-up activities: Provided [further]*, That of the above enacted amounts, \$250,000 proposed for data gathering to help determine the boundary between State and Federal lands offshore of Alaska shall be available only if an equal amount is provided by the State of Alaska from State revenues to match the Federal support for this project[: *Provided further*, That none of the funds in this Act may be used to implement a rule which modifies NTL-5 until such time as H.R. 3479, or similar legislation, is enacted into law: *Provided further*, That audits may proceed but the Minerals Management Service shall take no action to collect unpaid or underpaid royalties on natural gas production from Federal onshore or Indian leases between January 1, 1982, and July 31, 1986, plus applicable interest, based on a value of production in excess of the lessee's gross proceeds (or minimum value required by the applicable lease terms and regulations in titles 25 and 30 of the CFR) until such time as legislation affecting NTL-5 for that period is enacted].

**[Subsection (g)(5)(A) of section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(5)(A)) is amended—**

- (1) by striking out "such account" in the second sentence and inserting in lieu thereof "an escrow account established pursuant to an agreement under section 7";
- (2) by designating the indented clause as clause (ii);
- (3) in the first sentence of the clause (ii) by striking "any" and inserting in lieu thereof "a," by striking out "all" and by inserting in lieu thereof "any additional", and by inserting "or credited to" before "the escrow account"; and
- (4) by inserting before clause (ii) the following new clause;

"(i) Twenty-seven percent of all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978, of any tract which lies wholly within three nautical miles of the seaward boundary asserted by the Federal Government in the boundary dispute, together with all accrued interest thereon, shall be paid to the State either—

"(I) within thirty days of December 1, 1987, or

"(II) by the last business day of the month following the month in which those revenues are deposited in the Treasury, whichever date is later.".] (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-1917-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 OCS lands .....	92,789	93,180	91,296
00.02 Royalty management .....	45,584	49,940	52,605
00.03 General administration .....	22,862	25,597	27,416
00.91 Total direct program .....	161,235	168,717	171,317
01.01 Reimbursable program .....		200	200
10.00 Total obligations .....	161,235	168,917	171,517
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....		-100	-100
14.00 Non-Federal sources .....		-100	-100
25.00 Unobligated balance lapsing .....	262		
40.00 Budget authority (appropriation) .....	161,497	168,717	171,317
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	161,235	168,717	171,317
72.40 Obligated balance, start of year .....	76,246	70,700	74,258
74.40 Obligated balance, end of year .....	-70,700	-74,258	-75,170
77.00 Adjustments in expired accounts .....	-804		
90.00 Outlays .....	165,977	165,159	170,405

The Minerals Management Service supervises exploration for and the development and production of oil,

gas, and other minerals on the Outer Continental Shelf (OCS) lands and collects royalties, rentals, and bonuses due the Federal Government and Indian lessors from minerals produced on Federal, Indian, and OCS lands.

**Outer Continental Shelf (OCS) lands.**—The program provides for: (1) performance of environmental assessments to insure compliance with the National Environmental Policy Act (NEPA); (2) conduct of lease offerings; (3) selection and evaluation of tracts offered for lease by competitive bidding; (4) assurance that the Federal Government receives fair market value for leased lands; and (5) regulation and supervision of energy and mineral exploration, development, and production operations on the OCS lands.

**Royalty management.**—The Royalty Management program provides accounting, auditing, and compliance activities for royalties, rentals, and bonuses due from minerals produced on Federal, Indian, allotted and OCS lands. The program includes an automated accounting system to ensure that all royalties are properly collected.

**General administration.**—General administrative expenses provide for management, executive direction and coordination, administrative support, Federal building space and general support services.

**Object Classification (in thousands of dollars)**

Identification code 14-1917-0-1-302	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Permanent positions .....	64,159	69,535	70,946
11.3 Other than full-time permanent .....	2,441	2,646	2,701
11.5 Other personnel compensation .....	1,234	1,337	1,364
11.8 Special personal services payments .....	50	54	55
11.9 Total personnel compensation .....	67,884	73,572	75,066
12.1 Civilian personnel benefits .....	11,328	15,154	12,996
13.0 Benefits for former personnel .....	136	100	100
21.0 Travel and transportation of persons .....	3,243	4,006	4,056
22.0 Transportation of things .....	361	429	429
23.1 Rental payments to GSA .....	6,752	8,297	9,609
23.2 Rental payments to others .....	114	110	110
23.3 Communications, utilities, and miscellaneous charges .....	2,985	2,630	3,525
24.0 Printing and reproduction .....	1,565	1,538	1,538
25.0 Other services .....	59,659	58,183	59,157
26.0 Supplies and materials .....	1,846	1,812	1,862
31.0 Equipment .....	5,037	2,882	2,865
41.0 Grants, subsidies, and contributions .....	320		
42.0 Insurance claims and indemnities .....	5	4	4
99.0 Subtotal, direct obligations .....	161,235	168,717	171,317
99.0 Reimbursable obligations .....		200	200
99.9 Total obligations .....	161,235	168,917	171,517

**Personnel Summary**

Total number of full-time permanent positions .....	1,799	1,891	1,891
Total compensable workyears:			
Full-time equivalent employment .....	2,019	2,042	2,042
Full-time equivalent of overtime and holiday hours .....	9	9	9

**PAYMENTS TO STATES FROM RECEIPTS UNDER MINERAL LEASING ACT**

*In fiscal year 1989, from moneys received from sales, bonuses, royalties (including interest charges collected under the Federal Oil and Gas Royalty Management Act of 1982), and rentals of the public lands under the provisions of the Mineral Lands Leasing Act of 1920, as amended, and the Geothermal Steam Act of 1970, which are not payable to a State or to the Reclamation Fund, such amounts as may be necessary shall be available for the payment of interest in accordance with 30 U.S.C. 191 and 1721 (b) and (d) and for the payment of*

MINERALS MANAGEMENT SERVICE—Continued

General and special funds—Continued

PAYMENTS TO STATES FROM RECEIPTS UNDER MINERAL LEASING ACT—Continued

interest on refunds made to royalty payers upon successful appeal of royalty payment orders; in addition, from amounts collected, such amounts as may be necessary shall be paid as rewards to persons who provide information to the Government which results in the collection of additional mineral revenues owed to the Government in accordance with 30 U.S.C. 1723.

Program and Financing (in thousands of dollars)

Identification code	14-5003-0-2-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Payments to States .....	375,439	412,458	438,522
00.02	Miscellaneous payments .....			600
10.00	Total obligations .....	375,439	412,458	439,122
<b>Financing:</b>				
39.00	Budget authority .....	375,439	412,458	439,122
<b>Budget authority:</b>				
40.00	Appropriation (current, indefinite) (special fund) .....			600
60.00	Appropriation (permanent, indefinite) (special fund) ....	375,439	412,458	438,522
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	375,439	412,458	439,122
90.00	Outlays .....	375,439	412,458	439,122

Alaska is paid 90 percent and other States 50 percent of the receipts from bonuses, royalties, and rentals resulting from development of mineral resources under the Mineral Leasing Act (30 U.S.C. 191), and from leases of potash deposits (30 U.S.C. 285), on both public domain and acquired lands.

Object Classification (in thousands of dollars)

Identification code	14-5003-0-2-806	1987 actual	1988 est.	1989 est.
25.0	Other services .....			200
41.0	Grants, subsidies, and contributions .....	375,439	412,458	438,772
43.0	Interest and dividends .....			150
99.9	Total obligations .....	375,439	412,458	439,122

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT  
Federal Funds

General and special funds:

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not to exceed 14 passenger motor vehicles, of which 9 shall be for replacement only; and uniform allowances of not to exceed \$400 for each uniformed employee of the Office of Surface Mining Reclamation and Enforcement; ~~[\$102,125,000]~~ \$101,066,000, and notwithstanding 31 U.S.C. 3302, an additional amount, to remain available until expended, equal to receipts to the General Fund of the Treasury from performance bond forfeitures in fiscal year ~~[1988]~~ 1989: *Provided*, That notwithstanding any other provision of law, the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States in fiscal year ~~[1988]~~ 1989, moneys collected pursuant to the assessment of civil penalties under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977: *Provided further*, That the Secretary of the Interior shall abide by and adhere to the terms of the Settlement Agreement in *NWR v. Miller*, C.A. No. 86-99 (E.D. Ky), and not take any actions inconsistent with the provisions of footnote 3 of the Agreement with respect to any State or Federal program. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	14-1801-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	State regulatory program grants .....	44,016	40,110	41,910
00.02	Federal regulatory programs .....	36,764	50,491	47,124
00.03	General administration .....	18,999	13,394	12,032
10.00	Total obligations .....	99,779	103,995	101,066
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....		-1,500	
21.40	Unobligated balance available, start of year .....		-370	
24.40	Unobligated balance available, end of year .....	370		
25.00	Unobligated balance lapsing .....	229		
39.00	Budget authority .....	100,378	102,125	101,066
<b>Budget authority:</b>				
40.00	Appropriation .....	100,003	102,125	101,066
40.00	Appropriation (indefinite) .....	375		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	99,779	102,495	101,066
72.40	Obligated balance, start of year .....	28,426	40,791	43,746
74.40	Obligated balance, end of year .....	-40,791	-43,746	-52,176
77.00	Adjustments in expired accounts .....	-1,963		
90.00	Outlays .....	85,451	99,540	92,636

*State regulatory program grants.*—This program activity is to provide grants to States for the operation of permanent enforcement programs under the terms of the Act. As of September 30, 1987, 24 States with actual or planned coal mining facilities had approved State programs.

*Federal regulatory programs.*—This activity includes programs for Federal oversight of State permanent regulatory programs, for monitoring State inspection and enforcement, for the provision of technical assistance to States, for the assessment and collection of civil penalties imposed pursuant to the Act, and for the administration of the Federal regulatory program in States without approved permanent enforcement programs. In addition, it also includes funding for OSMRE to perform reclamation in cases where performance bonds have been forfeited and OSMRE is the regulatory authority.

*General administration.*—This activity includes: the Offices of the Director and Deputy Directors; the Headquarters staffs for Public Affairs, Equal Employment Opportunity, Congressional Liaison, Information Management Systems, and Regulatory Development and Issues Management; and the Divisions of Planning, Budget and Management Analysis; Financial Management; Personnel; and Management Services. This activity represents only that portion of the total General Administration expenses which is attributable to the Regulation and Technology appropriation. The remainder has been requested from the Abandoned Mine Reclamation Fund.

Object Classification (in thousands of dollars)

Identification code	14-1801-0-1-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	27,833	24,521	24,641
11.3	Other than full-time permanent .....	692	1,032	1,037
11.5	Other personnel compensation .....	517	700	90
11.8	Special personal services payments .....	23		
11.9	Total personnel compensation .....	29,065	26,253	25,768
12.1	Civilian personnel benefits .....	4,205	4,221	4,143

13.0	Benefits for former personnel.....	11	60	40
21.0	Travel and transportation of persons.....	2,164	2,394	2,224
22.0	Transportation of things.....	71	117	105
23.2	Rental payments to others.....		1,714	1,507
23.3	Communications, utilities, and miscellaneous charges.....	1,229	2,587	2,306
24.0	Printing and reproduction.....	76	833	800
25.0	Other services.....	15,457	23,315	20,049
26.0	Supplies and materials.....	1,009	911	879
31.0	Equipment.....	1,749	1,480	1,335
41.0	Grants, subsidies, and contributions.....	44,742	40,110	41,910
99.9	Total obligations.....	99,779	103,995	101,066

**Personnel Summary**

Total number of full-time permanent positions.....	769	769	769
Total compensable workyears:			
Full-time equivalent employment.....	745	742	742
Full-time equivalent of overtime and holiday hours.....	8	8	8

**ABANDONED MINE RECLAMATION FUND**

For necessary expenses to carry out the provisions of title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not more than 21 passenger motor vehicles, of which 15 shall be for replacement only, **[\$199,380,000]** \$159,094,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: *Provided*, That pursuant to Public Law 97-365, the Department of the Interior is authorized to utilize up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That of the funds made available to the States to contract for reclamation projects authorized in section 406(a) of Public Law 95-87, administrative expenses may not exceed 15 percent centum: *Provided further*, That none of these funds shall be used for a reclamation grant to any State if the State has not agreed to participate in a nationwide data system established by the Office of Surface Mining Reclamation and Enforcement through which all permit applications are reviewed and approvals withheld if the applicants (or those who control the applicants) applying for or receiving such permits have outstanding State or Federal air or water quality violations in accordance with section 510(c) of the Act of August 3, 1977 (30 U.S.C. 1260(c)), or failure to abate cessation orders, outstanding civil penalties associated with such failure to abate cessation orders, or uncontested past due Abandoned Mine Land fees: *Provided further*, That the Secretary of the Interior may deny 50 percent of an Abandoned Mine Reclamation fund grant, available to a State pursuant to title IV of Public Law 95-87, in accordance with the procedures set forth in section 521(b) of the Act, when the Secretary determines that a State is systematically failing to administer adequately the enforcement provisions of the approved State regulatory program. Fund will be denied until such time as the State and Office of Surface Mining Reclamation and Enforcement have agreed upon an explicit plan of action for correcting the enforcement deficiency. A State may enter into such agreement without admission of culpability. If a State enters into such agreement, the Secretary shall take no action pursuant to section 521(b) of the Act as long as the State is complying with the terms of the agreement: *Provided further*, That expenditure of moneys as authorized in section 402(g)(3) of Public Law 95-87 shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property from extreme danger of adverse effects of coal mining practices, as stated in section 403 of Public Law 95-87: *Provided further*, That 23 full-time equivalent positions are to be maintained in the Anthracite Reclamation Program at the Wilkes-Barre Field Office. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	392,837	404,420	446,414
Receipts (net) authorized.....	215,303	231,374	225,739
Total available for appropriation.....	608,140	625,794	652,153
Appropriation: Abandoned mine reclamation fund.....	-203,720	-199,380	-159,094
Unappropriated balance, end of year.....	404,420	426,414	493,059

**Program and Financing (in thousands of dollars)**

Identification code	14-5015-0-2-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	State reclamation program grants.....	201,916	191,435	129,660
00.02	Federal reclamation programs.....	39,586	58,536	24,718
00.03	Small operator assistance payments.....	2,158	1,185	1,000
00.04	General administration.....	8,525	6,245	4,916
10.00	Total obligations.....	252,185	257,401	160,294
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-9		
17.00	Recovery of prior year obligations.....	-46,923		
21.40	Unobligated balance available, start of year.....	-45,754	-52,221	-1,200
22.40	Unobligated balance transferred, net.....	7,000		
24.40	Unobligated balance available, end of year.....	52,221	1,200	
39.00	<b>Budget authority.....</b>	<b>218,720</b>	<b>206,380</b>	<b>159,094</b>
<b>Budget authority:</b>				
40.00	Budget authority.....	203,720	199,380	159,094
42.00	Transferred from other accounts.....	15,000	7,000	
43.00	<b>Appropriation (adjusted).....</b>	<b>218,720</b>	<b>206,380</b>	<b>159,094</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	252,176	257,401	160,294
72.40	Obligated balance, start of year.....	478,210	443,671	476,526
74.40	Obligated balance, end of year.....	-443,671	-476,526	-442,816
78.00	Adjustments in unexpired accounts.....	-46,923		
90.00	Outlays.....	239,792	224,546	194,004

**State reclamation program grants.**—Each State with an approved reclamation program is entitled, subject to appropriation, to receive 50 percent of Abandoned Mine Reclamation Fund revenues derived from operating mines in that State. With grants, States assume primary responsibility for addressing problems such as subsidence, underground fires, open shafts and acid drainage in accordance with priorities set forth in the Act.

**Federal reclamation programs.**—This activity includes fee collection, and assistance to States in developing reclamation programs, abandoned mine lands reclamation projects undertaken directly by the Office of Surface Mining and the Rural Abandoned Mine Program (RAMP) administered by the Soil Conservation Service.

**Small operator assistance payments.**—This activity provides for payments for authorized services to eligible coal mine operators in preparing applications for mining permits under a permanent State or Federal regulatory program. These services include determining the probable hydrologic consequences of the proposed mining operation and analysis of test borings or core samplings.

**General administration.**—This activity includes the offices described for the General Administration activity in the Regulation and Technology appropriation. The funds for this activity represent only that portion of general administration expenses which is attributable to the Abandoned Mine Reclamation Fund.

**Object Classification (in thousands of dollars)**

Identification code	14-5015-0-2-302	1987 actual	1988 est.	1989 est.
<b>OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	8,055	11,502	11,558
11.3	Other than full-time permanent.....	383	484	487
11.5	Other personnel compensation.....	107	700	90
11.9	Total personnel compensation.....	8,545	12,686	12,135





the Garrison Diversion Unit, North Dakota, shall be expended only in accordance with the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294): *Provided further*, That none of the funds appropriated in this Act shall be used to study or construct the Cliff Dam feature of the Central Arizona Project: *Provided further*, That Plan 6 features of the Central Arizona Project other than Cliff Dam, including (1) water rights and associated lands within the State of Arizona acquired by the Secretary of the Interior through purchase, lease, or exchange, for municipal and industrial purposes, not to exceed 30,000 acrefeet; and, (2) such increments of flood control that may be found to be feasible by the Secretary of the Interior at Horseshoe and Bartlett Dams, in consultation and cooperation with the Secretary of the Army and using Corps of Engineers evaluation criteria, developed in conjunction with dam safety modifications and consistent with applicable environmental law, are hereby deemed to constitute a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.): *Provided further*, That any funds expended under this Act for the purpose of conserving endangered fish species of the Colorado River system shall be charged against the increased amount authorized to be appropriated under the Colorado River Storage Project Act, as provided by section 501(A) of the Colorado River Basin Act of 1968: *Provided further*, That notwithstanding the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294), the James River Comprehensive Report on water resource development proposals may be submitted to Congress at a date after September 30, 1988, but not later than September 30, 1989. (*Energy and Water Development Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	14-0684-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Construction.....	381,541	435,522	337,342
00.02	Payment to Upper Colorado River Basin fund.....	106,033	134,749	174,005
00.03	Payment to Lower Colorado River Basin Development fund.....	133,896	150,498	180,389
00.04	Applied engineering.....			6,500
00.91	Total direct obligations.....	621,470	720,769	698,236
01.01	Reimbursable program.....	13,977	12,830	13,000
10.00	Total obligations.....	635,447	733,599	711,236
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-11,200	-9,830	-10,000
14.00	Non-Federal sources.....	-2,777	-28,000	-3,000
17.00	Recovery of prior year obligations.....	-1,784		
21.40	Unobligated balance available, start of year.....	-14,182	-7,068	
22.40	Unobligated balance transferred, net.....	-5,030	-9,985	
24.40	Unobligated balance available, end of year.....	7,068		
27.00	Capital transfer to general fund.....		25,000	
39.00	<b>Budget authority.....</b>	<b>607,542</b>	<b>703,716</b>	<b>698,236</b>
Budget authority:				
40.00	Appropriation.....	277,617	325,657	413,849
40.00	Appropriation (reclamation special fund).....	329,925	378,059	284,387
43.00	<b>Appropriation (adjusted).....</b>	<b>607,542</b>	<b>703,716</b>	<b>698,236</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	621,471	695,769	698,236
72.40	Obligated balance, start of year.....	90,468	71,509	122,580
74.40	Obligated balance, end of year.....	-71,509	-122,580	-121,703
78.00	Adjustments in unexpired accounts.....	-1,784		
90.00	Outlays.....	638,646	644,698	699,113

Work in the Construction program is for the purpose of developing and managing water for irrigation, municipal and industrial use, salinity control, dam safety, applied engineering, and flood control in the 17 western States. Funding under this program provides for transfers to the Lower Colorado River Basin Development fund and Upper Colorado River Basin fund. The Lower Colorado River Basin Development fund provides for the development and construction of the Central Arizo-

na project. The Upper Colorado River Basin fund supports water supplies in the Upper Colorado River Basin area.

**Object Classification** (in thousands of dollars)

Identification code	14-0684-0-1-301	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	46,365	40,900	37,747
11.3	Other than full-time permanent.....	5,109	4,441	3,922
11.5	Other personnel compensation.....	3,330	3,138	3,384
11.8	Special personal services payments.....	242	200	222
11.9	Total personnel compensation.....	55,046	48,679	45,275
12.1	Civilian personnel benefits.....	14,346	12,687	11,799
13.0	Benefits for former personnel.....	181	171	168
21.0	Travel and transportation of persons.....	3,713	3,831	3,920
22.0	Transportation of things.....	2,030	1,132	1,406
23.1	Rental payments to GSA.....	5,732	5,569	6,440
23.2	Rental payments to others.....	658	671	664
23.3	Communications, utilities, and miscellaneous charges.....	3,098	3,213	3,969
24.0	Printing and reproduction.....	642	680	913
25.0	Other services.....	262,401	385,914	364,500
26.0	Supplies and materials.....	6,832	6,189	6,681
31.0	Equipment.....	11,377	12,929	11,373
32.0	Land and structures.....	223,490	232,821	230,047
33.0	Investments and loans.....	6,196	525	2,733
41.0	Grants, subsidies, and contributions.....	23,646	1,580	8,210
42.0	Insurance claims and indemnities.....	2,050	4,169	128
43.0	Interest and dividends.....	32	9	10
99.0	Subtotal, direct obligations.....	621,470	720,769	698,236
99.0	Reimbursable obligations.....	13,977	12,830	13,000
99.9	Total obligations.....	635,447	733,599	711,236

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	1,733	1,506	1,339
Total compensable workyears:			
Full-time equivalent employment.....	1,840	1,595	1,412
Full-time equivalent of overtime and holiday hours.....	84	78	81
Reimbursable:			
Total number of full-time permanent positions.....	103	108	117
Total compensable workyears:			
Full-time equivalent employment.....	99	104	112
Full-time equivalent of overtime and holiday hours.....	4		

**LOAN PROGRAM**

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956, as amended (43 U.S.C. 422a-422i), including expenses necessary for carrying out the program, **[\$32,309,000]** **\$19,022,000**, to remain available until expended: *Provided*, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That during fiscal year **[1988]** **1989** and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed **[\$31,972,000]** **\$17,766,000**: *Provided further*, That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197). (*Energy and Water Development Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	14-0667-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Distribution systems.....	800	500	
00.02	Small projects.....	42,868	35,310	18,202

**BUREAU OF RECLAMATION—Continued**  
**General and special funds—Continued**

**LOAN PROGRAM—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 14-0667-0-1-301	1987 actual	1988 est.	1989 est.
00.03 Administration .....	826	999	820
10.00 Total obligations .....	44,494	36,809	19,022
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....		-105,000	
17.00 Recovery of prior year obligations .....	-2,893		
21.40 Unobligated balance available, start of year .....	-13,651	-4,500	
22.40 Unobligated balance transferred, net .....	5,030		
24.40 Unobligated balance available, end of year .....	4,500		
27.00 Capital transfer to general fund .....		105,000	
39.00 <b>Budget authority</b> .....	<b>37,480</b>	<b>32,309</b>	<b>19,022</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	36,770	31,590	18,202
40.00 Appropriation (Reclamation special fund) .....	710	719	820
43.00 <b>Appropriation (adjusted)</b> .....	<b>37,480</b>	<b>32,309</b>	<b>19,022</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	44,494	-68,191	19,022
72.40 Obligated balance, start of year .....	19,938	9,644	12,439
74.40 Obligated balance, end of year .....	-9,644	-12,439	-7,323
78.00 Adjustments in unexpired accounts .....	-2,893		
90.00 Outlays .....	51,894	-70,986	24,138

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....	37,480	32,309	19,022
Outlays .....	51,894	-70,986	24,138
<b>Credit reform:</b>			
Budget authority .....			-7,099
Outlays .....			-4,366
<b>Total:</b>			
Budget authority .....	37,480	32,309	11,923
Outlays .....	51,894	-70,986	19,772

**Status of Direct Loans (in thousands of dollars)**

Identification code 14-0667-0-1-301	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....	43,806	31,972	17,766
1112 Unobligated direct loan limitation .....	-549		
1150 Total direct loan obligations .....	43,257	31,972	17,766
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	479,633	519,693	170,624
1231 Disbursements: Direct loan disbursements .....	50,658	29,177	22,882
<b>Repayments:</b>			
1251 Repayments and prepayments .....	-10,598	-10,289	
1253 Proceeds from loan asset sales to the public .....		-105,000	
1264 Adjustments: Other adjustments, net .....		-262,957	
1290 Outstanding end of year .....	519,693	170,624	193,506
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....	61.0	61.0	61.0
1330 Subsidy amount (in thousands of dollars) .....	22,359	19,099	11,103

Under the Small Reclamation Projects Act (43 U.S.C. 422a-422l), loans and/or grants can be made to non-Federal organizations for construction or rehabilitation and betterment of small water resource projects. Funds are provided to continue construction on four projects. This funding will provide improvements to existing irrigation distribution systems by rehabilitating pumping plants, canal and lateral structures, enlarging and ex-

tending drains, and enable the purchase of maintenance equipment.

Under the Distribution Systems Loans Act (43 U.S.C. 421a-421d), loans can be made to organizations for the construction of irrigation and municipal or industrial water distribution systems on authorized Federal reclamation projects.

**Object Classification (in thousands of dollars)**

Identification code 14-0667-0-1-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	875	888	882
11.3 Other than full-time permanent .....	35	36	37
11.5 Other personnel compensation .....	7	6	6
11.9 Total personnel compensation .....	917	930	925
12.1 Civilian personnel benefits .....	128	128	123
13.0 Benefits for former personnel .....	3	1	1
21.0 Travel and transportation of persons .....	70	61	59
22.0 Transportation of things .....	5	4	4
23.1 Rental payments to GSA .....	28	28	28
23.2 Rental payments to others .....	11	11	11
23.3 Communications, utilities, and miscellaneous charges .....	11	9	9
24.0 Printing and reproduction .....	4	3	3
25.0 Other services .....	7	3,615	51
26.0 Supplies and materials .....	26	25	25
31.0 Equipment .....	28	22	17
33.0 Investments and loans .....	43,257	31,972	17,766
99.9 Total obligations .....	44,494	36,809	19,022

**Personnel Summary**

Total number of full-time permanent positions .....	24	24	23
Total compensable workyears: Full-time equivalent employment .....	24	24	23

**LOAN PROGRAM**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification Code 14-0667-6-1-301	1987 Actual	1988 Est.	1989 Est.
<b>Program by activities:</b>			
10.00 Total obligations .....			-7,099
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....			<b>-7,099</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-7,099
74.40 Obligated balance, end of year .....			2,733
90.00 Outlays .....			-4,366

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made under this program. An explanation of the proposal is included in Part 6b of the Budget. The estimated grant-equivalent is based on a weighted-average Federal repayment interest rate of 1.29 percent, and an assumed private-market interest rate of 10.15 percent.

**GENERAL INVESTIGATIONS**

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, to remain available until expended, **[\$16,590,000]** \$12,286,000: *Provided*, That, of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That all costs of an

advance planning study of a proposed project shall be considered to be construction costs and to be reimbursable in accordance with the allocation of construction costs if the project is authorized for construction: *Provided further*, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended. (*Energy and Water Development Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code 14-5060-0-2-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Planning.....	19,802	12,974	12,286
00.02 General engineering and research.....	9,575	5,075	.....
00.91 Total direct program.....	29,377	18,049	12,286
01.01 Reimbursable program.....	116	75	75
10.00 Total obligations.....	29,493	18,124	12,361
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-116	-75	-75
17.00 Recovery of prior year obligations.....	-181	.....	.....
21.40 Unobligated balance available, start of year.....	-1,246	-1,459	.....
24.40 Unobligated balance available, end of year.....	1,459	.....	.....
40.00 <b>Budget authority (appropriation) (special fund)</b> .....	<b>29,409</b>	<b>16,590</b>	<b>12,286</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	29,378	18,049	12,286
72.40 Obligated balance, start of year.....	7,507	7,243	5,906
74.40 Obligated balance, end of year.....	-7,243	-5,906	-4,374
78.00 Adjustments in unexpired accounts.....	-181	.....	.....
90.00 Outlays.....	29,461	19,386	13,818

This appropriation finances studies of potential projects for the conservation and utilization of water and related land resources.

**Object Classification** (in thousands of dollars)

Identification code 14-5060-0-2-301	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	12,018	6,952	6,128
11.3 Other than full-time permanent.....	323	251	261
11.5 Other personnel compensation.....	199	202	210
11.8 Special personal services payments.....	13	8	8
11.9 Total personnel compensation.....	12,553	7,413	6,607
12.1 Civilian personnel benefits.....	1,097	648	577
13.0 Benefits for former personnel.....	25	20	16
21.0 Travel and transportation of persons.....	626	311	254
22.0 Transportation of things.....	172	100	58
23.1 Rental payments to GSA.....	487	244	139
23.2 Rental payments to others.....	87	65	60
23.3 Communications, utilities, and miscellaneous charges.....	265	106	99
24.0 Printing and reproduction.....	63	29	23
25.0 Other services.....	11,651	7,673	4,134
26.0 Supplies and materials.....	728	500	124
31.0 Equipment.....	1,313	800	162
32.0 Land and structures.....	.....	1	.....
41.0 Grants, subsidies, and contributions.....	305	138	33
43.0 Interest and dividends.....	5	1	.....
99.0 Subtotal, direct obligations.....	29,377	18,049	12,286
99.0 Reimbursable obligations.....	116	75	75
99.9 Total obligations.....	29,493	18,124	12,361

**Personnel Summary**

Total number of full-time permanent positions.....	404	230	195
Total compensable workyears:			
Full-time equivalent employment.....	398	229	196
Full-time equivalent of overtime and holiday hours.....	3	3	3

**EMERGENCY FUND**

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), as amended, to remain available until expended for the purposes specified in said Act, \$1,000,000, to be derived from the reclamation fund. (*Energy and Water Development Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code 14-5043-0-2-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	1,103	1,374	1,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-477	-374	.....
24.40 Unobligated balance available, end of year.....	374	.....	.....
40.00 <b>Budget authority (appropriation) (special fund)</b> .....	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,103	1,374	1,000
72.40 Obligated balance, start of year.....	277	203	395
74.40 Obligated balance, end of year.....	-203	-395	-395
90.00 Outlays.....	1,177	1,182	1,000

**Status of Direct Loans** (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	13,677	13,131	12,436
1251 Repayments: Repayments and prepayments.....	-546	-695	-698
1290 Outstanding, end of year.....	13,131	12,436	11,738

This fund is used to assure continuous operation of all projects and project facilities governed by the Federal reclamation laws in the event of drought; canal bank, pipeline, or electrical facility failures; municipal and industrial water delivery system failures, or other unusual or emergency conditions.

**Object Classification** (in thousands of dollars)

Identification code 14-5043-0-2-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	47	3	.....
11.3 Other than full-time permanent.....	2	.....	.....
11.9 Total personnel compensation.....	49	3	.....
12.1 Civilian personnel benefits.....	6	1	.....
23.1 Rental payments to GSA.....	1	.....	.....
25.0 Other services.....	628	370	.....
26.0 Supplies and materials.....	1	.....	.....
32.0 Land and structures.....	366	.....	.....
33.0 Investments and loans.....	52	.....	.....
92.0 Undistributed funds for emergencies.....	.....	1,000	1,000
99.9 Total obligations.....	1,103	1,374	1,000

**Personnel Summary**

Total number of full-time permanent positions.....	2	.....	.....
Total compensable workyears: Full-time equivalent employment.....	2	.....	.....

**OPERATION AND MAINTENANCE**

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, to remain available until expended, **[\$151,000,000]** \$183,231,000: *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That of the total appropriated, such amounts as may be required for replacement work on the Boulder Canyon Project

BUREAU OF RECLAMATION—Continued  
General and special funds—Continued  
OPERATION AND MAINTENANCE—Continued

which would require readvances to the Colorado River Dam Fund shall be readvanced to the Colorado River Dam Fund pursuant to section 5 of the Boulder Canyon Project Adjustment Act of July 19, 1940 (43 U.S.C. 618d), and such readvances since October 1, 1984, and in the future shall bear interest at the rate determined pursuant to section 104(a)(5) of Public Law 98-381: *Provided further*, That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further*, That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project, the costs of which shall be nonreimbursable. (*Energy and Water Development Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 14-5064-0-2-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	148,589	162,653	191,319
01.01 Reimbursable program.....	1,103	90	90
10.00 Total obligations.....	149,692	162,743	191,409
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-1,103	-90	-90
14.00 Offsetting collections from: Non-Federal sources.....	-7,050	-6,827	-8,088
17.00 Recovery of prior year obligations.....	-296		
21.40 Unobligated balance available, start of year.....	-2,694	-4,826	
24.40 Unobligated balance available, end of year.....	4,826		
39.00 <b>Budget authority</b> .....	<b>143,375</b>	<b>151,000</b>	<b>183,231</b>
Budget authority:			
40.00 Appropriation (Reclamation fund, indefinite).....	136,950	151,000	183,231
40.00 Appropriation (indefinite).....	6,425		
43.00 <b>Appropriation (adjusted)</b> .....	<b>143,375</b>	<b>151,000</b>	<b>183,231</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	141,539	155,826	183,231
72.40 Obligated balance, start of year.....	19,575	27,685	33,673
74.40 Obligated balance, end of year.....	-27,685	-33,673	-40,861
78.00 Adjustments in unexpired accounts.....	-296		
90.00 Outlays.....	133,133	149,838	176,043

The following table summarizes the obligations for operation and maintenance of the Bureau of Reclamation by account (in thousands of dollars):

Account	1987 actual	1988 est.	1989 est.
Operation and maintenance.....	149,692	162,743	191,409
Upper Colorado River Basin fund.....	29,347	33,744	19,030
Lower Colorado River Basin development fund.....	67,037	84,007	90,078
Colorado River Dam Fund, Boulder Canyon project.....	14,893	16,237	12,006
Total obligations.....	260,969	296,731	312,523

In 1989, a total of 37 projects, project areas, or divisions of projects will be operated and maintained for power, municipal and industrial water supplies, irrigation, flood control, and other benefits with funds made available under this appropriation.

Provision is also made for administration of water marketing contracts on Corps of Engineers projects, examination of existing structures, and administration of the provisions of the Reclamation Reform Act of 1982 (96 Stat. 1261).

In addition, operation and maintenance costs of the Colorado River Storage Project, the Colorado River Basin Project, and the Boulder Canyon Project are

shown on the consolidated operation and maintenance table above.

Object Classification (in thousands of dollars)

Identification code 14-5064-0-2-301	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	56,092	60,550	63,511
11.3 Other than full-time permanent.....	2,776	3,115	3,337
11.5 Other personnel compensation.....	2,626	2,955	3,067
11.8 Special personal services payments.....	133	162	162
11.9 Total personnel compensation.....	61,627	66,782	70,077
12.1 Civilian personnel benefits.....	10,115	10,802	10,233
13.0 Benefits for former personnel.....	222	153	157
21.0 Travel and transportation of persons.....	1,605	1,740	1,883
22.0 Transportation of things.....	1,553	1,804	2,309
23.1 Rental payments to GSA.....	1,545	1,443	1,662
23.2 Rental payments to others.....	294	293	346
23.3 Communications, utilities, and miscellaneous charges.....	5,036	2,548	2,879
24.0 Printing and reproduction.....	196	142	142
25.0 Other services.....	39,469	42,125	43,281
26.0 Supplies and materials.....	10,429	9,962	13,221
31.0 Equipment.....	5,616	5,160	10,492
32.0 Land and structures.....	10,505	18,976	33,711
33.0 Investments and loans.....		140	227
41.0 Grants, subsidies, and contributions.....	17	20	20
42.0 Insurance claims and indemnities.....	329	535	650
43.0 Interest and dividends.....	31	28	29
99.0 Subtotal, direct obligations.....	148,589	162,653	191,319
99.0 Reimbursable obligations.....	1,103	90	90
99.9 Total obligations.....	149,692	162,743	191,409

Personnel Summary

Total number of full-time permanent positions.....	1,987	2,177	2,201
Total compensable workyears:			
Full-time equivalent employment.....	2,109	2,249	2,276
Full-time equivalent of overtime and holiday hours.....	46	51	51

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver Engineering and Research Center, and offices in the six regions of the Bureau of Reclamation, **[\$51,690,000]** \$50,313,000, of which **[\$1,000,000]** \$1,639,000 shall remain available until expended, the total amount to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses. (*Energy and Water Development Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 14-5065-0-2-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	50,733	52,946	50,313
01.01 Reimbursable program.....	159	50	50
10.00 Total obligations.....	50,892	52,996	50,363
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-159	-50	-50
17.00 Recovery of prior year obligations.....	-58		
21.40 Unobligated balance available, start of year.....	-908	-1,256	
24.40 Unobligated balance available, end of year.....	1,256		
25.00 Unobligated balance lapsing.....	177		
40.00 <b>Budget authority (appropriation) (special fund)</b> .....	<b>51,200</b>	<b>51,690</b>	<b>50,313</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	50,733	52,946	50,313
72.40 Obligated balance, start of year.....	5,148	5,850	5,169
74.40 Obligated balance, end of year.....	-5,850	-5,169	-5,031

77.00	Adjustments in expired accounts.....	16		
78.00	Adjustments in unexpired accounts.....	-58		
90.00	Outlays.....	49,989	53,627	50,451

The general administrative expenses program provides for the executive direction and management of all reclamation activities, as performed by the Commissioner's offices in Washington, D.C., and Denver, CO, and six regional offices. The Denver office and regional offices charge individual projects or activities for direct beneficial services and related administrative and technical costs. These charges are covered under other appropriations.

**Object Classification** (in thousands of dollars)

Identification code	14-5065-0-2-301	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	27,106	25,657	21,910
11.3	Other than full-time permanent.....	1,033	1,048	777
11.5	Other personnel compensation.....	653	589	612
11.8	Special personal services payments.....	50	46	46
11.9	Total personnel compensation.....	28,842	27,340	23,345
12.1	Civilian personnel benefits.....	4,133	3,918	3,345
13.0	Benefits for former personnel.....	59	103	99
21.0	Travel and transportation of persons.....	2,038	2,027	2,039
22.0	Transportation of things.....	205	301	298
23.1	Rental payments to GSA.....	2,357	2,481	2,086
23.2	Rental payments to others.....	159	137	134
23.3	Communications, utilities, and miscellaneous charges.....	393	142	132
24.0	Printing and reproduction.....	315	344	343
25.0	Other services.....	9,155	10,494	15,243
26.0	Supplies and materials.....	958	947	817
31.0	Equipment.....	2,091	4,712	2,432
41.0	Grants, subsidies, and contributions.....	25		
43.0	Interest and dividends.....	3		
99.0	Subtotal, direct obligations.....	50,733	52,946	50,313
99.0	Reimbursable obligations.....	159	50	50
99.9	Total obligations.....	50,892	52,996	50,363

**Personnel Summary**

Total number of full-time permanent positions.....	794	740	609
Total compensable workyears:			
Full-time equivalent employment.....	812	761	620
Full-time equivalent of overtime and holiday hours.....	9	8	8

**COLORADO RIVER DAM FUND, BOULDER CANYON PROJECT**

**Amounts Available for Appropriation** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	6,941	6,941	8,479
<b>Receipts:</b>			
<b>Revenue:</b>			
Western Area Power Administration.....	22,204	49,570	49,397
Bureau of Reclamation.....	1,081	1,000	1,000
Non-Federal sources.....	15,997	33,996	31,644
<b>Transferred to:</b>			
Repayment of investment.....		-7,000	-7,000
Lower Colorado River Basin Development Fund (P.L. 98-381).....		-20,348	-15,986
Net receipts.....	39,282	57,218	59,055
Total available for appropriation.....	46,223	64,159	67,534
<b>Appropriations:</b>			
Western Area Power Administration (current).....	-1,162	-7,003	-2,485

Colorado River Dam fund, Boulder Canyon project (permanent).....	-38,120	-48,677	-38,347
Total appropriations.....	-39,282	-55,680	-40,832
Unappropriated balance, end of year.....	6,941	8,479	26,702

**Program and Financing** (in thousands of dollars)

Identification code	14-5656-0-2-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Payment of interest.....		2,700	2,600
00.02	Payments to States of Arizona and Nevada.....	600	600	600
00.03	Operation and maintenance and replacement, Boulder Canyon Project.....	14,893	16,237	12,006
00.04	Upgrading of generating facilities (non-Federal).....	13,200	27,640	21,641
00.05	Transfer to Upper Colorado River Basin fund.....	500	1,500	1,500
10.00	Total obligations.....	29,193	48,677	38,347
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-93		
21.40	Unobligated balance available, start of year.....	-6,941	-15,961	-15,961
22.40	Unobligated balance transferred, net.....			
24.40	Unobligated balance available, end of year.....	15,961	15,961	15,961
39.00	<b>Budget authority.....</b>	<b>38,120</b>	<b>48,677</b>	<b>38,347</b>
<b>Budget authority:</b>				
<b>Current:</b>				
41.00	Transferred to other accounts.....	-1,162	-7,003	-2,485
43.00	<b>Appropriation (adjusted).....</b>	<b>-1,162</b>	<b>-7,003</b>	<b>-2,485</b>
<b>Permanent:</b>				
60.00	<b>Appropriation.....</b>	<b>39,282</b>	<b>55,680</b>	<b>40,832</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	29,193	48,677	38,347
72.40	Obligated balance, start of year.....	3,890	12,179	4,825
74.40	Obligated balance, end of year.....	-12,179	-4,825	-414
78.00	Adjustments in unexpired accounts.....	-93		
90.00	Outlays.....	20,811	56,031	42,758

Revenue from Boulder Canyon project operations is placed in this fund. Under provisions of Public Law 98-381, the fund is available without further appropriation for payment of expense of operation and maintenance of the project, for payment of interest on amounts advanced from the Treasury, and for annual payments of not more than \$300 thousand each to Arizona and Nevada and for repayment of advances from the Treasury for construction or other purposes (43 U.S.C. 617a).

**Object Classification** (in thousands of dollars)

Identification code	14-5656-0-2-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	6,519	6,589	5,523
11.3	Other than full-time permanent.....	319	384	273
11.5	Other personnel compensation.....	978	993	1,288
11.8	Special personal services payments.....	6	17	12
11.9	Total personnel compensation.....	7,822	7,983	7,096
12.1	Civilian personnel benefits.....	1,207	1,232	1,095
13.0	Benefits for former personnel.....	4	5	6
21.0	Travel and transportation of persons.....	179	167	136
22.0	Transportation of things.....	89	52	51
23.1	Rental payments to GSA.....	99	86	57
23.2	Rental payments to others.....	11	6	3
23.3	Communications, utilities, and miscellaneous charges.....	79	41	38
24.0	Printing and reproduction.....	23	63	57
25.0	Other services.....	6,051	10,296	6,975
26.0	Supplies and materials.....	1,760	1,623	1,714
31.0	Equipment.....	4,378	2,294	11,212
32.0	Land and structures.....	6,890	21,529	6,707
41.0	Grants, subsidies, and contributions.....	600	600	600
43.0	Interest and dividends.....	1	2,700	2,600
99.9	Total obligations.....	29,193	48,677	38,347

BUREAU OF RECLAMATION—Continued

General and special funds—Continued

COLORADO RIVER DAM FUND, BOULDER CANYON PROJECT—Continued

Personnel Summary

Total number of full-time permanent positions.....	252	251	203
Total compensable workyears:			
Full-time equivalent employment .....	256	258	206
Full-time equivalent of overtime and holiday hours .....	16	16	20

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9922-0-2-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operation, maintenance, and replacement of project works, North Platte project (Gering and Fort Laramie, Goshen and Pathfinder irrigation districts).....	102	7	9
00.02 Payments to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) .....	8	8	8
00.03 Payments to local units, Klamath reclamation area.....	254	250	250
00.04 Operation and maintenance of quarters, Fort Simcoe Job Corps Center.....	8	22	15
10.00 Total obligations.....	372	287	282
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-235	-169	-169
24.40 Unobligated balance available, end of year.....	169	169	169
60.00 <b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>306</b>	<b>287</b>	<b>282</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	372	287	282
72.40 Obligated balance, start of year .....		3	-82
74.40 Obligated balance, end of year.....	-3	82	82
90.00 Outlays.....	369	372	283
<b>Distribution of budget authority by account:</b>			
Operation, maintenance, and replacement of project works, North Platte project (Gering and Fort Laramie, Goshen and Pathfinder irrigation districts) (indefinite, special fund).....	12	7	9
Payments to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) (indefinite, special fund) .....	8	8	8
Payments to local units, Klamath reclamation area (indefinite, special fund) .....	254	250	250
Operation and maintenance of quarters, Fort Simcoe Job Corps Center (indefinite, special fund).....	32	22	15
<b>Distribution of outlays by account:</b>			
Operation, maintenance, and replacement of project works, North Platte project (Gering and Fort Laramie, Goshen and Pathfinder irrigation districts) .....	99	92	10
Payments to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) .....	8	8	8
Payments to local units, Klamath reclamation area.....	254	250	250
Operation and maintenance of quarters, Fort Simcoe Job Corps Center.....	8	22	15

*Operation, maintenance, and replacement of project works, North Platte project.*—Payments are made for replacement of project works operated and maintained by the United States and to supplement funds advanced by the water users to meet annual costs of operation and maintenance of such works (66 Stat. 755).

*Payments to the Farmers' irrigation district (North Platte project, Nebraska-Wyoming).*—Payments are made to the Farmers' irrigation district on behalf of the Northport irrigation district for water carriage (62 Stat. 273, as amended).

*Payments to local units, Klamath reclamation area.*—Certain revenues collected from the leasing of Klamath project reserved Federal lands within the boundaries of

certain national wildlife refuges shall be used: (a) To credit or pay to the Tule Lake irrigation district amounts already committed; and (b) to make annual payments to the counties in which such refuges are located (78 Stat. 850).

*Operation and maintenance of quarters, Fort Simcoe Job Corps Center.*—Receipts from the rental of quarters are used for the operation and maintenance of those quarters (Public Law 98-473).

Object Classification (in thousands of dollars)

Identification code 14-9922-0-2-999	1987 actual	1988 est.	1989 est.
25.0 Other services .....	110	95	97
41.0 Grants, subsidies, and contributions.....	262	192	185
99.9 Total obligations.....	372	287	282

RECLAMATION FUND, SPECIAL FUND

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	1,099,128	1,066,268	1,036,031
Revenue.....	737,894	804,369	794,945
Unobligated balance returned to unappropriated receipts .....	161		
Total available for appropriation .....	1,837,183	1,870,637	1,830,976
<b>Appropriation:</b>			
Bureau of Reclamation:			
Annual:			
Loan program .....	710	719	820
General investigations.....	29,409	16,590	12,286
Construction program .....	329,925	378,059	284,387
Operation and maintenance.....	136,950	151,000	183,231
General administrative expenses.....	51,200	51,690	50,313
Emergency fund .....	1,000	1,000	1,000
Working capital fund.....	6,400		
Permanent:			
Payment to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) .....	8	8	8
Payments to local units, Klamath reclamation area.....	254	250	250
Operation and maintenance of quarters, Fort Simcoe Job Corps Center.....		22	15
Western Area Power Administration appropriation.....	215,059	235,268	275,142
Total appropriations.....	770,915	834,606	807,452
Unappropriated balance, end of year.....	1,066,268	1,036,031	1,023,524

This fund is derived from repayments and other revenue from water resource development, together with certain receipts from sales, leases, and rentals of Federal lands in the 17 Western States, and is available for expenditure pursuant to authorization contained in appropriation acts.

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund [or the Colorado River development fund] are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) [and the Act of July 19, 1940 (43 U.S.C. 618a), respective]. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the head "General Administrative Expenses" shall revert and be credited to the [special fund from which derived] reclamation fund. (Energy and Water Development Appropriation Act, 1988.)

**Public enterprise funds:**

**LOWER COLORADO RIVER BASIN DEVELOPMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 14-4079-0-3-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Capital investment: Construction .....	124,920	150,574	180,389
Operating expenses:			
01.01 Operation and maintenance.....	67,037	84,007	90,078
01.02 Interest on investment.....	5,088	100	100
10.00 Total obligations.....	197,046	234,681	270,567
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-133,896	-150,498	-180,389
14.00 Non-Federal sources (sale of electric energy and other collections).....	-55,136	-89,099	-98,296
17.00 Recovery of prior year obligations.....	-966		
21.98 Unobligated balance available, start of year: Fund balance.....	-17,110	-10,062	-1,201
22.98 Unobligated balance transferred, net: Fund balance.....		9,985	
24.98 Unobligated balance available, end of year: Fund balance.....	10,062	1,201	1,201
27.00 Capital transfer to general fund.....		3,792	8,118
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	8,014	-4,916	-8,118
72.98 Obligated balance, start of year: Fund balance.....	4,278	11,958	7,042
74.98 Obligated balance, end of year: Fund balance.....	-11,958	-7,042	1,076
78.00 Adjustments in unexpired accounts.....	-966		
90.00 Outlays.....	-632		

Construction costs of the Central Arizona Project water development are financed through appropriations transferred to this fund. Revenues from operation of project facilities are available for operation and maintenance expenses without further appropriation, pursuant to Public Law 90-537.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
<b>Revenue:</b>			
Power.....	48,584	55,000	56,271
Municipal and industrial water.....		5,400	7,457
Irrigation.....		25,200	35,192
Miscellaneous water sales.....	6,458		
Other revenue.....	94		
Total operating revenue.....	55,136	85,600	98,920
<b>Expense:</b>			
Operation and maintenance expense and depreciation.....	-67,037	-84,007	-90,078
Interest on investment.....	-19,915	-17,085	-19,740
Less: interest charged to construction.....	14,827	16,985	19,640
Total operating expense.....	-72,125	-84,107	-90,178
Net operating income, total.....	-16,989	1,493	8,742
<b>Nonoperating income or loss (-):</b>			
Leases and crossing agreements.....		100	100
Net income for the year.....	-16,989	1,593	8,842

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	21,424	22,020	2,899	1,340
Accounts receivable (net).....	11,376	447	7,187	13,110
Inventories (stores).....	390	598	500	1,000
Participants share of fuel inventory.....	5,967	6,275	6,600	6,600
Other deferred and undistributed charges.....	3,655	5,314	10	10
Real property and equipment.....	16,469	22,618	25,468	28,987

Other assets, net.....	1,585,936	1,784,228	1,970,774	2,221,542
Total assets.....	1,645,217	1,841,500	2,013,438	2,272,589
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	8,486	9,349	10,086	14,450
<b>Government equity:</b>				
Selected equities:				
Undelivered orders.....	7,204	3,056		
Unobligated balance.....	17,110	10,062	1	1
Total unexpended balance.....	24,314	13,118	1	1
Invested capital and earnings.....	1,612,417	1,819,033	2,003,351	2,258,139
Total Government equity.....	1,636,731	1,832,151	2,003,352	2,258,140

**Object Classification (in thousands of dollars)**

Identification code 14-4079-0-3-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	22,836	24,036	23,080
11.3 Other than full-time permanent.....	292	281	194
11.5 Other personnel compensation.....	1,118	2,017	2,269
11.8 Special personal services payments.....	3	3	2
11.9 Total personnel compensation.....	24,249	26,337	25,545
12.1 Civilian personnel benefits.....	3,913	4,250	4,122
13.0 Benefits for former personnel.....	14	15	15
21.0 Travel and transportation of persons.....	1,361	1,377	1,351
22.0 Transportation of things.....	383	336	548
23.1 Rental payments to GSA.....	568	490	338
23.2 Rental payments to others.....	70	135	82
23.3 Communications, utilities, and miscellaneous charges.....	593	1,000	608
24.0 Printing and reproduction.....	196	233	166
25.0 Other services.....	81,042	44,583	89,955
26.0 Supplies and materials.....	4,455	2,942	4,762
31.0 Equipment.....	4,408	3,883	4,547
32.0 Land and structures.....	70,795	144,386	133,583
43.0 Interest and dividends.....	4,999	4,714	4,945
99.9 Total obligations.....	197,046	234,681	270,567

**Personnel Summary**

Total number of full-time permanent positions.....	852	883	817
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	830	859	790
Full-time equivalent of overtime and holiday hours.....	27	48	52

**UPPER COLORADO RIVER BASIN FUND**

**Program and Financing (in thousands of dollars)**

Identification code 14-4081-0-3-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Capital investment: Construction.....	108,768	135,131	174,005
Operating expenses:			
01.01 Operation and maintenance.....	29,347	33,744	19,030
01.02 Interest on investment.....	12,402	6,835	6,729
01.03 Work for others.....	1,118	1,118	1,118
10.00 Total obligations.....	151,635	176,828	200,882
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-106,033	-134,749	-174,005
14.00 Non-Federal sources (Sale of electric energy and water and other collections).....	-49,044	-43,786	-30,150
17.00 Recovery of prior year obligations.....	-768		
21.98 Unobligated balance available, start of year: Fund balance.....	-3,245	-3,062	-1,529
24.98 Unobligated balance available, end of year: Fund balance.....	3,062	1,529	1,529
27.00 Capital transfer to general fund.....	4,393	3,240	3,273
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-3,442	-1,707	-3,273
72.98 Obligated balance, start of year: Fund balance.....	23,918	23,207	21,500

BUREAU OF RECLAMATION—Continued

Public enterprise funds—Continued

UPPER COLORADO RIVER BASIN FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-4081-0-3-301	1987 actual	1988 est.	1989 est.
74.98	Obligated balance, end of year: Fund balance .....	-23,207	-21,500	-18,227
78.00	Adjustments in unexpired accounts .....	-768		
90.00	Outlays .....	-3,499		

Construction costs of the Colorado River Storage Project are financed through appropriations transferred to this fund. Revenues from operation of project facilities are available for operation and maintenance expenses without further appropriation, pursuant to Public Law 84-485.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1990 est.
Operating income or loss (-):			
Power:			
Revenue .....	80,841	81,000	81,000
Expense .....	-18,557	-19,000	-19,000
Net operating income, power .....	62,284	62,000	62,000
Municipal and industrial water:			
Revenue .....	980	1,000	1,000
Expense .....	-1,031	-1,000	-1,000
Net operating income, M&I .....	-51		
Irrigation:			
Revenue .....	1,273	1,311	1,311
Expense .....	-353	-350	-350
Net operating income, irrigation .....	920	961	961
Net operating income, total .....	63,153	62,961	62,961
Nonoperating income or loss (-):			
Miscellaneous .....	-7	39	39
Net nonoperating income or loss (-) .....	-7	39	39
Net income for the year .....	63,146	63,000	63,000

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury and cash .....	37,266	29,221	20,317	20,317
Accounts receivable (net) .....	29,225	96,753	30,000	30,000
Advances and prepayments .....	190	65	100	100
Inventories (net) .....	2,796	2,769	2,750	2,750
Loans receivable .....	86,401			
Property, plant, and equipment (net) .....	1,866,379	1,920,535	2,197,454	2,432,282
Other assets (net) .....	30,869	172,008	175,000	178,000
Total Assets .....	2,053,126	2,221,351	2,425,621	2,663,449
<b>Liabilities:</b>				
Accounts payable .....	20,644	18,837	21,000	21,000
Funded accrued liabilities (payroll and benefits) .....	2,127	1,224	1,500	1,500
Unfunded accrued annual leave .....	2,234	1,867	2,047	2,047
Unearned revenue (advances) .....	462	748	605	605
Other liabilities .....	3,021	2,952	2,987	2,987
Total Liabilities .....	28,488	25,628	28,139	28,139
<b>Government equity:</b>				
Unexpended financial budget authority:				
Unexpended appropriations .....	7,666	3,985	5,826	5,826
Unfilled customer orders (Federal) .....	-4,826	-633	-2,733	-2,733
Invested capital .....	-152,546	-187,407	-217,976	-247,976

Revolving fund balances .....	2,174,344	2,379,778	2,612,365	2,880,193
Total Government Equity .....	2,024,638	2,195,723	2,397,482	2,635,310
Total Liabilities and Government Equities .....	2,053,126	2,221,351	2,425,621	2,663,449

Object Classification (in thousands of dollars)

Identification code	14-4081-0-3-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	24,570	26,037	24,595
11.3	Other than full-time permanent .....	1,028	1,244	1,229
11.5	Other personnel compensation .....	1,686	1,825	1,730
11.9	Total personnel compensation .....	27,284	29,106	27,554
12.1	Civilian personnel benefits .....	4,832	5,156	4,880
13.0	Benefits for former personnel .....	99	13	14
21.0	Travel and transportation of persons .....	1,095	1,401	1,628
22.0	Transportation of things .....	1,041	828	800
23.1	Rental payments to GSA .....	642	866	829
23.2	Rental payments to others .....	127	75	75
23.3	Communications, utilities, and miscellaneous charges .....	1,185	939	960
24.0	Printing and reproduction .....	89	71	75
25.0	Other services .....	17,821	11,535	11,100
26.0	Supplies and materials .....	3,207	3,024	2,892
31.0	Equipment .....	730	3,075	2,739
32.0	Land and structures .....	81,893	113,904	140,607
42.0	Insurance claims and indemnities .....	23		
43.0	Interest and dividends .....	11,567	6,835	6,729
99.9	Total obligations .....	151,635	176,828	200,882

Personnel Summary

Total number of full-time permanent positions .....	949	944	945
Total compensable workyears:			
Full-time equivalent employment .....	957	1,007	919
Full-time equivalent of overtime and holiday hours .....	43	46	42

Intragovernmental funds:

WORKING CAPITAL FUND

For acquisition of computer capacity for the Administrative Systems Modernization project, \$7,900,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

Program and Financing (in thousands of dollars)

Identification code	14-4524-0-4-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Capital investment .....	6,400	12,833	7,900
01.01	Administrative services .....	46,661	66,000	67,000
10.00	Total obligations .....	53,061	78,833	74,900
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds: Revenue .....	-40,687	-66,000	-67,000
17.00	Recovery of prior year obligations .....	-391		
21.40	Unobligated balance available, start of year .....	-18,416	-12,833	
24.40	Unobligated balance available, end of year .....	12,833		
40.00	Budget authority (appropriation) .....	6,400		7,900
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	12,375	12,833	7,900
72.40	Obligated balance, start of year .....	2,854	9,754	
74.40	Obligated balance, end of year .....	-9,754		-1,580
78.00	Adjustments in unexpired accounts .....	-391		
90.00	Outlays .....	5,084	22,587	6,320

The fund provides for more efficient financing and financial management of centralized administrative services for support of Bureau programs and for work performed for others.



**Object Classification (in thousands of dollars)**

Identification code 14-4524-0-4-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,154	15,949	16,456
11.3 Other than full-time permanent.....	808	629	651
11.5 Other personnel compensation.....	456	499	515
11.8 Special personal services payments.....	45	45	45
11.9 Total personnel compensation.....	13,463	17,122	17,667
12.1 Civilian personnel benefits.....	1,904	2,422	2,499
21.0 Travel and transportation of persons.....	365	698	705
22.0 Transportation of things.....	134	195	195
23.1 Rental payments to GSA.....	1,107	1,246	1,134
23.2 Rental payments to others.....	10	1	1
23.3 Communications, utilities, and miscellaneous charges.....	3,761	4,069	4,069
24.0 Printing and reproduction.....	188	23	23
25.0 Other services.....	17,508	49,119	34,485
26.0 Supplies and materials.....	1,764	1,631	1,630
31.0 Equipment.....	12,853	2,307	12,492
43.0 Interest and dividends.....	3		
99.9 Total obligations.....	53,061	78,833	74,900

**Personnel Summary**

Total number of full-time permanent positions.....	448	580	580
Total compensable workyears:			
Full-time equivalent employment.....	470	585	585
Full-time equivalent of overtime and holiday hours.....	13	14	14

**Trust Funds**

**RECLAMATION TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 14-8070-0-7-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Construction.....	29,118	45,715	59,730
00.02 Operation and maintenance.....	1,116	992	971
00.03 Other.....	5,377	5,834	6,400
10.00 Total obligations.....	35,611	52,541	67,101
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-318	-741	
24.40 Unobligated balance available, end of year.....	741		
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>36,034</b>	<b>51,800</b>	<b>67,101</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	35,611	52,541	67,101
72.40 Obligated balance, start of year.....	2,542	123	10,360
74.40 Obligated balance, end of year.....	-123	-10,360	-13,420
90.00 Outlays.....	38,031	42,304	64,041

When requested, the Bureau of Reclamation performs planning or construction work with funding provided by non-Federal entities under the Contributed Funds Act (43 U.S.C. 395, 396).

**Object Classification (in thousands of dollars)**

Identification code 14-8070-0-7-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	907	2,087	2,452
11.3 Other than full-time permanent.....	17	57	89
11.5 Other personnel compensation.....	26	57	98
11.8 Special personal services payments.....	2	8	10
11.9 Total personnel compensation.....	952	2,209	2,649
12.1 Civilian personnel benefits.....	125	125	290
21.0 Travel and transportation of persons.....	21	32	69
22.0 Transportation of things.....	22	20	40
23.1 Rental payments to GSA.....	57	74	116
23.2 Rental payments to others.....	13	14	15

23.3 Communications, utilities, and miscellaneous charges.....	4	5	6
24.0 Printing and reproduction.....	76	1	11
25.0 Other services.....	33,645	49,667	61,732
26.0 Supplies and materials.....	58	50	128
31.0 Equipment.....	8		71
32.0 Land and structures.....	630	344	1,974
99.9 Total obligations.....	35,611	52,541	67,101

**Personnel Summary**

Total number of full-time permanent positions.....	32	71	81
Total compensable workyears:			
Full-time equivalent employment.....	30	70	80
Full-time equivalent of overtime and holiday hours.....			2

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriations, as follows:  
Interior: Bureau of Indian Affairs, "Construction".

**ADMINISTRATIVE PROVISIONS**

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed [13] 26 passenger motor vehicles of which [11] all shall be for replacement only; payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; for service as authorized by section 3109 of title 5, United States Code, in total not to exceed \$500,000; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriations Act 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Acts of August 21, 1935 (16 U.S.C. 461-467) and June 27, 1960 (16 U.S.C. 469): *Provided*, That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses" [and] amounts provided for plan formulation and advance planning investigations[, and general engineering and research.] under the head "General Investigations", and amounts provided for applied engineering under the head "Construction Program".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided*, That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341).

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

None of the funds made available by this or any other Act shall be used by the Bureau of Reclamation for contracts for surveying and mapping services unless such contracts for which a solicitation is

BUREAU OF RECLAMATION—Continued  
ADMINISTRATIVE PROVISIONS—Continued

issued after the date of this Act are awarded in accordance with title IX of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 541 et seq.). (*Energy and Water Development Appropriation Act, 1988.*)

GEOLOGICAL SURVEY  
Federal Funds

General and special funds:

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (43 U.S.C. 31, 1332 and 1340); classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; **[\$447,747,000: Provided, That \$60,664,000] \$425,003,000, of which \$55,914,000 shall be available only for cooperation with States or municipalities for water resources investigations: Provided further, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality. (Department of the Interior and Related Agencies Appropriations Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	14-0804-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	National mapping, geography and surveys.....	88,397	91,057	90,040
00.02	Geologic and mineral resource surveys and mapping....	168,656	176,430	167,767
00.03	Water resources investigations.....	141,731	149,818	133,331
00.04	General administration.....	17,016	14,388	16,438
00.05	Facilities.....	15,067	16,214	17,427
00.91	Total direct program.....	430,867	447,907	425,003
01.01	Reimbursable program.....	188,471	208,377	208,518
10.00	Total obligations.....	619,338	656,284	633,521
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-111,716	-129,250	-133,321
14.00	Non-Federal sources.....	-76,755	-79,127	-75,197
17.00	Recovery of prior year obligations.....	-38		
21.40	Unobligated balance available, start of year.....	-1,025	-410	-500
24.40	Unobligated balance available, end of year.....	410	500	750
25.00	Unobligated balance lapsing.....	979		
39.00	<b>Budget authority.....</b>	<b>431,193</b>	<b>447,997</b>	<b>425,253</b>
<b>Budget authority:</b>				
Current:				
40.00	Appropriation.....	431,540	447,747	425,003
41.00	Transferred to other accounts.....	-597		
43.00	<b>Appropriation (adjusted).....</b>	<b>430,943</b>	<b>447,747</b>	<b>425,003</b>
Permanent:				
60.00	<b>Appropriation (definite).....</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	430,867	447,907	425,003
72.40	Obligated balance, start of year.....	7,952	35,798	37,222
74.40	Obligated balance, end of year.....	-35,798	-37,222	-36,085
77.00	Adjustments in expired accounts.....	-3,143		
78.00	Adjustments in unexpired accounts.....	-38		
90.00	Outlays.....	399,840	446,483	426,140

The Geological Survey provides basic scientific data and information concerning water, land, and mineral resources.

*National mapping, geography, and surveys.*—The national mapping program produces and makes available, in printed and digital format, cartographic and geographic base data, multipurpose and special-purpose

maps. Map receipts are retained in a permanent account.

*Geologic and mineral resource surveys and mapping.*—The national program of onshore and offshore geologic research and investigations produces: (1) improved methods and instruments for mineral and energy assessments; (2) geologic, geophysical, and geochemical maps and analyses; (3) information on the chemistry and physics of the Earth, the climate, and the geologic processes by which it was formed and is being modified; (4) information on geologic hazards; and (5) information for use by other Federal and State agencies in the management of public lands and in national policy determinations.

*Water resources investigations.*—The national program of water resources investigations has the objective of appraising the Nation's water resources and insuring that the data necessary to develop and manage them efficiently and effectively are available when needed. The program produces data and analyses to support decisions on water planning, water management, energy development, and enhancement of the quality of the environment.

*General administration.*—General administrative expenses provide for management, executive direction and coordination, and administrative support.

*Facilities.*—This activity finances the operation and maintenance, facilities management, and special support services for the operation of the national center headquarters and field centers.

*Reimbursements* from non-Federal sources are from States and municipalities for cooperative efforts and proceeds from sale to the public of copies of photographs and records; proceeds from sale of personal property; reimbursements from permittees and licensees of the Federal Energy Regulatory Commission; and reimbursements from friendly countries and international organizations for technical assistance. Reimbursements from other Federal agencies are for mission related work performed at the request of the financing agency.

Object Classification (in thousands of dollars)

Identification code	14-0804-0-1-306	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	205,946	212,011	212,305
11.3	Other than full-time permanent.....	18,501	18,779	18,872
11.5	Other personnel compensation.....	2,442	2,479	2,491
11.9	Total personnel compensation.....	226,889	233,269	233,668
12.1	Civilian personnel benefits.....	32,815	36,654	37,831
13.0	Benefits for former personnel.....	704	704	704
21.0	Travel and transportation of persons.....	10,344	10,471	9,496
22.0	Transportation of things.....	3,405	3,447	2,797
23.1	Rental payments to GSA.....	29,127	35,768	38,428
23.2	Rental payments to others.....	1,264	1,291	1,291
23.3	Communications, utilities, and miscellaneous charges...	8,915	9,025	7,322
24.0	Printing and reproduction.....	2,883	2,918	2,368
25.0	Other services.....	58,851	58,007	48,873
26.0	Supplies and materials.....	18,687	18,916	15,349
31.0	Equipment.....	20,920	21,177	17,183
41.0	Grants, subsidies, and contributions.....	16,041	16,238	9,675
42.0	Insurance claims and indemnities.....	22	22	18
99.0	Subtotal, direct obligations.....	430,867	447,907	425,003
99.0	Reimbursable obligations.....	188,471	208,377	208,518
99.9	Total obligations.....	619,338	656,284	633,521

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	6,027	6,134	6,119
Total compensable workyears:			
Full-time equivalent employment .....	7,091	7,217	7,199
Full-time equivalent of overtime and holiday hours .....	80	80	80
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	1,858	1,907	1,889
Total compensable workyears:			
Full-time equivalent employment .....	2,186	2,244	2,222
Full-time equivalent of overtime and holiday hours .....	23	23	23

74.40	Obligated balance, end of year .....	-35	-35	-35
90.00	Outlays .....	-50	60	65

The Geological Survey has 18 quarters located at geomagnetic or seismic observatories. The operation and maintenance of these quarters, in the past, have been funded out of rental receipts which were credited to the Survey's annual SIR account. Under the provisions of Public Law 98-473, this new account was established to receive rental receipts to remain available until expended for operation and maintenance of these quarters.

**Object Classification (in thousands of dollars)**

Identification code	14-5055-0-2-306	1987 actual	1988 est.	1989 est.
25.0	Other services .....	52	26	30
26.0	Supplies and materials .....		25	25
31.0	Equipment .....		9	10
99.9	Total obligations .....	52	60	65

**EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA**

**Program and Financing (in thousands of dollars)**

Identification code	14-0805-0-1-271	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	307	230	100
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-145		
21.40	Unobligated balance available, start of year .....	-492	-330	-100
24.40	Unobligated balance available, end of year .....	330	100	
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	307	230	100
72.40	Obligated balance, start of year .....	109	173	100
74.40	Obligated balance, end of year .....	-173	-100	
78.00	Adjustments in unexpired accounts .....	-145		
90.00	Outlays .....	97	303	200

**Trust Funds**

**CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	14-8562-0-7-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	216	345	
<b>Financing</b>				
21.40	Unobligated balance available, start of year .....		-45	
24.40	Unobligated balance available, end of year .....	45		
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite) .....	261	300	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	216	345	
72.40	Obligated balance, start of year .....	1	-26	
74.40	Obligated balance, end of year .....	26		
90.00	Outlays .....	243	319	

The National Petroleum Reserve in Alaska program has been completed and demobilization has occurred. The remaining closeout activities relating to accounting and contract audits are nearly completed for the program that began in 1974. Most of the results have been published, however, a major compendium is in final preparation.

**Object Classification (in thousands of dollars)**

Identification code	14-0805-0-1-271	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons .....	10	10	
23.1	Rental payments to GSA .....	5	5	
23.2	Rental payments to others .....	15	15	
24.0	Printing and reproduction .....		100	100
25.0	Other services .....	260	83	
26.0	Supplies and materials .....	12	12	
41.0	Grants, subsidies, and contributions .....	5	5	
99.9	Total obligations .....	307	230	100

Funds contributed by States, counties, municipalities, and private sources are used to provide basic scientific data and analyses concerning water, land, energy, and mineral resources.

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriation as follows:  
Department of State: "American sections, international commissions."  
General Services Administration: "National Center Operation and maintenance."

**OPERATION AND MAINTENANCE OF QUARTERS**

**Program and Financing (in thousands of dollars)**

Identification code	14-5055-0-2-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	52	60	65
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-67		
21.40	Unobligated balance available, start of year .....		-15	-30
24.40	Unobligated balance available, end of year .....	15	30	40
60.00	<b>Appropriation</b> .....		75	75
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-15	60	65
72.40	Obligated balance, start of year .....		35	35

**ADMINISTRATIVE PROVISIONS**

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed [25] 19 passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That [apropriations herein and hereafter made shall be available for paying

GEOLOGICAL SURVEY—Continued  
ADMINISTRATIVE PROVISIONS—Continued

costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Geological Survey, and that within appropriations herein and hereafter provided, Geological Survey officials may authorize either direct procurement of or reimbursement for expenses incidental to the effective use of volunteers such as, but not limited to, training, transportation, lodging, subsistence, equipment, and supplies: *Provided further*, That provision for such expenses or services is in accord with volunteer or cooperative agreements made with such individuals, private organizations, educational institutions, or State or local government: *Provided further, That* activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in Public Law 95-224. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

BUREAU OF MINES  
*Federal Funds*

General and special funds:

MINES AND MINERALS

For expenses necessary for conducting inquiries, technological investigations, and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal, and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law, **[\$146,398,000]**, \$126,605,000 of which **[\$88,259,000]** \$70,335,000 shall remain available until expended: *Provided*, That not more than \$1,890,000 of the amount appropriated may be used for executive direction: *Provided further*, That none of the funds in this or any other Act may be used for the closure or consolidation of any research centers or the sale of any of the helium facilities currently in operation: *Provided further*, That of the sums provided under this head, \$1,200,000 shall be available to the Mississippi Mineral Resources Institute of the University of Mississippi and the Center of Ocean Resources Technology of the University of Hawaii for a Marine Minerals Technology Center, equally divided: *Provided further*, That notwithstanding any other provision of law, the Bureau of Mines is authorized, in consultation with the General Services Administration, to immediately enter into a two year lease purchase agreement for the Bureau of Mines research center located in Spokane, Washington. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	14-0959-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Minerals information and analysis:				
00.01	Minerals and materials information .....	10,068		
00.02	Minerals and materials data analysis .....	18,466		
00.03	Information and analysis .....		30,701	33,530
Minerals research:				
00.04	Minerals and materials technology .....	32,208		
00.05	Health and safety technology .....	35,172		
00.06	Mining technology .....	18,598		
00.07	Health, safety and mining technology .....		53,167	37,735
00.08	Minerals and materials science .....		27,092	23,440
00.09	Environmental technology .....		11,544	9,160
00.10	Mineral institutes .....	7,642	9,160	
00.11	General administration .....	19,560	18,033	22,340
00.12	Facilities .....		1,100	400
00.91	Total direct program .....	141,714	150,797	126,605
01.01	Reimbursable program .....	11,296	15,000	15,000
10.00	Total obligations .....	153,010	165,797	141,605
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-11,296	-15,000	-15,000
17.00	Recovery of prior year obligations .....	-1,470		

21.40	Unobligated balance available, start of year .....	-6,906	-6,530	
24.40	Unobligated balance available, end of year .....	6,530		
25.00	Unobligated balance lapsing .....	545	2,131	
40.00	<b>Budget authority (appropriation) .....</b>	<b>140,412</b>	<b>146,398</b>	<b>126,605</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	141,714	150,797	126,605
72.40	Obligated balance, start of year .....	42,748	47,585	50,968
74.40	Obligated balance, end of year .....	-47,585	-50,968	-45,580
77.00	Adjustments in expired accounts .....	92		
78.00	Adjustments in unexpired accounts .....	-1,470		
90.00	Outlays .....	135,499	147,414	131,991

*Information and analysis.*—This program provides a reliable data base for analysis of national minerals problems by collecting, interpreting, and disseminating worldwide information relating to the production, consumption, and availability of nonfuel minerals. The program maintains information on the production and consumption of approximately 100 mineral commodities, and also on the minerals-related industries of about 168 countries. In-depth economic, technical, and policy studies that address the worldwide supply and demand for nonfuel minerals are conducted in this program. The Minerals Availability System, a computerized data base system, develops and utilizes methodologies for evaluation of mineral deposits based on quantifiable technical, economic, and social data. The program also includes mineral land assessments on certain Bureau of Land Management (BLM) and U.S. Forest Service lands, carried out jointly with the U.S. Geological Survey.

*Research:*—

*Health, safety and mining technology.*—This program focuses its efforts on long-term, high risk research designed to provide scientific advances that will enable improvement in all aspects of the health and safety of miners, including prevention of occupational illnesses, accidents, and disasters, as well as to stimulate innovations in the U.S. mining industry. Research efforts are being concentrated on new concepts with the potential to yield significant improvements in health and safety, to reduce adverse environmental impacts, to increase access to marginal mineral deposits, and to increase the domestic mineral reserve base.

*Minerals and materials science.*—Research is conducted to develop basic information on fundamental scientific and engineering principles of minerals processing that to form a basis for the mineral industry's efforts to improve productivity, to increase energy efficiency, and to investigate new or alternative techniques which increase production of strategic, critical, and other essential minerals from low-grade or complex domestic ores and secondary resources.

*Environmental technology.*—Research is conducted to mitigate or eliminate adverse environmental impacts associated with mining and mineral processing. Problems addressed include subsidence, acid mine drainage, and neutralization of waste materials.

*Mineral institutes.*—Minerals research and engineering programs conducted at 32 colleges and universities nationwide are supported through public and private resources.

*General administration.*—The program supports executive direction, and financial and management services for the Bureau of Mines.

**Object Classification** (in thousands of dollars)

Identification code 14-0959-0-1-306	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	62,300	64,536	62,904
11.3 Other than full-time permanent	2,407	2,493	2,430
11.5 Other personnel compensation	553	573	559
11.9 Total personnel compensation	65,260	67,602	65,892
12.1 Civilian personnel benefits	3,557	13,578	13,426
13.0 Benefits for former personnel	223		
21.0 Travel and transportation of persons	2,873	3,200	3,200
22.0 Transportation of things	957	604	677
23.1 Rental payments to GSA	4,868	5,583	5,988
23.3 Communications, utilities, and miscellaneous charges	3,975	4,789	4,845
24.0 Printing and reproduction	768	925	770
25.0 Other services	27,243	28,149	20,035
26.0 Supplies and materials	5,153	5,059	5,680
31.0 Equipment	8,630	8,429	6,092
32.0 Land and structures	310	700	
41.0 Grants, subsidies, and contributions	11,896	12,179	
42.0 Insurance claims and indemnities	1		
99.0 Subtotal, direct obligations	141,714	150,797	126,605
99.0 Reimbursable obligations	11,296	15,000	15,000
99.9 Total obligations	153,010	165,797	141,605

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions	2,015	2,015	2,015
Total compensable workyears:			
Full-time equivalent employment	1,995	2,101	2,022
Full-time equivalent of overtime and holiday hours	10	9	9
<b>Reimbursable:</b>			
Total number of full-time permanent positions	75	75	75
Total compensable workyears: Full-time equivalent employment	63	59	59

**Public enterprise funds:**

**HELIUM FUND**

**Program and Financing** (in thousands of dollars)

Identification code 14-4053-0-3-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating program:</b>			
00.01 Production and sales	12,487	15,353	15,939
00.02 Transmission and storage operations	824	994	1,058
00.03 Administrative and other expenses	783	827	796
00.91 Total operating program	14,094	17,174	17,793
02.01 Capital investment: Land, structures, and equipment	1,831	4,224	3,966
10.00 Total obligations	15,925	21,398	21,759
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-9,774	-21,255	-21,229
14.00 Non-Federal sources	-10,808	-3,674	-53,730
17.00 Recovery of prior year obligations	-12		
21.98 Unobligated balance available, start of year: Fund balance	-19,056	-19,725	-20,256
24.98 Unobligated balance available, end of year: Fund balance	19,725	20,256	
27.00 Capital transfer to general fund	4,000	3,000	73,456
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-4,656	-3,531	-53,200
72.98 Obligated balance, start of year: Fund balance	1,442	170	134
74.98 Obligated balance, end of year: Fund balance	-170	-134	-134
78.00 Adjustments in unexpired accounts	-12		
90.00 <b>Outlays</b>	-3,396	-3,495	-53,200

The Helium Act Amendments of 1960, Public Law 86-777 (50 U.S.C. 167), authorized activities necessary to provide sufficient helium to meet the current and foreseeable future needs of essential government activities. The program includes production, conservation, sale, and distribution of helium and involves the management of helium program facilities and resources to:

(a) Provide helium to meet current demands of all Federal agencies.

(b) Provide helium to meet the foreseeable future helium requirements of essential Government programs.

(c) Conduct investigations and evaluations to improve the helium program.

Helium program assets are scheduled for sale during fiscal year 1989. After the sale, excess fund balances will be transferred to the general fund of the Treasury. Legislation will be proposed to cancel outstanding helium debt owed to the Treasury.

**Revenue and Expense** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Sales program:</b>			
Revenue	20,563	24,778	24,809
Expense	-89,260	-101,598	-108,881
Net operating income or loss (-), sales program	-68,697	-76,820	-84,072
<b>Nonoperating income or loss (-):</b>			
Proceeds from sales of equipment	55	150	50,000
Net book value of assets sold	-263	-50	-30,330
Net income or loss for the year	-68,905	-76,720	-64,402

**Financial Condition** (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury	20,498	19,895	20,425	20,626
Accounts receivable, net	2,311	2,586	2,586	2,586
Inventories	435,092	433,314	429,266	425,218
Real property and equipment, net	25,283	25,738	27,055	28,600
Other assets, net	2,421	1,964	1,964	1,964
Total assets	485,605	483,497	481,296	478,994
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accounts payable and funded accrued liabilities	1,231	1,229	1,229	1,229
Advances received	423	279	279	279
Unfunded liabilities: Accrued annual leave	531	515	515	515
<b>Debt issued under borrowing authority:</b>				
Borrowing from Treasury	251,650	251,650	251,650	197,570
Net worth	19,000	37,343	37,343	
Interest due on net worth	82,224	67,875	73,496	79,809
Interest due on borrowing	499,160	562,152	631,050	706,407
Total liabilities	854,219	921,043	995,562	985,809
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended budget authority:</b>				
Fund balance	19,056	19,725	20,256	
Undelivered orders	2,099	1,248	1,248	1,248
Invested capital	-389,769	-458,519	-535,770	-619,942
Total Government equity	-368,614	-437,546	-514,256	-618,694

**Object Classification** (in thousands of dollars)

Identification code 14-4053-0-3-306	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	6,124	6,982	6,657
11.3 Other than full-time permanent	60	131	137

**BUREAU OF MINES—Continued**  
**Public enterprise funds—Continued**

**HELIUM FUND—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code 14-4053-0-3-306	1987 actual	1988 est.	1989 est.
11.5 Other personnel compensation .....	298	362	415
11.9 Total personnel compensation .....	6,482	7,475	7,209
12.1 Civilian personnel benefits .....	982	927	894
21.0 Travel and transportation of persons .....	95	128	136
22.0 Transportation of things .....	2,817	4,408	5,323
23.1 Rental payments to GSA .....	281	207	228
23.2 Rental payments to others .....	259	686	565
24.0 Printing and reproduction .....	14	18	15
25.0 Other services .....	2,079	2,230	2,003
26.0 Supplies and materials .....	1,539	1,340	1,486
31.0 Equipment .....	1,259	3,578	3,441
32.0 Land and structures .....	118	401	459
99.9 Total obligations .....	15,925	21,398	21,759

**Personnel Summary**

Total number of full-time permanent positions .....	221	221	221
Total compensable workyears:			
Full-time equivalent employment .....	218	203	203
Full-time equivalent of overtime and holiday hours .....	6	7	7

**Trust Funds**

**CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 14-8287-0-7-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Minerals research:			
00.04 Minerals and materials technology .....	108		
00.05 Health and safety technology .....	396		
00.06 Mining technology .....	236		
00.07 Health, safety, and mining technology .....		415	415
00.08 Minerals and materials science .....		130	130
00.09 Environmental technology .....		125	125
10.00 Total obligations .....	740	670	670
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-405	-378	-408
24.40 Unobligated balance available, end of year .....	378	408	438
60.00 Budget authority (appropriation) (permanent, indefinite) .....	713	700	700
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	740	670	670
72.40 Obligated balance, start of year .....	169	104	100
74.40 Obligated balance, end of year .....	-104	-100	-138
90.00 Outlays .....	805	674	632

Funds contributed by States, counties, municipalities, and private sources are used to conduct research and investigations in such areas as the development of mineral resources and the health and safety of miners.

**Object Classification (in thousands of dollars)**

Identification code 14-8287-0-7-306	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent .....	385	388	391
11.3 Other than full-time permanent .....	33	33	33
11.5 Other personnel compensation .....	9	9	9
11.9 Total personnel compensation .....	427	430	433
12.1 Civilian personnel benefits .....	63	85	85
21.0 Travel and transportation of persons .....	9	7	7

22.0 Transportation of things .....	1	1	1
23.2 Rental payments to others .....	15	22	22
24.0 Printing and reproduction .....	1		
25.0 Other services .....	190	113	109
26.0 Supplies and materials .....	17	11	11
31.0 Equipment .....	17	1	1
99.9 Total obligations .....	740	670	670

**Personnel Summary**

Total number of full-time permanent positions .....	15	15	15
Total compensable workyears: Full-time equivalent employment .....	14	9	9

**ADMINISTRATIVE PROVISIONS**

The Secretary is authorized to accept lands, building equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**FISH AND WILDLIFE AND PARKS**

**UNITED STATES FISH AND WILDLIFE SERVICE**

**Federal Funds**

**General and special funds:**

**RESOURCE MANAGEMENT**

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; and for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; [and not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, \$342,594,000 of which \$4,300,000, to carry out the purposes of 16 U.S.C. 1535, shall remain available until expended; and] \$331,863,000, of which [\$6,528,000] \$6,811,000 shall be for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976 (90 Stat. 2921), to compensate for loss of fishery resources from water development projects on the Lower Snake River, and which shall remain available until expended. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-1611-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Fish and wildlife enhancement .....	46,587	50,106	44,069
00.02 Refuges and wildlife .....	136,207	142,928	141,658
00.03 Fisheries .....	35,332	39,798	40,076
00.04 Research and development .....	53,572	59,384	55,496
00.05 General administration .....	45,319	49,098	50,564
00.91 Total direct program .....	317,017	341,314	331,863
01.01 Reimbursable program .....	29,799	41,957	41,957
10.00 Total obligations .....	346,816	383,271	373,820
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-26,835	-38,656	-38,759
14.00 Non-Federal sources .....	-2,964	-3,301	-3,198
17.00 Recovery of prior year obligations .....	-465		
21.40 Unobligated balance available, start of year .....	-1,361	-1,520	

24.40	Unobligated balance available, end of year.....	1,520		
25.00	Unobligated balance lapsing.....	6,927		
39.00	<b>Budget authority</b> .....	<b>323,638</b>	<b>339,794</b>	<b>331,863</b>
	Budget authority:			
40.00	Appropriation.....	323,638	342,594	331,863
41.00	Transferred to other accounts.....		-2,800	
43.00	<b>Appropriation (adjusted)</b> .....	<b>323,638</b>	<b>339,794</b>	<b>331,863</b>
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	317,017	341,314	331,863
72.40	Obligated balance, start of year.....	56,316	86,746	90,997
74.40	Obligated balance, end of year.....	-86,746	-90,997	-94,057
78.00	Adjustments in unexpired accounts.....	-465		
90.00	<b>Outlays</b> .....	<b>286,121</b>	<b>337,063</b>	<b>328,803</b>

*Fish and wildlife enhancement.*—The Service conducts investigations and provides technical assistance to prevent or minimize adverse environmental effects of development projects. Contaminants are monitored and assessed. Activities are pursued to prevent species from becoming extinct, and return them to the point where they are neither threatened or endangered.

*Refuges and wildlife.*—The Service maintains the National Wildlife Refuge System consisting of 441 units, 152 waterfowl production areas in 150 counties and 57 coordination areas on about 90 million acres; directs and coordinates national migratory bird programs; and enforces Federal wildlife laws and regulations.

*Fisheries.*—The Service participates in development, management, and protection of interstate and international fishery resources, and provides technical assistance related to fish, wildlife and some marine mammals.

*Research and development.*—The Service conducts research to improve wildlife management capabilities, improve sport fish productivity, protect endangered or threatened species, assist recovery programs, and prevent or minimize adverse impacts on fish and wildlife.

*General administration.*—Provides policy formulation, direction, and administration for fish and wildlife programs.

**Object Classification (in thousands of dollars)**

Identification code	14-1611-0-1-303	1987 actual	1988 est.	1989 est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent.....	136,015	141,175	141,611
11.3	Other than full-time permanent.....	14,282	14,976	15,021
11.5	Other personnel compensation.....	4,209	4,272	4,293
11.9	Total personnel compensation.....	154,506	160,423	160,925
12.1	Civilian personnel benefits.....	27,301	27,272	27,332
13.0	Benefits for former personnel.....	2,320	2,320	2,320
21.0	Travel and transportation of persons.....	9,739	11,200	11,637
22.0	Transportation of things.....	3,031	3,131	3,253
23.1	Rental payments to GSA.....	11,023	12,650	12,900
23.3	Communications, utilities, and miscellaneous charges.....	12,790	13,212	13,727
24.0	Printing and reproduction.....	2,391	2,470	2,566
25.0	Other services.....	40,632	46,020	37,868
26.0	Supplies and materials.....	22,434	23,174	24,078
31.0	Equipment.....	22,069	30,297	31,479
32.0	Land and structures.....	3,054	3,155	3,278
41.0	Grants, subsidies, and contributions.....	5,316	5,518	
42.0	Insurance claims and indemnities.....	70	72	100
91.0	Unvouchered.....	341	400	400
99.0	Subtotal, direct obligations.....	317,017	341,314	331,863
99.0	Reimbursable obligations.....	29,799	41,957	41,957
99.9	Total obligations.....	346,816	383,271	373,820

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Total number of full-time permanent positions.....	4,586	4,687	4,677
Total compensable workyears:			
Full-time equivalent employment.....	5,466	5,586	5,575
Full-time equivalent of overtime and holiday hours.....	60	60	60
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	324	306	322
Total compensable workyears:			
Full-time equivalent employment.....	386	365	384
Full-time equivalent of overtime and holiday hours.....	4	4	4

**CONSTRUCTION [AND ANADROMOUS FISH]**

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; **[\$25,062,000] \$7,577,000**, to remain available until expended [of which \$2,000,000 shall be available for expenses to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a-757g): *Provided*, That notwithstanding any other provision of law, a procurement for the Northeast Anadromous Fish Laboratory shall be issued which includes the full scope of the previously issued procurement for the facility: *Provided further*, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232-18]. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	14-1612-0-1-303	1987 actual	1988 est.	1989 est.
	<b>Program by activities:</b>			
	Construction and rehabilitation:			
00.01	Refuges.....	6,983	20,976	7,285
00.02	Hatcheries.....	2,658	8,957	2,632
00.03	Fishery research facilities.....	3,349	8,387	3,829
00.04	Dam safety.....	1,599	6,883	8,277
00.05	Wildlife research facilities.....	1,825	1,474	2,097
00.06	Construction, rehabilitation, and maintenance planning.....	1,020	1,000	430
00.07	Anadromous fish.....	2,326	2,000	
00.08	Endangered species.....	107	634	211
10.00	Total obligations.....	19,867	50,311	24,761
	<b>Financing:</b>			
17.00	Recovery of prior year obligations.....	-857		
21.40	Unobligated balance available, start of year.....	-13,115	-44,954	-29,955
22.40	Unobligated balance transferred, net.....			1,500
24.40	Unobligated balance available, end of year.....	44,954	29,955	12,771
39.00	<b>Budget authority</b> .....	<b>52,348</b>	<b>35,312</b>	<b>7,577</b>
	Budget authority:			
40.00	Appropriation.....	41,513	25,062	7,577
41.00	Transferred to other accounts.....	-8,750		
42.00	Transferred from other accounts.....	19,585	10,250	
43.00	<b>Appropriation (adjusted)</b> .....	<b>52,348</b>	<b>35,312</b>	<b>7,577</b>
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	19,867	50,311	24,761
72.40	Obligated balance, start of year.....	24,667	18,047	22,058
74.40	Obligated balance, end of year.....	-18,047	-22,058	-17,785
78.00	Adjustments in unexpired accounts.....	-857		
90.00	<b>Outlays</b> .....	<b>25,630</b>	<b>46,300</b>	<b>29,034</b>

**Construction projects focus on facility rehabilitation, repair of hazardous dams, and continued inspection of service dams.**

**Object Classification (in thousands of dollars)**

Identification code	14-1612-0-1-303	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent.....	1,533	1,617	1,145
11.3	Other than full-time permanent.....	267	484	366

UNITED STATES FISH AND WILDLIFE SERVICE—Continued  
General and special funds—Continued  
CONSTRUCTION [AND ANADROMOUS FISH]—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 14-1612-0-1-303	1987 actual	1988 est.	1989 est.
11.5 Other personnel compensation .....	109	111	112
11.9 Total personnel compensation .....	1,909	2,212	1,623
12.1 Civilian personnel benefits .....	309	376	276
21.0 Travel and transportation of persons .....	389	529	550
22.0 Transportation of things .....	67	69	72
23.2 Rental payments to others .....	32	33	34
24.0 Printing and reproduction .....	26	27	29
25.0 Other services .....	5,746	5,936	6,167
26.0 Supplies and materials .....	658	680	707
31.0 Equipment .....	1,347	1,391	1,445
32.0 Land and structures .....	7,057	37,057	13,858
41.0 Grants, subsidies, and contributions .....	2,326	2,000	.....
42.0 Insurance claims and indemnities .....	1	1	.....
99.9 Total obligations .....	19,867	50,311	24,761

Personnel Summary

Total number of full-time permanent positions .....	41	48	32
Total compensable workyears:			
Full-time equivalent employment .....	49	58	38
Full-time equivalent of overtime and holiday hours .....	1	1	1

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, [and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, \$51,754,000] \$1,874,000, to be derived from the Land and Water Conservation Fund, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 14-5020-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Acquisition management .....	1,776	2,093	1,874
00.02 Specifically legislated .....	5,245	15,428	.....
00.03 Endangered Species Act .....	17,561	21,952	11,179
00.04 Refuge recreation .....	5,768	11,059	1,234
00.05 Fish and Wildlife Act .....	8,627	22,539	1,000
00.06 Inholdings .....	753	2,247	.....
10.00 Total obligations .....	39,730	75,318	15,287
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-1,208	.....	.....
21.40 Unobligated balance available, start of year .....	-20,844	-30,727	-17,413
22.40 Unobligated balance transferred, net .....	9,250	.....	.....
24.40 Unobligated balance available, end of year .....	30,727	17,413	4,000
39.00 <b>Budget authority</b> .....	<b>57,655</b>	<b>62,004</b>	<b>1,874</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	48,240	51,754	1,874
41.00 Transferred to other accounts .....	-1,000	.....	.....
42.00 Transferred from other accounts .....	10,415	10,250	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>57,655</b>	<b>62,004</b>	<b>1,874</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	39,730	75,318	15,287
72.40 Obligated balance, start of year .....	18,205	17,539	30,567
74.40 Obligated balance, end of year .....	-17,539	-30,567	-14,199
78.00 Adjustments in unexpired accounts .....	-1,208	.....	.....
90.00 <b>Outlays</b> .....	<b>39,187</b>	<b>62,290</b>	<b>31,655</b>

These funds are used to acquire areas which have native fish and/or wildlife values and provide natural resource benefits over a broad geographical area.

Object Classification (in thousands of dollars)

Identification code 14-5020-0-2-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	2,726	2,769	2,783
11.3 Other than full-time permanent .....	109	50	50
11.5 Other personnel compensation .....	59	60	60
11.9 Total personnel compensation .....	2,894	2,879	2,893
12.1 Civilian personnel benefits .....	523	479	489
21.0 Travel and transportation of persons .....	293	375	397
22.0 Transportation of things .....	29	30	31
23.2 Rental payments to others .....	14	15	16
24.0 Printing and reproduction .....	12	13	14
25.0 Other services .....	1,508	2,389	2,482
26.0 Supplies and materials .....	123	127	132
31.0 Equipment .....	178	184	191
32.0 Land and structures .....	34,156	68,827	8,642
99.9 Total obligations .....	39,730	75,318	15,287

Personnel Summary

Total number of full-time permanent positions .....	76	42	42
Total compensable workyears:			
Full-time equivalent employment .....	91	50	50
Full-time equivalent of overtime and holiday hours .....	1	1	1

MIGRATORY BIRD CONSERVATION ACCOUNT

[For an advance to the migratory bird conservation account, as authorized by the Act of October 4, 1971, as amended (16 U.S.C. 715k-3, 5), \$1,000,000, to remain available until expended.] (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 14-5137-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Printing and sale of hunting stamps .....	356	333	418
00.02 Acquisition of refuges and other areas .....	23,913	32,571	28,960
10.00 Total obligations .....	24,269	32,904	29,378
<b>Financing:</b>			
14.00 Non-Federal sources .....	-4,795	.....	.....
17.00 Recovery of prior year obligations .....	-184	.....	.....
21.40 Unobligated balance available, start of year .....	-826	-3,226	-200
24.40 Unobligated balance available, end of year .....	3,226	200	200
39.00 <b>Budget authority</b> .....	<b>21,690</b>	<b>29,878</b>	<b>29,378</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation (general fund)</b> .....	<b>7,000</b>	<b>1,000</b>	.....
60.00 <b>Appropriation (permanent, indefinite) (special fund)</b> ..	<b>14,690</b>	<b>28,878</b>	<b>29,378</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	19,474	32,904	29,378
72.40 Obligated balance, start of year .....	10,026	4,594	8,638
74.40 Obligated balance, end of year .....	-4,594	-8,638	-8,488
78.00 Adjustments in unexpired accounts .....	-184	.....	.....
90.00 <b>Outlays</b> .....	<b>24,722</b>	<b>28,860</b>	<b>29,528</b>

Receipts in excess of Postal Service expenses from the sale of migratory bird hunting and conservation stamps, 70 percent of entrance fee collections on national wildlife refuges, and import duties on arms and ammunition are available for costs of locating and acquiring migratory bird refuges and waterfowl production areas.



**MIGRATORY BIRD CONSERVATION RESULTS**

	1987 actual	1988 est.	1989 est.
Refuge acquisition (acres) .....	18,183	19,000	18,400
WPA acquisition (acres) .....	20,953	23,200	23,200
<b>Total</b> .....	<b>39,136</b>	<b>42,200</b>	<b>41,600</b>

**Object Classification (in thousands of dollars)**

Identification code 14-5137-0-2-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	3,291	4,159	4,180
11.3 Other than full-time permanent .....	116	526	529
11.5 Other personnel compensation .....	45	48	48
11.9 Total personnel compensation .....	3,452	4,733	4,757
12.1 Civilian personnel benefits .....	461	805	809
21.0 Travel and transportation of persons .....	195	310	322
22.0 Transportation of things .....	33	34	35
23.2 Rental payments to others .....	75	77	80
24.0 Printing and reproduction .....	26	27	28
25.0 Other services .....	2,156	1,697	1,780
26.0 Supplies and materials .....	210	217	225
31.0 Equipment .....	145	150	156
32.0 Land and structures .....	17,515	24,854	21,188
42.0 Insurance claims and indemnities .....	1		
99.9 Total obligations .....	24,269	32,904	29,378

**Personnel Summary**

Total number of full-time permanent positions .....	89	132	132
Total compensable workyears:			
Full-time equivalent employment .....	106	157	157
Full-time equivalent of overtime and holiday hours .....	1	1	1

**DEVELOPMENT AND OPERATION OF RECREATION FACILITIES**

**Program and Financing (in thousands of dollars)**

Identification code 14-5028-0-2-303	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2	-2	-2
24.40 Unobligated balance available, end of year .....	2	2	
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

Prior to 1981, recreation user fees were available to the Fish and Wildlife Service in this account for operation of recreation user facilities.

**NATIONAL WILDLIFE REFUGE FUND**

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), \$5,645,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 14-5091-0-2-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Expenses for sales .....	2,359	2,400	2,400
00.02 Seismic exploration .....	73	67	50
00.03 Payments to counties .....	8,928	8,775	9,235
10.00 Total obligations .....	11,360	11,242	11,685
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-44		
21.40 Unobligated balance available, start of year .....	-3,354	-3,130	-3,590

24.40 Unobligated balance available, end of year .....	3,130	3,590	3,590
39.00 <b>Budget authority</b> .....	<b>11,092</b>	<b>11,702</b>	<b>11,685</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation (general fund)</b> .....	<b>5,645</b>	<b>5,645</b>	<b>5,645</b>
60.00 <b>Appropriation (permanent, indefinite) (special fund)</b> .....	<b>5,447</b>	<b>6,057</b>	<b>6,040</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	11,360	11,242	11,685
72.40 Obligated balance, start of year .....	228	254	35
74.40 Obligated balance, end of year .....	-254	-35	-259
78.00 Adjustments in unexpired accounts .....	-44		
90.00 Outlays .....	11,291	11,461	11,461

The Refuge Revenue Sharing Act (16 U.S.C. 715s) authorizes the distribution of revenues after expenses from the sale of products from Fish and Wildlife Service facilities to be allocated to counties in which the service lands are located as payments in lieu of taxes.

**Object Classification (in thousands of dollars)**

Identification code 14-5091-0-2-806	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,380	1,401	1,408
11.3 Other than full-time permanent .....	26	26	27
11.5 Other personnel compensation .....	8	8	8
11.9 Total personnel compensation .....	1,414	1,435	1,443
12.1 Civilian personnel benefits .....	203	244	245
21.0 Travel and transportation of persons .....	30	56	58
22.0 Transportation of things .....	1	1	1
23.2 Rental payments to others .....	11	11	12
25.0 Other services .....	491	429	389
26.0 Supplies and materials .....	169	174	181
31.0 Equipment .....	113	117	121
41.0 Grants, subsidies, and contributions .....	8,928	8,775	9,235
99.9 Total obligations .....	11,360	11,242	11,685

**Personnel Summary**

Total number of full-time permanent positions .....	25	25	25
Total compensable workyears: Full-time equivalent employment .....	26	26	26

**OPERATION AND MAINTENANCE OF QUARTERS**

**Program and Financing (in thousands of dollars)**

Identification code 14-5050-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,424	1,662	1,675
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-33		
21.40 Unobligated balance available, start of year .....	-973	-1,237	-1,237
24.40 Unobligated balance available, end of year .....	1,237	1,237	1,289
60.00 <b>Appropriation (permanent, indefinite) (special fund)</b> .....	<b>1,655</b>	<b>1,662</b>	<b>1,727</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,424	1,662	1,675
72.40 Obligated balance, start of year .....	224	219	221
74.40 Obligated balance, end of year .....	-219	-221	-187
78.00 Adjustments in unexpired accounts .....	-33		
90.00 Outlays .....	1,396	1,660	1,709

Revenues from rental of government quarters are deposited in this account for use in the operation and maintenance of such quarters for the Fish and Wildlife Service, pursuant to Public Law 98-473, section 320.

UNITED STATES FISH AND WILDLIFE SERVICE—Continued  
General and special funds—Continued  
OPERATION AND MAINTENANCE OF QUARTERS—Continued

Object Classification (in thousands of dollars)

Identification code 14-5050-0-2-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	223	482	482
11.3 Other than full-time permanent.....	29		
11.5 Other personnel compensation.....	5	11	11
11.9 Total personnel compensation.....	257	493	493
12.1 Civilian personnel benefits.....	25	84	84
21.0 Travel and transportation of persons.....	2	11	11
22.0 Transportation of things.....	8	10	10
23.2 Rental payments to others.....	82	86	86
24.0 Printing and reproduction.....	1	2	2
25.0 Other services.....	448	342	349
26.0 Supplies and materials.....	441	457	460
31.0 Equipment.....	93	110	113
32.0 Land and structures.....	67	67	67
99.9 Total obligations.....	1,424	1,662	1,675

Personnel Summary

Total number of full-time permanent positions.....	12	16	16
Total compensable workyears:			
Full-time equivalent employment.....	13	16	16
Full-time equivalent of overtime and holiday hours.....	1		

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9923-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Federal aid in fish restoration.....	1,672		
00.02 Federal aid in wildlife restoration.....	117,153	115,089	121,800
00.03 Proceeds from sales, water resources development projects.....	1,034	400	200
10.00 Total obligations.....	119,859	115,489	122,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-9,222		
21.40 Unobligated balance available, start of year.....	-14,166	-13,261	-15,861
24.40 Unobligated balance available, end of year.....	13,261	15,861	13,061
39.00 Budget authority.....	109,732	118,089	119,200
<b>Budget authority:</b>			
<b>Current:</b>			
42.00 Transferred from other accounts.....		2,800	
43.00 Appropriation (adjusted).....		2,800	
<b>Permanent:</b>			
60.00 Budget authority (appropriation) (indefinite, special fund).....	109,732	115,289	119,200
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	119,859	115,489	122,000
72.40 Obligated balance, start of year.....	81,784	80,402	22,523
74.40 Obligated balance, end of year.....	-80,402	-22,523	-25,696
78.00 Adjustments in unexpired accounts.....	-9,222		
90.00 Outlays.....	112,019	173,368	118,827
<b>Distribution of budget authority by account:</b>			
Federal aid in wildlife restoration.....	109,688	117,889	119,000
Proceeds from sales, water resources development projects.....	44	200	200
<b>Distribution of outlays by account:</b>			
Federal aid in fish restoration and management.....	2,803		
Federal aid in wildlife restoration.....	108,017	173,168	118,627
Proceeds from sales, water resources development projects.....	1,199	200	200

Federal aid in fish restoration and management.—Beginning in 1986, this activity is funded under the

“Sport fish restoration account,” Fish and Wildlife Service, Department of the Interior.

Federal aid in wildlife restoration.—States, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands are allocated funds equal to the 11 percent excise tax on sporting arms and ammunition, the 10 percent excise tax on handguns, and the 11 percent tax on certain archery equipment. States are reimbursed up to 75 percent of the cost of approved wildlife and hunter education projects.

Proceeds from sales, water resources development projects.—Receipts collected from the sale of products from refuges on which other agencies have primary jurisdiction pay the costs of producing these products and for managing wildlife habitat.

Object Classification (in thousands of dollars)

Identification code 14-9923-0-2-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,212	2,256	2,296
11.3 Other than full-time permanent.....	113	235	235
11.5 Other personnel compensation.....	19	28	28
11.9 Total personnel compensation.....	2,344	2,519	2,559
12.1 Civilian personnel benefits.....	307	428	435
21.0 Travel and transportation of persons.....	245	352	366
22.0 Transportation of things.....	23	24	24
23.2 Rental payments to others.....	12	13	13
24.0 Printing and reproduction.....	97	101	102
25.0 Other services.....	4,109	1,865	6,653
26.0 Supplies and materials.....	149	187	194
31.0 Equipment.....	74	100	100
41.0 Grants, subsidies, and contributions.....	112,499	109,900	111,554
99.9 Total obligations.....	119,859	115,489	122,000

Personnel Summary

Total number of full-time permanent positions.....	48	42	42
Total compensable workyears: Full-time equivalent employment.....	57	50	50

Trust Funds

SPORT FISH RESTORATION

Program and Financing (in thousands of dollars)

Identification code 14-8151-0-7-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Payments to States.....	137,143	151,409	183,060
00.02 Administration.....	5,556	9,664	11,700
10.00 Total obligations.....	142,698	161,073	194,760
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-6,474		
21.40 Unobligated balance available, start of year.....	-27,185	-31,976	-31,976
24.40 Unobligated balance available, end of year.....	31,976	31,976	31,976
60.00 Budget authority (appropriation) (permanent, indefinite).....	141,015	161,073	194,760
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	142,698	161,073	194,760
72.40 Obligated balance, start of year.....	55,707	106,477	119,723
74.40 Obligated balance, end of year.....	-106,477	-119,723	-151,495
78.00 Adjustments in unexpired accounts.....	-6,474		
90.00 Outlays.....	85,454	147,827	162,988

Assistance is provided to States, Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and the District of Columbia for up to

75 percent of the cost of approved projects including research into fisheries problems, surveys and inventories of fish populations, and acquisition and improvement of fish habitat and provision of access for public use.

**Object Classification** (in thousands of dollars)

Identification code 14-8151-0-7-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,397	1,424	1,446
11.3 Other than full-time permanent.....	65	67	69
11.5 Other personnel compensation.....	11	11	12
11.9 Total personnel compensation.....	1,473	1,502	1,527
12.1 Civilian personnel benefits.....	227	231	235
21.0 Travel and transportation of persons.....	116	176	183
22.0 Transportation of things.....	13	78	81
23.2 Rental payments to others.....	2	35	36
24.0 Printing and reproduction.....	18	20	21
25.0 Other services.....	3,593	7,457	9,446
26.0 Supplies and materials.....	28	62	64
31.0 Equipment.....	85	103	107
41.0 Grants, subsidies, and contributions.....	137,143	151,409	183,060
99.9 Total obligations.....	142,698	161,073	194,760

**Personnel Summary**

Total number of full-time permanent positions.....	33	42	42
Total compensable workyears: Full-time equivalent employment.....	40	50	50

**CONTRIBUTED FUNDS**

**Program and Financing** (in thousands of dollars)

Identification code 14-8216-0-7-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Sea lamprey control.....	3,802	3,816	3,973
00.02 Other contributed funds.....	163	313	185
10.00 Total obligations.....	3,965	4,129	4,158
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-35		
21.40 Unobligated balance available, start of year.....	-1,193	-932	-968
24.40 Unobligated balance available, end of year.....	932	968	975
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>3,670</b>	<b>4,165</b>	<b>4,165</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,965	4,129	4,158
72.40 Obligated balance, start of year.....	615	613	577
74.40 Obligated balance, end of year.....	-613	-577	-570
78.00 Adjustments in unexpired accounts.....	-35		
90.00 Outlays.....	3,932	4,165	4,165

Donated funds support activities such as the sea lamprey research and control program (supported by the Great Lakes Fishery Commission).

**Object Classification** (in thousands of dollars)

Identification code 14-8216-0-7-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,037	1,858	1,868
11.3 Other than full-time permanent.....	206	209	210
11.5 Other personnel compensation.....	77	78	79
11.9 Total personnel compensation.....	2,320	2,145	2,157
12.1 Civilian personnel benefits.....	425	365	367
21.0 Travel and transportation of persons.....	321	371	386
22.0 Transportation of things.....	15	15	16
23.2 Rental payments to others.....	62	64	67
25.0 Other services.....	257	589	561
26.0 Supplies and materials.....	278	287	298

31.0 Equipment.....	284	293	306
32.0 Land and structures.....	3		
99.9 Total obligations.....	3,965	4,129	4,158

**Personnel Summary**

Total number of full-time permanent positions.....	84	78	78
Total compensable workyears:			
Full-time equivalent employment.....	100	93	93
Full-time equivalent of overtime and holiday hours.....	2	2	2

**ADMINISTRATIVE PROVISIONS**

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed [145] 160 passenger motor vehicles, of which [144] 153 are for replacement only (including [41] 46 for police-type use); not to exceed \$400,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the United States Fish and Wildlife Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed \$1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That the United States Fish and Wildlife Service may accept donated aircraft as replacements for existing aircraft. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**NATIONAL PARK SERVICE**

**Federal Funds**

**General and special funds:**

**OPERATION OF THE NATIONAL PARK SYSTEM**

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed \$424,000 for the Roosevelt Campobello International Park Commission [and not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, \$730,799,000] \$733,768,000, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), [of which \$2,000,000 to remain available until expended shall be made available to the Martin Luther King, Jr. Center for the Study of Nonviolent Social Change for rehabilitation of the birth home of Martin Luther King, Jr. and for purchase of the vacant lot on the north side of Irwin Street between Jackson and Boulevard for a landscaped parking lot] of which not to exceed \$52,200,000 to remain available until expended is to be derived from the special fee account established pursuant to Title V, Section 5201, of Public Law 100-203: *Provided*, That the National Park Service shall not enter into future concessionaire contracts, including renewals, that do not include a termination for cause clause that provides for possible extinguishment of possessory interests excluding depreciated book value of concessionaire investments without compensation: *Provided further*, That none of these funds may be used to compensate a quantity of staff greater than existed as of May 1, 1986, in the Office of Legislative and Congressional Affairs of the National Park Service or to compensate individual staff members assigned subsequent to May 1, 1986, at grade levels greater than the staff replaced: *Provided further*, That to advance the mission of the National Park Service for a period of time not to extend beyond fiscal year 1988, the Secretary of the Interior is authorized to charge park entrance fees for all units of the National Park System, except

NATIONAL PARK SERVICE—Continued

General and special funds—Continued

OPERATION OF THE NATIONAL PARK SYSTEM—Continued

as provided herein, of an amount not to exceed \$3 for a single visit permit as defined in 36 CFR 71.7(b)(2) and of an amount not to exceed \$5 for a single visit permit as defined in 36 CFR 71.7(b)(1): *Provided further*, That the cost of a Golden Eagle Passport as defined in 36 CFR 71.5 is increased to a reasonable fee but not to exceed \$25 until September 30, 1988: *Provided further*, That for units of the National Park System where entrance fees are charged the Secretary shall establish an annual admission permit for each individual park unit for a reasonable fee but not to exceed \$15, and that purchase of such annual admission permit for a unit of the National Park System shall relieve the requirement for payment of single visit permits as defined in 36 CFR 71.7(b): *Provided further*, That all funds derived from National Park Service recreation fees during fiscal year 1988, and all funds collected by the National Park Service during fiscal year 1988 under subsections (a), (b), and (c) of section 4 of the Land and Water Conservation Fund Act of 1965, as amended, shall be transferred to the General Fund of the Treasury of the United States: *Provided further*, That notwithstanding any other provision of this Act, no admission fee may be charged at any unit of the National Park System which provides significant outdoor recreation opportunities in an urban environment and to which access is publicly available at multiple locations, nor shall an admission fee be charged at any unit of the National Park System which has a current, specific statutory exemption: *Provided further*, That where entrance fees are established on a per person basis, children 16 and under shall be exempt from the fees: *Provided further*, That if permanent statutory language is enacted during fiscal year 1988 establishing entrance fees for the National Park System either prior to or subsequent to enactment of this Act, such permanent authorizing language shall supersede the provisions on recreation fees contained in this Act: *Provided further*, That of the amounts appropriated under this head, \$15,000,000 shall be distributed to units of the National Park System, to be available for resource protection, research, interpretation, and maintenance activities related to resource protection, to be distributed in the following manner: 50 percent shall be allocated to each unit of the System based on each unit's proportion of the total budgeted in the prior fiscal year for park operating expenses, and 50 percent shall be allocated to units collecting user fees or entrance fees based on each unit's proportion of the total entrance and user fee revenues collected during the prior fiscal year: *Provided further*, That when authorized by the head of the collecting agency, volunteers may sell permits and collect fees authorized or established pursuant to section 4 of the Land and Water Conservation Fund Act of 1965, and funds appropriated or otherwise available to the collecting agency shall be available to cover the cost of any surety bonds as may be required of any such volunteer in performing such authorized services under that section: *Provided further*, That notwithstanding any other provision of law, Public Law 96-565 is amended by adding the following at the end of section 104(a): "The Secretary may lease from the Department of Hawaiian Home Lands said trust lands until such time as said lands may be acquired by exchange as set forth herein or otherwise acquired. The Secretary may enter into such a lease without regard to fiscal year limitations.": *Provided further*, That none of the funds appropriated to the National Park Service shall be used to remove, obstruct, dewater, fill or otherwise damage the Brooks River fish ladder in the Katmai National Park, Alaska: *Provided further*, That \$85,000 shall be available to assist the town of Harpers Ferry, West Virginia, for police force use: *Provided further*, That funds appropriated to the National Park Service may be used for the purchase or hire of personnel services without regard to personnel laws as contained in title V of the United States Code, only to provide for the orderly transition from regional finance offices to a central finance office. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year .....			
Offsetting receipts: Land and Water Conservation Fund Act of 1965, as amended: Budget Reconciliation Act of 1987 .....			52,200

Appropriation: Operation of the National Park System .....			-52,200
Unappropriated balance, end of year .....			

Program and Financing (in thousands of dollars)

Identification code 14-1036-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	601,970	634,654	638,946
00.02			
00.03	11,094	1,319	5,819
00.04	5,022	4,694	5,196
00.05	4,335	13,295	1,960
	70,980	74,177	81,847
00.91	693,401	728,139	733,768
01.01	1,508	2,233	2,294
10.00	694,909	730,372	736,062
<b>Financing:</b>			
14.00	-1,508	-2,233	-2,294
21.40		-7,340	
24.40	7,340		
25.00	3,740		
39.00	<b>704,481</b>	<b>720,799</b>	<b>733,768</b>
<b>Budget authority:</b>			
40.00	690,823	730,799	733,768
40.00	15,158		
41.00	-13,000	-10,000	
42.00	11,500		
43.00	<b>704,481</b>	<b>720,799</b>	<b>733,768</b>
<b>Relation of obligations to outlays:</b>			
71.00	693,401	728,139	733,768
72.40	133,175	175,403	180,200
74.40	-175,403	-180,200	-183,442
77.00	-2,824		
90.00	648,349	723,342	730,526

The National Park System contains 341 areas and 79.8 million acres of land in 49 States, the District of Columbia, Puerto Rico, U.S. Virgin Islands, Guam, and the Northern Marianas. These areas have been established to protect and preserve the cultural and natural heritage of the United States and its territories. This appropriation funds the operation of individual units of the National Park System as well as planning and administrative support for the entire system. The total appropriation requested of \$733,768,000 includes \$52,200,000 in revenue from recreation, user and entrance fees in accordance with Public Law 100-203 to remain available until expended.

Object Classification (in thousands of dollars)

Identification code 14-1036-0-1-303	1987 actual	1988 est.	1989 est.
<b>NATIONAL PARK SERVICE</b>			
Direct obligations:			
Personnel compensation:			
11.1	271,202	277,968	292,084
11.3	68,785	71,771	76,342
11.5	20,717	23,700	23,700
11.8	216		
11.9	360,920	373,439	392,126
12.1	59,653	48,482	63,399
13.0	6,797	8,000	8,000
21.0	15,316	17,858	18,538
22.0	10,216	11,912	12,364
23.1	12,540	12,810	13,936
23.2	5	5	5
23.3	26,139	30,478	32,518
24.0	4,652	5,424	5,719

25.0	Other services.....	101,792	98,921	76,656
26.0	Supplies and materials.....	51,474	60,019	60,220
31.0	Equipment.....	35,693	41,618	42,211
32.0	Land and structures.....	4,863	5,670	5,934
41.0	Grants, subsidies, and contributions.....	1,416	13,295	1,960
42.0	Insurance claims and indemnities.....	176	205	179
43.0	Interest and dividends.....	3	3	3
99.0	Subtotal, direct obligations, National Park Service...	691,654	728,139	733,768
99.0	Reimbursable obligations, National Park Service.....	1,508	2,233	2,294

ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION

11.1	Personnel compensation: Full-time permanent.....	70		
12.1	Civilian Personnel benefits.....	10		
22.0	Transportation of things.....	1		
24.0	Printing and reproduction.....	3		
25.0	Other services.....	73		
26.0	Supplies and materials.....	7		
32.0	Land and structures.....	1,583		
99.0	Subtotal, obligations, Federal Highway Administration.....	1,747		
99.9	Total obligations.....	694,909	730,372	736,062

Personnel Summary

NATIONAL PARK SERVICE

Direct program:				
	Total number of full-time permanent positions.....	10,702	10,752	10,779
	Total compensable workyears:			
	Full-time equivalent employment.....	14,799	14,960	15,077
	Full-time equivalent of overtime and holiday hours.....	492	492	492
Reimbursable program:				
	Total number of full-time permanent positions.....	1	14	14
	Total compensable workyears: Full-time equivalent employment.....	5	19	19

ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION

Total number of full-time permanent positions.....	2		
Total compensable workyears: Full-time equivalent employment.....	2		

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review, and grant administration, not otherwise provided for, **[\$12,935,000]** \$10,204,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 14-1042-0-1-303	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Recreation programs.....	522	616	299
00.02	Natural programs.....	1,573	2,468	569
00.03	Cultural programs.....	6,729	7,893	7,377
00.04	Environmental compliance and review.....	330	425	425
00.05	Grant administration.....	1,488	1,533	1,534
10.00	Total obligations.....	10,642	12,935	10,204
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	286		
40.00	Budget authority (appropriation).....	10,928	12,935	10,204
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,642	12,935	10,204
72.40	Obligated balance, start of year.....	2,444	2,809	1,293
74.40	Obligated balance, end of year.....	-2,809	-1,293	-1,020
77.00	Adjustments in expired accounts.....	-26		
90.00	Outlays.....	10,252	14,451	10,477

These programs include maintenance of the National Register of Historic Places, certifications for investment tax credits, management planning of federally owned historic properties, Government-wide archeological pro-

grams, documentation of historic properties, nationwide outdoor recreation planning and assistance, transfer of surplus Federal real property, identification and designation of natural landmarks, environmental reviews, and the administration of prior-year grants.

Object Classification (in thousands of dollars)

Identification code 14-1042-0-1-303	1987 actual	1988 est.	1989 est.	
Personnel compensation:				
11.1	Full-time permanent.....	6,106	6,501	5,521
11.3	Other than full-time permanent.....	1,280	1,360	1,296
11.5	Other personnel compensation.....	65	70	70
11.9	Total personnel compensation.....	7,451	7,931	6,887
12.1	Civilian personnel benefits.....	967	765	601
21.0	Travel and transportation of persons.....	513	647	662
22.0	Transportation of things.....	10	19	13
23.3	Communications, utilities, and miscellaneous charges.....	38	58	49
24.0	Printing and reproduction.....	142	205	183
25.0	Other services.....	989	2,560	1,124
26.0	Supplies and materials.....	263	349	339
31.0	Equipment.....	268	401	346
32.0	Land and structures.....	1		
99.9	Total obligations.....	10,642	12,935	10,204

Personnel Summary

Total number of full-time permanent positions.....	220	230	185
Total compensable workyears:			
Full-time equivalent employment.....	265	232	232
Full-time equivalent of overtime and holiday hours.....	1	1	

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), **[\$93,017,000]** \$15,003,000, to remain available until expended, of which \$4,700,000 shall be derived by transfer from the National Park System Visitor Facilities Fund, including \$1,500,000 to carry out the provisions of sections 302, 303, and 304 of Public Law 95-290 and not to exceed \$300,000 for assistance to Mariposa County, California for a solid waste disposal facility: *Provided*, That the National Park Service may not pay a fee for use of the facility at rates higher than for other users of the facility: *Provided [further]*, That for payment of obligations incurred for continued construction of the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, \$31,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599, as amended, such contract authority to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 14-1039-0-1-303	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Construction.....	66,072	144,900	37,000
00.02	Emergency and unscheduled projects.....	1,655	3,300	2,400
00.03	Planning.....	13,873	20,800	7,100
00.91	Total direct program.....	81,600	169,000	46,500
01.01	Reimbursable program.....	34,134	24,000	24,000
10.00	Total obligations.....	115,735	193,000	70,500
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-22,636	-15,000	-14,000
14.00	Non-Federal sources.....	-11,498	-9,000	-10,000
17.00	Recovery of prior year obligations.....	-1,664		
21.40	Unobligated balance available, start of year.....	-82,534	-91,193	-42,710
24.40	Unobligated balance available, end of year.....	91,193	42,710	11,213
39.00	Budget authority.....	88,595	120,517	15,003

**NATIONAL PARK SERVICE—Continued**  
**General and special funds—Continued**

**CONSTRUCTION—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 14-1039-0-1-303	1987 actual	1988 est.	1989 est.
<b>Budget authority:</b>			
40.00 Appropriation.....	79,595	88,317	15,003
41.00 Transferred to other accounts.....	-27,500		
42.00 Transferred from other accounts.....	36,500	32,200	
<b>43.00 Appropriation (adjusted).....</b>	<b>88,595</b>	<b>120,517</b>	<b>15,003</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	81,600	169,000	46,500
72.40 Obligated balance, start of year.....	78,846	58,262	115,054
74.40 Obligated balance, end of year.....	-58,262	-115,054	-85,772
78.00 Adjustments in unexpired accounts.....	-1,664		
<b>90.00 Outlays.....</b>	<b>100,520</b>	<b>112,208</b>	<b>75,782</b>

**Status of Direct Loans (in thousands of dollars)**

Identification code 14-1039-0-1-303	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	9,426	9,426	9,426
1251 Repayments and prepayments.....			-9,426
<b>1290 Outstanding, end of year.....</b>	<b>9,426</b>	<b>9,426</b>	

**Construction.**—This activity provides for: (1) rehabilitation and restoration of historic and cultural resources; (2) rehabilitation of operational structures such as visitor use and maintenance facilities, trails, and utility systems; (3) construction of new visitor use and operational facilities where the need exists; and (4) rehabilitation and construction of park roads and bridges, funded from the Federal Lands Highways program in the Department of Transportation.

**Emergency and unscheduled projects.**—To continue visitor services and preserve resources, minor emergency reconstruction and repair projects are performed.

**Planning.**—Under this activity, the National Park Service conducts environmental, architectural and engineering studies, as well as planning and design activities.

**Object Classification (in thousands of dollars)**

Identification code 14-1039-0-1-303	1987 actual	1988 est.	1989 est.
<b>NATIONAL PARK SERVICE</b>			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	11,630	10,695	10,291
11.3 Other than full-time permanent.....	2,336	729	790
11.5 Other personnel compensation.....	256	250	250
11.8 Special personal services payments.....	6		
<b>11.9 Total personnel compensation.....</b>	<b>14,228</b>	<b>11,674</b>	<b>11,331</b>
12.1 Civilian personnel benefits.....	1,896	851	725
21.0 Travel and transportation of persons.....	1,989	1,850	1,749
22.0 Transportation of things.....	231	215	203
23.3 Communications, utilities, and miscellaneous charges...	437	406	384
24.0 Printing and reproduction.....	298	277	262
25.0 Other services.....	38,531	111,197	24,962
26.0 Supplies and materials.....	1,085	1,009	954
31.0 Equipment.....	729	678	641
32.0 Land and structures.....	6,119	17,659	3,964
42.0 Insurance claims and indemnities.....	2		
<b>99.0 Subtotal, direct obligations, National Park Service...</b>	<b>65,545</b>	<b>145,816</b>	<b>45,175</b>
<b>99.0 Reimbursable obligations, National Park Service.....</b>	<b>34,134</b>	<b>24,000</b>	<b>24,000</b>

**ALLOCATION ACCOUNTS**

<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	913	622	245
11.3 Other than full-time permanent.....	47	55	78
11.5 Other personnel compensation.....	75	30	42
<b>11.9 Total personnel compensation.....</b>	<b>1,035</b>	<b>707</b>	<b>365</b>
12.1 Civilian personnel benefits.....	147	91	44
21.0 Travel and transportation of persons.....	96	60	44
22.0 Transportation of things.....	29	17	13
23.3 Communications, utilities, and miscellaneous charges.....	4	3	1
24.0 Printing and reproduction.....	28	17	11
25.0 Other services.....	406	962	42
26.0 Supplies and materials.....	36	23	16
31.0 Equipment.....	2	1	1
32.0 Land and structures.....	14,244	21,303	788
41.0 Grants, subsidies, and contributions.....	29		
<b>99.0 Subtotal, obligations, allocation accounts.....</b>	<b>16,056</b>	<b>23,184</b>	<b>1,325</b>
<b>99.9 Total obligations.....</b>	<b>115,735</b>	<b>193,000</b>	<b>70,500</b>

**Obligations are distributed as follows:**

National Park Service.....	99,679	169,816	69,175
Department of Defense—Civil Corps of Engineers.....	8,481	4,771	
Department of Transportation Federal Highway Administration...	7,575	18,413	1,325

**Personnel Summary**

**NATIONAL PARK SERVICE**

<b>Direct:</b>			
Total number of full-time permanent positions.....	490	440	400
Total compensable workyears:			
Full-time equivalent employment.....	542	487	444
Full-time equivalent of overtime and holiday hours.....	4	4	4
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	65	60	70
Total compensable workyears:			
Full-time equivalent employment.....	106	97	116
Full-time equivalent of overtime and holiday hours.....	29	29	29

**ALLOCATION ACCOUNTS**

Total number of full-time permanent positions.....	29	19	9
Total compensable workyears:			
Full-time equivalent employment.....	29	20	11
Full-time equivalent of overtime and holiday hours.....	3	1	2

**ROAD CONSTRUCTION**

**Program and Financing (in thousands of dollars)**

Identification code 14-1037-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Roads, trails, and parkways (total obligations) (object class 25.0).....		265	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-250		
21.40 Unobligated balance available, start of year.....	-15	-265	
24.40 Unobligated balance available, end of year.....	265		
<b>39.00 Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		265	
72.40 Obligated balance, start of year.....	744	2	
74.40 Obligated balance, end of year.....	-2		
78.00 Adjustments in unexpired accounts.....	-250		
<b>90.00 Outlays.....</b>	<b>492</b>	<b>266</b>	

The 1978 appropriation completed the liquidation of all prior year obligations in this account.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, **[\$4,904,000: Provided, That contracts awarded for environmental systems, housekeeping, protection systems, and repair or renovation of buildings of the John F. Kennedy Center for the Performing Arts may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price] \$5,193,000.** (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	14-1038-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	4,769	4,904	5,193
<b>Financing:</b>				
25.00	Unobligated balance lapsing	2		
40.00	<b>Budget authority (appropriation)</b>	<b>4,771</b>	<b>4,904</b>	<b>5,193</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	4,769	4,904	5,193
72.40	Obligated balance, start of year	1,431	2,308	1,226
74.40	Obligated balance, end of year	-2,308	-1,226	-1,298
77.00	Adjustments in expired accounts	-8		
90.00	Outlays	3,883	5,986	5,121

Under this appropriation, the Service provides a portion of the operating expenses associated with the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, including maintenance, security, information, interpretation, janitorial, and other services.

Object Classification (in thousands of dollars)

Identification code	14-1038-0-1-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	1,305	1,473	1,546
11.3	Other than full-time permanent	87	59	
11.5	Other personnel compensation	100	100	100
11.8	Special personal services payments	1		
11.9	Total personnel compensation	1,493	1,632	1,646
12.1	Civilian personnel benefits	174	89	154
21.0	Travel and transportation of persons		2	2
23.3	Communications, utilities, and miscellaneous charges	1,168	1,274	1,274
24.0	Printing and reproduction	13	15	15
25.0	Other services	1,541	1,552	1,762
26.0	Supplies and materials	336	300	300
31.0	Equipment	43	40	40
42.0	Insurance claims and indemnities	1		
99.9	Total obligations	4,769	4,904	5,193

Personnel Summary

Total number of full-time permanent positions	64	70	83
<b>Total compensable workyears:</b>			
Full-time equivalent employment	77	78	83
Full-time equivalent of overtime and holiday hours	1	1	1

【URBAN PARK AND RECREATION FUND】

【(RESCISSION)】

【Of the amounts previously appropriated under this heading and unobligated, \$1,900,000 is hereby rescinded.】 (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	14-1031-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	2,088		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-3,220	-1,133	
24.40	Unobligated balance available, end of year	1,133		
40.00	<b>Budget authority (appropriation rescinded) (unobligated balances) (P.L. 100-202)</b>		<b>-1,133</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	2,088		
72.40	Obligated balance, start of year	7,852	5,543	2,745
74.40	Obligated balance, end of year	-5,543	-2,745	-73
77.00	Adjustments in expired accounts	-6		
90.00	Outlays	4,391	2,798	2,672

No funds are requested in 1989 for matching grants to cities for the renovation of urban park and recreation facilities.

【ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION】

【For operation of the Illinois and Michigan Canal National Heritage Corridor Commission, \$250,000.】 (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	14-1043-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	241	250	
<b>Financing:</b>				
25.00	Unobligated balance lapsing	9		
40.00	<b>Budget authority (appropriation)</b>	<b>250</b>	<b>250</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	241	250	
72.40	Obligated balance, start of year	413	362	387
74.40	Obligated balance, end of year	-362	-387	-262
90.00	Outlays	292	225	125

Funds appropriated under this account provide for the establishment and operation of a commission to administer the Illinois and Michigan Canal National Heritage Corridor as authorized by Public Law 98-398.

Object Classification (in thousands of dollars)

Identification code	14-1043-0-1-303	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	52	47	
12.1	Civilian personnel benefits	6	6	
21.0	Travel and transportation of persons	7	8	
23.3	Communications, utilities, and miscellaneous charges	7	8	
24.0	Printing and reproduction	21	15	
25.0	Other services	139	156	
26.0	Supplies and materials	9	10	
99.9	Total obligations	241	250	

Personnel Summary

Total number of full-time permanent positions	2	1
Total compensable workyears: Full-time equivalent employment	2	1

**NATIONAL PARK SERVICE—Continued**  
**General and special funds—Continued**

**JEFFERSON NATIONAL EXPANSION MEMORIAL COMMISSION**

**Program and Financing (in thousands of dollars)**

Identification code 14-1044-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	75		
<b>Financing:</b>			
40.00 Budget authority (appropriation)	75		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	74		
72.40 Obligated balance, start of year	4	7	
74.40 Obligated balance, end of year	-7		
77.00 Adjustments in expired accounts	-1		
90.00 Outlays	71	7	

This appropriation provided operating funds for a commission to consider the potential for the addition of an East St. Louis site to the Jefferson National Expansion Memorial National Historic Site as authorized by Public Law 98-398.

**Object Classification (in thousands of dollars)**

Identification code 14-1044-0-1-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	40		
11.3 Other than full-time permanent	7		
11.9 Total personnel compensation	47		
12.1 Civilian personnel benefits	6		
21.0 Travel and transportation of persons	8		
23.3 Communications, utilities, and miscellaneous charges	1		
24.0 Printing and reproduction	2		
25.0 Other services	8		
26.0 Supplies and materials	1		
31.0 Equipment	2		
99.9 Total obligations	75		

**Personnel Summary**

Total number of full-time permanent positions	1		
Total compensable workyears: Full-time equivalent employment	1		

**NATIONAL PARK SYSTEM VISITOR FACILITIES FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year	8,788	10,601	16,214
Collections (offsetting receipts)	10,313	10,313	10,313
Total available for appropriation	19,101	20,914	26,527
Appropriation: Visitor facilities fund	-8,500	-4,700	
Unappropriated balance, end of year	10,601	16,214	26,527

Note.—Appropriation language providing funds for this account is under the title "Construction, National Park Service"

**Program and Financing (in thousands of dollars)**

Identification code 14-5078-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	1,462	289	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,751	-289	
24.40 Unobligated balance available, end of year	289		
39.00 Budget authority			

<b>Budget authority:</b>			
40.00 Appropriation (definite)	8,500	4,700	
41.00 Transferred to other accounts	-8,500	-4,700	
43.00 <b>Appropriation (adjusted)</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	1,462	289	
72.40 Obligated balance, start of year	-42	836	
74.40 Obligated balance, end of year	-836		
90.00 Outlays	583	1,125	

This fund serves as a repository for concessioner franchise fees that are used to repair and rehabilitate National Park Service-owned facilities that serve the visiting public.

**Object Classification (in thousands of dollars)**

Identification code 14-5078-0-2-303	1987 actual	1988 est.	1989 est.
23.3 Communications, utilities, and miscellaneous charges	1		
25.0 Other services	186	289	
32.0 Land and structures	1,275		
99.9 Total obligations	1,462	289	

**LAND AND WATER CONSERVATION FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Regular account: Unappropriated balance, start of year	4,345,836	5,035,210	5,764,746
Offsetting receipts: Land and Water Conservation Fund Act:			
Recreation fees	8,258		
Surplus property sales	32,442	109,455	108,955
Motorboat fuels tax	1,000	1,000	1,000
Outer Continental Shelf receipts	858,300	789,545	790,045
Total available for appropriation	5,245,836	5,935,210	6,664,746
Appropriations:			
Bureau of Land Management, land acquisition	-3,020	-8,885	-100
Fish and Wildlife Service, land acquisition	-48,240	-51,754	-1,874
National Park Service, land acquisition	-110,130	-60,749	-15,779
Forest Service (Department of Agriculture), land acquisition	-49,236	-49,076	-3,900
Total appropriations	-210,626	-170,464	-21,653
Unappropriated balance, end of year	5,035,210	5,764,746	6,643,093
Special account (Public Law 95-42, sec. 1): Unappropriated balance, start of year	142,621	142,621	142,621
Total available for appropriation	142,621	142,621	142,621
Appropriation			
Unappropriated balance, end of year	142,621	142,621	142,621

The land and water conservation fund includes revenue pursuant to the Land and Water Conservation Fund Act to support land acquisition and administrative expenses for outdoor recreation purposes. Enacted legislation has eliminated the earmarking of receipts from recreation fees to the land and water conservation fund for all agencies beginning in fiscal 1988. Such receipts collected by the National Park Service were transferred to the General Fund of the Treasury in fiscal 1987 pursuant to a provision in Public Law 99-591 and will be retained for use in the National Park System beginning in fiscal year 1988 under the Budget Reconciliation Act of 1987. Under the same Act, provision for revenues annually into the Land and Water



Conservation Fund has been extended through fiscal year 2015.

**LAND ACQUISITION [AND STATE ASSISTANCE]**

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, **[\$60,749,000]** \$15,779,000 to be derived from the Land and Water Conservation Fund, to remain available until expended, including **[\$3,433,000]** \$3,383,000 to administer the State Assistance program [and \$300,000 for acquisition of the Zane Grey House and personal effects at the Upper Delaware Scenic and Recreation River]: *Provided*, That of the amounts previously appropriated to the Secretary's contingency fund for grants to States, **[\$27,000]** \$357,000 shall be available in **[1988]** 1989 for administrative expenses of the State grant program[: *Provided further*, That notwithstanding any other provisions of the Land and Water Conservation Fund Act of 1965, Public Law 88-578, as amended, or other law, Land and Water Conservation Fund assisted land in Pine Bluff, Arkansas, assisted under project No. 05-00128 and No. 05-00196, may be exchanged for existing public lands if Land and Water Conservation Fund conversion criteria regarding equal fair market value and reasonably equivalent use and location are met: *Provided further*, That any Federally-owned land in War in the Pacific National Historical Park that hereafter becomes excess to the needs of the administering agency shall be transferred to the jurisdiction of the National Park Service, without reimbursement, for purposes of the park].

**[LAND AND WATER CONSERVATION FUND]**

**[ (RESCISSION) ]**

**[The contract authority provided for fiscal year 1988 by 16 U.S.C. 4601-10a is rescinded.]** (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-5035-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Land acquisition .....	58,464	100,935	6,100
00.02 Land acquisition administration .....	5,876	6,934	6,296
00.03 State grants .....	46,708	29,263	
00.04 State grant administration .....	3,250	3,675	3,740
10.00 Total obligations .....	114,298	140,807	16,136
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-10,494		
21.40 Unobligated balance available, start of year .....	-41,992	-50,415	-357
24.40 Unobligated balance available, end of year .....	50,415	357	
25.00 Unobligated balance lapsing .....			30,000
39.00 <b>Budget authority</b> .....	<b>112,227</b>	<b>90,749</b>	<b>45,779</b>
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation (special fund) .....		60,749	15,779
41.00 Transferred to other accounts .....	-31,500		
42.00 Transferred from other accounts .....	33,597	30,000	
43.00 <b>Appropriation (adjusted)</b> .....	<b>112,227</b>	<b>90,749</b>	<b>15,779</b>
<b>Permanent:</b>			
69.10 <b>Contract authority (16 U.S.C. 4601-10a)</b> .....			<b>30,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	114,298	140,807	16,136
72.40 Obligated balance, start of year .....	227,815	167,434	141,781
74.40 Obligated balance, end of year .....	-167,434	-141,781	-70,944
78.00 Adjustments in unexpired accounts .....	-10,494		
90.00 <b>Outlays</b> .....	<b>164,185</b>	<b>166,460</b>	<b>86,973</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	112,227	90,749	45,779
Outlays .....	164,185	166,460	86,973
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-30,000
Outlays .....			
Total:			
Budget authority .....	112,227	90,749	15,779
Outlays .....	164,185	166,460	86,973

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 14-5035-0-2-303	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year .....			
Contract authority .....			30,000
Proposed for later transmittal .....			-30,000
Unfunded balance, end of year .....			

This appropriation provides funds to acquire certain lands, or interests in land, for inclusion in the National Park System in order to preserve nationally important natural and historic resources. Funds are also included to manage and coordinate the Land Acquisition Program and to administer prior year State grants awarded from the Land and Water Conservation Fund. No funding for discretionary land acquisition or for State outdoor recreation grants is requested in 1989.

**Object Classification (in thousands of dollars)**

Identification code 14-5035-0-2-303	1987 actual	1988 est.	1989 est.
<b>NATIONAL PARK SERVICE</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,367	6,704	6,987
11.3 Other than full-time permanent .....	301	86	101
11.5 Other personnel compensation .....	87	90	90
11.8 Special personal services payments .....	31	31	31
11.9 Total personnel compensation .....	6,786	6,911	7,209
12.1 Civilian personnel benefits .....	1,045	685	708
21.0 Travel and transportation of persons .....	404	379	394
22.0 Transportation of things .....	33	31	32
23.2 Rental payments to others .....	93	87	90
24.0 Printing and reproduction .....	34	32	33
25.0 Other services .....	309	1,772	303
26.0 Supplies and materials .....	1,222	1,146	1,191
31.0 Equipment .....	177	166	172
32.0 Land and structures .....	57,057	99,539	5,979
41.0 Grants, subsidies, and contributions .....	46,708	29,263	
42.0 Insurance claims and indemnities .....	206	400	25
99.0 Subtotal, direct obligations, National Park Service .....	114,074	140,411	16,136
<b>ALLOCATION ACCOUNTS</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	97		
11.8 Special personal services payments .....	18	18	
11.9 Total personnel compensation .....	115	18	
12.1 Civilian personnel benefits .....	12		
21.0 Travel and transportation of persons .....	14	10	
22.0 Transportation of things .....	3	2	
23.1 Rental payments to GSA .....	8		
23.3 Communications, utilities, and miscellaneous charges .....	10	5	
24.0 Printing and reproduction .....	3	2	
25.0 Other services .....	52	354	
26.0 Supplies and materials .....	7	5	
99.0 Subtotal, obligations, allocation accounts .....	224	396	
99.9 Total obligations .....	114,298	140,807	16,136
<b>Obligations are distributed as follows:</b>			
National Park Service .....	114,074	140,411	16,136

NATIONAL PARK SERVICE—Continued  
General and special funds—Continued  
[LAND AND WATER CONSERVATION FUND]—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 14-5035-0-2-303	1987 actual	1988 est.	1989 est.
Department of Defense—Civil, Corps of Engineers .....	151		
Department of Justice .....	73	396	

Personnel Summary

NATIONAL PARK SERVICE			
Total number of full-time permanent positions.....	180	187	187
Total compensable workyears: Full-time equivalent employment .....	217	197	197

ALLOCATION ACCOUNTS

Total number of full-time permanent positions.....	4		
Total compensable workyears: Full-time equivalent employment .....	4		

LAND ACQUISITION [AND STATE ASSISTANCE]  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 14-5035-2-2-303	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....			-30,000
49.00 <b>Contract authority</b> .....			-30,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

Legislation will be proposed to amend the Land and Water Conservation Fund Act to remove contract authority for land acquisition. Significant increases in the authorized level of the Fund and the use of reprogramming procedures have eliminated the need for this authority.

PLANNING, DEVELOPMENT, AND OPERATION OF RECREATION FACILITIES

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year .....	15,158		
Appropriation: Operation of the National Park System .....	-15,158		
Unappropriated balance, end of year .....			

Program and Financing (in thousands of dollars)

Identification code 14-5006-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		79	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-46		
21.40 Unobligated balance available, start of year .....	-33	-79	
24.40 Unobligated balance available, end of year .....	79		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		79	
72.40 Obligated balance, start of year .....	52	2	
74.40 Obligated balance, end of year .....	-2		
78.00 Adjustments in unexpired accounts .....	-46		
90.00 Outlays .....	5	81	

Balances in this account were appropriated to Operation of the National Park System for fiscal year 1987.

[HISTORIC PRESERVATION FUND]

[For expenses necessary in carrying out the provisions of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), \$28,250,000 to be derived from the Historic Preservation Fund, established by section 108 of that Act, as amended, to remain available for obligation until September 30, 1989: *Provided*, That the Trust Territory of the Pacific Islands is a State eligible for Historic Preservation Fund matching grant assistance as authorized under 16 U.S.C. 470w(2): *Provided further*, That pursuant to section 105(1) of the Compact of Free Association, Public Law 99-239 the Federated States of Micronesia and the Republic of the Marshall Islands shall also be considered States for purposes of this appropriation: *Provided further*, That \$1,000,000 of the amount appropriated herein shall remain available until expended to establish a Bicentennial Lighthouse Fund, to be distributed on a matching grant basis after consultation among the National Park Service, the National Trust for Historic Preservation, State Historic Preservation Officers from States with resources eligible for financial assistance, and the lighthouse community. Consultation shall include such matters as a distribution formula, timing of grant awards, a redistribution procedure for grants remaining unobligated longer than two years after the award date, and related implementation policies. The distribution formula for fiscal year 1988 shall include consideration of such factors as—

(A) the number of lighthouses on or determined to be eligible for listing on the National Register of Historic Places by March 30, 1988;

(B) the number of river lights and number of historic river sites on or determined to be eligible for listing on the National Register by March 30, 1988; and

(C) the availability of matching contributions in the State: *Provided further*, That the Secretary shall allocate appropriate funds from the Bicentennial Lighthouse Fund to be transferred, without the matching requirement, for use by Federal agencies, in cooperative agreements with the National Park Service and the State Office of Historic Preservation in which the property is located, for properties otherwise eligible for the National Register but owned by the Federal Government. ] (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year .....	942,507	1,068,463	1,190,213
Offsetting receipts:			
Historic Preservation Act of 1966, as amended: Outer Continental Shelf Lands Act.....	150,000	150,000	150,000
Total available for appropriation .....	1,092,507	1,218,463	1,340,213
Appropriation .....	-24,250	-28,250	
Unobligated balance returned to unappropriated offsetting receipts .....	206		
Unappropriated balance, end of year .....	1,068,463	1,190,213	1,340,213

Program and Financing (in thousands of dollars)

Identification code 14-5140-0-2-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Grants-in-aid .....	20,322	23,759	
00.02 National trust for historic preservation .....	4,250	4,500	
10.00 Total obligations (object class 41.0) .....	24,572	28,259	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-363	-9	
24.40 Unobligated balance available, end of year .....	9		
25.00 Unobligated balance lapsing .....	33		
40.00 <b>Budget authority (appropriation)</b> .....	24,250	28,250	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	24,572	28,259	
72.40 Obligated balance, start of year .....	15,988	15,317	13,701
74.40 Obligated balance, end of year .....	-15,317	-13,701	

77.00	Adjustments in expired accounts.....	-174		
90.00	Outlays.....	25,069	29,875	13,701

No funding is requested in 1989 for this program funding State historic preservation grants and the National Trust for Historic Preservation.

OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code 14-5049-0-2-303	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
10.00	Total obligations.....	8,603	8,829	8,829
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-16		
21.40	Unobligated balance available, start of year.....	-1,197	-1,440	-1,440
24.40	Unobligated balance available, end of year.....	1,440	1,440	1,440
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>8,829</b>	<b>8,829</b>	<b>8,829</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	8,603	8,829	8,829
72.40	Obligated balance, start of year.....	125	631	631
74.40	Obligated balance, end of year.....	-631	-631	-631
78.00	Adjustments in unexpired accounts.....	-16		
90.00	Outlays.....	8,081	8,829	8,829

Revenues from the rental of Government-owned quarters to park employees are deposited in this account and used to operate and maintain the quarters.

Object Classification (in thousands of dollars)

Identification code 14-5049-0-2-303	1987 actual	1988 est.	1989 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,223	2,248	2,373
11.3	Other than full-time permanent.....	970	987	1,030
11.5	Other personnel compensation.....	61	60	60
11.9	Total personnel compensation.....	3,254	3,295	3,463
12.1	Civilian personnel benefits.....	421	307	337
21.0	Travel and transportation of persons.....	2	2	2
22.0	Transportation of things.....	210	208	208
23.3	Communications, utilities, and miscellaneous charges.....	1,391	1,379	1,379
24.0	Printing and reproduction.....	2	2	2
25.0	Other services.....	391	729	531
26.0	Supplies and materials.....	2,271	2,252	2,252
31.0	Equipment.....	400	397	397
32.0	Land and structures.....	229	227	227
33.0	Investments and loans.....	1	1	1
42.0	Insurance claims and indemnities.....	21	21	21
44.0	Refunds.....	9	9	9
99.9	Total obligations.....	8,603	8,829	8,829

Personnel Summary

Total number of full-time permanent positions.....	87	86	86
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	119	118	118
Full-time equivalent of overtime and holiday hours.....	1	1	1

COMMEMORATIVE ACTIVITIES FUND

Program and Financing (in thousands of dollars)

Identification code 14-5077-0-2-303	1987 actual	1988 est.	1989 est.	
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-8		
21.40	Unobligated balance available, start of year.....	-1		

25.00	Unobligated balance lapsing.....	9		
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
72.40	Obligated balance, start of year.....	8		
78.00	Adjustments in unexpired accounts.....	-8		
90.00	Outlays.....			

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9924-0-2-303	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Educational expenses, children of employees, Yellowstone National Park.....	585	590	590
00.02	Payment for tax losses on land acquired for Grand Teton National Park.....	39	39	39
00.03	Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.....		15	15
00.04	Delaware Water Gap, Route 209 operations.....	407	425	425
10.00	Total obligations.....	1,031	1,069	1,069
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-946	-852	-852
24.40	Unobligated balance available, end of year.....	852	852	852
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>937</b>	<b>1,069</b>	<b>1,069</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,031	1,069	1,069
72.40	Obligated balance, start of year.....	980	41	41
74.40	Obligated balance, end of year.....	-41	-41	-41
90.00	Outlays.....	1,970	1,069	1,069

Distribution of budget authority by account:

Educational expenses, children of employees, Yellowstone National Park.....	500	590	590
Payment for tax losses on land acquired for Grand Teton National Park.....	30	39	39
Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.....	16	15	15
Delaware Water Gap, Route 209 operations.....	391	425	425

Distribution of outlays by account:

Educational expenses, children of employees, Yellowstone National Park.....	1,473	590	590
Payment for tax losses on land acquired for Grand Teton National Park.....	39	39	39
Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.....	-1	15	15
Delaware Water Gap, Route 209 operations.....	459	425	425

*Educational expenses, children of employees, Yellowstone National Park.*—Revenues received from the collection of short-term recreation fees to the park are used to provide educational facilities to pupils who are dependents of persons engaged in the administration, operation, and maintenance of Yellowstone National Park (16 U.S.C. 40a).

*Payment for tax losses on land acquired for Grand Teton National Park.*—Revenues received from fees collected from visitors are used to compensate the State of Wyoming for tax losses on Grand Teton National Park lands (16 U.S.C. 406d-3).

*Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.*—Moneys collected from parking re-

NATIONAL PARK SERVICE—Continued

General and special funds—Continued

MISCELLANEOUS PERMANENT APPROPRIATIONS—Continued

ceipts and office rentals are used for the operation, management, and maintenance of purchased or donated properties as authorized by the Act approved October 26, 1951.

*Delaware Water Gap, Route 209 operations.*—Fees collected for use of Route 209 within the Delaware Water Gap National Recreation Area by commercial vehicles are used for management, operation, and maintenance of the route within the park as authorized by the Act approved July 30, 1983 (97 Stat. 329).

Object Classification (in thousands of dollars)

Identification code 14-9924-0-2-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	143	157	162
11.3 Other than full-time permanent.....	67	35	37
11.5 Other personnel compensation.....	28	30	30
11.9 Total personnel compensation.....	238	222	229
12.1 Civilian personnel benefits.....	26	25	26
23.3 Communications, utilities, and miscellaneous charges.....	4	4	4
25.0 Other services.....	327	640	632
26.0 Supplies and materials.....	138	138	138
31.0 Equipment.....	1	1	1
32.0 Land and structures.....	258		
41.0 Grants, subsidies, and contributions.....	39	39	39
99.9 Total obligations.....	1,031	1,069	1,069

Personnel Summary

Total number of full-time permanent positions.....	12	13	13
Total compensable workyears:			
Full-time equivalent employment.....	14	14	14
Full-time equivalent of overtime and holiday hours.....	1		

Trust Funds

CONSTRUCTION (TRUST FUND)

Note.—Appropriation language providing funds for this account is under the title "Construction, National Park Service".

Program and Financing (in thousands of dollars)

Identification code 14-8215-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Cumberland Gap tunnel.....	287	30,303	58,292
00.02 George Washington memorial highway.....	26	2,474	
10.00 Total obligations.....	314	32,777	58,292
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-5,932		
Unobligated balance available, start of year:			
21.40 Appropriation.....	-10,951	-29,069	-27,292
21.49 Contract authority.....	-124,643	-112,143	-81,143
Unobligated balance available, end of year:			
24.40 Appropriation.....	29,069	27,292	
24.49 Contract authority.....	112,143	81,143	50,143
39.00 Budget authority.....			
Budget authority:			
40.00 Appropriation.....	12,500	31,000	31,000
40.49 Portion applied to liquidate contract authority.....	-12,500	-31,000	-31,000
43.00 Appropriation (adjusted).....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	314	32,777	58,292
72.40 Obligated balance, start of year.....	29,168	11,422	27,399
74.40 Obligated balance, end of year.....	-11,422	-27,399	-64,291

78.00 Adjustments in unexpired accounts.....	-5,932		
90.00 Outlays.....	12,127	16,800	21,400

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year.....	124,643	112,143	81,143
Appropriation to liquidate contract authority.....	-12,500	-31,000	-31,000
Unfunded balance, end of year.....	112,143	81,143	50,143

Public Law 93-87 authorized the relocation of U.S. Route 25E from its existing location through the Cumberland Gap National Historic Park to another alignment involving a 4,100-foot tunnel.

A provision in Public Laws 99-500 and 99-591 provides for improvements to the George Washington Memorial Parkway, subject to funding for an additional lane on the Theodore Roosevelt Bridge.

Object Classification (in thousands of dollars)

Identification code 14-8215-0-7-401	1987 actual	1988 est.	1989 est.
<b>NATIONAL PARK SERVICE</b>			
Personnel compensation:			
11.1 Full-time permanent.....	64	68	70
11.3 Other than full-time permanent.....	3		
11.9 Total personnel compensation.....	67	68	70
12.1 Civilian personnel benefits.....	10	9	9
21.0 Travel and transportation of persons.....	9	9	9
23.3 Communications, utilities, and miscellaneous charges.....	1	1	1
24.0 Printing and reproduction.....	4	4	4
25.0 Other services.....	194	3,235	196
26.0 Supplies and materials.....	8	8	8
31.0 Equipment.....	3	3	3
32.0 Land and structures.....	1	1	1
42.0 Insurance claims and indemnities.....	17		
99.0 Subtotal, obligations, National Park Service.....	314	3,337	300

ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION

Personnel compensation:			
11.1 Full-time permanent.....		237	238
11.3 Other than full-time permanent.....		15	15
11.5 Other personnel compensation.....		10	10
11.9 Total personnel compensation.....		262	263
12.1 Civilian personnel benefits.....		33	34
21.0 Travel and transportation of persons.....		65	65
22.0 Transportation of things.....		14	14
23.3 Communications, utilities, and miscellaneous charges.....		27	27
24.0 Printing and reproduction.....		10	10
25.0 Other services.....		2,558	2,558
26.0 Supplies and materials.....		51	51
31.0 Equipment.....		24	24
32.0 Land and structures.....		26,396	54,946
99.0 Subtotal, obligations, allocation to Federal Highway Administration.....		29,440	57,992
99.9 Total obligations.....	314	32,777	58,292

Personnel Summary

NATIONAL PARK SERVICE			
Total number of full-time permanent positions.....	2	2	2
Total compensable workyears: Full-time equivalent employment.....	2	2	2

ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION

Total number of full-time permanent positions.....	8	8
Total compensable workyears: Full-time equivalent employment.....	10	10

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	14-9972-0-7-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	National Park Service, donations	7,752	13,326	4,445
00.02	Preservation, Birthplace of Abraham Lincoln, National Park Service	4	8	8
00.91	Total operating expenses	7,756	13,334	4,453
01.01	Capital investment: National Park Service, donations	271	1,800	
10.00	Total obligations	8,027	15,134	4,453
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-6		
Unobligated balance available, start of year:				
21.40	Treasury balance	-3,245	-3,695	-3,412
21.40	U.S. securities (par)	-65	-65	-65
Unobligated balance available, end of year:				
24.40	Treasury balance	3,695	3,412	3,412
24.40	U.S. securities (par)	65	65	65
60.00	Budget authority (appropriation) (permanent, indefinite)	8,471	14,852	4,453
Relation of obligations to outlays:				
71.00	Obligations incurred, net	8,027	15,134	4,453
72.40	Obligated balance, start of year	3,216	3,992	1,635
74.40	Obligated balance, end of year	-3,992	-1,635	-985
78.00	Adjustment in unexpired accounts	-6		
90.00	Outlays	7,245	17,491	5,103
Distribution of budget authority by account:				
	National Park Service, donations	8,459	14,844	4,445
	Preservation, Birthplace of Abraham Lincoln, National Park Service	11	8	8
Distribution of outlays by account:				
	National Park Service, donations	7,240	17,483	5,095
	Preservation, Birthplace of Abraham Lincoln, National Park Service	4	8	8

**National Park Service, donations.**—The Secretary of the Interior accepts and uses donated moneys for purposes of the National Park System (16 U.S.C. 6). Substantial donations are included for the restoration of the Statue of Liberty and Ellis Island.

**Preservation, Birthplace of Abraham Lincoln, National Park Service.**—This fund consists of an endowment given by the Lincoln Farm Association, and the interest therefrom is available for preservation of the Abraham Lincoln Birthplace National Historic Site, Ky. (16 U.S.C. 211, 212).

**Jefferson National Expansion Memorial, contributions.**—Contributions accepted from the city of St. Louis or private sources for construction of a national memorial (68 Stat. 98-100).

Object Classification (in thousands of dollars)

Identification code	14-9972-0-7-303	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	493	227	235
11.3	Other than full-time permanent	335	40	41
11.5	Other personnel compensation	135	40	40
11.8	Special personal services payments	1		
11.9	Total personnel compensation	964	307	316
12.1	Civilian personnel benefits	125	36	37
21.0	Travel and transportation of persons	208	146	146
22.0	Transportation of things	18	13	13
23.3	Communications, utilities, and miscellaneous charges	78	55	55
24.0	Printing and reproduction	56	39	39
25.0	Other services	5,778	12,369	3,478
26.0	Supplies and materials	527	369	369

31.0	Equipment	246	1,800	
32.0	Land and structures	25		
42.0	Insurance claims and indemnities	2		
99.9	Total obligations	8,027	15,134	4,453

Personnel Summary

Total number of full-time permanent positions	10	6	6
Total compensable workyears:			
Full-time equivalent employment	10	7	7
Full-time equivalent of overtime and holiday hours	4	4	4

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed [370] 360 passenger motor vehicles, of which [320] 290 shall be for replacement only, including not to exceed [300] 290 for police-type use and [25] 26 buses; to provide, notwithstanding any other provision of law, at a cost not exceeding \$100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service; options for the purchase of land at not to exceed \$1 for each option; and for the procurement and delivery of medical services within the jurisdiction of units of the National Park System: *Provided*, That [no] any funds available to the National Park Service may be used, [unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714] with the approval of the Secretary, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System: *Provided further*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner: *Provided further*, That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for removal of feral burros and horses: *Provided further*, That notwithstanding any other provision of law, the National Park Service may recover unbudgeted costs of providing necessary services associated with special use permits, such reimbursements to be credited to the appropriation current at that time: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

[None of the funds in this Act or any other Act may be used to commence, conduct, or participate in any action in any court of law for condemnation of the property or to initiate a declaration of taking for any property in the Santa Monica Mountains NRA, California against the owner of any inholding having a detached single-family dwelling the construction of which had been begun before January 1, 1978, or against the owner or his assignees of any inholding of a detached single-family dwelling the construction of which had been begun before January 1, 1978, which dwelling may have been destroyed by fire, storm or otherwise.]

No funds shall be available for the National Park Service to issue any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway unless an Environmental Impact Statement is conducted. The Environmental Impact Statement shall be commenced promptly and completed and filed within eighteen (18) months of the date of which [this bill is] *Public Law 100-202* was enacted. After completion and filing, the EIS shall be transmitted to the appropriate Congressional Committees for a period of 60 days, during which time the National Park Service shall not

NATIONAL PARK SERVICE—Continued  
ADMINISTRATIVE PROVISIONS—Continued

issue any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway.

The Environmental Impact Statement shall review the traffic impact of only the proposed 38-acre development opposite Daingerfield Island west of the George Washington Memorial Parkway: *Provided further*, That the National Park Service shall review the impact of the planned development on the visual, recreational and historical integrity of the Parkway.

The Environmental Impact Statement shall also provide an evaluation of alternative acquisition strategies to include but not be limited to appraisal estimates for the access rights, the entire 38-acre parcel, that portion of the 38-acre parcel as defined approximately by the historic district boundary line, and any other recommendations by the National Park Service to mitigate the Parkway degradation effects of the proposed development so as to adequately protect and preserve the Parkway. Such appraisals shall be prepared and filed as soon as is reasonably possible. The National Park Service solely shall determine the legal and factual sufficiency of the Environmental Impact Statement and its compliance with the National Environmental Policy Act of 1969.

The Environmental Impact Statement shall be separate from, independent of, and in no way intended to affect or modify any pending litigation. Notwithstanding any other provision of law, no court shall have jurisdiction to consider questions respecting the factual and legal sufficiency of the Environmental Impact Statement under the National Environmental Policy Act of 1969. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

- Department of Agriculture, Forest Service: "Forest protection and utilization"
- Department of Commerce:
  - "Regional development program"
  - "Regional action planning commission"
- Department of Transportation, Federal Highway Administration:
  - "Trust fund"
- Department of Navy: "Military construction"
- Appalachian Regional Commission: "Appalachian regional development program"
- Bureau of Reclamation: "Construction and rehabilitation"
- Department of State:
  - "Salaries and Expenses, Special Foreign Currency Programs;"
  - "American Sections, International Commission"
  - "United States-India Fund for Cultural, Educational, and Scientific Cooperation"

INDIAN AFFAIRS

BUREAU OF INDIAN AFFAIRS

*Federal Funds*

**General and special funds:**

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [\$970,756,000, of which not less than \$47,787,000 shall remain available until expended for contract support for contracts entered into under Public Law 93-638; and] \$983,416,000, of which not to exceed [\$51,121,000] \$68,104,000 for higher education scholarships, *adult vocational training*, and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), [and \$25,000,000 for firefighting] shall remain available for obligation until September 30, [1989] 1990, and of which \$18,700,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102

of the Department of the Interior and Related Agencies Appropriations Act, 1988, shall remain available until expended, and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, [1989] 1990: *Provided*, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services; and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640d-18(a)), [\$1,971,000] \$1,997,000, to remain available until expended: *Provided further*, That none of the funds appropriated to the Bureau of Indian Affairs shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act: *Provided further*, That the amounts available for assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall be distributed on the same basis as such funds were distributed in fiscal year 1986: *Provided further*, That notwithstanding any provision of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act, the amounts appropriated for fiscal year 1988 for the Bureau of Indian Affairs for the Institute of American Indian Arts shall be available to operate the Institute until the Board of Regents and President of the Institute have been named and had an opportunity to organize, and for use under part A of that Act: *Provided further*, That the savings realized by the Bureau of Indian Affairs from the transfer of fish hatcheries to the United States Fish and Wildlife Service shall be available for cyclical maintenance of tribally-owned fish hatcheries and related facilities: *Provided further*, That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress: *Provided further*, That none of the funds contained in this Act shall be available for any payment to any school to which such school would otherwise be entitled pursuant to section 1128(b) of Public Law 95-561, as amended, until after July 1, 1988: *Provided further*, That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until the Congress has specifically approved the school closure or provided for disposition of the property in legislation: *Provided further*, That none of the funds in this Act shall be used by the Bureau of Indian Affairs to transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled, and the tribe or individual has been provided with an accounting of such funds, and the appropriate Committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement: *Provided further*, That none of the funds in this Act shall be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' higher education grant program that were not in effect on March 1, 1987: *Provided further*, That none of the funds in this Act shall be used to implement proposed initiatives to transfer any school operated by the Bureau to the control of any tribe, State, or local government agency (except that this prohibition shall not apply with respect to the transfer of a Bureau-operated school to the control of an Indian tribe under a contract entered into under the Indian Self-Determination and Education Assistance Act if the governing body of the Indian tribe approves of the transfer); to charge tuition at Bureau post-secondary schools; to implement the proposed economic self-assistance initiative (except for a limited demonstration program); to change the method of funding tribal contractor indirect costs, including imposition of a flat rate for contract support costs; to make available to the Bureau administrative deductions collected from Indian timber sales; to contract out the administration of the Bureau forestry program or any other Bureau-operated programs without prior approval of the Committees on Appropriations; or to implement any reorganizations, including "regionalization" of programs, without the prior approval of the Committees on Appropriations: *Provided further*, That Public Law 99-349 is amended by deleting under the heading "Bureau of Indian Affairs, Operation of Indian Programs" the second, third, and fourth provisos and substituting: "*Provided further*, That the funds appropriated hereunder shall be used pursuant to the consent decree and subsequent court orders in *United States v. Michigan (M-26-73)*."": *Provided further*, That \$120,000 of the amounts provided for education program management shall be available for a grant to the Close Up Founda-

tion]: Provided further, That all funds otherwise available to the Bureau of Indian Affairs to support projects and activities for the benefit of the Rosebud Sioux Tribe, the Mescalero Apache Tribe, the Mille Lacs Reservation, the Red Lake Tribe, the Confederated Salish and Kootenai Tribes, the Quinault Tribe, the Hoopa Valley Tribe, the Lummi Tribe, the Tlingit and Haida Indians, and the Jamestown Klallam Tribe may be used to support voluntary intergovernmental agreements with such tribes to carry out programs and activities designed to meet tribally-determined needs so long as such activities are authorized by law: Provided further, That funds available for trust services to individual Indians on these reservations are available to support such voluntary intergovernmental agreements only to the extent that such agreements provide for the same trust services to be provided to individual Indians by the tribe: Provided further, That the intergovernmental agreements shall also include a clear delineation of trust responsibility functions assumed by the tribe and those retained by the U.S. Government: Provided further, That with respect to trust responsibility functions assumed by the tribe, the United States shall not be responsible or liable for any act or omission by the named tribe or its contractors, subcontractors, or others acting on behalf of the named tribe in carrying out that agreement, including but not limited to responsibilities or liabilities for trust functions, contract damages, or tort liability: Provided further, That if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year 1989 are less than amounts estimated in the Budget, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	14-2100-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Education.....	316,504	272,945	264,644
00.02	Indian services.....	221,411	282,398	270,626
00.03	Navajo/Hopi settlement program.....	4,241	2,277	1,997
00.04	Economic development.....	71,321	39,543	38,238
00.05	Natural resources development.....	144,204	138,201	119,970
00.06	Trust responsibilities.....	41,401	55,395	61,697
00.07	Facilities management.....	88,522	82,141	81,711
00.08	General administration.....	83,112	92,035	99,533
00.91	Total direct program.....	970,716	964,935	938,416
01.01	Reimbursable program.....	48,722	49,000	49,000
10.00	Total obligations.....	1,019,438	1,013,935	987,416
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-45,000	-46,000	-46,000
14.00	Non-Federal sources.....	-3,722	-3,000	-3,000
21.40	Unobligated balance available, start of year.....	-45,589	-3,077	-866
22.40	Unobligated balance transferred, net.....	-26,732	-16,968	.....
24.40	Unobligated balance available, end of year.....	3,077	866	866
25.00	Unobligated balance lapsing.....	12,128	.....	.....
39.00	<b>Budget authority.....</b>	<b>913,600</b>	<b>945,756</b>	<b>938,416</b>
Budget authority:				
40.00	Appropriation.....	938,600	970,756	938,416
41.00	Transferred to other accounts.....	-25,000	-25,000	.....
43.00	<b>Appropriation (adjusted).....</b>	<b>913,600</b>	<b>945,756</b>	<b>938,416</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	970,716	964,935	938,416
72.40	Obligated balance, start of year.....	199,720	173,310	206,332
74.40	Obligated balance, end of year.....	-173,310	-206,332	-202,882
77.00	Adjustments in expired accounts.....	-66,797	.....	.....
90.00	<b>Outlays.....</b>	<b>930,329</b>	<b>931,913</b>	<b>941,866</b>

**Tribe/agency operations.**—The budget activities described below, with the exception of the Navajo/Hopi settlement program and facilities management, contain a tribe/agency operations component. This component supports various programs in the field among which funding is allocated subject to tribal priorities rather than national programmatic priorities.

**Education.**—The Bureau of Indian Affairs operates schools and supports tribally operated schools.

The Bureau provides financial assistance to Indian students for higher education studies, supports some tribally operated post-secondary institutions, and offers continuing education programs in many communities.

**Indian services.**—This activity includes municipal-type government services for Indian communities, along with assistance to tribes in self-government. Individual Indians are assisted by vocational training and employment placement.

**Navajo/Hopi Settlement Program.**—This activity provides for range management and grazing capacity restoration on lands lying within the former Navajo/Hopi Joint Use Area.

**Economic development.**—Economic development is encouraged and assisted through programs of technical and financial aid to Indian individuals and organizations. Indian tribal organizations and individuals are assisted with securing and managing loans. Individual Indians are assisted by vocational training and employment placement. Roads are maintained to provide for the movement of people and goods as needed by Indian communities.

**Natural resources development.**—This activity provides for the conservation, development and use of Indian land, water, and related resources.

**Trust responsibilities.**—This activity provides for the protection of Indian rights and property, and the management of assets held in trust for Indian tribes and individuals.

**Facilities management.**—This activity provides for the maintenance and operation of Bureau facilities and the provision for GSA owned or leased facilities.

**General administration.**—These functions include executive direction, administrative services, safety management, employee compensation payments, construction management, and education program management.

Object Classification (in thousands of dollars)

Identification code	14-2100-0-1-999	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	172,271	176,195	179,392
11.3	Other than full-time permanent.....	82,565	82,746	84,247
11.5	Other personnel compensation.....	16,624	16,880	17,186
11.9	Total personnel compensation.....	271,460	275,821	280,825
12.1	Civilian personnel benefits.....	44,321	44,959	45,774
13.0	Benefits for former personnel.....	1,692	2,000	2,000
21.0	Travel and transportation of persons.....	16,381	18,342	16,292
22.0	Transportation of things.....	8,761	9,258	8,697
23.1	Rental payments to GSA.....	17,692	18,711	17,578
23.3	Communications, utilities, and miscellaneous charges... ..	16,544	17,473	16,415
24.0	Printing and reproduction.....	1,240	1,304	1,225
25.0	Other services.....	396,385	408,119	390,392
26.0	Supplies and materials.....	51,132	54,048	51,275
31.0	Equipment.....	13,357	14,148	13,291
32.0	Land and structures.....	2,240	2,347	2,205
33.0	Investments and loans.....	394	395	367
41.0	Grants, subsidies, and contributions.....	129,035	97,925	91,995
42.0	Insurance claims and indemnities.....	64	65	65
43.0	Interest and dividends.....	18	20	20
99.0	Subtotal, direct obligations.....	970,716	964,935	938,416
99.0	Reimbursable obligations.....	48,722	49,000	49,000
99.9	Total obligations.....	1,019,438	1,013,935	987,416

**BUREAU OF INDIAN AFFAIRS—Continued**  
**General and special funds—Continued**

**OPERATION OF INDIAN PROGRAMS—Continued**

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	10,077	10,132	10,109
Total compensable workyears:			
Full-time equivalent employment .....	11,197	11,258	11,233
Full-time equivalent of overtime and holiday hours .....	289	250	230
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	702	702	702
Total compensable workyears:			
Full-time equivalent employment .....	780	780	780
Full-time equivalent of overtime and holiday hours .....	15	15	15

**CONSTRUCTION**

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and [construction,] repair[,] and improvement of Indian housing, [\$83,225,000] \$56,793,000 to remain available until expended: *Provided*, That [of this amount, up to \$6,400,000 shall be made available for planning, design and construction of the Choctaw Central School in Mississippi: *Provided further*, That the portion of the \$6,400,000 related to construction shall not be released until (1) an application for the new school has been submitted to the Bureau of Indian Affairs and the Office of Construction Management; (2) the application has been reviewed and ranked on the school construction priority system; and (3) the planning and design for the new school has been completed: *Provided further*, That \$1,482,000] \$1,449,000 of the funds appropriated for use by the Secretary to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974 (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), may be used for counseling, archeological clearances, [water production] and administration related to the relocation of Navajo families[: *Provided further*, That \$1,500,000 of the funds made available in this Act shall be available for rehabilitation of tribally-owned fish hatcheries and related facilities: *Provided further*, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further*, That none of the funds available in this Act may be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' housing improvement program that were not in effect on October 1, 1986]. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-2301-0-1-452				
	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Buildings and utilities .....	45,092	35,000	35,000
00.02	Irrigation systems .....	10,727	25,000	18,000
00.03	Housing .....	23,677	38,000	22,000
00.04	Land acquisition .....	2,083	3,620	.....
00.05	Fish hatcheries .....	.....	1,500	.....
00.91	Total direct program .....	81,579	103,120	75,000
01.01	Reimbursable program .....	372	600	600
10.00	Total obligations .....	81,951	103,720	75,600
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	- 372	- 600	- 600
21.40	Unobligated balance available, start of year .....	- 65,802	- 61,092	- 49,228
22.40	Unobligated balance transferred, net .....	26,732	16,968	.....
24.40	Unobligated balance available, end of year .....	61,092	49,228	31,021
39.00	<b>Budget authority</b> .....	<b>103,601</b>	<b>108,225</b>	<b>56,793</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	88,601	83,225	56,793
42.00	Transferred from other accounts .....	15,000	25,000	.....
43.00	<b>Appropriation (adjusted)</b> .....	<b>103,601</b>	<b>108,225</b>	<b>56,793</b>

<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	81,579	103,120	75,000
72.40	Obligated balance, start of year .....	82,638	77,215	66,884
74.40	Obligated balance, end of year .....	- 77,215	- 66,884	- 63,024
90.00	Outlays .....	87,002	113,451	78,860

**Buildings and utilities.**—This activity consists of construction and rehabilitation of Bureau facilities.

**Irrigation systems.**—This activity provides for the construction, extension, and rehabilitation of irrigation projects, dams, and related power systems on Indian reservations.

**Housing.**—This program provides for the repair of housing for needy Indians.

**Fish hatcheries.**—This program provides for the rehabilitation of tribal fish hatcheries funded through the Bureau.

**Object Classification (in thousands of dollars)**

Identification code 14-2301-0-1-452				
	1987 actual	1988 est.	1989 est.	
<b>BUREAU OF INDIAN AFFAIRS</b>				
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	3,722	3,859	3,742
11.3	Other than full-time permanent .....	352	400	400
11.5	Other personnel compensation .....	49	50	50
11.8	Special personal services payments .....	86	.....	.....
11.9	Total personnel compensation .....	4,209	4,309	4,192
12.1	Civilian personnel benefits .....	709	719	699
13.0	Benefits for former personnel .....	3	5	5
21.0	Travel and transportation of persons .....	523	525	530
22.0	Transportation of things .....	110	120	125
23.2	Rental payments to others .....	84	100	110
24.0	Printing and reproduction .....	15	20	25
25.0	Other services .....	26,443	40,542	26,515
26.0	Supplies and materials .....	1,100	1,500	1,600
31.0	Equipment .....	1,533	2,000	2,000
32.0	Land and structures .....	38,821	42,000	28,000
41.0	Grants, subsidies, and contributions .....	3,366	3,500	4,000
99.0	Subtotal, direct obligations, Bureau of Indian Affairs .....	76,916	95,340	67,801
99.0	Reimbursable obligations, Bureau of Indian Affairs .....	372	600	600
<b>ALLOCATION TO BUREAU OF RECLAMATION</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	417	381	395
11.3	Other than full-time permanent .....	13	13	13
11.5	Other personnel compensation .....	7	10	7
11.9	Total personnel compensation .....	437	404	415
12.1	Civilian personnel benefits .....	88	81	84
13.0	Benefits for former personnel .....	3	6	3
21.0	Travel and transportation of persons .....	22	23	24
22.0	Transportation of things .....	5	8	5
23.1	Rental payments to GSA .....	24	24	20
23.2	Rental payments to others .....	26	30	28
23.3	Communications, utilities, and miscellaneous charges .....	13	20	20
24.0	Printing and reproduction .....	4	4	4
25.0	Other services .....	877	720	500
26.0	Supplies and materials .....	9	15	10
31.0	Equipment .....	5	6	5
32.0	Land and structures .....	3,150	6,439	6,081
99.0	Subtotal, direct obligations, Bureau of Reclamation .....	4,663	7,780	7,199
99.9	Total obligations .....	81,951	103,720	75,600

**Personnel Summary**

<b>BUREAU OF INDIAN AFFAIRS</b>			
Total number of full-time permanent positions .....	117	118	118



Total compensable workyears:			
Full-time equivalent employment .....	130	131	131
Full-time equivalent of overtime and holiday hours .....	2	2	2
<b>ALLOCATION TO BUREAU OF RECLAMATION</b>			
Total number of full-time permanent positions .....	10	9	9
Total compensable workyears: Full-time equivalent employment .....	10	10	10

**ROAD CONSTRUCTION**

For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), \$1,000,000 for the Honobia Indian Road in Oklahoma, to remain available until expended: *Provided, That not* Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-2364-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program .....		6,000	5,611
01.01 Reimbursable program .....	3,682	6,300	7,300
10.00 Total obligations .....	3,682	12,300	12,911
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-4,104	-5,300	-6,300
14.00 Non-Federal sources .....	-26	-1,000	-1,000
21.40 Unobligated balance available, start of year .....	-10,165	-10,611	-5,611
24.40 Unobligated balance available, end of year .....	10,611	5,611	
40.00 Budget authority (appropriation) .....		1,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-447	6,000	5,611
72.40 Obligated balance, start of year .....	4,724	3,104	4,204
74.40 Obligated balance, end of year .....	-3,104	-4,204	-7,715
90.00 Outlays .....	1,173	4,900	2,100

The Bureau is responsible for construction and improvement of about 24,000 miles of roads and 730 bridges. Program funds authorized at \$80,000,000 are provided through contract authority from the Highway Trust Fund under the Federal Lands Highway Program of the Department of Transportation.

**Object Classification (in thousands of dollars)**

Identification code 14-2364-0-1-452	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....		560	570
11.3 Other than full-time permanent .....		131	132
11.5 Other personnel compensation .....		58	58
11.9 Total personnel compensation .....		749	760
12.1 Civilian personnel benefits .....		92	94
21.0 Travel and transportation of persons .....		300	300
22.0 Transportation of things .....		10	10
23.3 Communications, utilities, and miscellaneous charges .....		600	600
24.0 Printing and reproduction .....		10	10
25.0 Other services .....		2,039	1,837
26.0 Supplies and materials .....		1,000	1,000
32.0 Land and structures .....		1,200	1,000
99.0 Subtotal, direct obligations .....		6,000	5,611
99.0 Reimbursable obligations .....	3,682	6,300	7,300
99.9 Total obligations .....	3,682	12,300	12,911

**Personnel Summary**

Total number of full-time permanent positions .....	76	28	28
Total compensable workyears:			
Full-time equivalent employment .....	84	31	31
Full-time equivalent of overtime and holiday hours .....	2	1	1

**PAYMENT TO WHITE EARTH ECONOMIC DEVELOPMENT AND TRIBAL GOVERNMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 14-2204-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	6,600	59	
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	6,600	59	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	6,600	59	
90.00 Outlays .....	6,600	59	

A payment to the White Earth Economic Development and Tribal Government Fund was made in fiscal 1987 pursuant to section 12 of Public Law 99-264, the White Earth Reservation Claims Settlement Act. An additional payment was made to this fund in fiscal year 1988 pursuant to section 6(c) of Public Law 100-153, the Indian Law Technical Amendments of 1987.

**MISCELLANEOUS PAYMENTS TO INDIANS**

For miscellaneous payments to Indian tribes and individuals pursuant to Public Laws 98-500, 99-264, and 99-503, including funds for necessary administrative expenses, **[\$13,340,000]** \$13,955,000, to remain available until expended: *Provided, That,* of which not to exceed **[\$10,700,000]** \$11,300,000 is made available to the Tohono O'odham Nation for purposes authorized in the Gila Bend Indian Reservation Lands Replacement Act, Public Law 99-503. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 14-2303-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 White Earth Act administration .....		500	511
00.02 Old Age Assistance Claims Settlement Act .....		2,140	2,144
00.03 Gila Bend Lands replacement .....		10,700	11,300
10.00 Total obligations .....		13,340	13,955
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....		13,340	13,955
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		13,340	13,955
72.40 Obligated balance, start of year .....			1,174
74.40 Obligated balance, end of year .....		-1,174	-1,228
90.00 Outlays .....		12,166	13,901

This account covers expenses associated with the following three Acts:

*White Earth Reservation Claims Settlement Act (Public Law 99-264).*—Funds will be used to investigate and verify questionable transfers of land by which individual Indian allottees, or their heirs, were divested of ownership.

*Old Age Assistance Claims Settlement Act (Public Law 98-500).*—Funds will be used to identify, notify and compensate individuals entitled to compensation under

BUREAU OF INDIAN AFFAIRS—Continued

General and special funds—Continued

MISCELLANEOUS PAYMENTS TO INDIANS—Continued

this Act for unauthorized disbursement of \$50 or more made by the Department of the Interior to repay states and counties for old age assistance benefits received by Indian decedents during their lifetimes.

*Gila Bend Indian Reservation Lands Replacement Act (Public Law 99-503).*—Section 4 of this Act requires the Secretary of the Interior to pay to the Tohono O’Odham Nation \$10,000,000 in fiscal years 1988, 1989 and 1990 along with interest accrued from the date of enactment, conditioned upon the Nation assigning to the United States all right, title and interest, of the Nation in 9,880 acres of land within the Gila Bend Indian Reservation.

Object Classification (in thousands of dollars)

Identification code	14-2303-0-1-452	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....		543	557
11.3	Other than full-time permanent.....		23	23
11.9	Total personnel compensation.....		566	580
12.1	Civilian personnel benefits.....		91	93
21.0	Travel and transportation of persons.....		45	47
23.2	Rental payments to GSA.....		48	50
25.0	Other services.....		11	11
26.0	Supplies and materials.....		19	20
31.0	Equipment.....		60	63
41.0	Grants, subsidies, and contributions.....		12,500	13,091
99.9	Total obligations.....		13,340	13,955

Personnel Summary

Total number of full-time permanent positions.....	26	26	26
Total compensable work years:			
Full-time equivalent employment.....	29	29	29
Full-time equivalent of overtime and holiday hours.....	1	1	1

EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND

Program and Financing (in thousands of dollars)

Identification Code	14-2202-0-1-808	1987 Actual	1988 Est.	1989 Est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-54	-54	-54
24.40	Unobligated balance available, end of year.....	54	54	54
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

Payments were made to the Rhode Island Indian claims settlement fund as authorized by Public Law 95-395, September 30, 1978, for settlement of certain Indian land claims in the State of Rhode Island.

INDIAN DIRECT LOAN SUBSIDIES

Program and Financing (in thousands of dollars)

Identification code	14-2627-6-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			3,175

<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b> .....			3,175
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			3,175
90.00	Outlays.....			3,175

Status of Direct Loans (in thousands of dollars)

Identification code	14-2627-6-1-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			13,000
1150	Total direct loan obligations.....			13,000
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements.....			13,000
1251	Repayments: Repayments and prepayment.....			-400
1290	Outstanding, end of year.....			12,600
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			24.4
1330	Subsidy amount (in thousands of dollars).....			3,175

This schedule shows the effects of the Administration’s credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

INDIAN GUARANTEED LOAN SUBSIDIES

Program and Financing (in thousands of dollars)

Identification code	14-2628-6-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			11,250
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b> .....			11,250
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			11,250
90.00	Outlays.....			11,250

Status of Guaranteed Loans (in thousands of dollars)

Identification code	14-2628-6-1-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders.....			45,000
2150	Total guaranteed loan commitments.....			45,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans.....			45,000
2251	Repayments: Prepayments and prepayments.....			-1,710
2290	Outstanding, end of year.....			43,290
2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....			38,095
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent).....			25.0
2330	Subsidy amount (in thousands of dollars).....			11,250

This schedule shows the effects of the Administration’s credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan

commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code 14-5051-0-2-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	6,985	7,100	7,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-3,052	-2,757	-2,657
24.40 Unobligated balance available, end of year.....	2,757	2,657	2,657
60.00 <b>Appropriation</b> (permanent, special fund).....	<b>6,690</b>	<b>7,000</b>	<b>7,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	6,985	7,100	7,000
72.40 Obligated balance, start of year.....	3,162	1,794	1,894
74.40 Obligated balance, end of year.....	-1,794	-1,894	-1,894
90.00 Outlays.....	8,353	7,000	7,000

Public Law 88-459 (Federal Employees Quarters and Facilities Act of 1964) is the basic authority under which the Secretary utilizes quarters rentals funds to defer the costs of operation and maintenance incidental to the employee quarters program. Public Law 98-473 established a special fund, to remain available until expended, for the operation and maintenance of quarters.

Object Classification (in thousands of dollars)

Identification code 14-5051-0-2-452	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	607	607	607
11.3 Other than full-time permanent.....	2,486	2,486	2,486
11.5 Other personnel compensation.....	43	43	43
11.9 Total personnel compensation.....	3,136	3,136	3,136
12.1 Civilian personnel benefits.....	342	342	342
21.0 Travel and transportation of persons.....	46	50	50
22.0 Transportation of things.....	39	40	40
24.0 Printing and reproduction.....	1		
25.0 Other services.....	1,520	1,600	1,500
26.0 Supplies and materials.....	1,075	1,087	1,087
31.0 Equipment.....	76	65	65
32.0 Land and structures.....	747	780	780
42.0 Insurance claims and indemnities.....	2		
44.0 Refunds.....	1		
99.9 Total obligations.....	6,985	7,100	7,000

Personnel Summary

Total number of full-time permanent positions.....	113	99	99
Total compensable workyears:			
Full-time equivalent employment.....	126	110	110
Full-time equivalent of overtime and holiday hours.....	3	2	2

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9925-0-2-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Claims and treaty obligations.....	1,048	2,000	2,000
00.02 Operation and maintenance, Indian irrigation systems.....	15,918	16,000	16,000
00.03 Power systems, Indian irrigation projects.....	24,894	25,000	25,000
00.04 Lumni diking project.....	22		
10.00 Total obligations.....	41,882	43,000	43,000

Financing:

21.40 Unobligated balance available, start of year.....	-32,201	-37,031	-42,031
24.40 Unobligated balance available, end of year.....	37,031	42,031	47,031

60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....	<b>46,712</b>	<b>48,000</b>	<b>48,000</b>
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Relation of obligations to outlays:

71.00 Obligations incurred, net.....	41,882	43,000	43,000
72.40 Obligated balance, start of year.....	7,846	8,803	11,003
74.40 Obligated balance, end of year.....	-8,803	-11,003	-13,203

90.00 Outlays.....	40,925	40,800	40,800
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Distribution of budget authority by account:

Claims and treaty obligations (general fund).....	1,048	2,000	2,000
Operation and maintenance, Indian irrigation systems (special fund).....	17,658	18,000	18,000
Power systems, Indian irrigation projects (special fund).....	28,006	28,000	28,000

Distribution of outlays by account:

Claims and treaty obligations (general fund).....	1,122	2,000	2,000
Operation and maintenance, Indian irrigation systems (special fund).....	16,160	15,300	15,300
Power systems, Indian irrigation projects (special fund).....	23,643	23,500	23,500

*Claims and treaty obligations.*—Payments are made to fulfill treaty obligations with the Senecas of New York (act of February 19, 1831), the Six Nations of New York (act of November 11, 1794), and the Pawnees of Oklahoma (the treaty of September 24, 1857); and benefit claims to the Sioux Indians (acts of March 2, 1889, June 10, 1896, and June 21, 1906).

*Operation and maintenance, Indian irrigation systems.*—Revenues derived from charges for operation and maintenance of Indian irrigation projects are used to defray in part the cost of operating and maintaining these projects (60 Stat. 895).

*Power systems, Indian irrigation projects.*—Revenues collected from the sale of electric power by the Colorado River, Flathead, and San Carlos power systems are used to operate and maintain these systems (60 Stat. 895; 65 Stat. 254).

*Lumni diking project.*—Revenues derived from charges for construction, operation, and maintenance for each tract of land within the project which, as of September 17, 1965, was in a trust or restricted status, are available to pay assessments made against each such tract (act of September 17, 1965, Public Law 89-190, 79 Stat. 821).

Object Classification (in thousands of dollars)

Identification code 14-9925-0-2-999	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	8,510	9,361	9,455
11.3 Other than full-time permanent.....	2,218	2,240	2,262
11.5 Other personnel compensation.....	611	617	923
11.9 Total personnel compensation.....	11,339	12,218	12,640
12.1 Civilian personnel benefits.....	1,761	1,779	1,797
21.0 Travel and transportation of persons.....	180	180	180
22.0 Transportation of things.....	418	418	418
23.2 Rental payments to others.....	9,171	9,171	9,171
24.0 Printing and reproduction.....	4	4	4
25.0 Other services.....	2,328	2,549	2,109
26.0 Supplies and materials.....	12,231	12,231	12,231
31.0 Equipment.....	2,028	2,028	2,028
32.0 Land and structures.....	125	125	125
41.0 Grants, subsidies, and contributions.....	2,297	2,297	2,297
99.9 Total obligations.....	41,882	43,000	43,000

**BUREAU OF INDIAN AFFAIRS—Continued**  
**General and special funds—Continued**  
**MISCELLANEOUS PERMANENT APPROPRIATIONS—Continued**

**Personnel Summary**

Total number of full-time permanent positions.....	369	369	369
Total compensable workyears:			
Full-time equivalent employment .....	410	410	410
Full-time equivalent of overtime and holiday hours .....	8	8	8

**Public enterprise funds:**

**REVOLVING FUND FOR LOANS**

During fiscal year [1988] 1989, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed [resources and authority available] \$13,000,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 14-4409-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	7,470	13,000	13,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
14.00 Collections of loans .....	-4,486	-5,200	-5,475
14.00 Revenues, interest on loans .....	-5,484	-6,200	-6,575
21.98 Unobligated balance available, start of year: Fund balance .....	-3,414	-5,916	-4,316
24.98 Unobligated balance available, end of year: Fund balance .....	5,916	4,316	3,366
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-2,502	1,600	950
72.98 Obligated balance, start of year: Fund balance .....	4,118	2,685	1,200
74.98 Obligated balance, end of year: Fund balance .....	-2,685	-1,200	-1,360
90.00 Outlays .....	-1,069	3,085	790

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....			
Outlays .....	-1,069	3,085	790
Credit reform:			
Budget authority .....			
Outlays .....			-12,600
Total:			
Budget authority .....			
Outlays .....	-1,069	3,085	-11,810

**Status of Direct Loans (in thousands of dollars)**

Identification code 14-4409-0-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....	16,320		13,000
1112 Unobligated direct loan limitation .....	-8,851		
1131 Direct loan obligations exempt from limitation .....		13,000	
1150 Total direct loan obligations .....	7,469	13,000	13,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	106,306	108,372	114,557
1231 Disbursements: Direct loan disbursements .....	9,586	14,485	13,000
1251 Repayments: Repayments and prepayments .....	-4,485	-5,200	-5,875
1262 Adjustments: Write-offs for default .....	-3,035	-3,100	-3,200
1290 Outstanding, end of year .....	108,372	114,557	118,482
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....	26.1	24.3	24.4
1330 Subsidy amount (in thousands of dollars) .....	1,949	3,159	3,175

This fund, established by the Indian Financing Act of 1974, provides a source of financing for Indians who cannot borrow from other Government credit agencies or from ordinary commercial lenders because of their low economic status, isolated geographic location, trust status of land, lack of bankable security, or other reasons. Direct loans are made for any purpose that will promote the economic development of the borrower, including loans for educational purposes.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Loan program:</b>			
Revenue .....	5,484	6,200	6,600
Expense .....		-3,100	-3,200
Net operating income .....	5,484	3,100	3,400

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	7,532	8,601	4,315	3,415
Accounts receivable .....	729	45		
Loans receivable, net .....	90,905	96,004	103,435	107,735
Total assets .....	99,166	104,650	107,750	111,150
<b>Liabilities:</b>				
Selected liabilities: Accounts payable .....	4,847	2,730		
<b>Government equity:</b>				
Selected equities: Unexpended budget authority:				
Unobligated balance .....	3,414	5,916	4,315	3,415
Invested capital .....	90,905	96,004	103,435	107,735
Total Government equity .....	94,319	101,920	107,750	111,150

**REVOLVING FUNDS FOR LOANS**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 14-4409-6-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....			-13,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....			400
24.98 Unobligated balance available, end of year .....			12,600
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-12,600
90.00 Outlays .....			-12,600

**Status of Direct Loans (in thousands of dollars)**

Identification code 14-4409-6-3-452	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....			-13,000
1150 Total direct loan obligations .....			-13,000
<b>Cumulative balance of direct loans outstanding:</b>			
1231 Disbursements: Direct loan disbursements .....			-13,000
1251 Repayments: Repayments and prepayment .....			400
1290 Outstanding, end of year .....			-12,600
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....			24.4
1330 Subsidy amount (in thousands of dollars) .....			3,175

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), **[\$3,085,000]** \$2,618,000, to remain available until expended: *Provided*, That during fiscal year **[1988]** 1989, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, as amended, may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed **[resources and authority available]** \$45,000,000: *Provided further*, That, beginning October 1, 1988 and thereafter, agreements made by the Secretary for subsidy payments under Section 301 (25 U.S.C. 1511 of the Indian Financing Act of 1974) shall provide for the reduction and termination of the subsidy payments over a period of years beginning not later than the sixth year of the guaranteed loan. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
14-4410-0-3-452				
<b>Program by activities:</b>				
Operating expenses:				
00.01	Interest subsidy expense.....	140	2,585	3,017
00.02	Technical assistance.....	493	500	700
00.03	Administrative expenses.....	45	150	200
00.91	Total operating expenses.....	678	3,235	3,917
01.01	Capital investment.....	5,656	8,865	17,500
10.00	Total obligations.....	6,334	12,100	21,417
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	- 627	-800	-17,200
21.98	Unobligated balance available, start of year.....	-14,307	-11,052	-2,837
24.98	Unobligated balance available, end of year.....	11,052	2,837	1,990
40.00	<b>Budget authority (appropriation).....</b>	<b>2,452</b>	<b>3,085</b>	<b>3,370</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	5,707	11,300	4,217
72.98	Obligated balance, start of year.....	7,687	8,201	7,588
74.98	Obligated balance, end of year.....	-8,201	-7,588	-3,234
90.00	<b>Outlays.....</b>	<b>5,193</b>	<b>11,913</b>	<b>8,571</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....	2,452	3,085	3,370
Outlays.....	5,193	11,913	8,571
<b>Credit reform:</b>			
Budget authority.....			- 752
Outlays.....			- 424
<b>Total:</b>			
Budget authority.....	2,452	3,085	2,618
Outlays.....	5,193	11,913	8,147

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
14-4410-0-3-452				
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	11,974	16,083	22,678
1232	Disbursements: Disbursements for guaranteed loan claims.....	3,820	8,965	17,440
<b>Repayments:</b>				
1251	Repayments and prepayments.....	- 39	- 100	- 100
1252	Repayment of defaulted guaranteed loans.....	- 5		- 16,400

Adjustments:				
1262	Write-offs for defaults.....	- 2,500	- 7,000	
1264	Other adjustments, net <sup>1</sup> .....	333	230	- 550
1290	Outstanding, end of year.....	16,083	22,678	16,088

<sup>1</sup> Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

Status of Guaranteed Loans (in thousands of dollars)

Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....			45,000
2131	Guaranteed loan commitments exempt from limitation.....	38,963	33,500	
2150	Total guaranteed loan commitments.....	38,963	33,500	45,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	142,492	168,871	187,041
2231	Disbursement of new guaranteed loans.....	38,963	33,500	45,000
2251	Repayments and prepayments.....	- 5,311	- 5,950	- 8,861
<b>Adjustments:</b>				
2261	Terminations for default that result in direct loans.....	- 4,185	- 9,380	- 17,500
2264	Other adjustments, net <sup>1</sup> .....	- 3,088		
2290	Outstanding, end of year.....	168,871	187,041	205,680

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	149,561	165,662	181,916
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Estimate of guaranteed loan subsidy:

2320	Subsidy amount (in percent).....	29.0	28.2	25.0
2330	Subsidy amount (in thousands of dollars).....	11,296	9,447	11,250

<sup>1</sup> Guarantees canceled.

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to support a program of guaranteeing or insuring loans made by commercial lending institutions to Indians and to tribes and other Indian organizations for economic development purposes. An interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest. The purpose of this program is to provide an incentive to the private lending sector to make loans to Indians which would not otherwise be made.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Loan guaranty and insurance fund program:</b>			
Revenue.....	582	800	700
Expense.....	- 1,761	- 3,926	- 4,611
Write offs.....		- 2,500	- 7,000
Net operating loss, total.....	- 1,179	- 5,626	10,911

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	21,993	19,252	10,425	8,707
Advances.....	175	335		
Equipment.....		59	85	120
Assets acquired through default.....	10,719	14,514	21,109	14,499
Total assets.....	32,887	34,160	31,619	23,326
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	258	2,024		

BUREAU OF INDIAN AFFAIRS—Continued

Public enterprise funds—Continued

INDIAN LOAN GUARANTY AND INSURANCE FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	14,307	11,052	2,837	1,990
Undelivered orders.....	7,603	6,512	7,588	6,717
Invested capital.....	10,719	14,573	21,194	14,619
<b>Total Government equity.....</b>	<b>32,629</b>	<b>32,137</b>	<b>31,619</b>	<b>23,326</b>

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
14-4410-0-3-452			
21.0 Travel and transportation of persons.....	10	10	10
23.2 Rental payments to others.....	2	90	75
25.0 Other services.....	48	50	150
31.0 Equipment.....	59	50	25
33.0 Investments and loans.....	5,597	8,865	18,192
41.0 Grants, subsidies, and contributions.....	618	3,035	2,965
<b>99.9 Total obligations.....</b>	<b>6,334</b>	<b>12,100</b>	<b>21,417</b>

INDIAN LOAN GUARANTY AND INSURANCE FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
14-4410-6-3-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....			-752
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			-752
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-752
74.98 Obligated balance, end of year: Fund balance.....			328
90.00 Outlays.....			-424

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
14-4410-6-3-452			
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans by private lenders.....			-45,000
2150 Total guaranteed loan commitments.....			-45,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2231 Disbursements: Disbursements of new guaranteed loans.....			-45,000
2251 Repayments: Prepayments and prepayments.....			1,710
2290 Outstanding, end of year.....			-43,290
2299 Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....			-38,075
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent).....			25.0
2330 Subsidy amount (in thousands of dollars).....			11,250

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

LIQUIDATION OF HOONAH HOUSING PROJECT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
14-4320-0-3-452			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year.....	2		
90.00 Outlays.....	1		

This fund was transferred from the Housing and Home Finance Agency to the Secretary of the Interior under the provisions of Public Law 85-806. The Secretary used the funds transferred from the Housing and Home Finance Agency, along with other revenues received from the Hoonah housing project, for the purpose of liquidating this project in accordance with the provisions of the law.

Trust Funds

COOPERATIVE FUND (PAPAGO)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
14-8366-0-7-452			
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	693	-3	-832
21.40 U.S. securities (par).....	-13,900	-14,680	-15,026
21.40 Unrealized discount.....	51		
Unobligated balance available, end of year:			
24.40 Treasury balance.....	3	832	896
24.40 U.S. securities (par).....	14,680	15,026	16,231
60.00 Budget authority (appropriation) (permanent, indefinite).....	1,527	1,175	1,269
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

This Cooperative Fund, established by section 313 of the Southern Arizona Water Rights Settlement Act (96 Stat. 1274-1285), provides a source of funds for the Secretary of the Interior to carry out the obligations of the Secretary under sections 303, 304, and 305 of the act. Only interest accruing to the fund may be expended. However, the law provides that no such interest can be spent prior to the earlier of 1992 or the completion of the main project works of the Central Arizona Project.

[MISCELLANEOUS TRUST FUNDS]

[TRIBAL TRUST FUNDS]

[In addition to the tribal funds authorized to be expended by existing law, there is appropriated in fiscal year 1988 and thereafter to the Secretary of the Interior for the benefit of the tribes on whose behalf such funds were collected, not to exceed \$1,000,000 in each fiscal year from tribal funds not otherwise available for expenditure.] (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
14-9973-0-7-999			
<b>Program by activities:</b>			
00.01 Direct program (limitation).....	969	1,000	
00.02 Miscellaneous permanent.....	310,268	332,833	335,833

00.03	Other trust funds .....	13	167	167
10.00	Total obligations (object class 44.0) .....	311,250	334,000	336,000
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-1,030,782	-972,811	-960,121
21.40	U.S. securities (par) .....	-144,212	-196,860	-210,758
21.40	Unrealized discount .....	1,295		
Unobligated balance available, end of year:				
24.40	Treasury balance .....	972,811	960,121	962,062
24.40	U.S. securities (par) .....	196,860	210,758	211,184
39.00	<b>Budget authority</b> .....	<b>307,222</b>	<b>335,207</b>	<b>338,367</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>969</b>	<b>1,000</b>	
60.00	<b>Appropriation</b> (permanent, indefinite) .....	<b>306,253</b>	<b>334,207</b>	<b>338,367</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	311,250	334,000	336,000
72.40	Obligated balance, start of year .....	1,045	925	2,080
74.40	Obligated balance, end of year .....	-925	-2,080	-3,097
90.00	<b>Outlays</b> .....	<b>311,370</b>	<b>332,845</b>	<b>334,983</b>
<b>Distribution of budget authority by account:</b>				
	Indian tribal funds .....	307,160	335,040	338,200
	Funds contributed for the advancement of the Indian race .....	60	160	160
	Bequest of George C. Edgeter .....	2	7	7
<b>Distribution of outlays by account:</b>				
	Indian tribal funds .....	311,225	332,678	334,816
	Funds contributed for the advancement of the Indian race .....	234	160	160
	Bequest of George C. Edgeter .....	-89	7	7

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits, and purchase of not to exceed 150 passenger carrying motor vehicles, of which [100] not to exceed 115 shall be for replacement only. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Department of Transportation: "Federal-Aid Highways (Liquidation of Contract Authorization) (Trust Fund)."

TERRITORIAL AND INTERNATIONAL AFFAIRS

TERRITORIAL AND INTERNATIONAL AFFAIRS

The Secretary of the Interior is charged with the responsibility of promoting the economic and political development of those insular areas which are under U.S. jurisdiction and within the responsibility of the Department of the Interior. The Secretary originates and implements Federal policy for the U.S. territories; guides and coordinates certain operating programs and construction projects; provides information services and technical assistance; coordinates certain Federal programs and services provided to the freely associated states, and participates in foreign policy and defense matters concerning the U.S. territories and the freely associated states.

Federal Funds

General and special funds:

ADMINISTRATION OF TERRITORIES

For expenses necessary for the administration of territories under the jurisdiction of the Department of the Interior, [\$78,235,000]

\$71,477,000, of which (1) [\$75,287,000] \$68,431,000 shall be available until expended for technical assistance; late charges and payments of the annual interest rate differential required by the Federal Financing Bank, under terms of the second refinancing of an existing loan to the Guam Power Authority, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for support of governmental functions; construction grants to the Government of the Virgin Islands as authorized by Public Law 97-357 (96 Stat. 1709); construction grants to the Government of Guam, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241; 90 Stat. 272); and (2) [\$2,948,000] \$3,046,000 for salaries and expenses of the Office of Territorial and International Affairs: *Provided*, That the territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: *Provided further*, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, shall be audited by the General Accounting Office, in accordance with chapter 35 of title 31, United States Code: *Provided further*, That Northern Mariana Islands Covenant grant funding shall be provided according to [those] the terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands [approved by Public Law 99-396], except that should the Secretary of the Interior believe that the performance standards of such agreement are not being met, operations funds may be withheld, but only by Act of Congress as required by Public Law 99-396: *Provided further*, That funds previously appropriated under this head for a loan to the Government of the United States Virgin Islands, for construction of an extension to the Alexander Hamilton Airport runway, St. Croix, shall be available for issuance of the loan without approval of a multiyear grant of Airport Improvement Program funds from the Federal Aviation Administration: *Provided further*, That \$540,000 of the amounts provided for technical assistance shall be available for a grant to the CloseUp Foundation: *Provided further*, That of the total appropriation \$500,000 shall be available for the establishment of a disaster contingency fund]. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	14-0412-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Guam: Construction grants .....	5,500	4,500	1,700
American Samoa:				
00.02	Operations grants .....	20,825	20,776	20,776
00.03	Construction grants .....	4,313	3,450	1,000
Virgin Islands:				
00.04	Construction grants .....		2,400	1,100
00.05	Special program grants .....		2,500	
00.06	Northern Mariana Islands: Covenant grants .....	35,344	34,360	40,150
Territorial administration:				
00.08	Office of territorial and international affairs .....	2,617	2,948	3,046
00.09	Technical assistance .....	4,140	5,240	2,200
00.10	Guam power authority loan assistance .....	1,606	1,561	1,505
00.11	Disaster contingency fund .....		500	
00.91	Total direct program .....	74,345	78,235	71,477
01.01	Reimbursable program .....	722	2,000	2,000
10.00	Total obligations .....	75,067	80,235	73,477
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-722	-2,000	-2,000
14.00	Non-Federal sources .....	-1,554	-1,655	-1,760
17.00	Recovery of prior year obligations .....	-3,333		
21.40	Unobligated balance available, start of year .....	-3,055	-10,267	-10,267
24.40	Unobligated balance available, end of year .....	10,267	10,267	10,267
31.00	Redemption of debt .....	1,554	1,655	1,760
40.00	<b>Budget authority (appropriation) .....</b>	<b>78,224</b>	<b>78,235</b>	<b>71,477</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	72,791	76,580	69,717
72.40	Obligated balance, start of year .....	42,070	56,826	60,416

TERRITORIAL AND INTERNATIONAL AFFAIRS—Continued

General and special funds—Continued

ADMINISTRATION OF TERRITORIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-0412-0-1-808	1987 actual	1988 est.	1989 est.
74.40	Obligated balance, end of year	-56,826	-60,416	-56,514
77.00	Adjustments in expired accounts	-8		
78.00	Adjustments in unexpired accounts	-3,333		
90.00	Outlays	54,694	72,990	73,619

Status of Direct Loans (in thousands of dollars)

Identification code	14-0412-0-1-808	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	61,893	60,339	58,684
1251	Repayments: Repayments and prepayments	-1,554	-1,655	-1,760
1290	Outstanding, end of year	60,339	58,684	56,924

This appropriation contains support for basic Government operations for those territories requiring such support, capital infrastructure improvements, economic development assistance, and technical assistance.

Object Classification (in thousands of dollars)

Identification code	14-0412-0-1-808	1987 actual	1988 est.	1989 est.
<b>Direct program:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	1,933	1,956	2,000
11.3	Other than full-time permanent	115	120	120
11.5	Other personnel compensation	59	60	60
11.9	Total personnel compensation	2,107	2,136	2,180
12.1	Civilian personnel benefits	310	478	506
13.0	Benefits for former personnel		45	45
21.0	Travel and transportation of persons	289	490	490
22.0	Transportation of things	22	25	25
23.1	Rental payments to GSA	233	241	256
23.2	Rental payments to others	73	170	191
24.0	Printing and reproduction	20	50	50
25.0	Other services	786	800	800
26.0	Supplies and materials	18	15	15
31.0	Equipment	45	60	60
41.0	Grants, subsidies, and contributions	70,442	73,725	66,859
99.0	Subtotal, direct program	74,345	78,235	71,477
99.0	Reimbursable program	722	2,000	2,000
99.9	Total obligations	75,067	80,235	73,477

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions	55	55	50
	Total compensable workyears: Full-time equivalent employment	55	55	50
<b>Reimbursable:</b>				
	Total number of full-time permanent positions	3	3	3
	Total compensable workyears: Full-time equivalent employment	1	1	1

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (90 Stat. 299; 91 Stat. 1159; 92 Stat. 495); [grants for the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; grants for the compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands, in addition to local revenues, for support of governmental functions, \$41,940,000 of which

\$33,940,000 is for operations including \$12,350,000 for payment of claims pursuant to the Micronesian Claims Act of 1971: *Provided*, That section 105 of Public Law 95-134 (91 Stat. 1159) is amended by inserting after the word "Islands" the word "(TTPI), or TTPI constituent or successor governments,"; and of which \$8,000,000 is for construction] \$2,780,000, to remain available until expended: *Provided [further]*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with chapter 35 of title 31, United States Code: *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	14-0414-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Trust Territory operations	9,259	933	
00.02	Federated States of Micronesia operations	6,624		
00.03	Republic of the Marshall Islands operations	935		
00.04	Republic of Palau operations	10,084	11,157	
00.05	Micronesian claims fund		12,350	
<b>Trust Territory construction:</b>				
00.06	Capital improvements		5,400	
00.07	Capitol relocation		2,600	
00.08	Enewetak support	900		
00.09	Bikini support	1,500	1,000	
00.10	Deficit elimination		8,500	
00.11	Indefinite land use claims			2,780
10.00	Total obligations (object class 41.0)	29,302	41,940	2,780
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-633		
21.40	Unobligated balance available, start of year	-3,178	-41,896	-41,896
24.40	Unobligated balance available, end of year	41,896	41,896	41,896
40.00	<b>Budget authority (appropriation)</b>	<b>67,387</b>	<b>41,940</b>	<b>2,780</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	29,302	41,940	2,780
72.40	Obligated balance, start of year	37,858	28,058	15,825
74.40	Obligated balance, end of year	-28,058	-15,825	
78.00	Adjustments in unexpired accounts	-633		
90.00	Outlays	38,469	54,173	18,605

Under the terms of the 1947 Trustee Agreement between the United States and the Security Council of the United Nations, the United States exercised full jurisdiction over the Trust Territory of the Pacific Islands and was obligated to promote the political, economic, and educational advancement of the inhabitants. These responsibilities have been carried out through the Department of the Interior.

The Trusteeship Agreement is no longer in effect with respect to the Republic of the Marshall Islands and the Federated States of Micronesia. Their assistance is discussed in the "Compact of Free Association" account. The United States has approved a Compact with the Republic of Palau, and that Compact is expected to be implemented in 1988. Therefore, assistance for the Republic of Palau is also included in the "Compact of Free Association" account. Funding included in the "Trust Territory of the Pacific Islands" account represents remaining transition responsibilities of the United States from the Trusteeship administration.

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of



Free Association, [ \$33,620,000 ] \$27,260,000, [ including \$2,500,000 for the Enjebi Community Trust Fund, ] to remain available until expended, as authorized by Public Law 99-239; and for economic assistance and necessary expenses for the Republic of Palau as provided for in Sections 221, 223, 232, and 233 of the Palau Compact of Free Association, \$7,675,000, to remain available until expended, as authorized by Public Law 99-658: Provided, That notwithstanding the provisions of Public Laws 99-500 and 99-591, the effective date of the Palau Compact for purposes of economic assistance pursuant to the Palau Compact of Free Association, Public Law 99-658, shall be the effective date of the Palau Compact as determined pursuant to section 101(d) of Public Law 99-658: Provided further, That funds previously appropriated under this head shall be available for audit purposes as identified in section 233 of the Compact of Free Association]. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	14-0415-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Assistance to the Marshall Islands	40,135	44,816	39,668
00.02	Assistance to the Federated States of Micronesia	85,747	95,772	85,710
00.03	Assistance to Palau		116,700	18,170
00.04	Federal services assistance	10,626	47,360	20,035
00.05	Program grant assistance	160,000	23,098	15,531
00.06	Prior service benefits trust fund	8,000		
00.07	Enjebi trust fund	5,000	2,500	
00.08	Bikini resettlement		2,300	
00.09	Enewetak support		1,100	
00.10	Other construction		400	
10.00	Total obligations	309,508	334,046	179,114
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-189,500	-85,164	-75,824
24.40	Unobligated balance available, end of year	85,164	75,824	75,824
25.00	Unobligated balance lapsing or restored	189,500		
39.00	Budget authority	394,672	324,706	179,114
<b>Budget authority:</b>				
40.00	Appropriation (current)	191,750	33,620	34,935
60.00	Appropriation (permanent, indefinite)	202,922	291,086	144,179
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	309,508	334,046	179,114
72.40	Obligated balance, start of year	12,000	25,547	34,887
74.40	Obligated balance, end of year	-25,547	-34,887	-34,887
90.00	Outlays	295,961	324,706	179,114

The peoples of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau approved Compacts of Free Association negotiated by the United States and their governments. The Compact of Free Association Act of 1985 constitutes the necessary authorizing legislation to make annual payments to the Republic of the Marshall Islands and the Federated States of Micronesia during the next fifteen years, totaling \$2.3 billion. Public Law 99-658 provided the necessary authorizing legislation for the Republic of Palau Compact. That Compact is expected to be implemented in 1988 with annual payments which will total \$450 million during the next fifteen years. This assistance will aid in the development of these freely associated states as sovereign nations.

Object Classification (in thousands of dollars)

Identification code	14-0415-0-1-808	1987 actual	1988 est.	1989 est.
25.0	Other services	10,626	20,360	20,035
41.0	Grants, subsidies, and contributions	298,882	313,686	159,079
99.9	Total obligations	309,508	334,046	179,114

MICRONESIAN CLAIMS FUND, TRUST TERRITORY OF THE PACIFIC ISLANDS

Program and Financing (in thousands of dollars)

Identification code	14-0416-0-1-808	1987 actual	1988 est.	1989 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	215	210	210
74.40	Obligated balance, end of year	-210	-210	-210
90.00	Outlays	5		

PAYMENTS TO THE UNITED STATES TERRITORIES, FISCAL ASSISTANCE

Program and Financing (in thousands of dollars)

Identification code	14-0418-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Advance payments to Guam of estimated U.S. income tax collections	42,784	44,000	44,000
00.02	Advance payments to the Virgin Islands of estimated U.S. excise tax collections	26,600	26,000	26,000
10.00	Total obligations (object class 41.0)	69,384	70,000	70,000
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite)	69,384	70,000	70,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	69,384	70,000	70,000
72.40	Obligated balance, start of year	1,880		
90.00	Outlays	71,264	70,000	70,000

Public Law 95-348 requires that certain revenues collected by the Internal Revenue Service involving Guam and the Virgin Islands (income taxes withheld and excise taxes) be paid prior to the start of the fiscal year of collection. The 1989 funding is for the 1990 prepayment.

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY  
Federal Funds

General and special funds:

[OFFICE OF THE SECRETARY] SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of the Interior, [ \$47,519,000 ] \$51,681,000, of which not to exceed \$10,000 may be for official reception and representation expenses. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	14-0102-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Departmental direction	5,518	5,696	6,101
00.02	Program direction and coordination	4,010	4,165	4,273
00.03	Policy, budget, and administration	13,905	15,194	17,375
00.04	Hearings and appeals	5,102	5,830	5,853
00.05	Aircraft services	1,505	1,765	1,799
00.06	Central services	12,641	14,869	16,280
00.91	Total direct program	42,681	47,519	51,681
01.01	Reimbursable program	55,824	63,000	65,000
10.00	Total obligations	98,505	110,519	116,681

OFFICE OF THE SECRETARY—Continued

General and special funds—Continued

【OFFICE OF THE SECRETARY】 SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-0102-0-1-306	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-55,824	-63,000	-65,000
25.00	Unobligated balance lapsing	202		
39.00	<b>Budget authority</b>	<b>42,883</b>	<b>47,519</b>	<b>51,681</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b>	<b>43,191</b>	<b>47,519</b>	<b>51,681</b>
41.00	Transferred to other accounts	-308		
43.00	<b>Appropriation (adjusted)</b>	<b>42,883</b>	<b>47,519</b>	<b>51,681</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	42,681	47,519	51,681
72.40	Obligated balance, start of year	3,706	4,432	7,128
74.40	Obligated balance, end of year	-4,432	-7,128	-7,752
77.00	Adjustments in expired accounts	-190		
90.00	<b>Outlays</b>	<b>41,766</b>	<b>44,823</b>	<b>51,057</b>

This appropriation provides overall departmental direction and guidance including such activities and functions as: congressional liaison, public affairs, and equal opportunity; program direction and coordination; activities concerning policy, budget, and administration; the Department's quasi-judicial and appellate responsibilities; aviation policy; and general administrative support, such as space and postage for the Secretarial accounts.

Object Classification (in thousands of dollars)

Identification code	14-0102-0-1-306	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	22,660	23,358	25,584
11.3	Other than full-time permanent	608	888	906
11.5	Other personnel compensation	533	88	90
11.9	<b>Total personnel compensation</b>	<b>23,801</b>	<b>24,334</b>	<b>26,580</b>
12.1	Civilian personnel benefits	2,992	4,604	3,624
13.0	Benefits for former personnel	218	170	170
21.0	Travel and transportation of persons	812	961	1,019
22.0	Transportation of things	7	20	20
23.1	Rental payments to GSA	6,560	7,812	8,022
23.2	Rental payments to others		36	36
23.3	Communications, utilities, and miscellaneous charges	1,268	1,610	1,639
24.0	Printing and reproduction	411	472	479
25.0	Other services	5,249	6,952	9,508
26.0	Supplies and materials	439	490	493
31.0	Equipment	924	58	91
99.0	<b>Subtotal, direct obligations</b>	<b>42,681</b>	<b>47,519</b>	<b>51,681</b>
99.0	Reimbursable obligations	55,824	63,000	65,000
99.9	<b>Total obligations</b>	<b>98,505</b>	<b>110,519</b>	<b>116,681</b>

Personnel Summary

<b>Direct program:</b>				
	Total number of full-time permanent positions	608	574	599
	Total compensable workyears: Full-time equivalent employment	574	586	611
<b>Reimbursable program:</b>				
	Total compensable workyears: Full-time equivalent employment	10	70	62

OFFICE OF THE SECRETARY (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code	14-0105-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Endangered species	1,133		
10.00	<b>Total obligations (object class 25.0)</b>	<b>1,133</b>		
<b>Financing:</b>				
25.00	Unobligated balance restored	-1,133		
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	1,133		
72.40	Obligated balance, start of year	2,499	3,234	
74.40	Obligated balance, end of year	-3,234		
90.00	<b>Outlays</b>	<b>399</b>	<b>3,234</b>	

No funds are requested for 1989. Amounts reflected above represent the close out of the program.

CONSTRUCTION MANAGEMENT

For necessary expenses of the Office of Construction Management, \$1,800,000. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	14-0103-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	<b>Total obligations</b>	<b>722</b>	<b>1,820</b>	<b>1,820</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-45	-20	-20
25.00	Unobligated balance lapsing	7		
40.00	<b>Budget authority (appropriation)</b>	<b>684</b>	<b>1,800</b>	<b>1,800</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	677	1,800	1,800
72.40	Obligated balance, start of year	175	104	178
74.40	Obligated balance, end of year	-104	-178	-178
77.00	Adjustments in expired accounts	-21		
90.00	<b>Outlays</b>	<b>726</b>	<b>1,726</b>	<b>1,800</b>

This office assists the bureaus and offices of the Department of the Interior, principally the Bureau of Indian Affairs, in improving their performance in planning, designing, constructing and operating facilities.

Object Classification (in thousands of dollars)

Identification code	14-0103-0-1-306	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	368	605	635
11.3	Other than full-time permanent	38	40	41
11.5	Other personnel compensation	1		
11.9	<b>Total personnel compensation</b>	<b>407</b>	<b>645</b>	<b>676</b>
12.1	Civilian personnel benefits	48	94	98
21.0	Travel and transportation of persons	25	100	100
23.1	Rental payments to GSA	67	100	100
23.3	Communications, utilities, and miscellaneous charges	26	43	43
24.0	Printing and reproduction	3	12	12
25.0	Other services	99	774	739
26.0	Supplies and materials	2	11	11
31.0	Equipment		21	21
99.0	<b>Subtotal, direct obligations</b>	<b>677</b>	<b>1,800</b>	<b>1,800</b>
99.0	Reimbursable obligations	45	20	20
99.9	<b>Total obligations</b>	<b>722</b>	<b>1,820</b>	<b>1,820</b>

**Personnel Summary**

Total number of full-time permanent positions.....	13	18	18
Total compensable workyears: Full-time equivalent employment.....	10	18	18

**MISCELLANEOUS EXPIRING APPROPRIATIONS**

**Program and Financing (in thousands of dollars)**

Identification code 14-9911-0-1-300	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-29	-29	-29
24.40 Unobligated balance available, end of year.....	29	29	29
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	164	164	164
74.40 Obligated balance, end of year.....	-164	-164	-164
90.00 Outlays.....			

Amounts above reflect the spendout of available funds for issues related to water policy and close out of the youth conservation corps program.

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 14-4523-0-4-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses: Sales program:			
00.01 Goods and services.....	12,543	15,929	15,915
00.02 Aircraft services.....	45,729	50,000	50,000
10.00 Total obligations.....	58,272	65,929	65,915
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-58,272	-65,929	-65,915
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance.....	2,603	5,301	5,301
74.98 Obligated balance, end of year: Fund balance.....	-5,301	-5,301	-5,301
90.00 Outlays.....	-2,698		

This fund finances central reproduction, communication, supplies, health services, aircraft, and other such services which may be performed more advantageously on a reimbursable basis (43 U.S.C. 1467).

**Object Classification (in thousands of dollars)**

Identification code 14-4523-0-4-306	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	7,994	8,947	9,392
11.3 Other than full-time permanent.....	582	463	403
11.5 Other personnel compensation.....	262	247	240
11.8 Special personal services payments.....	99	300	300
11.9 Total personnel compensation.....	8,937	9,957	10,335
12.1 Civilian personnel benefits.....	1,287	1,354	1,467
13.0 Benefits for former personnel.....	23		
21.0 Travel and transportation of persons.....	556	491	496
22.0 Transportation of things.....	28	107	107
23.1 Rental payments to GSA.....	6		
23.3 Communications, utilities, and miscellaneous charges.....	854	1,550	1,625
24.0 Printing and reproduction.....	1,350	1,567	1,564
25.0 Other services.....	42,705	45,991	45,226
26.0 Supplies and materials.....	2,173	3,265	3,273

31.0 Equipment.....	353	1,647	1,822
99.9 Total obligations.....	58,272	65,929	65,915

**Personnel Summary**

Total number of full-time permanent positions.....	296	314	287
Total compensable workyears:			
Full-time equivalent employment.....	275	353	322
Full-time equivalent of overtime and holiday hours.....	8	8	8

**ADMINISTRATIVE PROVISIONS**

There is hereby authorized for acquisition from available resources within the Working Capital Fund, [8] 11 aircraft, [all] 7 of which shall be for replacement [Provided, That no programs funded with appropriated funds in the "Office of the Secretary", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund] and which may be obtained by donation, purchase or through available excess surplus property. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts in 1987 are included in the schedules of the parent appropriations as follows:  
Labor: Employment and Training Administration, "Training and employment services."

**OFFICE OF THE SOLICITOR**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of the Solicitor, [\$23,053,000] \$25,325,000. (Department of the Interior and Related Agencies Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 14-0107-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	20,944	23,053	25,325
01.01 Reimbursable program.....	80	50	50
10.00 Total obligations.....	21,024	23,103	25,375
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-80	-50	-50
25.00 Unobligated balance lapsing.....	337		
40.00 <b>Budget authority (appropriations)</b> .....	21,280	23,053	25,325
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	20,944	23,053	25,325
72.40 Obligated balance, start of year.....	708	2,111	2,313
74.40 Obligated balance, end of year.....	-2,111	-2,313	-2,540
77.00 Adjustments in expired accounts.....	-155		
90.00 Outlays.....	19,386	22,851	25,098

The Office of the Solicitor in the Department of the Interior provides legal advice and counsel to the Secretary and all constituent bureaus and offices of the Department. All attorneys and auxiliary personnel, with the exception of those in the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Office of Hearings and Appeals, are under the supervision of the Solicitor. The Office is comprised of the headquarters staff, located in Washington, DC, and 20 regional and field offices.

OFFICE OF THE SOLICITOR—Continued  
General and special funds—Continued  
SALARIES AND EXPENSES—Continued  
Object Classification (in thousands of dollars)

Identification code 14-0107-0-1-306	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	13,387	14,210	15,459
11.3 Other than full-time permanent	322	327	329
11.5 Other personnel compensation	252	252	352
11.9 Total personnel compensation	13,961	14,789	16,140
12.1 Civilian personnel benefits	2,123	2,613	2,469
13.0 Benefits for former personnel	33	19	19
21.0 Travel and transportation of persons	257	716	753
22.0 Transportation of things	3	19	30
23.1 Rental payments to GSA	2,155	2,537	2,613
23.3 Communications, utilities, and miscellaneous charges	580	939	1,076
24.0 Printing and reproduction	112	193	201
25.0 Other services	1,201	932	1,107
26.0 Supplies and materials	386	149	407
31.0 Equipment	133	147	510
99.0 Subtotal, direct obligations	20,944	23,053	25,325
99.0 Reimbursable obligations	80	50	50
99.9 Total obligations	21,024	23,103	25,375

**Personnel Summary**

Total number of full-time permanent positions	292	336	356
Total compensable workyears: Full-time equivalent employment	327	353	373

OFFICE OF INSPECTOR GENERAL  
Federal Funds

General and special funds:

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, **[\$17,757,000] \$18,816,000.** (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 14-0104-0-1-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Audits	10,847	11,897	12,438
00.02 Investigations	2,327	2,646	2,937
00.03 Administration	3,086	3,214	3,441
00.91 Total direct program	16,260	17,757	18,816
01.01 Reimbursable program	77	50	50
10.00 Total obligations	16,337	17,807	18,866
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-77	-50	-50
25.00 Unobligated balance lapsing	465		
40.00 Budget authority (appropriation)	16,725	17,757	18,816
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	16,260	17,757	18,816
72.40 Obligated balance, start of year	2,696	2,577	2,406
74.40 Obligated balance, end of year	-2,577	-2,406	-2,512
77.00 Adjustments in expired accounts	-496		
90.00 Outlays	15,883	17,928	18,710

Public Law 95-452 established the Office of Inspector General. The mission of the office includes auditing and investigating departmental activities, providing leadership and recommending policies to promote economy and efficiency, preventing and detecting fraud and abuse, and keeping the Secretary informed of problems

and deficiencies in departmental programs and operations.

Object Classification (in thousands of dollars)

Identification code 14-0104-0-1-306	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	9,630	10,414	10,895
11.3 Other than full-time permanent	178	50	50
11.5 Other personnel compensation	78	305	305
11.9 Total personnel compensation	9,886	10,769	11,250
12.1 Civilian personnel benefits	2,070	2,345	2,082
13.0 Benefits for former personnel	2	8	9
21.0 Travel and transportation of persons	1,679	1,997	2,288
22.0 Transportation of things	89	202	212
23.1 Rental payments to GSA	732	533	558
23.3 Communications, utilities, and miscellaneous charges	268	315	315
24.0 Printing and reproduction	74	103	107
25.0 Other services	990	1,278	1,786
26.0 Supplies and materials	100	86	87
31.0 Equipment	370	121	122
99.0 Subtotal, direct obligations	16,260	17,757	18,816
99.0 Reimbursable obligations	77	50	50
99.9 Total obligations	16,337	17,807	18,866

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions	278	300	306
<b>Total compensable workyears:</b>			
Full-time equivalent employment	278	300	306
Full-time equivalent of holiday and overtime hours	6	6	6
<b>Reimbursable:</b>			
Total compensable workyears: Full-time equivalent employment	1	1	1

OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code 14-5052-0-2-306	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	35		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-13	-14	-14
24.40 Unobligated balance available, end of year	14	14	14
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund)	36		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	35		
72.40 Obligated balance, start of year	2	11	
74.40 Obligated balance, end of year	-11		
90.00 Outlays	25	11	

All of the quarters owned by the Office of Inspector General were disposed of by September 17, 1987. No further receipts will be collected and no further funding is required.

Object Classification (in thousands of dollars)

Identification code 14-5052-0-2-306	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent	12		
12.1 Civilian personnel benefits	11		
25.0 Other services	12		
99.9 Total obligations	35		

Personnel Summary

Total number of full-time permanent positions.....	1
Total compensable workyears: Full-time equivalent employment .....	1

**GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR**

Sec. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

Sec. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods or volcanoes; for the prevention, suppression, and control of actual or potential grasshopper and Mormon Cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in Section 1773(b) of Public Law 99-198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

Sec. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, U.S.C.: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed \$300,000 \$810,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members: *Provided*, That no funds available to the Department of the Interior are available for any expenses of the Great Hall of Commerce.

Sec. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

Sec. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued by the General Services Administration for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

Sec. 107. No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of, pre-leasing activities (including but not limited to: calls for information, tract selection, notices of sale, receipt of bids and award of leases) of lands described in, and under the same terms and conditions set forth in section 107 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190.

Sec. 108. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance changing the name of the mountain located 63 degrees, 04 minutes, 15 seconds west, presently named and referred to as Mount McKinley.

Sec. 109. Notwithstanding any other provisions of law, appropriations in this title shall be available to provide insurance on official motor vehicles, aircraft, and boats operated by the Department of the Interior in Canada and Mexico.

Sec. 110. No funds provided in this title may be used to detail any employee to an organization unless such detail is in accordance with Office of Personnel Management regulations.

Sec. 111. The Secretary of the Navy is authorized to transfer to the Guam Power Authority (GPA), pursuant to the payment provisions described in the conference report on the Continuing Appropriations Act, 1985 (House Report No. 98-1159), those Navy-owned electric power generation, transmission and distribution facilities, and equipment (excluding distribution facilities required by the military) on Guam as specified in the customer-supplier contract to be negotiated between the Navy and the GPA together with associated land interests. Transfer of such power generation, transmission and distribution facilities, and equipment shall not occur until the GPA assumes full responsibility for islandwide electrical power supply to military and civilian customers on Guam. GPA shall assume full responsibility when it meets all performance standards specified in the August, 1986 independent third party plan for takeover of the island-wide power responsibilities or other performance standards mutually agreed upon by GPA and Navy. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR**

Sec. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Sec. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

Sec. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 1535 and 1536): *Provided*, That reimbursements for costs of supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 204. Appropriations in this title shall be available for hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchases of reprints; payment for telephone services in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Sec. 205. In accordance with repayment contract No. 9-07-70-W0363, entered into August 29, 1979, as amended December 18, 1981, for the Farwell Irrigation District, contractual party with the Farwell Unit, Middle Loup Division, Pick-Sloan Missouri Basin Program, and entitled "Contract between the United States of America and the Farwell Irrigation District for Additional Drainage Facilities", the

costs of such project allocated to irrigation and drainage shall not be reimbursable. Payments already made under such contract shall be credited against overall payments due the United States.】

【SEC. 206. Of the appropriations for the Central Utah project, in this or any other Act, not more than \$18,500,000 of the total in any one fiscal year may be expended by the Secretary for all administrative expenses: *Provided*, That the Inspector General of the Department of the Interior shall annually audit expenditures by the Bureau of Reclamation to determine compliance with this section: *Provided further*, That none of the Bureau of Reclamation's appropriations shall be used to fund the audit: *Provided further*, That the Bureau of Reclamation shall not delay or stop construction of the project due to this limitation and shall apply all the remaining appropriations to completion of this project, unless continuation of work on the Central Utah project would cause administrative expenses attributable to the Central Utah project to be paid from funds available for other Bureau of Reclamation projects and thereby delay their construction.】

【SEC. 207. The Secretary of the Interior is directed to use not to exceed \$70,000 in fiscal year 1988 for soil classification studies required to complete the integration of the Hilltop Irrigation District as a Federal Unit of the Pick-Sloan Missouri River Basin program.】

【SEC. 208. (a) Notwithstanding title II of the Reclamation Authorization Act of 1975 (Public Law 94-228), the city of Dickinson, North Dakota, is forgiven all obligations incurred by such city under the contract (numbered 9-07-60-WR052) entered into with the Secretary of the Interior or his delegatee.

(b)(1) The Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation, is authorized to enter into a new repayment contract with the city of Dickinson the terms of which shall entitle the city of Dickinson to water supply benefits provided by the bascule gate project authorized by title II of the Reclamation Authorization Act of 1975 in consideration for repayment of the costs of the bascule gate project as provided in paragraph (2).

(2) Repayment terms of the new contract shall provide for—

(A) repayment by the city of Dickinson of the capital cost of the bascule gate project of \$1,625,000 over a period of 40 years at an interest rate of 7.21 per centum per annum; and

(B) payment of the annual operation, maintenance, and replacement costs of the project facilities.】

【SEC. 209. (a) Notwithstanding any other provisions of law, the city of Minot, North Dakota, is relieved of all liability for repayment to the United States of the sum of \$1,026,489.29 associated with the excess capacity of the Minot Pipeline resulting from enactment of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294).

(b) The relief from liability for repayment granted by subsection (a) shall be effective retroactive to January 1, 1978, the start of the city of Minot's repayment obligation under the 1972 repayment contract with the Bureau of Reclamation.

(c) If the excess capacity referred to in subsection (a) is ever used, the city of the Minot shall reimburse the United States for the costs referred to in subsection (a) proportionate to the actual use of the excess capacity.】

【SEC. 210. (a) The McGee Creek Project of the Bureau of Reclamation shall not be deemed completed until such time as construction of all authorized components of the project are completed, including access roads and recreation areas.

(b) The Bureau of Reclamation shall not transfer title of the project to any other entity or require repayment of the project or permit refinancing of the project until such time as the project is completed according to the terms of (a) above.】

【SEC. 211. The Secretary is prohibited from transferring the Office of the Commissioner of the Bureau of Reclamation, the Assistant Commissioner for Administration and the Office of Foreign Activities from Washington, D.C. to Denver, Colorado and shall have in the Washington office a minimum of sixty professional staff experienced in the following areas: Budget, Foreign Activities, Contracts and Repayment, Resource Development and Management; Construction; and Congressional and Public Affairs. The Secretary is further prohibited from transferring the Acreage Limitation Branch from Denver, Colorado to Washington, D.C. In addition, the Bureau shall maintain appropriate administrative support personnel for the Washington Office. The Secretary shall submit quarterly reports to the Congress, beginning January 1988, on Washington office reorganization initiatives to reduce overhead and duplication.】 (*Energy and Water Development Appropriation Act, 1988.*)

### TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

【SEC. 303. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided*, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.】

SEC. 【304】 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 【305】 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 【306】 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

【SEC. 307. Except for lands described by sections 105 and 106 of Public Law 96-560, section 103 of Public Law 96-550, section 5(d)(1) of Public Law 96-312, and except for land in the State of Alaska, and lands in the National Forest System released to management for any use the Secretary of Agriculture deems appropriate through the land management planning process by any statement or other Act of Congress designating components of the National Wilderness Preservation System now in effect or hereinafter enacted, and except to carry out the obligations and responsibilities of the Secretary of the Interior under section 17(k)(1) (A) and (B) of the Mineral Leasing Act of 1920 (30 U.S.C. 226), none of the funds provided in this Act shall be obligated for any aspect of the processing or issuance of permits or leases pertaining to exploration for or development of coal, oil, gas, oil shale, phosphate, potassium, sulphur, gilsonite, or geothermal resources on Federal lands within any component of the National Wilderness Preservation System or within any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning in Executive Communication 1504, Ninety-sixth Congress (House Document numbered 96-119); or within any lands designated by Congress as wilderness study areas or within Bureau of Land Management wilderness study areas: *Provided*, That nothing in this section shall prohibit the expenditure of funds for any aspect of the processing or issuance of permits pertaining to exploration for or development of the mineral resources described in this section, within any component of the National Wilderness Preservation System now in effect or hereinafter enacted, any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning, within any lands designated by Congress as wilderness study areas, or Bureau of Land Management wilderness study areas, under valid existing rights, or leases validly issued in accordance with all applicable Federal, State, and local laws or valid mineral rights in existence prior to October 1, 1982: *Provided further*, That funds provided in this Act may be used by the Secretary of Agriculture in any area of National Forest lands or the Secretary of the Interior to issue under their existing authority in any area of National Forest or public lands withdrawn pursuant to this Act such permits as may be necessary to conduct prospecting, seismic surveys, and core sampling conducted by helicopter or other means not requiring construction of

roads or improvement of existing roads or ways, for the purpose of gathering information about the inventorying energy, mineral, and other resource values of such area, if such activity is carried out in a manner compatible with the preservation of the wilderness environment, *Provided further*, That seismic activities involving the use of explosives shall not be permitted in designated wilderness areas: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to augment recurring surveys of the mineral values of wilderness areas pursuant to section 4(d)(2) of the Wilderness Act and acquire information on other national forest and public land areas withdrawn pursuant to this Act, by conducting in conjunction with the Secretary of Energy, the National Laboratories, or other Federal agencies, as appropriate, such mineral inventories of areas withdrawn pursuant to this Act as the Secretary deems appropriate. These inventories shall be conducted in a manner compatible with the preservation of the wilderness environment through the use of methods including core sampling conducted by helicopter; geophysical techniques such as induced polarization, synthetic aperture radar, magnetic and gravity surveys, geochemical techniques including stream sediment reconnaissance and x-ray diffraction analysis; land satellites; or any other methods the Secretary deems appropriate. The Secretary of the Interior is hereby authorized to conduct inventories or segments of inventories, such as data analysis activities, by contract with private entities deemed by the Secretary to be qualified to engage in such activities whenever the Secretary has determined that such contract would decrease Federal expenditures and would produce comparable or superior results: *Provided further*, That in carrying out any such inventory or surveys, where National Forest System lands are involved, the Secretary of the Interior shall consult with the Secretary of Agriculture concerning any activities affecting surface resources: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to issue oil and gas leases for the subsurface of any lands designated by Congress as wilderness study areas, that are immediately adjacent to producing oil and gas fields or areas that are prospectively valuable. Such leases shall allow no surface occupancy and may be entered only by directional drilling from outside the wilderness study area or other non-surface disturbing methods.]

Sec. [308] 306. None of the funds provided in this Act shall be used to evaluate, consider, process, or award oil, gas, or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7, and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

Sec. [309] 307. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless such assessments and the basis therefor are presented to the Committees on Appropriations [and are approved by such committees].

[Sec. 310. Employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment except as provided by law.]

Sec. [311] 308. Notwithstanding any other provision of law, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, and the Secretary of the Smithsonian Institution are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.

Sec. [312] 309. None of the funds provided by this Act to the United States Fish and Wildlife Service may be obligated or expended to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

[Sec. 313. None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1988 by this or any other Act may be used to implement the proposed jurisdictional interchange program until enactment of legislation which authorizes the jurisdictional interchange.]

Sec. [314] 310. The Forest Service and Bureau of Land Management are to continue to complete as expeditiously as possible development of their respective Forest Land and Resource Management Plans to meet all applicable statutory requirements. Notwithstanding the date in section 6(c) of the NFMA (16 U.S.C. 1600), the Forest Service, and the Bureau of Land Management under separate authority, may continue the management of lands within their jurisdiction

under existing land and resource management plans pending the completion of new plans. Nothing shall limit judicial review of particular activities on these lands: *Provided, however*, That there shall be no challenges to any existing plan on the sole basis that the plan in its entirety is outdated, or in the case of the Bureau of Land Management, solely on the basis that the plan does not incorporate information available subsequent to the completion of the existing plan: *Provided further*, That any and all particular activities to be carried out under existing plans may nevertheless be challenged.

[Sec. 315. The final rule published in the Federal Register on September 16, 1987, by the Health Resources and Services Administration of the Public Health Service of the Department of Health and Human Services, relating to eligibility for the health care services of the Indian Health Service, shall not take effect before September 16, 1988, and no action may be taken before such day to implement or administer such rule or to prescribe any other rule or regulation that has a similar effect. The grace period provided in section 36.33 of such published rule shall not terminate before March 16, 1989, and any other rule or regulation that has a similar effect shall provide for such a grace period which shall not expire before March 16, 1989.

Sec. [316] 311. (a) Except as provided in subsection (b), the Secretary of Agriculture shall not transfer certain National Forest System land in the Black Hills National Forest, South Dakota, described as follows:

TRACT 0043 (Hine)—

Beginning at the north quarter corner section 16, township 1, north, range east; Black Hills Meridian;

thence westerly along the north line of the northwest quarter, section 16, to the east east west  $\frac{1}{2}$ <sub>56</sub> corner;

thence southerly along the east line of the east half east half northeast quarter northwest quarter 393.00 feet;

thence due west to a point that is due south of the intersection of the north line of the northwest quarter, section 16, and line 20-21 of the Big Bend Placer (MS 1442);

thence north to the intersection of the north line of the northwest quarter, section 16, and line 20-21 of the Big Bend Placer; thence northeasterly along line 20-21 to corner 20;

thence northwesterly along line 19-20 to a point due north of the intersection of north line of the northwest quarter, section 16, and line 20-21, MS 1442;

thence north to a point which is due west of a point that is 850.00 feet northerly along the west line of the southeast quarter, section 9;

thence east to the west line of the southeast quarter;

thence southerly along the west line of the southeast quarter 850.00 feet to the north quarter corner section 16, point of beginning.

(b) The Secretary may transfer such portion of the Hine Tract described in subsection (a) necessary to remove the encroachment of the Hine cabin which is located on the boundary of the Hine Tract.

[Sec. 317. Notwithstanding any other provision of law, the Secretary of Energy is directed to notify the Appropriations Committees of the House and the Senate, the Energy and Natural Resources Committee of the Senate and the appropriate authorizing committees of the House of the Secretary's intent to enter into a binding contract for the sale of the Great Plains Coal Gasification Plant in Beulah, North Dakota: *Provided*, That such notification shall be received by the above-referenced committees at least thirty (30) calendar days before the agreement is effective: *Provided further*, That such notification shall include a detailed description as to the terms and conditions of the sale, including, but not limited to, the purchase price, the name of the prospective purchaser, the basis for agreeing to the sale, and a statement of commitment signed by an authorized individual of the purchaser for continued long-term operation of the facility at a rate and for a period determined appropriate and reasonable by the Secretary.]

[Sec. 318. Notwithstanding any other provision of law, for the purposes of section 208 of title 18, United States Code, "particular matter", as applied to employees of the Department of the Interior and the Indian Health Service, shall mean "particular matter involving specific parties".]

Sec. [319] 312. (a) From funds appropriated under this Act such sums as are necessary shall be made available to pay forest or wild-land firefighters premium pay under the provision of subchapter V of chapter 55 of title 5, United States Code (notwithstanding the limitations of section 5547 of such title), for all premium pay [—]

[(1)] that would have been paid to such forest or wildland firefighter employees, but for the provisions of section 5547 of such title, for all pay periods (and parts thereof) occurring during the [period beginning on January 1, 1987, through September 30, 1987; and

(2) earned by such forest firefighter employees in the fiscal year ending on September 30, 1988] *fiscal year ending September 30, 1989.*

(b) Notwithstanding the provisions of subsection (a), no forest or wildland firefighter employee may be paid premium pay to the extent that the aggregate rate of pay of such employee for the aggre-

gate of all pay periods in any calendar year exceeds the maximum rate for GS-15 as provided under the General Schedule pursuant to subchapter III of chapter 53 of title 5, United States Code.

(c) For purposes of this section, the term "forest firefighter" means any employee of the Department of Agriculture or the Department of the Interior who is assigned to, or in support of, work on forest wildfire emergencies.

*SEC. 313. Section 320 of Public Law 98-473 (98 Stat. 1874), is amended by deleting the colon and all that follows the words "quarters of that agency" and inserting a period (.) in place of the colon. (Department of the Interior and Related Agencies Appropriations Act, 1988.)*



# DEPARTMENT OF JUSTICE

## GENERAL ADMINISTRATION

### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, **[\$88,360,000]** \$100,802,000: *Provided, That balances made available for Federal Justice Research activities may be used for other activities of this account. (8 U.S.C. 1103(A); 28 U.S.C. 501, 503, 504, 507-526, 1929; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)*

#### Program and Financing (in thousands of dollars)

Identification code 15-0129-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Program direction and policy coordination .....	51,746	60,567	63,315
00.02 Administrative review and appeals .....	19,239	32,165	37,487
00.03 Federal justice research program .....	53	210	.....
00.91 Total direct program .....	71,038	92,942	100,802
01.01 Reimbursable program .....	10,323	14,000	14,000
10.00 Total obligations .....	81,361	106,942	114,802
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-10,323	-14,000	-14,000
21.40 Unobligated balance available, start of year .....	-263	-4,582	.....
24.40 Unobligated balance available, end of year .....	4,582	.....	.....
25.00 Unobligated balance lapsing .....	596	.....	.....
40.00 Budget authority (appropriation) .....	75,953	88,360	100,802
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	71,038	92,942	100,802
72.40 Obligated balance, start of year .....	9,581	12,478	14,557
74.40 Obligated balance, end of year .....	-12,478	-14,557	-15,824
77.00 Adjustments in expired accounts .....	304	.....	.....
90.00 Outlays .....	68,445	90,863	99,535

**Program direction and policy coordination.**—The Attorney General, aided by the Deputy Attorney General, Associate Attorney General, the Justice Management Division, and other Department policy-level officials, directs and supervises the programs and activities of the Department. An increase of \$3 million is provided for additional staff in the Management and Productivity, Debt Collection, Finance and Security programs.

**Administrative review and appeals.**—This activity includes the Office of the Pardon Attorney and the Executive Office for Immigration Review (EOIR). The Pardon Attorney receives and reviews all petitions for clemency. The Executive Office for Immigration Review contains the Immigration Judge function, the Board of Immigration Appeals and the Office of the Chief Administrative Hearing Officer. EOIR was established January 1, 1983 to improve the immigration hearing and appeal process. An increase of \$4 million is provided to address the increased caseload resulting from the Immigration Reform and Control Act of 1986. Workload for the activity follows:

## PARDON ATTORNEY

Cases:	1987 actual	1988 est.	1989 est.
Grants of pardon .....	23	50	50
Grants of commutation .....	.....	5	5
Denials and no actions .....	290	300	300
Correspondence sent out .....	16,454	16,500	16,500

## EXECUTIVE OFFICE FOR IMMIGRATION REVIEW

Appeals, motions, hearings, and petitions pending, beginning of year .....	68,164	34,599	16,529
Received .....	105,737	131,580	158,580
Terminated .....	139,302	149,650	159,421
Pending, end of year .....	34,599	16,529	15,688

## Object Classification (in thousands of dollars)

Identification code 15-0129-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	36,945	42,525	46,039
11.3 Other than full-time permanent .....	2,370	2,676	2,745
11.5 Other personnel compensation .....	916	884	886
11.8 Special personal services payments .....	54	40	40
11.9 Total personnel compensation .....	40,285	46,125	49,710
12.1 Civilian personnel benefits .....	4,763	5,854	6,532
13.0 Benefits for former personnel .....	75	.....	.....
21.0 Travel and transportation of persons .....	1,327	2,878	2,696
22.0 Transportation of things .....	275	330	426
23.1 Rental payments to GSA .....	8,909	11,828	13,027
23.3 Communications, utilities, and miscellaneous charges ..	2,914	4,418	5,151
24.0 Printing and reproduction .....	300	549	594
25.0 Other services .....	9,116	17,566	18,620
26.0 Supplies and materials .....	2,047	1,738	1,989
31.0 Equipment .....	1,019	1,656	2,057
42.0 Insurance claims and indemnities .....	8	.....	.....
99.0 Subtotal, direct obligations .....	71,038	92,942	100,802
99.0 Reimbursable obligations .....	10,323	14,000	14,000
99.9 Total obligations .....	81,361	106,942	114,802

## Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	1,228	1,216	1,321
Total compensable workyears:			
Full-time equivalent employment .....	1,079	1,244	1,319
Full-time equivalent of overtime and holiday hours .....	21	21	21
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	74	81	81
Total compensable workyears: Full-time equivalent employment ..	45	81	81

## Intragovernmental funds:

### WORKING CAPITAL FUND

#### Program and Financing (in thousands of dollars)

Identification code 15-4526-0-4-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Employee data .....	9,787	11,415	11,983
00.02 Telecommunications .....	39,535	39,909	40,632
00.03 Data processing .....	39,055	43,316	49,484
00.04 Publication services .....	2,910	3,152	3,196
00.05 Space management .....	75,046	80,791	80,791
00.06 Property management .....	496	491	491
00.07 Justice building service .....	6,885	8,553	8,879
00.91 Total operating expenses .....	173,714	187,627	195,456

**Intragovernmental funds—Continued**  
**WORKING CAPITAL FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	15-4526-0-4-751	1987 actual	1988 est.	1989 est.
01.01	Capital investment.....	676	4,748	745
10.00	Total obligations.....	174,390	192,375	196,201
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-173,778	-191,627	-195,456
21.98	Unobligated balance available, start of year: Fund balance.....	-4,190	-3,545	-2,797
24.98	Unobligated balance available, end of year: Fund balance.....	3,545	2,797	2,052
27.00	Capital transfer to general fund.....	33		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	612	748	745
72.98	Obligated balance, start of year: Fund balance.....	8,656	14,589	15,337
74.98	Obligated balance, end of year: Fund balance.....	-14,589	-15,337	-16,082
90.00	Outlays.....	-5,321		

The Working Capital Fund finances on a reimbursable basis those administrative services that can be performed more efficiently at the Department level.

**Object Classification (in thousands of dollars)**

Identification code	15-4526-0-4-751	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	13,753	15,384	16,230
11.3	Other than full-time permanent.....	889	900	927
11.5	Other personnel compensation.....	948	797	794
11.9	Total personnel compensation.....	15,590	17,081	17,951
12.1	Civilian personnel benefits.....	1,910	2,013	2,297
21.0	Travel and transportation of persons.....	153	171	172
22.0	Transportation of things.....	37	50	130
23.1	Rental payments to GSA.....	3,358	4,040	4,095
23.3	Communications, utilities, and miscellaneous charges.....	57,516	58,055	58,603
24.0	Printing and reproduction.....	180	484	482
25.0	Other services.....	92,306	106,013	107,905
26.0	Supplies and materials.....	1,770	2,972	3,076
31.0	Equipment.....	1,570	1,496	1,490
99.9	Total obligations.....	174,390	192,375	196,201

**Personnel Summary**

Total number of full-time permanent positions.....	521	514	530
Total compensable workyears:			
Full-time equivalent employment.....	445	507	492
Full-time equivalent of overtime and holiday hours.....	23	23	23

**UNITED STATES PAROLE COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the United States Parole Commission, as authorized by law, **[\$11,665,000] \$10,893,000.** (18 U.S.C. 4204-04, 4212, 4255, 5005, 5041; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	15-1061-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	10,186	11,665	10,893
01.01	Reimbursable program.....	32		
10.00	Total obligations.....	10,218	11,665	10,893

<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-32		
25.00	Unobligated balance lapsing.....	353		
40.00	<b>Budget authority (appropriation)</b> .....	<b>10,539</b>	<b>11,665</b>	<b>10,893</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	10,186	11,665	10,893
72.40	Obligated balance, start of year.....	1,521	1,980	2,160
74.40	Obligated balance, end of year.....	-1,980	-2,160	-2,052
77.00	Adjustments in expired accounts.....	185		
90.00	Outlays.....	9,912	11,485	11,001

The United States Parole Commission makes decisions to grant or deny parole to Federal prisoners serving sentences of one year and a day or more, sets conditions of parole, supervises parolees and mandatory releasees, recommits parolees in the event of violations of the conditions of supervision, and determines the termination of supervision in accordance with the Parole Commission and Reorganization Act of 1976.

In 1989, this program will meet the statutory limitations by granting or denying parole within the legal time requirements to all Federal prisoners who are eligible for parole consideration. In addition to this basic function, the Commission will seek to improve the rehabilitation process by monitoring an effective parole supervision program through the U.S. probation officers. Finally, the Commission conducts ongoing research programs and administers its responsibilities under the labor and pension laws.

Workload for this appropriation is as follows:

	1987 actual	1988 est.	1989 est.
<b>Hearings:</b>			
Initial.....	13,070	14,000	11,200
Record review.....	20,631	23,450	20,800
Rescission.....	811	870	836
Local revocation.....	348	268	268
Institutional revocation.....	2,488	2,234	2,234
Other.....	390	578	668
Statutory review.....	2,812	2,950	2,670
<b>Appeal decisions:</b>			
National.....	5,157	5,300	4,000
Administrative.....	235	230	225
OJ decisions and appeals.....	225	207	196

**Object Classification (in thousands of dollars)**

Identification code	15-1061-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	4,983	5,475	5,036
11.3	Other than full-time permanent.....	664	764	764
11.5	Other personnel compensation.....	8	8	8
11.8	Special personal services payments.....	38	38	38
11.9	Total personnel compensation.....	5,693	6,285	5,846
12.1	Civilian personnel benefits.....	914	1,026	973
13.0	Benefits for former personnel.....		20	20
21.0	Travel and transportation of persons.....	584	763	613
22.0	Transportation of things.....	213	235	217
23.1	Rental payments to GSA.....	728	874	921
23.3	Communications, utilities, and miscellaneous charges.....	652	900	860
24.0	Printing and reproduction.....	128	200	183
25.0	Other services.....	890	1,132	1,138
26.0	Supplies and materials.....	137	145	109
31.0	Equipment.....	247	85	13
99.0	Subtotal, direct obligations.....	10,186	11,665	10,893
99.0	Reimbursable obligations.....	32		
99.9	Total obligations.....	10,218	11,665	10,893

**Personnel Summary**

Total number of full-time permanent positions.....	179	179	161
Total compensable workyears:			
Full-time equivalent employment.....	164	176	156
Full-time equivalent of overtime and holiday hours.....	1	1	1

**LEGAL ACTIVITIES**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES**

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed \$20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and rent of private or Government-owned space in the District of Columbia; **[\$237,209,000] \$270,186,000**, of which not to exceed \$6,000,000 for litigation support contracts shall remain available until September 30, **[1989] 1990: Provided**, That of the funds available in this appropriation, not to exceed **[\$5,000,000] \$13,266,000** shall be available for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through Salaries and expenses, General Administration, to remain available until expended: **[Provided further]**, That of the funds appropriated to the Department of Justice in this Act, not to exceed \$1,000,000 may be transferred to this appropriation to pay expenses related to the activities of any Independent Counsel appointed pursuant to 28 U.S.C. 591, et seq., upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate and approval under said Committees' policies concerning the reprogramming of funds: **Provided further**, That a permanent indefinite appropriation is established within the Department of Justice to pay all necessary expenses of investigations and prosecutions by independent counsel appointed pursuant to the provisions of 28 U.S.C. 591 et seq. or other law: **Provided further**, That the Comptroller General shall perform semiannual financial reviews of expenditures from the Independent Counsel permanent indefinite appropriation, and report their findings to the Committees on Appropriations of the House and Senate: **Provided further**, That not to exceed \$5,000,000 may be transferred to "Salaries and expenses, general legal activities" from "Fees and expenses of witnesses": **Provided further**, That the Chief, U.S. National Central Bureau, INTERPOL, may establish and collect fees to process name checks and background records for noncriminal employment, licensing, and humanitarian purposes and, notwithstanding the provisions of 31 U.S.C. 3302, credit not more than \$150,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services. (19 U.S.C. 1619; 21 U.S.C. 886; 28 U.S.C. 501, 505-506, 510-520, 524-526; 48 U.S.C. 1424, 1617, 1694; 50 U.S.C. App. 6; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 15-0128-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Conduct of Supreme Court proceedings and review of appellate matters.....	3,843	4,140	4,232
00.02 General tax matters.....	34,498	36,859	38,593
00.03 Criminal matters.....	47,207	50,508	52,819
00.04 Claims, customs, and general civil matters.....	76,887	83,663	92,925
00.05 Land, natural resources, and Indian matters.....	24,706	26,194	32,178
00.06 Legal opinions.....	2,285	2,564	2,721
00.07 Civil rights matters.....	23,481	25,363	26,041
00.08 Interpol.....	3,047	3,513	4,616
00.09 Independent counsel.....	5,639	1,000	
00.10 Legal activities office automation.....	1,529	2,598	13,266
00.11 Special council for discrimination.....	544	2,345	2,795
00.91 Total direct program.....	223,666	238,747	270,186
01.01 Reimbursable program.....	25,845	24,102	24,102
10.00 Total obligations.....	249,511	262,849	294,288

**Financing:**

11.00 Offsetting collections from: Federal funds.....	-25,845	-24,102	-24,102
17.00 Recovery of prior year obligations.....	-400		
21.40 Unobligated balance available, start of year.....	-2,030	-538	
24.40 Unobligated balance available, end of year.....	538		
25.00 Unobligated balance lapsing.....	119		
<b>39.00 Budget authority.....</b>	<b>221,893</b>	<b>238,209</b>	<b>270,186</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	220,893	237,209	270,186
42.00 Transferred from other accounts.....	1,000	1,000	
<b>43.00 Appropriation (adjusted).....</b>	<b>221,893</b>	<b>238,209</b>	<b>270,186</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	223,666	238,747	270,186
72.40 Obligated balance, start of year.....	25,069	26,511	29,018
74.40 Obligated balance, end of year.....	-26,511	-29,018	-33,062
77.00 Adjustments in expired accounts.....	1,372		
78.00 Adjustments in unexpired accounts.....	-400		
<b>90.00 Outlays.....</b>	<b>223,197</b>	<b>236,240</b>	<b>266,142</b>

The following legal activities of the Department are financed from this appropriation:

**Conduct of Supreme Court proceedings and review of appellate matters.**—This program consists of supervising and controlling all appellate matters and representing the Government before the U.S. Supreme Court.

**WORKLOAD**

Cases:	1987 actual	1988 est.	1989 est.
Pending, beginning of term.....	398	416	425
Received.....	1,978	2,147	2,167
Terminated.....	1,960	2,138	2,148
Pending, end of term.....	416	425	444
<b>Other activities:</b>			
Appellate determinations.....	1,527	1,542	1,558
Certiorari determinations.....	728	735	742
Miscellaneous recommendations.....	366	370	374

**General tax matters.**—This program is responsible for the prosecution or defense of cases arising under the internal revenue laws and other statutes.

**WORKLOAD**

Cases:	1987 actual	1988 est.	1989 est.
Pending, beginning of year.....	20,026	19,498	21,925
Received.....	15,346	19,730	20,510
Terminated.....	15,874	17,303	18,860
Pending, end of year.....	19,498	21,925	23,575

**Criminal matters.**—This program supervises the enforcement of all Federal criminal statutes except for statutes dealing specifically with tax, antitrust, land, and civil rights matters.

**WORKLOAD**<sup>1</sup>

Cases:	1987 actual	1988 est.	1989 est.
Pending, beginning of year.....	497	593	568
Received.....	347	300	325
Terminated.....	251	325	350
Pending, end of year.....	593	568	543
<b>Matters:</b>			
Pending, beginning of year.....	1,247	1,343	1,363
Received.....	837	800	800
Terminated.....	741	780	800
Pending, end of year.....	1,343	1,363	1,363

<sup>1</sup> Includes direct operational authority only.

**Claims, customs, and general civil matters.**—Civil suits and claims of the Government, except tax, land, and civil rights matters, are brought or defended through this program. In 1989, program increases are requested to provide essential automated evidentiary

General and special funds—Continued

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES—Continued

document management and other litigation support services (ALS) for an increasing number of large and complex cases expected to be scheduled for trial.

WORKLOAD<sup>1</sup>

Cases:	1987 actual	1988 est.	1989 est.
Pending, beginning of year.....	19,012	19,464	20,320
Received.....	7,957	8,368	8,932
Terminated.....	7,505	7,512	7,715
Pending, end of year.....	19,464	20,320	21,537
ALS supported cases.....	3,358	3,149	3,002
ALS funds (\$000).....	\$10,019	\$9,440	\$16,918

<sup>1</sup> Excludes delegated and supervised cases.

**Land, natural resources, and Indian matters.**—Under this program all civil suits and matters relating to title, possession, and use of Federal land and natural resources are handled, as well as civil litigation involving Indians and Indian affairs in which the United States is interested. Criminal and civil prosecutions for Federal air and water pollution violations are also included. In 1989, program increases are requested to respond to a burgeoning caseload in defensive litigation.

WORKLOAD

Cases:	1987 actual	1988 est.	1989 est.
Pending, beginning of year.....	8,071	8,757	9,348
Received.....	2,449	3,306	3,698
Terminated.....	1,763	2,715	2,854
Pending, end of year.....	8,757	9,348	10,192
Matters:			
Pending, beginning of year.....	6,429	6,080	5,570
Received.....	2,629	2,250	2,350
Terminated.....	2,978	2,760	2,650
Pending, end of year.....	6,080	5,570	5,270

**Legal opinions.**—Opinions are prepared for the President and executive agencies, and proposed Executive orders and proclamations are reviewed for form and legality.

WORKLOAD

	1987 actual	1988 est.	1989 est.
Executive orders and proclamations.....	50	70	70
Opinions.....	510	530	535
Intradepartmental opinions.....	570	620	700
Special assignments.....	2,600	2,900	2,950

**Civil rights matters.**—Within this program, cases and matters involving the civil rights of persons within the jurisdiction of the United States are handled.

WORKLOAD

Cases:	1987 actual	1988 est.	1989 est.
Pending, beginning of year.....	936	955	939
Received.....	162	164	176
Terminated.....	143	180	189
Pending, end of year.....	955	939	926
Matters:			
Pending, beginning of year.....	4,300	4,988	5,604
Received.....	5,240	5,381	5,512
Terminated.....	4,552	4,765	4,846
Pending, end of year.....	4,988	5,604	6,270

**Interpol (U.S. National Central Bureau).**—This program facilitates international law enforcement cooperation as the United States liaison unit, on behalf of the Attorney General, to the International Criminal Police Organization.

WORKLOAD

	1987 actual	1988 est.	1989 est.
Investigative matters pending beginning of year (IMPS).....	34,288	37,830	43,504
Investigative matters received (IMRS).....	87	88	89
Total workload.....	34,375	37,918	43,593

**Legal activities office automation.**—This fund provides for the development and acquisition of office automation systems for the various legal divisions and U.S. Attorneys offices. In 1989, this program will also fund office automation systems in the Department's management offices.

**Special counsel for discrimination.**—Sections 274b (c)(1) and (c)(4) of the Immigration and Nationality Act authorizes the President to appoint, with Senate consent, the Special Counsel for Immigration-Related Unfair Employment Practices within the Department of Justice for a four-year term. This Special Counsel, in accordance with Attorney General regulations, will establish regional offices as necessary to perform his duties.

**Reimbursable program.**—This reflects reimbursable funding for the following:

Civil Division—to perform functions of the Office of Alien Property and miscellaneous litigation support services. Criminal Division—for detailing of staff to provide assistance to other agencies and for other miscellaneous purposes; Lands Division—from client agencies for land appraisal contracts and from the Environmental Protection Agency pursuant to Superfund litigation; and Civil Rights Division—for activities related to the Department's Equal Employment Opportunity Program.

Object Classification (in thousands of dollars)

Identification code 15-0128-0-1-752	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	113,008	120,189	123,674
11.3 Other than full-time permanent.....	9,945	5,116	5,257
11.5 Other personnel compensation.....	1,737	1,783	1,771
11.8 Special personal services payments.....	1,770	1,014	1,007
11.9 Total personnel compensation.....	126,460	128,102	131,709
12.1 Civilian personnel benefits.....	16,253	17,864	23,124
13.0 Benefits for former personnel.....	80	92	91
21.0 Travel and transportation of persons.....	9,049	10,044	11,968
22.0 Transportation of things.....	1,373	1,111	1,218
23.1 Rental payments to GSA.....	19,043	24,859	26,755
23.2 Rental payments to others.....	71	12	12
23.3 Communications, utilities, and miscellaneous charges.....	19,464	19,107	19,603
24.0 Printing and reproduction.....	1,846	2,177	2,377
25.0 Other services.....	25,161	29,129	45,004
26.0 Supplies and materials.....	2,358	2,556	3,012
31.0 Equipment.....	1,896	2,808	4,427
41.0 Grants, subsidies, and contributions.....	606	886	886
42.0 Insurance claims and indemnities.....	6		
99.0 Subtotal, direct obligations.....	223,666	238,747	270,186
99.0 Reimbursable obligations.....	25,845	24,102	24,102
99.9 Total obligations.....	249,511	262,849	294,288

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	3,200	3,178	3,269
Total compensable workyears:			
Full-time equivalent employment.....	2,961	3,048	3,248
Full-time equivalent of overtime and holiday hours.....	40	40	40

Reimbursable:			
Total number of full-time permanent positions .....	163	218	218
Total compensable workyears: Full-time equivalent employment.	163	218	218

**SALARIES AND EXPENSES, ANTITRUST DIVISION**

For expenses necessary for the enforcement of antitrust and kindred laws, **[\$44,937,000] \$47,021,000.** (Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 15-0319-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program .....	43,382	45,382	47,021
01.01 Reimbursable program .....	2	75	75
10.00 Total obligations .....	43,384	45,457	47,096
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-2	-75	-75
21.40 Unobligated balance available, start of year .....		-445	
24.40 Unobligated balance available, end of year .....	445		
25.00 Unobligated balance lapsing .....	18		
39.00 <b>Budget authority</b> .....	<b>43,845</b>	<b>44,937</b>	<b>47,021</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	43,945	44,937	47,021
41.00 Transferred to other accounts .....	-100		
43.00 <b>Appropriation (adjusted)</b> .....	<b>43,845</b>	<b>44,937</b>	<b>47,021</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	43,382	45,382	47,021
72.40 Obligated balance, start of year .....	13,582	14,499	15,151
74.40 Obligated balance, end of year .....	-14,499	-15,151	-15,681
77.00 Adjustments in expired accounts .....	157		
90.00 <b>Outlays</b> .....	<b>42,622</b>	<b>44,730</b>	<b>46,491</b>

The Antitrust Division administers and enforces the antitrust and related statutes. This program primarily involves the investigation of suspected violations of the antitrust laws, the conduct of civil and criminal proceedings in the Federal courts, and the maintenance of competitive conditions.

The administration has proposed legislation to terminate the Interstate Commerce Commission and to complete deregulation of the Motor Carrier, Freight, Forwarder, and Water Carrier industries. Remaining rail-related activities would be transferred to the Department of Justice and Transportation. The Justice Department will assume responsibility for reviewing applications for rail-related mergers, consolidations, and acquisitions.

**WORKLOAD**

Cases and investigations:	1987 actual	1988 est.	1989 est.
Pending, beginning of year .....	721	604	509
Filed and instituted .....	576	600	600
Terminated .....	693	695	695
Pending, end of year .....	604	509	414
Miscellaneous proceedings .....	4,550	4,550	4,550

**Object Classification (in thousands of dollars)**

Identification code 15-0319-0-1-752	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	21,771	21,091	21,552
11.3 Other than full-time permanent .....	1,054	1,042	1,065
11.5 Other personnel compensation .....	293	376	384
11.8 Special personal services payments .....	250	3	3
11.9 Total personnel compensation .....	23,368	22,512	23,004

12.1 Civilian personnel benefits .....	2,789	3,571	3,649
13.0 Benefits for former personnel .....	56	32	33
21.0 Travel and transportation of persons .....	1,179	1,138	1,162
22.0 Transportation of things .....	372	254	259
23.1 Rental payments to GSA .....	4,123	5,370	5,487
23.3 Communications, utilities, and miscellaneous charges .....	2,140	2,784	2,844
24.0 Printing and reproduction .....	240	270	276
25.0 Other services .....	5,889	6,609	7,405
26.0 Supplies and materials .....	709	889	908
31.0 Equipment .....	2,517	1,953	1,995
99.0 Subtotal, direct obligations .....	43,382	45,382	47,021
99.0 Reimbursable obligations .....	2	75	75
99.9 Total obligations .....	43,384	45,457	47,096

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	649	549	549
Total compensable workyears:			
Full-time equivalent employment .....	565	531	531
Full-time equivalent of overtime and holiday hours .....	8	8	8

**SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION**

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those allowed under the Foreign Service Act of 1980 as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters of personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; advances of funds abroad; advances or reimbursement to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; **[\$500,000] \$472,000.** (8 U.S.C. 1103, 1252, 1551; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 15-0100-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	497	500	472
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	67		
40.00 <b>Budget authority (appropriation)</b> .....	<b>564</b>	<b>500</b>	<b>472</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	497	500	472
72.40 Obligated balance, start of year .....	113	161	262
74.40 Obligated balance, end of year .....	-161	-262	-360
77.00 Adjustments in expired accounts .....	40		
90.00 <b>Outlays</b> .....	<b>489</b>	<b>399</b>	<b>374</b>

In 1989, the Foreign Claims Settlement Commission will provide continuing service to former and prospective claimants on a total of 35 completed international and war claims related programs. This staff will also be providing advice on policy determinations, preliminary planning, evaluation of pending claims legislation, and liaison with Congressional committees considering legislation intended to provide compensation to new categories of claimants.

General and special funds—Continued

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT  
COMMISSION—Continued

Object Classification (in thousands of dollars)			
Identification code 15-0100-0-1-153	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	195	197	185
11.3 Other than full-time permanent.....	75	75	71
11.9 Total personnel compensation.....	270	272	256
12.1 Civilian personnel benefits.....	29	29	28
13.0 Benefits for former personnel.....	6	6	6
21.0 Travel and transportation of persons.....	6	6	6
22.0 Transportation of things.....	2	2	2
23.1 Rental payments to GSA.....	77	78	73
23.3 Communications, utilities, and miscellaneous charges.....	29	29	28
24.0 Printing and reproduction.....	3	3	3
25.0 Other services.....	18	18	17
26.0 Supplies and materials.....	9	9	9
31.0 Equipment.....	48	48	44
99.9 Total obligations.....	497	500	472

Personnel Summary

Total number of full-time permanent positions.....	9	9	7
Total compensable workyears: Full-time equivalent employment.....	7	9	7

PAYMENT OF VIETNAM AND USS PUEBLO PRISONER OF WAR CLAIMS

Program and Financing (in thousands of dollars)

Identification code 15-0104-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0).....		10	10
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	—46	—46	—36
24.40 Unobligated balance available, end of year.....	46	36	26
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....		10	10
90.00 Outlays.....		10	10

The War Claims Act of 1948, as amended, authorizes payments to American military prisoners of war and American civilians captured by hostile forces in South-east Asia during the Vietnam conflict. There are still several pending claims.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, **[\$380,339,000]** \$414,418,000; and in addition, \$10,000,000 shall be available until September 30, 1990, for the purposes of (1) providing training of personnel of the Department of Justice in debt collection, (2) providing services pertinent to debt collection, such as title searches, debtor skiptracing, asset searches, credit reports and other investigation related to locating debtors and their property, and (3) paying expenses of costs of sales of property not covered by the sale proceeds, such as auctioneers' fees and expenses, maintenance and protection of property and businesses, advertising and title search and surveying costs. (28 U.S.C. 519, 541-550; 48 U.S.C. 1424, 1617, 1694; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-0322-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 U.S. attorneys.....	357,114	380,339	414,418
00.02 Debt collection.....			10,000
00.91 Total direct program.....	357,114	380,339	424,418
01.01 Reimbursable program.....	1,100	1,460	1,460
10.00 Total obligations.....	358,214	381,799	425,878
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	—1,100	—1,460	—1,460
25.00 Unobligated balance lapsing.....	214		
40.00 <b>Budget authority (appropriation)</b> .....	<b>357,328</b>	<b>380,339</b>	<b>424,418</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	357,114	380,339	424,418
72.40 Obligated balance, start of year.....	34,797	53,931	73,205
74.40 Obligated balance, end of year.....	—53,931	—73,205	—86,394
77.00 Adjustments in expired accounts.....	—1,508		
90.00 Outlays.....	336,472	361,065	411,229

The Government is represented in each of the 94 judicial districts by a U.S. attorney. The U.S. Attorneys are responsible for the prosecution of criminal offenses against the United States, the representation of the Government in civil actions in which the United States is concerned, and the initiation of proceedings for the collection of fines, penalties, and forfeitures owed to the United States. The 1989 estimates provide for growing criminal prosecutions, including drug law prosecutions; defense of an increasing number of monetary claims against the Government; and recovery of money owed to the United States through litigation and debt collection activity.

U.S. ATTORNEYS

	1987 actual	1988 est.	1989 est.
<b>Cases:</b>			
Pending beginning of year.....	202,479	194,778	186,553
<b>Filed:</b>			
Criminal.....	34,814	35,510	37,214
Civil.....	83,423	85,000	88,000
Total received.....	118,237	120,510	125,214
<b>Terminated:</b>			
Criminal.....	35,034	35,735	37,450
Civil.....	90,904	93,000	97,000
Total terminated.....	125,938	128,735	134,450
Pending end of year.....	194,778	186,553	177,317
Criminal trials.....	3,738	3,800	3,982
Civil trials.....	1,441	1,500	2,000
Total trials.....	5,179	5,300	5,982
Criminal appeals filed.....	3,110	3,167	3,319
Civil appeals filed.....	3,069	3,100	3,200
Total appeals filed.....	6,179	6,267	6,519
Criminal appeals terminated.....	3,369	3,420	3,585
Civil appeals terminated.....	3,965	4,100	4,300
Total appeals terminated.....	7,334	7,520	7,885
Workhours in court.....	697,619	715,500	807,750
<b>Matters:</b>			
Pending beginning of year.....	94,802	95,140	91,947
<b>Received:</b>			
Criminal.....	93,207	93,300	93,300

Civil .....	92,329	92,400	92,400
Total received .....	185,536	185,700	185,700
Terminated .....	185,198	188,893	195,268
Pending end of year .....	95,140	91,947	82,379
Prosecutions declined .....	39,267	39,370	39,370
Proceedings before grand jury .....	19,041	19,570	21,800
Workhours before grand jury .....	72,356	74,400	83,000
Collections (in thousands of dollars) .....	\$210,297	\$214,000	\$269,100

Object Classification (in thousands of dollars)

Identification code 15-0322-0-1-752	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	192,761	211,461	223,869
11.3 Other than full-time permanent .....	10,004	10,923	10,967
11.5 Other personnel compensation .....	1,956	2,000	2,006
11.8 Special personal services payments .....	2,117	2,318	2,460
11.9 Total personnel compensation .....	206,838	226,702	239,302
12.1 Civilian personnel benefits .....	29,004	35,377	38,182
13.0 Benefits for former personnel .....	75	75	75
21.0 Travel and transportation of persons .....	8,311	8,632	10,453
22.0 Transportation of things .....	1,809	1,902	2,113
23.1 Rental payments to GSA .....	30,622	35,967	39,482
23.2 Rental payments to others .....	270	285	286
23.3 Communications, utilities, and miscellaneous charges .....	22,621	26,137	28,951
24.0 Printing and reproduction .....	1,845	2,103	2,442
25.0 Other services .....	36,996	34,230	50,669
26.0 Supplies and materials .....	2,836	2,928	3,437
31.0 Equipment .....	15,887	6,001	9,026
99.0 Subtotal, direct obligations .....	357,114	380,339	424,418
99.0 Reimbursable obligations .....	1,100	1,460	1,460
99.9 Total obligations .....	358,214	381,799	425,878

Personnel Summary

Total number of full-time permanent positions .....	5,958	5,958	6,524
Total compensable workyears:			
Full-time equivalent employment .....	5,304	5,750	6,162
Full-time equivalent of overtime and holiday hours .....	24	24	24

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including acquisition, lease, maintenance, and operation of vehicles and aircraft; **[\$183,168,000] \$207,582,000. Provided,** That notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the United States Marshals Service may collect fees and expenses for the service of civil process, including: complaints, summonses, subpoenas and similar process; and seizures, levies, and sales associated with judicial orders of execution; and credit not to exceed \$1,000,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services. (18 U.S.C. 1963, 3053, 3059, 3192, 4008, 3521-3528; 19 U.S.C. 1613; 21 U.S.C. 881; 28 U.S.C. 510; 524, 561-562, 565, 567, 569-572, 1921; 48 U.S.C. 1424(b), 1614(c), 1694(b)(3); Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-0324-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program .....	162,466	183,168	207,582
01.01 Reimbursable program .....	5,323	5,400	5,400
10.00 Total obligations .....	167,789	188,568	212,982
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-4,095	-4,000	-4,000
14.00 Non-Federal sources .....	-1,228	-1,400	-1,400
25.00 Unobligated balance lapsing .....	1,979		
40.00 Budget authority (appropriation) .....	164,445	183,168	207,582

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	162,466	183,168	207,582
72.40 Obligated balance start of year .....	13,810	19,252	21,396
74.40 Obligated balance, end of year .....	-19,252	-21,396	-23,837
77.00 Adjustments in expired accounts .....	-536		
90.00 Outlays .....	156,488	181,024	205,141

The Federal Government is represented in each of the 94 judicial districts by a U.S. Marshal. The primary mission of the U.S. Marshals Service is responsibility for the protection of the Federal judiciary, protection of witnesses, execution of warrants and court orders, and custody and transportation of unsentenced prisoners. It is the principal support force in the Federal judicial system and an integral part of the Federal law enforcement community.

**Reimbursable program.**—Federal funds in 1989 are derived primarily from the U.S. Air Force for Intercontinental Ballistic Missile transportation security services provided by the U.S. Marshals Service, as well as the Bureau of Prisons for the transportation of sentenced prisoners, and the Department of State for security details at the United Nations. Non-Federal funds are derived from State and local governments for witness protection and for the transportation of prisoners pursuant to State writs and from fees collected from service of civil process and sales associated with judicial orders.

U.S. MARSHALS

	1987 actual	1988 est.	1989 est.
Criminal bench hours .....	104,369	114,800	126,300
Fugitive felon warrants received .....	11,587	11,800	12,000
USMS fugitive felon arrests/clears (all categories) .....	13,256	13,000	13,000
Witness security program—new witnesses .....	206	240	240
Total program principal witnesses .....	5,387	5,627	5,867
Prisoners produced .....	298,467	343,200	394,800
Property seizures .....	9,300	10,910	12,900
Forfeited property in custody .....	5,200	8,114	12,224

Object Classification (in thousands of dollars)

Identification code 15-0324-0-1-752	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	75,072	80,155	85,602
11.3 Other than full-time permanent .....	2,112	2,391	2,465
11.5 Other personnel compensation .....	11,631	14,414	15,389
11.8 Special personal services payments .....	1,608	1,825	1,883
11.9 Total personnel compensation .....	90,423	98,785	105,339
12.1 Civilian personnel benefits .....	15,815	19,800	21,543
13.0 Benefits for former personnel .....	24	3	3
21.0 Travel and transportation of persons .....	13,790	18,215	19,837
22.0 Transportation of things .....	995	656	864
23.1 Rental payments to GSA .....	14,213	19,812	21,219
23.3 Communications, utilities, and miscellaneous charges .....	10,291	8,358	9,040
24.0 Printing and reproduction .....	290	550	582
25.0 Other service .....	9,393	7,952	14,397
26.0 Supplies and materials .....	2,683	2,865	4,012
31.0 Equipment .....	4,517	6,157	10,731
42.0 Insurance claims and indemnities .....	32	15	15
99.0 Subtotal, direct obligations .....	162,466	183,168	207,582
99.0 Reimbursable obligations .....	5,323	5,400	5,400
99.9 Total obligations .....	167,789	188,568	212,982

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,724	2,864	3,025
Total compensable workyears:			
Full-time equivalent employment .....	2,729	2,873	3,027
Full time equivalent of overtime and holiday hours .....	171	327	361

General and special funds—Continued

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE—  
Continued

Personnel Summary—Continued

Reimbursable:			
Total number of full-time permanent positions .....	27	27	27
Total compensable workyears:			
Full-time equivalent employment .....	54	49	49
Full-time equivalent of overtime and holiday hours .....	8	8	8

SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, **[\$73,746,000]** \$118,265,000, which shall remain available until expended; of which not to exceed **[\$5,000,000]** \$20,000,000 shall be available under the Cooperative Agreement Program for the purposes of renovating, constructing, and equipping State and local correctional facilities: *Provided*, That amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prisoner population to be housed in the facility, or in other facilities in the same correctional system, as projected by the Attorney General: *Provided further*, That following agreement on or completion of any federally assisted correctional facility construction, the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing Federal prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement. (18 U.S.C. 4001-4003, 4006-4009, 4042, 4082, 4085-4086, 4125, 4282-4283, 4285, 5040; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-1020-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Care of U.S. prisoners in non-Federal institutions .....	63,792	69,498	98,265
00.02 Cooperative agreement program .....	7,538	9,586	20,000
10.00 Total obligations .....	71,330	79,084	118,265
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-7,602	-5,338	
24.40 Unobligated balance available, end of year .....	5,338		
25.00 Unobligated balance lapsing .....	564		
40.00 Budget authority (appropriation) .....	69,630	73,746	118,265
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	71,330	79,084	118,265
72.40 Obligated balance, start of year .....	23,848	25,119	34,836
74.40 Obligated balance, end of year .....	-25,119	-34,836	-53,056
77.00 Adjustments in expired accounts .....	-3,056		
90.00 Outlays .....	67,003	69,367	100,045

*Care of U.S. prisoners in non-Federal institutions.*—Under this program, the U.S. Marshals Service contracts with State and local jails to board Federal prisoners and detainees for short periods of time. These periods of detention occur before and during a trial and while awaiting transfer to Federal institutions after conviction. Approximately 96,000 prisoners will be boarded in approximately 830 jails at an average cost of \$44.55 per offender day in 1989.

*Cooperative agreement program.*—Agreements are negotiated with State and local governments for renovating, constructing, and equipping facilities that detain Federal prisoners.

Object Classification (in thousands of dollars)

Identification code 15-1020-0-1-752	1987 actual	1988 est.	1989 est.
11.8 Personnel compensation: Special personal services payments .....	1,974	1,295	1,946
12.1 Civilian personnel benefits .....	37	35	54
21.0 Travel and transportation of persons .....	26		
23.3 Communications, utilities, and miscellaneous charges .....	11		
25.0 Other services .....	60,966	68,043	96,010
26.0 Supplies and materials .....	31	125	250
41.0 Grants, subsidies, and contributions .....	8,285	9,586	20,005
99.9 Total obligations .....	71,330	79,084	118,265

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, including advances; **[\$53,015,000]** \$51,569,000, to remain available until expended, of which not to exceed \$1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites. (5 U.S.C. 503(b), 5537, 5751; 18 U.S.C. 3495-3496, 3525, 4203, 4241, 4242; 28 U.S.C. 524, 1783, 1821, 1825, 1915, 1922; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-0311-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Fees and expenses of witnesses .....	34,023	35,246	36,580
00.02 Protection of witnesses .....	12,018	21,351	14,873
00.03 Victim compensation fund .....		1,418	550
00.91 Total direct program .....	46,041	58,015	52,003
01.01 Reimbursable program .....	73	50	50
10.00 Total obligations .....	46,114	58,065	52,053
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-73	-50	-50
21.40 Unobligated balance available, start of year .....	-1,388	-7,434	-1,434
24.40 Unobligated balance available, end of year .....	7,434	1,434	1,000
39.00 Budget authority .....	52,087	52,015	51,569
Budget authority:			
40.00 Appropriation .....	52,187	53,015	51,569
41.00 Transferred to other accounts .....	-100	-1,000	
43.00 Appropriation (adjusted) .....	52,087	52,015	51,569
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	46,041	58,015	52,003
72.40 Obligated balance, start of year .....	12,335	18,682	32,154
74.40 Obligated balance, end of year .....	-18,682	-32,154	-37,404
77.00 Adjustments in expired accounts .....	-380		
90.00 Outlays .....	39,314	44,543	46,753

Fees and expenses are paid to witnesses who appear on behalf of the Government in cases in which the United States is a party. Costs incurred are affected by factors over which the Department of Justice exercises little control. The U.S. attorneys and the Department's six legal divisions are served by this appropriation.

*Fees and Expenses of Witnesses.*—Provides for payment of fees and expenses associated with the preparation and presentation of testimony on behalf of the United States. Specifically, there are two types of witnesses that are compensated under this program. Fact witnesses, who testify as to events or facts about which they have personal knowledge and expert witnesses, who provide technical or scientific testimony. Also, this



program pays the fees of physicians and psychiatrists who examine accused persons upon order of the court to determine their mental competency.

**Protection of Witnesses.**—Provides for payment of subsistence costs for protected witnesses and their families. The purpose of this program is to assure the safety of Government witnesses whose testimony on behalf of the United States places them or their families in jeopardy.

**Victim compensation fund.**—This fund pays restitution to any victim of a crime committed by a protected witness who causes or threatens death or serious bodily injury.

**Reimbursable program.**—Non-Federal funds are received through reimbursement from States and localities to cover the costs of maintaining those State and local organized crime witnesses and their families who have been accepted into the witness protection program.

**Object Classification (in thousands of dollars)**

Identification code 15-0311-0-1-752	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation: Special personal services payments:			
11.8 Fees and expenses of witnesses.....	22,347	23,960	23,220
11.8 Fees, protection of witnesses.....	11,896	14,825	14,370
11.9 Total personnel compensation.....	34,243	38,785	37,590
Travel and transportation of persons:			
21.0 Per diem in lieu of subsistence.....	2,714	5,060	3,252
21.0 Mileage.....	1,373	2,450	1,435
21.0 Other.....	7,680	10,252	8,702
25.0 Other services.....	49	50	40
42.0 Insurance claims and indemnities.....	-18	1,418	984
99.0 Subtotal, direct obligations.....	46,041	58,015	52,003
99.0 Reimbursable obligations.....	73	50	50
99.9 Total obligations.....	46,114	58,065	52,053

**SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE**

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, **[\$27,858,000]** \$28,815,000, of which not to exceed **[\$20,667,000]** \$21,364,000, shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: *Provided*, That notwithstanding section 501(e)(2)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act. *(Reorganization Plan No. 1 of 1966; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 15-0500-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Prevention and conciliation of community disputes.....	6,365	7,191	7,451
00.02 Reception, processing and care of Cubans and Haitians.....	23,041	24,912	21,364
01.01 Reimbursable program.....	85	311	.....
10.00 Total obligations.....	29,491	32,414	28,815
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-85	-311	.....
21.40 Unobligated balance available, start of year.....	-2,730	-4,245	.....

22.40 Unobligated balance transferred, net.....	-1,252	.....	.....
24.40 Unobligated balance available, end of year.....	4,245	.....	.....
25.00 Unobligated balance lapsing.....	117	.....	.....
40.00 Budget authority (appropriation).....	29,786	27,858	28,815
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	29,406	32,103	28,815
72.40 Obligated balance, start of year.....	4,366	6,409	12,651
74.40 Obligated balance, end of year.....	-6,409	-12,651	-14,187
77.00 Adjustments in expired accounts.....	24	.....	.....
90.00 Outlays.....	27,387	25,861	27,279

**Prevention and conciliation of community disputes.**—The Community Relations Service (CRS) provides assistance to communities in resolving disputes, disagreements, and difficulties arising from discriminatory practices based on race, color, or national origin which impair the rights of citizens or which disrupt or threaten to disrupt peaceful relations among citizens.

The 1989 request will provide CRS with resources to continue to focus on racial disputes in the areas of law enforcement, immigration, corrections, education, employment, housing, community development, and Indian rights, among others. CRS also anticipates continuing response to conflicts involving Indo-Chinese refugees as well as the Ku Klux Klan. CRS will continue to monitor and will help communities to forestall threats of urban civil disorder.

**Reception, processing and care of Cubans and Haitians.**—This activity provides for the reception, processing, resettlement, health and mental care, and other services of Cuban and Haitian entrants who entered the United States in 1980 and each year thereafter and who subsequently have been detained by the Immigration and Naturalization Service for their undocumented or unauthorized entry into the United States.

**Object Classification (in thousands of dollars)**

Identification code 15-0500-0-1-752	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	4,666	4,903	5,087
11.3 Other than full-time permanent.....	184	186	190
11.5 Other personnel compensation.....	19	25	25
11.8 Special personal services payments.....	.....	17	17
11.9 Total personnel compensation.....	4,869	5,131	5,319
12.1 Civilian personnel benefits.....	577	608	617
13.0 Benefits for former personnel.....	27	.....	.....
21.0 Travel and transportation of persons.....	747	904	820
22.0 Transportation of things.....	30	30	30
23.1 Rental payments to GSA.....	741	943	989
23.2 Rental payments to others.....	55	58	61
23.3 Communications, utilities, and miscellaneous charges.....	476	500	520
24.0 Printing and reproduction.....	14	15	16
25.0 Other services.....	16,644	13,951	14,550
26.0 Supplies and materials.....	75	75	75
31.0 Equipment.....	77	81	81
41.0 Grants, subsidies, and contributions.....	5,074	9,807	5,737
99.0 Subtotal, direct obligations.....	29,406	32,103	28,815
99.0 Reimbursable obligations.....	85	311	.....
99.9 Total obligations.....	29,491	32,414	28,815

**Personnel Summary**

Total number of full-time permanent positions.....	118	118	118
Total compensable workyears: Full-time equivalent employment.....	116	113	113

General and special funds—Continued

INDEPENDENT COUNSEL

Program and Financing (in thousands of dollars)

Identification code	15-0327-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)		7,000	7,000
<b>Financing:</b>				
39.00	Budget authority		7,000	7,000
<b>Budget authority:</b>				
40.00	Appropriation (indefinite)		7,000	
60.00	Appropriation (permanent, indefinite)			7,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		7,000	7,000
90.00	Outlays		7,000	7,000

Through a permanent, indefinite appropriation enacted in Public Law 100-202, funding is provided for an independent counsel whenever possible violations of Federal law are alleged against senior Executive branch officials pursuant to the provisions of 28 U.S.C. 591 et seq., as amended. Currently, several investigations are being conducted under this statute. Prior to 1988, funding for this activity was provided out of funds available to the General Legal Activities appropriation.

UNITED STATES TRUSTEE[S] SYSTEM FUND

For the necessary expenses of the United States Trustee Program, **[\$29,370,000] \$59,493,000, to remain available until expended and to be derived from the Fund,** for activities authorized by section 115 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554): *Provided*, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors: *Provided further*, That [the Attorney General may credit to this appropriation not more than \$18,000,000 of fees available pursuant to 28 U.S.C. 589(a)] *obligated balances remaining in the appropriation "Salaries and expenses, oversight of bankruptcy cases" as of September 30, 1988, be merged with the "United States Trustee System Fund". (12 U.S.C. 1904b; Department of Justice Appropriation Act, 1988.)*

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year		24,171	50,639
Collections	24,171	44,468	54,122
Total available for appropriation	24,171	68,639	104,761
Appropriation		-18,000	-59,493
Unappropriated balance, end of year	24,171	50,639	41,268

Program and Financing (in thousands of dollars)

Identification code	15-5073-0-2-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	20,560	50,467	59,493
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-2,176		
21.40	Unobligated balance available, start of year		-3,097	
24.40	Unobligated balance available, end of year	3,097		
25.00	Unobligated balance lapsing	2,262		
39.00	Budget authority	23,743	47,370	59,493
<b>Budget authority:</b>				
40.00	Appropriation (general fund)	23,743	29,370	
40.00	Appropriation (special fund)		18,000	59,493
43.00	Appropriation (adjusted)	23,743	47,370	59,493

Relation of obligations to outlays:

71.00	Obligations incurred, net	18,384	50,467	59,493
72.40	Obligated balance, start of year		9,307	14,853
74.40	Obligated balance, end of year	-9,307	-14,853	-15,615
90.00	Outlays	9,077	44,921	58,731

Note.—Includes \$11,500 thousand in 1987 for United States trustees system fund previously funded from the Department of Justice, Oversight of bankruptcy cases.

**United States trustee system fund.**—The Bankruptcy Judges, U.S. Trustees and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554), expanded the current pilot program to a twenty-one region nationwide program encompassing ninety-four judicial districts by October 1992. The United States trustee program supervises the administration of bankruptcy cases in the Federal Bankruptcy Courts. In 1987 and 1988, the estimates reflect phased expansion of the program's jurisdiction to most Federal judicial districts. Expansion to eighty-eight judicial districts will be completed in 1989. Appropriated funds were provided for 1987 and 1988. In addition, \$18 million of the 1988 total funding was drawn from receipts from bankruptcy cases. In 1989, all amounts will be derived from receipts to the fund.

BANKRUPTCY MATTERS

	1987 actual	1988 est.	1989 est.
Chapter 7 cases filed	402,558	468,929	472,178
Chapter 7 cases closed	410,000	444,040	470,960
Chapter 7 cases pending	150,959	175,848	177,066
Chapter 11 cases filed	21,403	21,600	21,600
Chapter 11 cases closed	16,718	21,265	21,600
Chapter 11 cases pending	36,385	36,720	36,720
Chapter 12 cases filed	5,479	6,072	6,072
Chapter 13 cases filed	138,678	149,000	159,000
Number of new cases filed	568,118	645,601	658,850

NOTES

For comparison purposes, the workload figures reflect Bankruptcy Cases in all 94 Federal judicial districts. During the transition years of 1987 and 1988, only part of this workload was supervised by the U.S. Trustee program. The 1987 cases pending and cases closed are estimated by the Administrative Office of U.S. Courts.

Object Classification (in thousands of dollars)

Identification code	15-5073-0-2-752	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	6,090	23,160	31,855
11.3	Other than full-time permanent	445	294	307
11.5	Other personnel compensation	61	626	632
11.8	Special personal services payments	39	39	39
11.9	Total personnel compensation	6,635	24,119	32,833
12.1	Civilian personnel benefits	989	3,429	4,900
13.0	Benefits for former personnel	15	63	63
21.0	Travel and transportation of persons	680	1,200	1,415
22.0	Transportation of things	142	353	366
23.1	Rental payments to GSA	1,505	4,617	7,527
23.2	Rental payments to others	65	250	25
23.3	Communications, utilities, and miscellaneous charges	885	3,006	3,031
24.0	Printing and reproduction	41	263	263
25.0	Other services	1,912	7,912	7,052
26.0	Supplies and materials	542	1,434	1,092
31.0	Equipment	7,149	3,821	926
99.9	Total obligations	20,560	50,467	59,493

Personnel Summary

Total number of full-time permanent positions	554	893	893
Total compensable workyears:			
Full-time equivalent employment	194	530	882
Full-time equivalent of overtime and holiday hours	3	5	5

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524, as amended by the Comprehensive Forfeiture Act of 1984 and the Anti-Drug Abuse Act of 1986, such sums as may be necessary to be derived from the Department of Justice Assets Forfeiture Fund: *Provided*, That not to exceed 50 per centum of total amounts available for appropriation in fiscal year 1988 from the Department of Justice Assets Forfeiture Fund shall be obligated during fiscal year 1988 for payments pursuant to section 524(c)(1) of title 28, United States Code: *Provided further*, That such limitation shall not apply to funds transferred pursuant to section 210 of this Act. (28 U.S.C. 524; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year	5,000	45,393	176,393
Collections	160,129	271,000	461,000
Total available for appropriation	165,129	316,393	637,393
Appropriation	119,736	140,000	200,000
Unappropriated balance, end of year	45,393	176,393	437,393

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
15-5042-0-2-752			
<b>Program by activities:</b>			
10.00 Total obligations	119,736	140,000	200,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) (indefinite, special fund)	119,736	140,000	200,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	119,736	140,000	200,000
72.40 Obligated balance, start of year	6,283	50,864	90,064
74.40 Obligated balance, end of year	-50,864	-90,064	-145,864
90.00 Outlays	75,155	100,800	144,200

The Comprehensive Crime Control Act of 1984 established the Assets Forfeiture Fund into which the proceeds or sales of forfeited or seized property are deposited. In establishing this fund Congress requires an annual appropriation of a specific amount.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
15-5042-0-2-752			
<b>Personnel compensation:</b>			
11.5 Other personnel compensation	16	20	28
11.8 Special personal services payments	414	491	702
12.1 Civilian personnel benefits	8	8	12
21.0 Travel and transportation of persons	363	602	860
22.0 Transportation of things	160	205	292
23.2 Rental payments to others	620	927	1,325
23.3 Communications, utilities, and miscellaneous charges	345	388	555
24.0 Printing and reproduction	28	40	57
25.0 Other services	112,433	131,695	188,137
26.0 Supplies and materials	228	256	365
31.0 Equipment	5,044	5,275	7,536
42.0 Insurance claims and indemnities	40	49	70
43.0 Interest and dividends	37	44	62
99.9 Total obligations	119,736	140,000	200,000

INTERAGENCY LAW ENFORCEMENT

Federal Funds

General and special funds:

ORGANIZED CRIME DRUG ENFORCEMENT

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
15-0323-0-1-751			
<b>Program by activities:</b>			
10.00 Corrections (total obligations) (object class 25.0)	4,213		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-4,213		
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	4,213		
72.40 Obligated balance, start of year	472	214	
74.40 Obligated balance, end of year	-214		
77.00 Adjustments in expired accounts	363		
90.00 Outlays	4,834	214	

The President's Commission on Organized Crime was terminated on April 1, 1986, as provided by Executive Order 12507.

FEDERAL BUREAU OF INVESTIGATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed [2,000] 2,600 passenger motor vehicles of which [1,650] 1,850 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; [\$1,388,492,000] \$1,503,307,000, of which not to exceed [\$10,000,000] \$25,000,000 for automated data processing and telecommunications and \$1,000,000 for undercover operations shall remain available until September 30, [1989] 1990; of which not to exceed \$3,000,000 for research related to investigative activities shall remain available until expended; [of which not to exceed \$13,000,000 for the construction of the Engineering Research Facility shall remain available until expended;] and of which not to exceed \$500,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism: *Provided*, That the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for noncriminal employment and licensing purposes, and notwithstanding the provisions of 31 U.S.C. 3302, credit such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: *Provided further*, That not to exceed [\$45,000] \$70,000 shall be available for official reception and representation expenses: *Provided further*, That [not to exceed \$8,000,000 for the expansion and renovation of the New York field office] \$11,358,000 for a language translation system shall remain available until expended. (28 U.S.C. 524, 531-37; 18 U.S.C. 3052, 3059; 22 U.S.C. 4081, 4084; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)**

Identification code	15-0200-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Criminal, security, and other investigations.....	766,750	880,786	938,196
00.02	Investigative support.....	151,121	195,842	211,685
00.03	State and local assistance.....	96,270	122,252	127,028
00.04	Program direction.....	103,427	54,047	54,758
00.91	Total operating expenses.....	1,117,568	1,252,927	1,331,667
Capital investment:				
01.01	Criminal, security, and other investigations.....	40,027	44,486	71,485
01.02	Investigative support.....	145,022	94,188	120,921
01.03	State and local assistance.....	3,933	2,164	5,244
01.04	Program direction.....	1,973	439	490
01.91	Total capital investment.....	190,955	141,277	198,140
01.92	Total direct program.....	1,308,523	1,394,204	1,529,807
02.01	Reimbursable program.....	62,375	93,981	92,251
10.00	Total obligations.....	1,370,898	1,488,185	1,622,058
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-44,888	-53,770	-52,040
14.00	Non-Federal sources.....	-17,487	-40,211	-40,211
21.40	Unobligated balance available, start of year.....	-47,319	-32,212	-26,500
24.40	Unobligated balance available, end of year.....	32,212	26,500	
25.00	Unobligated balance lapsing.....	4,887		
40.00	Budget authority (appropriation).....	1,298,303	1,388,492	1,503,307
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,308,523	1,394,204	1,529,807
72.40	Obligated balance, start of year.....	247,042	337,144	410,933
74.40	Obligated balance, end of year.....	-337,144	-410,933	-481,364
77.00	Adjustments in expired accounts.....	-2,367		
90.00	Outlays.....	1,216,054	1,320,415	1,459,376

The overall objectives of the Federal Bureau of Investigation (FBI) are to uphold the law—to investigate violations of Federal criminal law, to protect the United States from hostile intelligence efforts, to provide assistance to other Federal, state and local law enforcement agencies and to perform these responsibilities in a manner that is faithful to the Constitution and the laws of the United States.

These objectives result in the FBI's being actively involved in a wide range of investigations, including traditional law enforcement investigations (bank robbery, kidnaping, fugitive, bank embezzlement, etc.), investigations involving more modern phenomena (organized crime, white-collar crime, drug investigations, civil rights violations, antitrust violations, etc.), and investigations of hostile intelligence activities within the United States. The Drug Enforcement Administration (DEA) reports to the Director of the FBI and the FBI has concurrent jurisdiction with DEA over Federal drug violations.

The activities of the FBI are divided into the following general categories:

**Criminal, security, and other investigations.**—This activity includes all field investigations of the Federal Bureau of Investigation. These investigations are conducted by FBI Special Agents in 59 field offices and more than 390 resident agencies located throughout the United States and Puerto Rico. National priority investigations include white-collar crime, drugs, organized

crime, terrorism and foreign counterintelligence. Other investigative areas are civil rights, fugitive, general government crimes, personal crimes, civil and general property crimes, applicant, and other investigations. An increase of \$68 million is planned for the FBI's Investigative Programs in 1989.

The FBI is reimbursed by other Federal agencies for certain investigative activities such as preemployment background inquiries and name checks. In 1988 and 1989, the FBI will perform certain duties on a reimbursable basis for the Department of Defense in connection with the verification provisions of the Intermediate-Range Nuclear Forces Treaty.

This activity also includes resources devoted to national program supervision, coordination, and management of FBI investigations.

	1987 actual	1988 est.	1989 est.
Investigative matters.....	259,052	320,393	336,842
Arrests.....	7,781	8,002	8,253
Convictions.....	12,852	13,002	13,403

**Investigative support.**—Investigative support consists of training, forensic laboratories, attachés in foreign countries, investigative records and communications, ADP and telecommunications, and technical field support and equipment. Requested enhancements totaling \$24 million will augment capital investment funding within the ADP and telecommunications and technical field support and equipment programs.

	1987 actual	1988 est.	1989 est.
Federal training—FBI Academy:			
New agents trained.....	799	506	531
In-service training.....	4,150	4,500	7,300
Federal training—field: Special agents trained in field.....	9,247	9,415	10,026
Forensic services—Federal: Examinations performed.....	741,773	930,000	933,600
Investigative support systems: Work stations.....	148	1,585	1,461
Field locations served.....	59	59	59
Name checks processed.....	2,459,044	2,100,000	2,100,000

**State and local assistance.**—The FBI supports State and local law enforcement by providing training, laboratory, identification, and informational services. Emphasis is being placed on the training of State and local police instructors to enable their agencies to become more self-sufficient and, thereby, allow the FBI to concentrate its resources on high priority initiatives. Training is conducted at various locations within the United States but most courses are conducted at the FBI National Academy in Quantico, VA.

The FBI's National Crime Information Center (NCIC) and Uniform Crime Reporting (UCR) program provide criminal justice information to Federal, state and local law enforcement agencies without charge. The NCIC system contains over 18 million records relating to wanted and missing persons, stolen property, and criminal histories. The UCR program collects data from over 16,000 law enforcement agencies and provides this information to criminal justice agencies and researchers, the academic community, and others.

The FBI's Identification Division is the national repository for fingerprint identification data. In 1989, approximately 6.5 million fingerprint cards will be processed. Processing of noncriminal fingerprint checks for State and local agencies and banking institutions is on a reimbursable basis. Increases totaling \$6 million will be used to advance automation initiatives within the Fingerprint Identification program.

	1987 actual	1988 est.	1989 est.
General law enforcement training:			
State and locals trained at FBI Academy.....	3,252	3,020	1,260
State and locals trained in field.....	17,499	168,000	164,000
Forensic services non-Federal: Examinations performed	345,843	380,000	380,000
Fingerprint cards processed.....	6,293,522	6,049,000	6,514,000
NCIC transactions.....	195,000,000	210,000,000	215,000,000
UCR statistical reports processed.....	1,580,420	1,700,000	5,500,000

**Program direction.**—This activity includes the management, administrative support, legal, planning, evaluation, inspection, and financial functions of the FBI. Some workload measures include press releases, assistance to media, dissemination of FBI publications, title III applications, undercover operations proposals, civil actions, field office audits and position classification matters. An increase of \$0.3 million will enhance legal review and auditing activities in this area.

**Object Classification** (in thousands of dollars)

Identification code 15-0200-0-1-751	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	620,680	672,294	692,499
11.3 Other than full-time permanent.....	1,225	396	406
11.5 Other personnel compensation.....	68,658	66,122	66,839
11.9 Total personnel compensation.....	690,563	738,812	759,744
12.1 Civilian personnel benefits.....	118,789	185,149	192,555
13.0 Benefits for former personnel.....	361	361	361
21.0 Travel and transportation of persons.....	29,776	33,206	36,085
22.0 Transportation of things.....	6,000	7,525	8,617
23.1 Rental payments to GSA.....	64,262	86,543	91,827
23.2 Rental payments to others.....	5,101	4,135	10,264
23.3 Communications, utilities, and miscellaneous charges...	47,373	58,399	68,596
24.0 Printing and reproduction.....	2,259	2,435	2,523
25.0 Other services.....	107,628	99,011	123,206
26.0 Supplies and materials.....	39,842	35,924	37,459
31.0 Equipment.....	190,955	141,277	198,140
32.0 Land and structures.....	5,071	997	.....
42.0 Insurance claims and indemnities.....	543	360	360
91.0 Unvouchered.....	.....	70	70
99.0 Subtotal, direct obligations.....	1,308,523	1,394,204	1,529,807
99.0 Reimbursable obligations.....	62,375	93,981	92,251
99.9 Total obligations.....	1,370,898	1,488,185	1,622,058

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	22,456	22,456	22,988
Total compensable workyears:			
Full-time equivalent employment.....	21,047	21,973	22,044
Full-time equivalent of overtime and holiday hours.....	2,295	2,567	2,596
Reimbursable:			
Total number of full-time permanent positions.....	1,046	1,761	1,761
Total compensable workyears: Full-time equivalent employment.	764	1,029	1,607

**DRUG ENFORCEMENT ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Drug Enforcement Administration, including not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed [525] 549 passenger motor vehicles of which 489 are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; [\$494,076,000] \$538,072,000, of which not to exceed \$1,200,000 for research shall remain available until expended; and of which not to exceed \$1,700,000 for purchase of evidence and payments for informa-

tion, not to exceed \$4,000,000 for contracting for ADP and telecommunications equipment, [and] not to exceed \$2,000,000 for technical equipment, and not to exceed \$15,150,000 for aircraft and equipment shall remain available until September 30, [1989] 1990. (Reorganization Plan No. 2 of 1973; Reorganization Plan No. 1 of 1968; 21 U.S.C. 801-966 as amended; 40 U.S.C. 304; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 15-1100-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Enforcement.....	276,215	341,771	347,943
00.02 Investigative support.....	170,749	124,389	156,925
00.03 State and local assistance.....	4,298	4,756	4,904
00.04 Program direction.....	34,871	26,724	28,300
00.91 Total direct program.....	486,133	497,640	538,072
01.01 Reimbursable program.....	28,344	31,650	31,650
10.00 Total obligations.....	514,477	529,290	569,722
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-27,494	-30,150	-30,150
14.00 Non-Federal sources.....	-850	-1,500	-1,500
21.40 Unobligated balance available, start of year.....	-1,009	-3,564	.....
24.40 Unobligated balance available, end of year.....	3,564	.....	.....
25.00 Unobligated balance lapsing.....	1,505	.....	.....
40.00 Budget authority (appropriation).....	490,193	494,076	538,072
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	486,133	497,640	538,072
72.40 Obligated balance, start of year.....	76,805	140,627	172,874
74.40 Obligated balance, end of year.....	-140,627	-172,874	-201,669
77.00 Adjustments in expired accounts.....	-10,569	.....	.....
90.00 Outlays.....	411,742	465,393	509,277

The mission of the Drug Enforcement Administration (DEA) is to control abuse of narcotics and dangerous drugs by restricting the aggregate supply of those drugs. At the Federal level, DEA is the lead drug law enforcement agency. DEA accomplishes its objectives through coordination with State, local, and other Federal officials in drug enforcement activities, development and maintenance of drug intelligence systems, regulation of legitimate controlled substances activities, and enforcement coordination and intelligence-gathering activities with foreign government agencies.

Cooperation among Federal law enforcement agencies is extensive, especially within the 13 organized crime drug enforcement (OCDE) task forces. DEA's involvement is integral to this nationwide coordinated enforcement strategy. With the OCDE program and the expansion of DEA/FBI cooperative efforts, overall drug enforcement capabilities have been significantly strengthened in recent years.

The activities of the the DEA are divided into the following general categories:

**ENFORCEMENT**

**Domestic enforcement.**—This activity encompasses efforts to eliminate or immobilize major drug trafficking organizations and thereby reduce the domestic supply of illicit drugs. In 1989, additional resources are targeted at investigative efforts to maximize arrests and the seizure of traffickers' assets. The measures below reflect the level of activity performed by this program.

	1987 actual	1988 est.	1989 est.
DEA initiated arrests.....	7,995	8,877	8,877
Other Federal referral arrests.....	2,286	2,334	2,334

General and special funds—Continued

SALARIES AND EXPENSES—Continued

	1987 actual	1988 est.	1989 est.
DEA cooperative arrests.....	3,660	4,091	4,091
Task Force initial arrests.....	5,073	5,073	5,073
Clandestine labs seized.....	682	600	500
DEA/OCDE arrests.....	2,718	2,718	2,718
Assets seized (\$ millions).....	500	560	600

**Foreign cooperative investigations.**—This activity encompasses efforts to (1) reduce, at the source, production of opium, heroin, cocaine, marijuana, and illicitly produced and diverted legitimate dangerous drugs destined for the United States, and (2) collect and disseminate intelligence. The measures below reflect the level of activity performed by this program.

	1987 actual	1988 est.	1989 est.
Foreign cooperative arrests.....	1,063	1,500	1,500
Intelligence reports.....	100	100	110
Special field intelligence programs.....	20	25	25

**Diversion control.**—By authority of the Controlled Substances Act (CSA) of 1970 and the Comprehensive Crime Control Act (CCCA) of 1984, this activity addresses the problem of the diversion of controlled substances from the legitimate channels in which they are manufactured, distributed, and dispensed. The measures below reflect the level of activity performed by this program.

	1987 actual	1988 est.	1989 est.
Investigations:			
Periodic.....	730	875	875
Targeted.....	400	400	400
Preregistrant (nonpractitioners).....	1,276	1,300	1,300
Administrative revocations.....	450	560	600

INVESTIGATIVE SUPPORT

**Intelligence.**—This activity encompasses the collection, analysis, and dissemination of drug intelligence in support of the enforcement operations of DEA and other Federal, State and local agencies. In 1989, additional resources are requested for expanding the El Paso Intelligence Center, and for additional financial intelligence support to improve DEA's capability to seize trafficker assets. The measures below reflect the level of activity performed by this program.

	1987 actual	1988 est.	1989 est.
Intelligence reports.....	750	800	820
Special field intelligence programs.....	33	30	30
Information responses.....	17,000	17,000	17,200
El Paso Intelligence Center (EPIC) watch transactions.....	390,465	410,000	460,000

**DEA Laboratory Services.**—This activity encompasses laboratory analysis of evidence and expert testimony in support of investigation and prosecution of drug traffickers. The measure below reflects the level of activity performed by this program.

	1987 actual	1988 est.	1989 est.
Laboratory exhibits analyzed.....	30,869	36,300	39,000

**DEA Training.**—This activity encompasses entry level training for all special agents, diversion investigators, and intelligence analysts; advanced, in service and specialized training for investigative and other personnel; executive, mid-level management, and supervisory training for appropriate agency officials, and foreign language training for all DEA personnel assigned to overseas and border offices as needed. The measure below reflects the level of activity performed by this program.

	1987 actual	1988 est.	1989 est.
Students trained.....	8,300	8,000	8,000

**Research, engineering, and technical operations.**—This activity encompasses providing high quality and timely radio communications capability, technical and investigative equipment assistance support, maintenance and operation of an aircraft fleet, acquisition of a quality motor vehicle fleet, and research programs directly related to the DEA law enforcement and intelligence functions.

**ADP and telecommunications.**—This activity encompasses provision of automated data processing and telecommunication support on a nationwide and worldwide basis. The 1989 request will provide training and equipment necessary for the office automation system, additional staff required to support the requirements of a growing user community, and a data base management system for DEA's air program.

**Records management.**—This activity encompasses effective and efficient records management, Freedom of Information/Privacy Act, and library support.

STATE AND LOCAL ASSISTANCE

**State and local training and laboratory services.**—This activity encompasses training for State and laboratory services, local, military, and other Federal professionals and laboratory analysis of drug evidence. Agency-wide resources are also targeted for prevention of drug abuse.

Work load measures are provided below:

	1987 actual	1988 est.	1989 est.
Laboratory exhibits analyzed.....	11,243	8,543	8,543
Participants in training courses.....	9,455	9,750	9,750

PROGRAM DIRECTION

**Executive direction and administrative services.**—This activity encompasses the overall management and direction of DEA personnel, general services, and Equal Employment Opportunity functions.

REIMBURSABLE PROGRAM

**Reimbursable program.**—The primary reimbursements to DEA are for the training of foreign drug law enforcement officials (funded by the Department of State), the expenses incurred in managing seized assets, and other purposes to be reimbursed from the Department of Justice Assets Forfeiture Fund.

	1987 actual	1988 est.	1989 est.
Foreign officers trained.....	1,700	1,700	1,700

Object Classification (in thousands of dollars)

Identification code 15-1100-0-1-751	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	168,197	187,348	190,485
11.3 Other than full-time permanent.....	1,838	1,294	1,600
11.5 Other personnel compensation.....	19,040	18,149	18,193
11.9 Total personnel compensation.....	189,075	206,791	210,278
12.1 Civilian personnel benefits.....	46,693	71,518	72,091
13.0 Benefits for former personnel.....	163	168	173
21.0 Travel and transportation of persons.....	20,077	22,264	22,984
22.0 Transportation of things.....	4,541	5,769	5,769
23.1 Rental payments to GSA.....	22,180	31,825	32,858
23.2 Rental payments to others.....	8,135	6,408	6,662
23.3 Communications, utilities, and miscellaneous charges.....	27,500	25,902	27,913
24.0 Printing and reproduction.....	891	1,003	1,008
25.0 Other services.....	87,378	90,071	96,955

26.0	Supplies and materials.....	12,954	14,837	15,246
31.0	Equipment.....	59,404	20,459	46,010
32.0	Land and structures.....	7,004	500	.....
42.0	Insurance claims and indemnities.....	138	125	125
99.0	Subtotal, direct obligations.....	486,133	497,640	538,072
99.0	Reimbursable obligations.....	28,344	31,650	31,650
99.9	Total obligations.....	514,477	529,290	569,722

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions.....	5,680	5,710	5,887
	Total compensable workyears:			
	Full-time equivalent employment.....	5,063	5,579	5,657
	Full-time equivalent of overtime and holiday hours.....	667	722	752
<b>Reimbursable:</b>				
	Total number of full-time permanent positions.....	30	30	30
	Total compensable workyears:			
	Full-time equivalent employment.....	18	25	25
	Full-time equivalent of overtime and holiday hours.....	5	5	5

**Trust Funds**

**DRUG ABUSE PREVENTION AND CONTROL GIFT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	15-8906-0-7-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	3	.....	.....
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-3	.....	.....
39.00	Budget authority.....	.....	.....	.....
Relations of obligations to outlays:				
71.00	Obligations incurred, net.....	3	.....	.....
72.40	Obligated balance, start of year.....	.....	3	.....
74.40	Obligated balance, end of year.....	-3	.....	.....
90.00	Outlays.....	.....	3	.....

Amounts donated to this account are available for drug enforcement activities.

**IMMIGRATION AND NATURALIZATION SERVICE**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use (not to exceed [1,670] 525, of which [490] 512 shall be for replacement only) without regard to the general purchase price limitation for the current fiscal year; and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; [\$741,114,000] \$859,276,000, of which not to exceed \$400,000 for research [and \$35,000,000 for construction] shall remain available until expended: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of \$25,000 except in such instances when the Commissioner makes a determination that this restriction is impossible to implement: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That none of the funds available to the Immigration and Naturalization Service shall be available to administer or implement a nationwide employer telephone verification system unless the Commissioner of Immigration and Naturalization

procures such system through sealed bid or competitive proposal procedures, except that this proviso shall not affect the pilot project directed in section 101(d)(4) of the Immigration Reform and Control Act of 1986, Public Law 99-603: *Provided further*, That effective February 28, 1988, none of the funds appropriated herein shall be available to detain aliens convicted of a felony under State or Federal law at the Krome processing center unless such center has been designated a security level 3 or higher level correctional facility: *Provided further*, That capital assets acquired by the Immigration Legalization account may be made available for the general use of the Immigration and Naturalization Service after they are no longer needed for immigration legalization purposes. (94 Stat. 96-98; 22 U.S.C., 1621-1645; 50 U.S.C. App. 2001-2017; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	15-1217-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Operating expenses:</b>				
00.01	Enforcement.....	390,673	509,829	552,779
00.02	Citizenship and benefits.....	55,216	71,531	68,523
00.03	Immigration support.....	130,421	153,203	169,694
00.04	Program direction.....	35,666	43,898	45,209
00.91	Total operating expenses.....	611,976	778,461	836,205
<b>Capital investment:</b>				
01.01	Enforcement.....	24,870	9,525	12,433
01.02	Citizenship and benefits.....	485	354	403
01.03	Immigration support.....	11,454	46,713	10,014
01.04	Program direction.....	2,279	85	221
01.91	Total capital investment.....	39,088	56,677	23,071
01.92	Total direct program.....	651,064	835,138	859,276
02.01	Reimbursable program.....	193,148	225,345	171,538
10.00	Total obligations.....	844,212	1,060,483	1,030,814
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-6,027	-6,000	-6,000
14.00	Non-Federal sources.....	-187,121	-219,345	-165,538
21.40	Unobligated balance available, start of year.....	-3,477	-94,024	.....
24.40	Unobligated balance available, end of year.....	94,024	.....	.....
25.00	Unobligated balance lapsing.....	3,979	.....	.....
39.00	Budget authority.....	745,590	741,114	859,276
<b>Budget authority:</b>				
40.00	Appropriation.....	745,990	741,114	859,276
41.00	Transferred to other accounts.....	-400	.....	.....
43.00	Appropriation (adjusted).....	745,590	741,114	859,276
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	651,064	835,138	859,276
72.40	Obligated balance, start of year.....	74,951	155,318	262,920
74.40	Obligated balance, end of year.....	-155,318	-262,920	-295,903
77.00	Adjustments in expired accounts.....	-3,254	.....	.....
90.00	Outlays.....	567,443	727,536	826,293

The Immigration and Naturalization Service is responsible for administering laws relating to the admission, exclusion, deportation, and naturalization of aliens. Specifically, the Service inspects aliens to determine their admissibility into the United States; adjudicates requests of aliens for benefits under the law; prevents illegal entry into the United States; investigates, apprehends, and removes aliens in this country in violation of the law; and examines alien applicants wishing to become citizens.

**Enforcement.**—This activity contains most of the resources needed for preventing illegal entry into the United States and facilitating the entry of qualified persons. This includes inspection of applicants for ad-

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

mission, patrol of the border, and the location of illegal aliens who are in the United States following illegal entry or violation of status after legal entry. Apprehensions are made through the inspection of farms and ranches, by the investigation of information about the location of undocumented aliens, and through investigative case work. Also included are the resources for the Service's nationwide anti-smuggling program and for the detention and deportation of illegal aliens. An increase of \$9 million and 65 FTE is provided to activate two new detention centers. An increase of \$38 million and 1,073 FTE is provided to annualize the 4,316 positions provided in 1987 to carry out the Service's expanded responsibilities under the Immigration Reform and Control Act of 1986.

Most reimbursements received by the Service are for retrofitting conveyances for drug law enforcement purposes and for managing and operating the vehicle seizure program. These resources are from the Department of Justice Asset Forfeiture Fund.

WORKLOAD

	1987 actual	1988 est.	1989 est.
Total persons inspected.....	297,020,227	302,000,000	308,000,000
Remote adjudications completed.....	885,741	900,000	900,000
Smugglers conveyances seized.....	9,723	12,640	13,904
Deportable aliens apprehended (border patrol).....	1,158,030	1,331,100	1,468,300
Smuggled aliens apprehended (border patrol).....	61,567	68,317	70,967
Smugglers apprehended (border patrol).....	11,671	12,890	13,390
Smugglers apprehended (anti-smuggling).....	11,072	13,200	15,708
Deportable aliens apprehended (investigations).....	31,456	31,638	78,019
Cases completed (investigations).....	26,361	19,781	54,548
Cases completed (anti-smuggling).....	5,217	7,078	7,857
Convictions of smugglers (total).....	3,167	5,128	6,552
Number of detention days.....	1,257,306	1,957,000	2,000,000
Average workday stay in detention.....	15	14.3	14.3
Detentions.....	82,660	136,800	139,860
Aliens expelled.....	1,118,176	1,291,400	1,291,400
Inadmissible aliens intercepted (inspections).....	710,888	745,000	782,000
Agricultural worker program:			
Applicants for temporary resident status.....	133,241	466,579	40,000
Applicants granted temporary resident status.....	3,793	397,000	34,000
Deportation proceedings.....		10,000	10,000
Appeals to Administrative Appeals Unit.....		4,000	2,000
Appeals to Court of Appeals.....		300	150
Major fraud investigations.....		316	960
Major fraud prosecution.....		142	432

**Citizenship and benefits.**—The resources necessary to provide the benefits of the Immigration and Nationality Act are provided in this activity. Included in this activity are the adjudication of applications and petitions submitted for benefits and the processing of naturalization and citizenship petitions and applications. All operations conducted overseas, except preinspection, are within this activity.

WORKLOAD

	1987 actual	1988 est.	1989 est.
Naturalization applications completed.....	406,532	430,000	460,000
Other applications and petitions completed by adjudications and naturalization.....	2,140,261	2,200,000	2,250,000

**Immigration support.**—This activity includes the resources for construction, communications, records management, automated data processing, training of personnel, research and development, field management, legal proceedings, and the alien documentation program (ADIT). In addition, it provides a capability to scientifically examine and analyze documents to assist in the identification, investigation and prosecution of major

conspiracies which provide fraudulent documents and smuggled aliens.

WORKLOAD

	1987 actual	1988 est.	1989 est.
Basic officer training completions.....	692	1,115	1,390
Extension training program completions.....	622	600	600
Other training completions.....	3,691	3,800	3,800
Alien files opened.....	662,012	2,600,000	900,000
Record verifications completed.....	708,119	800,000	900,000
Information services inquiries.....	9,330,116	10,000,000	11,000,000
Cases received for examination.....	503	600	700
New I&NS data inputs at El Paso Intelligence Center (EPIC) processed.....	24,000	28,000	32,000
Queries researched at EPIC.....	19,274	28,000	33,000
Positive I&NS responses to queries received by EPIC provided.....	3,508	5,600	6,600

**Program direction.**—This activity contains resources for the overall administration and management of the Service.

Object Classification (in thousands of dollars)

Identification code 15-1217-0-1-751	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	246,960	317,041	360,491
11.3 Other than full-time permanent.....	29,373	20,081	16,300
11.5 Other personnel compensation.....	73,779	54,420	63,124
11.8 Special personal services payments.....	463	296	296
11.9 Total personnel compensation.....	350,575	391,838	440,211
12.1 Civilian personnel benefits.....	71,190	82,139	111,528
13.0 Benefits for former personnel.....	558	255	255
21.0 Travel and transportation of persons.....	19,084	66,040	55,146
22.0 Transportation of things.....	6,396	964	1,577
23.1 Rental payments to GSA.....	35,536	42,251	44,360
23.2 Rental payments to others.....	2,476	2,049	2,049
23.3 Communications, utilities, and miscellaneous charges.....	25,854	18,023	19,992
24.0 Printing and reproduction.....	6,570	4,444	4,565
25.0 Other services.....	54,013	122,060	116,160
26.0 Supplies and materials.....	26,578	32,931	31,186
31.0 Equipment.....	46,911	36,847	31,950
32.0 Land and structures.....	5,125	35,201	201
42.0 Insurance claims and indemnities.....	126	27	27
44.0 Refunds.....	47	19	19
91.0 Unvouchered.....	25	50	50
99.0 Subtotal, direct obligations.....	651,064	835,138	859,276
99.0 Reimbursable obligations.....	193,148	225,345	171,538
99.9 Total obligations.....	844,212	1,060,483	1,030,814

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	15,453	15,453	15,443
Total compensable workyears:			
Full-time equivalent employment.....	10,879	13,317	14,651
Full-time equivalent of overtime and holiday hours.....	3,438	4,270	4,270
Reimbursable:			
Total number of full-time permanent positions.....	1,240	1,240	1,240
Total compensable workyears:			
Full-time equivalent employment.....	1,534	2,289	1,992
Full-time equivalent of overtime and holiday hours.....	463	1,031	547

IMMIGRATION LEGALIZATION

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....			72,115
Receipts.....	97,994	215,765	37,950
Total available for appropriation.....	97,994	215,765	110,065
Appropriation.....	—97,994	—143,650	—89,786
Unappropriated balance, end of year.....		72,115	20,279



Program and Financing (in thousands of dollars)				
Identification code	1987 actual	1988 est.	1989 est.	
15-5086-0-2-751				
<b>Program by activities:</b>				
Operating expenses:				
00.01	Enforcement.....	169	1,363	1,363
00.02	Citizenship and benefits.....	30,134	70,989	37,680
00.03	Immigration support.....	48,607	61,780	44,743
00.04	Program direction.....	12,676	7,916	5,585
00.91	Total operating expenses.....	91,586	142,048	89,371
Capital investment:				
01.02	Citizenship and benefit.....	59	15	15
01.03	Immigration support.....	4,653	1,163	400
01.04	Program direction.....	1,696	424	
01.91	Total capital investments.....	6,408	1,602	415
10.00	Total obligations (object class 25.0).....	97,994	143,650	89,786
<b>Financing:</b>				
39.00	Budget authority.....	97,994	143,650	89,786
Budget authority:				
40.00	Appropriation (indefinite).....	97,994		
60.00	Appropriation (permanent, indefinite).....		143,650	89,786
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	97,994	143,650	89,786
72.40	Obligated balance, start of year.....		15,074	17,914
74.40	Obligated balance, end of year.....	-15,074	-17,914	-14,109
90.00	Outlays.....	82,920	140,810	93,591

The Immigration Reform and Control Act of 1986, title II, section 201(a), amends section 245(c) of the Immigration and Nationality Act by permitting the Attorney General to provide for a schedule of fees to be charged for filing legalization applications and further allows for the depositing of payments received in a separate account with the amounts to be available without fiscal year limitation to cover administrative and other expenses incurred in connection with the review of legalization applications.

**WORKLOAD**

	1987 actual	1988 est.	1989 est.
Applicants for temporary resident status.....	650,709	900,000	
Applicants adjusted to temporary resident status.....	59,774	1,200,000	135,226
Legalization training completions.....	1,990		
Alien files opened.....	650,709	900,000	
General searches completed.....	2,928,640	5,400,000	250,000
Information services inquiries.....	1,708,153	2,000,000	2,500,000
Cases received for examination.....	10	100	125
New I&NS data inputs at El Paso Intelligence Center (EPIC) processed.....	21,000	25,000	30,000
Queries researched at EPIC.....	2,000	2,400	2,900
Positive I&NS responses to queries received by EPIC provided.....	400	600	900

**IMMIGRATION USER FEE**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Receipts.....	39,304	75,000	80,000
Total available for appropriation.....	39,304	75,000	80,000
Appropriation.....	-39,304	-75,000	-75,057
Transfers to the general fund.....			-4,943

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
15-5087-0-2-751				
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	38,182	75,000	75,057
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....		-1,122	-1,122

24.40	Unobligated balance available, end of year.....	1,122	1,122	1,122
39.00	<b>Budget authority.....</b>	<b>39,304</b>	<b>75,000</b>	<b>75,057</b>
Budget authority:				
40.00	Appropriation (indefinite).....	39,304		
60.00	Appropriation (permanent, indefinite).....		75,000	75,057
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	38,182	75,000	75,057
72.40	Obligated balance, start of year.....			5,250
74.40	Obligated balance, end of year.....		-5,250	-5,256
90.00	Outlays.....	38,182	69,750	75,051

The Immigration user fee account established by Public Laws 99-500 and 99-591 provides for the reimbursement to the Immigration and Naturalization Service's appropriation the amount paid for certain expenses. These expenses include: (a) providing immigration inspection and preinspection services for commercial aircraft and vessels, (b) providing overtime immigration inspection services for commercial aircraft and vessels, (c) expanding and operating information systems for non-immigrant control and debt collection, (d) detecting fraudulent documents, and (e) providing detention and deportation services for excludable aliens arriving on commercial aircraft or vessels.

**WORKLOAD**

	1987 actual	1988 est.	1989 est.
Total persons inspected.....	45,232,315	47,000,000	49,000,000
Smugglers apprehended (anti-smuggling).....	180	198	218
Deportable aliens apprehended (investigations).....	450	790	900
Cases completed (investigations).....		68	90
Cases completed (anti-smuggling).....	90	99	109
Convictions of smugglers (total).....	162	178	196
Number of detention days.....	69,433	72,980	72,980
Average workday stay in detention.....	8.9	8.9	8.9
Detentions.....	7,733	8,200	8,200
Aliens expelled.....	114,516	114,516	114,516
Inadmissible aliens intercepted (inspections).....	66,118	69,000	72,000

**FEDERAL PRISON SYSTEM**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed [142] 159 of which [106] 109 are for replacement only) and hire of law enforcement and passenger motor vehicles, [\$719,814,000] \$933,709,000: Provided, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year. (18 U.S.C. 3050, 3059, 3651, 4001, 4002, 4007, 4008, 4011, 4041, 4042, 4081, 4082, 4253, 4281, 5015; Department of Justice Appropriation Act 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
15-1060-0-1-753				
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Inmate care, custody, and programs.....	357,868	399,660	499,577
00.02	Institution administration and maintenance.....	172,777	195,272	264,404
00.03	Contract confinement.....	58,224	59,042	75,446
00.04	Program direction.....	37,560	37,555	20,347
00.91	Total operating expenses.....	626,429	691,529	859,774

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	15-1060-0-1-753	1987 actual	1988 est.	1989 est.
01.01	Capital investment: Institutional improvements.....	17,906	28,285	73,935
01.92	Total direct program.....	644,335	719,814	933,709
02.01	Reimbursable program.....	13,674	12,900	12,250
10.00	Total obligations.....	658,009	732,714	945,959
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-1,141	-1,075	-1,022
14.00	Non-Federal sources.....	-12,533	-11,825	-11,228
25.00	Unobligated balance lapsing.....	3,457		
40.00	Budget authority (appropriation).....	647,792	719,814	933,709
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	644,335	719,814	933,709
72.40	Obligated balance, start of year.....	52,496	83,513	88,531
74.40	Obligated balance, end of year.....	-83,513	-88,531	-103,860
77.00	Adjustments in expired accounts.....	-787		
90.00	Outlays.....	612,531	714,796	918,380

This appropriation will provide for the custody and care of an average of 50,378 offenders and for the maintenance and operation of 58 penal institutions, 5 regional offices, and a central office located in Washington, D.C.

The appropriation also finances the boarding of sentenced Federal prisoners in State and local jails and therapeutic, community residential and other facilities for short periods of time. An average of 6,500 sentenced prisoners will be in contract facilities in 1989.

The Bureau receives reimbursements for daily care and maintenance of State and local offenders, for utilities produced by Federal Prison Industries, Inc., and for meals provided to Bureau staff at institutions.

*Inmate care, custody, and programs.*—This activity covers the cost of all food, medical supplies, clothing, welfare services, release clothing, transportation, gratuities, staff salaries (including salaries of Health Resources and Services Administration commissioned officers), and operational costs of functions directly related to providing inmate care. This activity also finances the costs of institution security, academic, social and occupational education courses, religious programs, and psychological services.

*Institution administration and maintenance.*—This activity covers all costs associated with the general operation and maintenance of facilities. Included are functions of the warden's office, personnel, financial management, safety, staff training, mechanical services, motor pool operations, powerhouse operations, and other administrative functions.

*Contract confinement.*—This activity provides for the confinement of sentenced Federal offenders in contract State and local facilities and for the care of Federal prisoners in contract community residential centers.

*Program direction.*—This activity covers the costs of regional and central office executive direction and management support functions such as research and evaluation, systems support, financial management, personnel, and legal counsel.

In 1989, resources are requested to provide for a projected increase in the inmate population, activate five

surplus facilities for prison use, activate four new facilities and new housing at existing institutions, expand both contract confinement programs, continue ADP improvements and support costs, and expand staffing at existing institutions.

Object Classification (in thousands of dollars)

Identification code	15-1060-0-1-753	1987 actual	1988 est.	1989 est.
<b>FEDERAL PRISON SYSTEM</b>				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	270,258	294,415	349,656
11.3	Other than full-time permanent.....	5,339	1,878	1,896
11.5	Other personnel compensation.....	23,695	21,190	23,419
11.9	Total personnel compensation.....	299,292	317,483	374,971
12.1	Civilian personnel benefits.....	65,116	95,054	119,566
13.0	Benefits for former personnel.....	378	69	70
21.0	Travel and transportation of persons.....	9,605	11,147	14,744
22.0	Transportation of things.....	3,475	4,671	8,360
23.1	Rental payments to GSA.....	2,755	3,060	3,213
23.2	Rental payments to others.....	390	8,900	8,900
23.3	Communications, utilities, and miscellaneous charges.....	36,012	42,138	60,657
24.0	Printing and reproduction.....	437	350	358
25.0	Other services.....	112,107	113,168	150,388
26.0	Supplies and materials.....	88,518	86,725	109,573
31.0	Equipment.....	17,906	28,285	73,935
41.0	Grants, subsidies, and contributions.....	947	1,302	1,465
42.0	Insurance claims and indemnities.....	63	17	17
43.0	Interest and dividends.....	2		
99.0	Subtotal, direct obligations, Federal Prison System..	637,005	712,369	926,217
99.0	Reimbursable obligations, Federal Prison System.....	13,674	12,900	12,250
<b>ALLOCATION TO DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
11.1	Personnel compensation: Full-time permanent.....	5,023	5,098	5,123
12.1	Civilian personnel benefits.....	2,004	2,034	2,044
13.0	Benefits for former personnel.....			
21.0	Travel and transportation of persons.....	22	23	24
22.0	Transportation of things.....	276	285	296
25.0	Other services.....	3	3	3
42.0	Insurance claims and indemnities.....	2	2	2
99.0	Subtotal, obligations, Department of Health and Human Services.....	7,330	7,445	7,492
99.9	Total obligations.....	658,009	732,714	945,959

Personnel Summary

<b>FEDERAL PRISON SYSTEM</b>			
Direct:			
Total number of full-time permanent positions.....	11,257	11,760	15,258
Total compensable workyears:			
Full-time equivalent employment.....	10,875	11,171	12,914
Full-time equivalent of overtime and holiday hours.....	572	530	590
Reimbursable:			
Total number of full-time permanent positions.....	127	127	127
Total compensable workyears: Full-time equivalent employment.....	127	127	127
<b>ALLOCATION TO DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Total number of full-time permanent positions.....	35	35	35

NATIONAL INSTITUTE OF CORRECTIONS

For carrying out the provisions of sections 4351-4353 of title 18, United States Code, which established a National Institute of Corrections, [\$9,590,000] \$9,821,000, to remain available until expended. (18 U.S.C. 4351-4353; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	15-1004-0-1-754	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	10,087	9,505	9,818
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-419		
21.40	Unobligated balance available, start of year .....	-626	-107	-192
24.40	Unobligated balance available, end of year .....	107	192	195
40.00	<b>Budget authority (appropriation) .....</b>	<b>9,149</b>	<b>9,590</b>	<b>9,821</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	10,087	9,505	9,818
72.40	Obligated balance, start of year .....	11,245	8,012	8,262
74.40	Obligated balance, end of year .....	-8,012	-8,262	-8,775
78.00	Adjustments in unexpired accounts .....	-419		
90.00	Outlays .....	12,901	9,255	9,305

The National Institute of Corrections (NIC) was established by the Juvenile Justice and Delinquency Prevention Act of 1974 to provide leadership in improving correctional programs and practices, especially in State and local organizations. The NIC awards contracts and grants to provide technical assistance to requesting correctional organizations; to maintain an information service to provide information on the latest developments, research results, et cetera, in the field of corrections; to provide training to the correctional community to improve systems and skills; and to conduct limited research and evaluation of correctional activities.

The NIC Jail Center will continue to improve the knowledge and skills of sheriffs and jail administrators, enabling them to upgrade services and practices within their jail operations.

The National Academy of Corrections will offer training to local correctional personnel working in prisons, community corrections, and jails. In 1989, the Academy will train approximately 3,000 students in the areas of management theory, current issues affecting jails, institutions, probation and parole, standards implementation, inmate services and programs, and the use of volunteers and community resources.

The dissemination of relevant correctional policies, programs, practices and resource documents will continue through the clearinghouse activity of NIC.

**Object Classification** (in thousands of dollars)

Identification code	15-1004-0-1-754	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent .....	1,543	1,687	1,698
12.1	Civilian personnel benefits .....	251	445	425
21.0	Travel and transportation of persons .....	546	300	304
22.0	Transportation of things .....	65	60	60
23.1	Rental payments to GSA .....	65	383	402
23.2	Rental payments to others .....	36	80	80
23.3	Communications, utilities, and miscellaneous charges .....	88	53	71
24.0	Printing and reproduction .....	72	92	92
25.0	Other services .....	4,772	3,794	4,149
26.0	Supplies and materials .....	149	137	100
31.0	Equipment .....	143	300	250
41.0	Grants, subsidies, and contributions .....	2,357	2,174	2,187
99.9	Total obligations .....	10,087	9,505	9,818

**Personnel Summary**

Total number of full-time permanent positions .....	41	41	41
Total compensable workyears: Full-time equivalent employment .....	45	41	41

**BUILDINGS AND FACILITIES**

For planning, acquisition of sites and construction of new facilities; purchase [and], leasing, and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, [ \$201,676,000 ] \$436,554,000, to remain available until expended: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation. (18 U.S.C. 4003, 4009, 4010, 4042, 4125; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	15-1003-0-1-753	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Planning and site acquisition .....	5,408		
00.02	New construction .....	129,136	135,875	251,591
00.03	Modernization and repair of existing facilities .....	43,198	33,191	50,947
10.00	Total obligations .....	177,742	169,066	302,538
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-44		
21.40	Unobligated balance available, start of year .....	-30,268	-71,819	-104,429
24.40	Unobligated balance available, end of year .....	71,819	104,429	238,445
40.00	<b>Budget authority (appropriation) .....</b>	<b>219,249</b>	<b>201,676</b>	<b>436,554</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	177,742	169,066	302,538
72.40	Obligated balance, start of year .....	107,183	186,652	228,529
74.40	Obligated balance, end of year .....	-186,652	-228,529	-357,890
78.00	Adjustments in unexpired accounts .....	-44		
90.00	Outlays .....	98,229	127,189	173,177

**New construction.**—This activity represents costs associated with the acquisition and construction of facilities in order to reduce overcrowding and provide a safe and humane environment for staff and inmates. In 1989, resources are requested to construct one maximum security prison, three medium security prisons, and two Federal detention centers. In addition, authority is requested to undertake a leasing program for three medium security federal prisons. These prisons, which would be constructed with private resources, would be leased on an annual basis and would be staffed and managed by the Bureau of Prisons. Resources are also requested to acquire and convert a private property for use as a prison camp. Finally, \$48.2 million is requested to increase capacity at existing institutions.

**Modernization and repair of existing facilities.**—This activity includes rehabilitation and renovation of buildings, necessary modifications to accommodate new correctional programs, rehabilitation or replacement of utilities systems, and repair projects at existing facilities. In 1989, \$31.7 million is requested to modernize antiquated penitentiaries; \$11.6 million is requested for environmental improvements; and \$8.6 million is requested to renovate existing facilities.

**Object Classification** (in thousands of dollars)

Identification code	15-1003-0-1-753	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	2,488	3,858	4,838
11.3	Other than full-time permanent .....	74		
11.5	Other personnel compensation .....	144	193	242
11.9	Total personnel compensation .....	2,706	4,051	5,080

General and special funds—Continued

BUILDINGS AND FACILITIES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	15-1003-0-1-753	1987 actual	1988 est.	1989 est.
12.1	Civilian personnel benefits.....	538	964	1,209
21.0	Travel and transportation of persons.....	299	281	508
22.0	Transportation of things.....	105	99	178
23.2	Rental payments to others.....	1,737	1,633	2,949
23.3	Communications, utilities, and miscellaneous charges.....	113	106	192
24.0	Printing and reproduction.....	7	7	12
25.0	Other services.....	161,001	151,362	273,335
26.0	Supplies and materials.....	4,503	4,233	7,645
31.0	Equipment.....	449	422	762
32.0	Land and structures.....	6,261	5,886	10,629
42.0	Insurance claims and indemnities.....	23	22	39
99.9	Total obligations.....	177,742	169,066	302,538

Personnel Summary

Total number of full-time permanent positions.....	84	129	191
Total compensable workyears:			
Full-time equivalent employment.....	84	122	153
Full-time equivalent of overtime and holiday hours.....	1	2	3

Intragovernmental funds:

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles. (18 U.S.C. 4121-4128; Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	15-4500-0-4-753	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Production expenses.....	254,850	265,664	270,465
00.02	Administrative expenses.....	1,974	2,347	2,374
00.03	Vocational training expenses.....	7,029	7,571	7,677
00.04	Other expenses.....	25,094	25,000	25,000
00.91	Total operating expenses.....	288,947	300,582	305,516
Capital investment:				
01.01	Buildings and improvements.....	5,909	4,000	7,500
01.02	Machinery and equipment.....	7,324	5,918	9,800
01.91	Total capital investment.....	13,233	9,918	17,300
10.00	Total obligations.....	302,180	310,500	322,816
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-327,241	-310,500	-322,816
21.98	Unobligated balance available, start of year: Fund balance.....	-142,812	-167,873	-167,873
24.98	Unobligated balance available, end of year: Fund balance.....	167,873	167,873	167,873
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-25,061		
72.10	Receivables in excess of obligations, start of year.....	-133,497	-159,332	-159,332
74.10	Receivables in excess of obligations, end of year.....	159,332	159,332	159,332
90.00	Outlays.....	774		

Federal Prison Industries, Inc., was created by Congress in 1934 and is a wholly-owned Government corpo-

ration. Its mission is to employ and train Federal inmates through a diversified program providing products and services to other Federal agencies. These operations are conducted in such a manner as to offer a minimum of competition to private industry and labor. Employment provides inmates with work, occupational knowledge and skills, plus money for personal expenses and family assistance.

The Corporation has been expanding its operations to provide additional industrial employment opportunities at existing and planned institutions.

**Budget program.**—Federal Prison Industries, Inc., is entirely self-sustaining. No appropriations are required. The amounts used by the Corporation for the administrative expenses and vocational training expenses are subject to a congressional limitation. Information regarding this limitation is provided separately following this account.

**Financing program.**—Revenues are derived entirely from the sale of products and services to other Federal agencies. Operating expenses are applied against these revenues, resulting in operating income or loss. Earnings surplus to the needs of the manufacturing operations, capital improvements and cash reserves are used to pay vocational training expenses, meritorious service awards, and accident compensation.

**Operating results.**—To date, Federal Prison Industries, Inc., has returned to the Treasury a total of \$82 million of retained income excess to the Corporation's needs. No contributions from budget authority have been made to offset deficits for non-revenue producing outlays since the inception of the fund.

Object Classification (in thousands of dollars)

Identification code	15-4500-0-4-753	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	21,156	22,800	26,614
11.3	Other than full-time permanent.....	98	98	98
11.5	Other personnel compensation.....	2,442	2,500	2,500
11.8	Special personal services payments.....	16,260	16,260	16,260
11.9	Total personnel compensation.....	39,956	41,658	45,472
12.1	Civilian personnel benefits.....	3,174	4,560	5,322
21.0	Travel and transportation of persons.....	3,498	3,600	3,700
22.0	Transportation of things.....	2,178	2,400	2,500
23.1	Rental payments to GSA.....	183	200	250
23.2	Rental payments to others.....	590	600	650
23.3	Communications, utilities, and miscellaneous charges.....	8,194	8,700	9,000
24.0	Printing and reproduction.....	574	600	700
25.0	Other services.....	16,282	18,000	18,000
26.0	Supplies and materials.....	205,510	210,276	209,801
31.0	Equipment.....	7,194	5,918	9,800
32.0	Land and structures.....	5,774	4,000	7,500
43.0	Interest and dividends.....	70	70	70
93.0	Administrative expenses (see separate schedule).....	1,974	2,347	2,374
93.0	Vocational training expenses (see separate schedule).....	7,029	7,571	7,677
99.9	Total obligations.....	302,180	310,500	322,816

Personnel Summary

Total number of full-time permanent positions.....	962	1,198	1,371
Total compensable workyears:			
Full-time equivalent employment.....	1,145	1,198	1,371
Full-time equivalent of overtime and holiday hours.....	61	60	60

FEDERAL PRISON INDUSTRIES, INCORPORATED  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 15-4500-2-4-753	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations			20,000
<b>Financing:</b>			
47.00 Authority to borrow			20,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net			20,000
90.00 Outlays			20,000

Legislation will be proposed to authorize the Corporation to borrow \$20 million in 1989 to finance factory construction and the purchase of major capital equipment.

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES,  
FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed ~~[\$2,347,000]~~ \$2,374,000 of funds of the corporation shall be available for its administrative expenses, and not to exceed ~~[\$7,571,000]~~ \$7,677,000 for the expenses of vocational training of prisoners, both amounts to be available for services as authorized by 5 U.S.C. 3109, and to be computed on an accrual basis to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest. (Department of Justice Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-4500-0-4-753	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Administrative expenses (excludes depreciation)	1,915	2,029	2,347
Vocational training expenses (excludes depreciation)	6,829	7,344	7,571
Total obligations	8,744	9,553	9,918
<b>Financing:</b>			
Balance lapsing	286		
<b>Limitation</b>	<b>9,030</b>	<b>9,365</b>	<b>9,918</b>
Relation of obligations to outlays:			
Obligations incurred, net	8,744	9,553	9,918
Outlays from limitations	8,744	9,365	9,918

Object Classification (in thousands of dollars)

Identification code 15-4500-0-4-753	1987 actual	1988 est.	1989 est.
<b>ADMINISTRATIVE EXPENSES</b>			
Personnel compensation:			
11.1 Full-time permanent	1,056	1,100	1,110
11.3 Other than full-time permanent	14	20	20
11.9 Total personnel compensation	1,070	1,120	1,130
12.1 Civilian personnel benefits	122	130	130
21.0 Travel and transportation of persons	228	300	300
22.0 Transportation of things	180	180	180
23.1 Rental payments to GSA	12	15	15
23.3 Communications, utilities, and miscellaneous charges	10	12	12
24.0 Printing and reproduction	3	10	10
25.0 Other services	285	350	367
26.0 Supplies and materials	64	230	230

93.0 Administrative expenses included in schedule for fund as a whole	-1,974	-2,347	-2,374
99.0 Total administrative expenses			
<b>VOCATIONAL TRAINING EXPENSES</b>			
11.1 Personnel compensation: Full-time permanent	2,413	2,480	2,505
11.9 Total personnel compensation	2,413	2,480	2,505
12.1 Civilian personnel benefits	480	490	490
21.0 Travel and transportation of persons	125	130	135
22.0 Transportation of things	68	70	75
23.1 Standard level user charges	22	25	25
23.2 Rental payments to others	4	4	4
23.3 Communications, utilities, and miscellaneous charges	434	435	435
24.0 Printing and reproduction	65	70	70
25.0 Other services	803	1,007	1,078
26.0 Supplies and materials	2,350	2,370	2,370
31.0 Equipment	130	350	350
32.0 Land and structures	135	140	140
93.0 Vocational training expenses included in schedule for fund as a whole	-7,029	-7,571	-7,677
99.0 Total vocational training expenses			

Personnel Summary

<b>ADMINISTRATIVE EXPENSES</b>			
Total number of full-time permanent positions	29	29	29
Total compensable workyears: Full-time equivalent employment	29	29	29
<b>VOCATIONAL TRAINING EXPENSES</b>			
Total number of full-time permanent positions	97	97	97
Total compensable workyears: Full-time equivalent employment	97	97	97

Trust Funds

COMMISSARY FUNDS, FEDERAL PRISONS (TRUST REVOLVING FUND)

Program and Financing (in thousands of dollars)

Identification code 15-8408-0-8-753	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Sales program	37,256	39,269	43,466
00.02 Other	2,534	2,500	2,500
00.91 Total operating expenses	39,790	41,769	45,966
01.01 Capital investment: Improvements and equipment	492	500	500
10.00 Total obligations	40,282	42,269	46,466
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-38,683	-42,269	-46,466
21.98 Unobligated balance available, start of year: Fund balance	-3,480	-1,881	-1,881
24.98 Unobligated balance available, end of year: Fund balance	1,881	1,881	1,881
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	1,599		
72.98 Obligated balance, start of year: Fund balance	3,247	5,355	5,355
74.98 Obligated balance, end of year: Fund balance	-5,355	-5,355	-5,355
90.00 Outlays	-509		

**Budget program.**—The commissary fund consists of the operation of commissaries for the inmates as an earned privilege.

**Financing.**—Profits are derived from the sale of goods to inmates. Sales for 1989 are estimated to be \$46 million. Adequate working capital is assured from retained earnings.

**Operating results.**—Profits received are used for general welfare and recreational items for all inmates.

Intragovernmental funds—Continued

COMMISSARY FUNDS, FEDERAL PRISONS (TRUST REVOLVING FUND)—Continued

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income:			
Industrial financing program:			
Revenue.....	39,972	41,469	45,866
Expense.....	37,256	39,269	43,466
Net operating income, industrial financing program.....	2,716	2,200	2,400
Nonoperating income or loss (—):			
Loss on disposition of assets.....	-61		
Net nonoperating loss.....	-61		
Net income for the year.....	2,655		

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	6,727	7,236	8,321	9,442
Accounts receivable (net).....	9	13	15	17
Advances made.....	10	2	2	2
Inventories (net).....	3,610	4,192	4,321	5,471
Real property and equipment (net).....	962	3,434	4,029	4,573
Total assets.....	11,381	14,877	17,188	19,505
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	1,222	2,094	2,341	2,458
Total liabilities.....	1,745	2,230	2,341	2,458
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance.....	3,480	1,881	1,881	1,881
Undelivered orders.....	3,306	2,388	3,113	3,853
Unfinanced budget authority: Invested capital.....	2,787	8,378	9,853	11,313
Total Government equity.....	9,573	12,647	14,847	17,047
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....	9,174	11,549	12,647	14,847
Transactions:				
Net operating income.....	2,478	2,716	2,200	2,400
Net nonoperating loss.....	-103	-61		
Closing balance.....	11,549	14,204	14,847	17,047
Total Government equity (end of year).....	9,573	12,647	14,847	17,047

Object Classification (in thousands of dollars)

Identification code	15-8408-0-8-753	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1 Full-time permanent.....		3,240	3,650	3,700
11.5 Other personnel compensation.....		200	200	200
11.9 Total personnel compensation.....		3,440	3,850	3,900
12.1 Civilian personnel benefits.....		590	730	750
21.0 Travel and transportation of persons.....		314	326	362
22.0 Transportation of things.....		14	15	17
23.2 Rental payments to others.....		53	55	61
24.0 Printing and reproduction.....		4	5	6
25.0 Other services.....		882	917	1,019
26.0 Supplies and materials.....		34,493	35,871	39,851
31.0 Equipment.....		492	500	500
99.9 Total obligations.....		40,282	42,269	46,466

Personnel Summary

Total number of full-time permanent positions.....	88	140	157
Total compensable workyears:			
Full-time equivalent employment.....	129	140	157
Full-time equivalent of overtime and holiday hours.....	2	2	2

OFFICE OF JUSTICE PROGRAMS

Federal Funds

General and special funds:

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act including salaries and expenses in connection therewith, **[\$87,383,000] \$78,017,000**, to remain available until expended [of which \$5,000,000 is provided for programs authorized under part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act, including \$1,000,000 for a grant to assist in the construction of a consolidated judicial center in Owensboro, Kentucky, and including \$1,025,000 for a grant to the town of Alderson, West Virginia, to assist in the expansion of the municipal water treatment system serving the Federal Correctional Institution at Alderson, West Virginia: *Provided*, That of the unobligated funds previously appropriated for the Juvenile Justice and Delinquency Prevention Act which are subject to provisions of sections 222(b), 223(d), and 228(e) of title II of such Act, \$3,000,000 to remain available until expended, shall be made available for programs authorized by part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act. In addition, for grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), including salaries and expenses in connection therewith, \$70,000,000 to remain available until expended: *Provided*, That the Director, Bureau of Justice Assistance may increase the limitation, not to exceed 20 per centum, on administrative costs pursuant to 42 U.S.C. 3796n upon notification to the Director by States unable to comply with the limitation. In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, \$66,692,000 to remain available until expended, of which not less than \$3,000,000 shall be allotted under subpart II of part B of the Act to assist those States deemed not in substantial compliance with the jail removal mandate found in section 224(a)(14) of the Act. In addition, \$5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1987 through September 30, 1988, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: *Provided*, That within thirty days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1988, a listing of names of such Mariel Cubans incarcerated in their respective facilities: *Provided further*, That the Attorney General, not later than April 1, 1988, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: *Provided further*, That the amount of reimbursements per prisoner per annum shall not exceed \$12,000]. (*Department of Justice Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	15-0401-0-1-754	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Research, evaluation, and demonstration programs.....		18,767	19,214	21,605
00.02 Criminal justice statistical programs.....		19,072	19,298	20,636
00.03 State and local assistance.....		55,051	10,775	
00.04 Emergency assistance.....			1,148	1,200
00.05 Juvenile justice programs.....		65,016	68,624	
00.06 Missing children.....		4,896	5,038	4,000
00.07 Public safety officers' benefits program.....		9,300	10,679	10,000
00.08 Mariel Cubans.....		5,000	5,000	
00.09 Crime control programs.....		1,497	64	
00.10 Regional information sharing system.....		12,000	12,000	
00.11 Anti-drug abuse program.....		193,656	100,294	
00.12 Management and administration.....		20,252	23,319	20,576
00.91 Total direct program.....		404,507	275,453	78,017

01.01	Reimbursable program.....	5,892	18,328	150
10.00	Total obligations.....	410,399	293,781	78,167
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-5,892	-18,328	-150
17.00	Recovery of prior year obligations.....	-3,093		
21.40	Unobligated balance available, start of year.....	-32,160	-46,378	
24.40	Unobligated balance available, end of year.....	46,378		
39.00	<b>Budget authority.....</b>	<b>415,632</b>	<b>229,075</b>	<b>78,017</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	416,032	229,075	78,017
41.00	Transferred to other accounts.....	-400		
43.00	<b>Appropriation (adjusted).....</b>	<b>415,632</b>	<b>229,075</b>	<b>78,017</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	404,507	275,453	78,017
72.40	Obligated balance, start of year.....	226,171	440,795	436,621
74.40	Obligated balance, end of year.....	-440,795	-436,621	-311,323
78.00	Adjustments in unexpired accounts.....	-3,093		
90.00	<b>Outlays.....</b>	<b>186,789</b>	<b>279,627</b>	<b>203,315</b>

The Office of Justice Programs provides staff support and coordinates the activities of the Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, the Office for Victims of Crime, and the Bureau of Justice Assistance, which administers the State and local assistance program, the Anti-Drug Abuse Act, the Public Safety Officers' Benefits program, and the Regional Information Sharing System.

**Research, evaluation, and demonstration programs.**—Funds provide for and encourage the development of basic and applied research for the improvement of Federal, State, and local criminal, civil, and juvenile justice systems; new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals; and the dissemination of the results of such research efforts.

**Criminal justice statistical programs.**—Funds provide for the collection and analysis of statistical information concerning crime, victims, offenders, criminal justice processes, juvenile delinquency, and civil disputes in support of public and private policy and decisionmaking about society's response to crime; planning, coordination, implementation and provision of technical assistance to States to initiate innovative applications of communications and information systems technology for State and local criminal justice systems; and assurance of conformance with privacy and security regulations. An increase of \$650,000 is requested for 1989 to support a jail survey and jail inmate census.

**State and local assistance.**—This program is broken into two parts: a block grant program which receives 80 percent of the funds and a discretionary grant program which receives the remaining 20 percent. In 1988 funds were appropriated for a discretionary grant program only. No new budget authority is requested for 1989.

**Emergency assistance.**—Funds are used to provide emergency assistance to a State or locality after the Attorney General has determined that a law enforcement emergency exists. A law enforcement emergency is a situation where the capacity of local resources has been exceeded.

**Juvenile justice programs.**—Funds under this activity assist States and localities in the development of more effective education, training, research, prevention, treatment, and rehabilitation programs in the area of juvenile delinquency. No new budget authority will be

requested for 1989 since the major thrusts of the grant program—deinstitutionalization of status offenders and the separation of juvenile and adult offenders—have been achieved to the extent practicable.

**Missing children.**—Funds for this program will be used to reduce the incidence of crimes against children, particularly kidnaping and sexual exploitation, by assisting families, citizen groups, law enforcement agencies and government institutions in a national effort to insure the safety and protection of children.

**Public safety officers' benefits program.**—Funds are used to pay \$50,000 in death benefits to eligible survivors of public safety officers who die in the line of duty.

**Marinel Cubans.**—This is a reimbursement to certain States for part of the cost of incarcerating Marinel Cubans who had originally been paroled by the Federal Government. No new budget authority is requested for 1989.

**Crime control programs.**—This activity provides for expenditures from past Law Enforcement Assistance Administration programs which were not continued under the Justice System Improvement Act of 1979 nor the Justice Assistance Act of 1984.

**Regional information sharing system.**—This is a program to aid State and local law enforcement agencies in the exchange of intelligence information. No new budget authority is requested for 1989.

**Anti-drug abuse program.**—Funds for this program were appropriated in 1987 and 1988 to assist State and local governments in the war against drugs. No funds are requested for 1989.

**Management and administration.**—Funds provide for executive direction and control, program operation, and administrative support of the above activities.

The planned distribution of budget authority by fiscal year is as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Research, evaluation, and demonstration programs.....	18,566	19,144	21,605
Criminal justice statistical programs.....	16,002	19,278	20,636
State and local assistance.....	40,000	5,000	
Emergency assistance.....			1,200
Juvenile justice programs.....	67,500	63,800	
Missing children.....	4,000	4,000	4,000
Public safety officers' benefits program.....	9,910	9,275	10,000
Marinel Cubans.....	5,000	5,000	
Regional information sharing system.....	9,900	12,000	
Anti-drug abuse program.....	224,700	69,500	
Management and administration.....	20,054	22,078	20,576
<b>Total.....</b>	<b>415,632</b>	<b>229,075</b>	<b>78,017</b>

**Object Classification (in thousands of dollars)**

Identification code	15-0401-0-1-754	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	10,318	11,480	12,660
11.3	Other than full-time permanent.....	1,874	1,900	240
11.5	Other personnel compensation.....	215	100	85
11.8	Special personal services payments.....	266	200	
11.9	<b>Total personnel compensation.....</b>	<b>12,673</b>	<b>13,680</b>	<b>12,985</b>
12.1	Civilian personnel benefits.....	1,624	1,977	1,805
13.0	Benefits for former personnel.....		18	18
21.0	Travel and transportation of persons.....	651	900	595
22.0	Transportation of things.....	4	4	3
23.1	Rental payments to GSA.....	1,531	1,837	1,929
23.2	Rental payments to others.....	62	70	63
23.3	Communications, utilities, and miscellaneous charges.....	944	1,125	1,100
24.0	Printing and reproduction.....	885	895	747
25.0	Other services.....	23,691	26,231	23,030
26.0	Supplies and materials.....	247	285	193

General and special funds—Continued

JUSTICE ASSISTANCE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	15-0401-0-1-754	1987 actual	1988 est.	1989 est.
31.0	Equipment.....	591	500	57
41.0	Grants, subsidies, and contributions.....	352,304	217,252	25,492
42.0	Insurance claims and indemnities.....	9,300	10,679	10,000
99.0	Subtotal, direct obligations.....	404,507	275,453	78,017
99.0	Reimbursable obligations.....	5,892	18,328	150
99.9	Total obligations.....	410,399	293,781	78,167

Personnel Summary

Total number of full-time permanent positions.....	323	329	318
Total compensable workyears: Full-time equivalent employment.....	307	315	300

CRIME VICTIMS FUND

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	62,506	62,506	62,506
Collections.....	77,446	85,000	85,000
Total available for appropriation.....	139,952	147,506	147,506
Appropriation.....	-77,446	-85,000	-85,000
Unappropriated balance, end of year.....	62,506	62,506	62,506

Program and Financing (in thousands of dollars)

Identification code	15-5041-0-2-754	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	56,164	87,203	85,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-1		
21.40	Unobligated balance available, start of year.....	-65,920	-87,203	-85,000
24.40	Unobligated balance available, end of year.....	87,203	85,000	85,000
25.00	Unobligated balance lapsing.....	1		
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>77,446</b>	<b>85,000</b>	<b>85,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	56,164	87,203	85,000
72.40	Obligated balance, start of year.....	52,807	58,323	68,032
74.40	Obligated balance, end of year.....	-58,323	-68,032	-70,785
78.00	Adjustments in unexpired accounts.....	-1		
90.00	Outlays.....	50,647	77,494	82,247

Under the Victims of Crime Act of 1984 (Public Law 98-473) as amended by the Children's Justice Act (Public Law 99-401) a special fund was established in the Treasury entitled "The Crime Victims Fund." This fund will be credited with criminal fines that are collected from persons convicted of offenses against the United States. Annual grants will be made to eligible crime victims compensation and assistance programs.

Amounts collected in the previous year are available for obligation in the subsequent year, subject to the limitations included in appropriation language.

Object Classification Schedule (in thousands of dollars)

Identification code	15-5041-0-2-754	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	4		
25.0	Other services.....	213		

41.0	Grants, subsidies, and contributions.....	55,947	87,203	85,000
99.9	Total obligations.....	56,164	87,203	85,000

Public enterprise funds:

REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	15-4169-0-3-754	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	-17	63	
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources: Sale of unclaimed goods.....	-16		
21.98	Unobligated balance available, start of year: Fund balance.....	-30	-63	
24.98	Unobligated balance available, end of year: Fund balance.....	63		
39.00	<b>Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	-33	63	
72.98	Obligated balance, start of year: Fund balance.....	17		
90.00	Outlays.....	-16	63	

This revolving fund is used to finance antifencing operations conducted by local law enforcement agencies. Such operations are designed to disrupt commerce in stolen goods. Income derived from the sale or use of stolen goods recovered, but not claimed by the lawful owners, will be paid into this fund.

Revenue and Expenses (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
Revenue.....	16		
Expense.....	17	-63	
Net income for the year.....	33	-63	

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 201. A total of not to exceed \$75,000 from funds appropriated to the Department of Justice in this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 202. Notwithstanding any other provision of law, materials produced by convict labor may be used in the construction of any highways or portion of highways located on Federal-aid systems, as described in section 103 of title 23, United States Code.

SEC. 203. Appropriations for "Salaries and expenses, General Administration", "Salaries and expenses, United States Marshals Service", "Salaries and expenses, Federal Bureau of Investigation", "Salaries and expenses, Drug Enforcement Administration", "Salaries and expenses, Immigration and Naturalization Service", and "Salaries and expenses, Federal Prison System", shall be available for uniforms and allowances therefore as authorized by law (5 U.S.C. 5901-5902).

SEC. 204. (a) Subject to subsection (b) of this section, authorities contained in Public Law 96-132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980", shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

(b)(1) With respect to any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration which is necessary for the detection and prosecution of



crimes against the United States or for the collection of foreign intelligence or counter-intelligence—

(A) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1988, may be used for purchasing property, buildings, and other facilities, and for leasing space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to section 1341 of title 31 of the United States Code, section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3324 of title 31 of the United States Code, section 3741 of the Revised Statutes (41 U.S.C. 22), and subsection (a) and (c) of section 304 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c)),

(B) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1988, may be used to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31 of the United States Code,

(C) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1988, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions, without regard to section 648 of title 18 of the United States Code and section 3302 of title 31 of the United States Code, and

(D) proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code,

only, in operations designed to detect and prosecute crimes against the United States, upon the written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee established by the Attorney General in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, as in effect on July 1, 1983) or the Administrator of the Drug Enforcement Administration, as the case may be, and the Attorney General (or, with respect to Federal Bureau of Investigation undercover operations, if designated by the Attorney General, a member of such Review Committee), that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation. If the undercover operation is designed to collect foreign intelligence or counterintelligence, the certification that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation shall be by the Director of the Federal Bureau of Investigation (or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Counsel for Intelligence Policy). Such certification shall continue in effect for the duration of such undercover operation, without regard to fiscal years.

(2) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (C) and (D) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (B) of paragraph (1) with a net value of over \$50,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation or the Drug Enforcement Administration, as much in advance as the Director or the Administrator, or the designee of the Director or the Administrator, determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(4)(A) The Federal Bureau of Investigation or the Drug Enforcement Administration, as the case may be, shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1988—

(i) submit the results of such audit in writing to the Attorney General, and

(ii) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(B) The Federal Bureau of Investigation and the Drug Enforcement Administration shall each also submit a report annually to the Congress specifying as to their respective undercover investigative operations—

(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(I) the results,

(II) any civil claims, and

(III) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(5) For purposes of paragraph (4)—

(A) the term "closed" refers to the earliest point in time at which—

(i) all criminal proceedings (other than appeals) are conducted, or

(ii) covert activities are concluded, whichever, occurs later,

(B) the term "employees" means employees, as defined in section 2105 of title 5 of the United States Code, of the Federal Bureau of Investigation, and

(C) the terms "undercover investigative operations" and "undercover operation" means any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(I) the gross receipts (excluding interest earned) exceed \$50,000, or

(II) expenditures (other than expenditures for salaries of employees) exceed \$150,000, and

(ii) which is exempt from section 3302 or 9102 of title 31 of the United States Code,

except that clauses (i) and (ii) shall not apply with respect to the report required under subparagraph (B) of such paragraph.】

【SEC. 205. None of the funds appropriated or made available by this Act shall be used prior to October 1, 1988, to issue or implement any final rule in the rulemaking proceeding commenced August 8, 1986 (51 Fed. Reg. 28576-28589).】

【SEC. 206. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term or in the case of rape: *Provided*, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.】

【SEC. 207. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.】

【SEC. 208. Nothing in the preceding section shall remove the obligation of the director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: *Provided*, That nothing in this section in any way diminishes the effect of section 207 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.】

【SEC. 209. Notwithstanding subsections (c) and (d) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633), the Administrator of the Office of Juvenile Justice and Delinquency Prevention may not—

(1) terminate any State's eligibility for funding under subpart I of part B of title II of such Act, or

(2) determine that the State's plan fails to meet the requirements of such section,

for fiscal year 1988 because of the failure of such State to comply with the requirements of section 223(a)(14) of such Act before such fiscal year.】

【SEC. 210. (a) Section 524(c)(1) of title 28 of the United States Code is amended by deleting “and” at the end of subparagraph (F), by striking out the period at the end of (G) and inserting in lieu thereof “; and” and, by inserting the following new subparagraph:

“(H) after all reimbursements and program-related expenses have been met at the end of each fiscal year, the Attorney General may transfer deposits from the Assets Forfeiture Fund to the Building and Facilities account of the Federal prison system for the construction of correctional institutions.”.

(b) Amounts proposed for transfer pursuant to subsection (a) shall be transferred only upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate and approval under said Committees’ policies concerning the reprogramming of funds.】

【SEC. 211. Section 210(d) of the Immigration and Nationality Act is amended by inserting the following new paragraph:

“(3) No application fees collected by the Immigration and Naturalization Service (INS) pursuant to section 210(d) of the Immigration and Nationality Act (INA) may be used by the INS to offset the costs of the special agricultural worker legalization program until the INS

implements the program consistent with the statutory mandate as follows:

“(A) During the application period as defined in section 210(a)(1)(A) of the INA the INS may grant temporary admission to the United States, work authorization, and provide an “employment authorized” endorsement or other appropriate work permit to any alien who presents a preliminary application for adjustment of status under subsection (a) at a designated port of entry on the southern land border. An alien who does not enter through a port of entry is subject to deportation and removal as otherwise provided in the INA.

“(B) During the application period as defined in section 210(a)(B)(1)(B) of the INA any alien who has filed an application for adjustment of status within the United States as provided in Section 210(b)(1)(A) pursuant to the provision of 8 CFR section 210.1(j) is subject to paragraph (2) of this subsection.

“(C) A preliminary application is defined as a fully completed and signed application with fee and photographs which contains specific information concerning the performance of qualifying employment in the United States and the documentary evidence which the applicant intends to submit as proof of such employment. The applicant must be otherwise admissible to the United States and must establish to the satisfaction of the examining officer during an interview that his or her claim to eligibility for special agriculture worker status is credible.”.】

# DEPARTMENT OF LABOR

## EMPLOYMENT AND TRAINING ADMINISTRATION

### Federal Funds

#### General and special funds:

#### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, **[\$70,872,000]** \$72,289,000 together with not to exceed **[\$44,380,000]** \$46,607,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. (*Department of Labor Appropriations Act, 1988.*)

#### Program and Financing (in thousands of dollars)

Identification code 16-0172-0-1-504	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Job training programs.....	8,079	17,017	17,522
00.02 Employment security.....	22,002	17,803	18,266
00.03 Financial and administrative management.....	23,209	26,404	25,940
00.04 Executive direction and administration.....	5,718	5,891	6,095
00.05 Regional operations.....	39,613	33,978	37,696
00.06 Apprenticeship services.....	12,746	13,461	13,377
00.91 Total direct program.....	111,367	114,554	118,896
01.01 Reimbursable program.....	119	97	98
10.00 Total obligations.....	111,486	114,651	118,994
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-119	-97	-98
13.00 Trust funds.....	-44,763	-44,380	-46,607
22.40 Unobligated balance transferred, net.....	-808		
25.00 Unobligated balance lapsing.....	1,567	698	
40.00 Budget authority (appropriation).....	<b>67,363</b>	<b>70,872</b>	<b>72,289</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	66,604	70,174	72,289
72.40 Obligated balance, start of year.....	19,987	22,690	21,662
74.40 Obligated balance, end of year.....	-22,690	-21,662	-19,982
77.00 Adjustments in expired accounts.....	-496		
90.00 Outlays.....	63,405	71,202	73,969

Note.—The unobligated balance lapsing in 1988 includes the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Job training programs.**—Provides leadership, policy direction, and administration for a decentralized system of block grants to States for job training, the summer youth training and employment program, and the dislocated worker program; the Job Corps; and services to special target groups.

**Employment security.**—Provides policy direction and management for the administration of the nationwide public employment service system and the unemployment insurance services in each State; for the settlement of trade adjustment petitions; and for a system of collecting and analyzing labor market information.

**Financial and administrative management.**—Provides for the formulation and execution of the budget, fiscal accounting and management, audit control, debt collection, internal control, contracting services, statistical and data processing management systems, personnel direction, facilities and space management, and contractor and grantee property management.

**Executive direction and administration.**—Provides general management and administrative functions, including: research and evaluation, performance standards, and publications development.

**Regional operations.**—Provides for administration and management of ETA programs in the regions. The 1988 and 1989 estimates reflect the transfer of the Job Corps regional staff from this activity to the Job Training Programs activity.

**Apprenticeship services.**—Promotes apprenticeship as a method of skill acquisition across a broad range of occupations and industries through a Federal-State apprenticeship administrative structure.

#### Object Classification (in thousands of dollars)

Identification code 16-0172-0-1-504	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	62,299	65,855	68,820
11.3 Other than full-time permanent.....	1,083	1,083	1,103
11.5 Other personnel compensation.....	708	708	708
11.9 Total personnel compensation.....	64,090	67,646	70,631
12.1 Civilian personnel benefits.....	8,540	10,690	11,581
13.0 Benefits for former personnel.....	42		
21.0 Travel and transportation of persons.....	3,672	3,843	3,975
22.0 Transportation of things.....	114	114	118
23.1 Rental payments to GSA.....	6,178	9,161	9,161
23.2 Rental payments to others.....	35	35	35
23.3 Communications, utilities, and miscellaneous charges.....	1,722	1,792	1,807
24.0 Printing and reproduction.....	385	385	401
25.0 Other services.....	23,819	17,727	17,748
26.0 Supplies and materials.....	795	780	812
31.0 Equipment.....	1,892	2,379	2,625
41.0 Grants, subsidies, and contributions.....	80		
42.0 Insurance claims and indemnities.....	3	2	2
99.0 Subtotal, direct obligations.....	111,367	114,554	118,896
99.0 Reimbursable obligations.....	119	97	98
99.9 Total obligations.....	111,486	114,651	118,994

#### Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,606	1,665	1,725
Total compensable workyears:			
Full-time equivalent employment.....	1,656	1,695	1,755
Full-time equivalent of overtime and holiday hours.....	6	6	6
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	3	3	3

#### TRAINING AND EMPLOYMENT SERVICES

For expenses necessary to carry into effect the Job Training Partnership Act, including the purchase and hire of passenger motor vehicles, **[\$3,658,651,000,]** the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Job Training Partnership Act, \$3,430,824,000, plus reimbursements, to be available for obligation for the period July 1, **[1988]** 1989, through June 30, **[1989]**, of which \$59,713,000 shall be for carrying out section 401, \$65,572,000 shall be for carrying out section 402, \$9,966,000 shall be for carrying out section 441, \$1,915,000 shall be **] 1990, including \$2,000,000 for the National Commission for Employment Policy, [ \$3,830,000 shall be ] and \$3,000,000 for all activities conducted by and through the Nation-**

General and special funds—Continued

TRAINING AND EMPLOYMENT SERVICES—Continued

al Occupational Information Coordinating Committee under the Job Training Partnership Act, and \$7,659,000 shall be for service delivery areas under section 101(a)(4)(A)(iii) of the Job Training Partnership Act in addition to amounts otherwise provided under sections 202 and 251(b) of the Act: *Provided*, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

For necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers as authorized by the Job Training Partnership Act, \$89,038,000, to be available for obligation for the period July 1, 1988 through June 30, 1991.]

For activities authorized by sections 236, 237, and 238 of the Trade Act of 1974, as amended, including necessary related administrative expenses, \$47,870,000.]

For activities authorized by title VII, subtitle C of the Stewart B. McKinney Homeless Assistance Act, \$9,574,000, of which \$1,915,000 shall be for carrying out section 738 of the Act. (Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 16-0174-0-1-504	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Grants to States:			
00.01 Block grant .....	1,841,523	1,809,486	1,809,486
00.02 Summer youth employment and training program .....	635,976	750,000	718,050
00.03 Dislocated worker assistance .....	174,655	266,623	67,828
Federally administered programs:			
00.10 Native Americans .....	61,484	59,713	59,713
00.11 Migrants and seasonal farmworkers .....	59,504	65,494	58,004
00.12 Job Corps .....	640,173	649,647	690,320
00.13 Veterans' employment .....	3,847	10,049	9,933
00.14 National activities .....	67,030	89,701	70,177
00.15 Trade adjustment assistance .....	49,900	47,870	
00.91 Total direct program .....	3,534,092	3,748,583	3,483,511
01.01 Reimbursable program .....	1,431	712	712
10.00 Total obligations .....	3,535,523	3,749,295	3,484,223
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,431	-712	-712
21.40 Unobligated balance available, start of year .....	-1,070,060	-1,241,616	-1,297,813
24.40 Unobligated balance available, end of year .....	1,241,616	1,297,813	1,245,126
25.00 Unobligated balance lapsing .....	265	353	
40.00 Budget authority (appropriation) .....	3,705,913	3,805,133	3,430,824
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,534,092	3,748,583	3,483,511
72.40 Obligated balance, start of year .....	3,290,819	3,164,315	3,185,821
74.40 Obligated balance, end of year .....	-3,164,315	-3,185,821	-2,851,497
77.00 Adjustments in expired accounts .....	-56,533	-10,000	-10,000
90.00 Outlays .....	3,604,063	3,717,077	3,807,835
<b>Distribution of outlays by account:</b>			
Training and employment services .....	3,602,973	3,717,077	3,807,835
Manpower training activities .....	3,868		
Temporary employment assistance .....	-2,778		

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

This account provides for a flexible and decentralized system of Federal and local programs of training and other services for economically disadvantaged persons designed to lead to permanent gains in employment. Such programs are currently authorized by the Job Training Partnership Act (JTPA). The account is forward funded on a July to June cycle.

**Grants to States.**—Includes block grants to provide financial assistance to States and territories to design and operate training programs to meet their training and employment needs, grants to operate a summer

youth employment and training program, and a dislocated worker assistance program. Seventy percent of the JTPA block grant funding will be used for training, including remedial education and basic skills, institutional training, and on-the-job training. A legislative proposal will be submitted to amend the summer youth program to authorize service delivery areas to provide, at their discretion, year-round remedial education and basic literacy and skills training to economically disadvantaged youth. In addition, legislation is proposed to replace the current JTPA and Trade Act dislocated worker programs with a new worker readjustment program to meet the training needs of all dislocated workers. The budget also includes a legislative proposal that will allow 1988 dislocated worker amounts (Title III of JTPA) to be available, immediately upon enactment of any new worker readjustment program, for transition activities as well as the normal program of assistance. A new worker readjustment account reflects proposed activity for 1989.

**Federally administered programs.**—Provides program support for Job Training Partnership Act activities and training assistance through nationally administered programs for special segments of the population that have particular disadvantages in the labor market. Among groups to be served are Indians and other native Americans, migrant and seasonal farmworkers, and veterans. Also included is the Job Corps which is a national network of residential centers designed to provide training in literacy, arithmetic, and vocational skills for youth aged 14-21 who have severe educational and economic disadvantages. The current Job Corps slot level of 40,544 will be maintained by the request.

Object Classification (in thousands of dollars)

Identification code 16-0174-0-1-504	1987 actual	1988 est.	1989 est.
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	1,313	1,550	1,577
11.3 Other than full-time permanent .....	139		
11.5 Other personnel compensation .....	242	242	242
11.9 Total personnel compensation .....	1,694	1,792	1,819
12.1 Civilian personnel benefits .....	157	167	170
21.0 Travel and transportation of persons .....	406	345	343
22.0 Transportation of things .....	14	11	11
23.1 Rental payments to GSA .....	62	43	33
23.2 Rental payments to others .....	3	2	2
23.3 Communications, utilities, and miscellaneous charges .....	23	16	15
24.0 Printing and reproduction .....	42	34	33
25.0 Other services .....	25,145	31,424	29,443
26.0 Supplies and materials .....	48	34	29
31.0 Equipment .....	85	59	48
41.0 Grants, subsidies, and contributions .....	3,411,136	3,615,541	3,350,761
99.0 Subtotal, direct obligations .....	3,438,815	3,649,468	3,382,707
99.0 Reimbursable obligations .....	911		

ALLOCATION ACCOUNTS

Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	33,041	35,766	36,388
11.3 Other than full-time permanent .....	1,628		
11.5 Other personnel compensation .....	1,284	1,284	1,284
11.9 Total personnel compensation .....	35,953	37,050	37,672
12.1 Civilian personnel benefits .....	5,078	5,239	5,330
13.0 Benefits for former personnel .....	103	108	110
21.0 Travel and transportation of persons .....	1,580	1,655	1,684

22.0	Transportation of things .....	600	629	639
23.1	Rental payments to GSA .....	216	226	230
23.2	Rental payments to others .....	115	120	123
23.3	Communications, utilities, and miscellaneous charges .....	5,341	5,595	5,691
24.0	Printing and reproduction .....	62	65	66
25.0	Other services .....	23,053	24,149	24,564
26.0	Supplies and materials .....	20,353	21,321	21,687
31.0	Equipment .....	1,680	1,760	1,790
32.0	Lands and structures .....	1,131	1,185	1,205
42.0	Insurance claims and indemnities .....	12	13	13
99.0	Subtotal, direct obligations .....	95,277	99,115	100,804
Reimbursable obligations:				
11.1	Personnel compensation: Full-time permanent .....	2	3	3
25.0	Other services .....	433	592	592
26.0	Supplies and materials .....	78	107	107
31.0	Equipment .....	7	10	10
99.0	Subtotal, reimbursable obligations .....	520	712	712
99.9	Total obligations .....	3,535,523	3,749,295	3,484,223
Obligations are distributed as follows:				
	Department of Labor .....	3,439,726	3,649,468	3,382,707
	Department of Agriculture .....	57,720	61,174	62,016
	Department of the Interior .....	38,077	38,653	39,500

**Personnel Summary**

DEPARTMENT OF LABOR				
Total number of full-time permanent positions .....	24	28	28	
Total compensable workyears: Full-time equivalent employment .....	26	27	27	
ALLOCATION ACCOUNTS				
Total number of full-time permanent positions .....	1,506	1,506	1,506	
Total compensable workyears:				
Full-time equivalent employment .....	1,460	1,460	1,460	
Full-time equivalent of overtime and holiday hours .....	39			

**WORKER READJUSTMENT**

For payments during the current fiscal year of benefits and payments as authorized by title II of Public Law 95-250, as amended, and of trade adjustment benefit payments and allowances, as provided by law (part I, subchapter B, chapter 2, title II of the Trade Act of 1974, as amended), \$134,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year: Provided, That amounts received or recovered pursuant to section 208(e) of Public Law 95-250 shall be available for payments.

**Program and Financing (in thousands of dollars)**

Identification code 16-0176-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Trade adjustment assistance .....			132,000
00.02 Unemployment assistance and payments under other Federal unemployment programs .....			2,000
00.91 Total direct program .....			134,000
01.01 Reimbursable program .....			15,000
10.00 Total obligations .....			149,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....			-15,000
40.00 Budget authority (appropriation) .....			134,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			134,000
90.00 Outlays .....			134,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....			134,000
Outlays .....			134,000

Proposed for later transmittal under proposed legislation:			
Budget authority .....			846,000
Outlays .....			-72,612
Total:			
Budget authority .....			980,000
Outlays .....			61,388

This appropriation account is established to reflect 1989 resources needed to provide adjustment benefits to those eligible under the Trade Act and Public Law 95-250, which expanded the Redwood National Park. Reimbursements from the Federal Emergency Management Agency for disaster unemployment assistance are also reflected.

**Object Classification (in thousands of dollars)**

Identification code 16-0176-0-1-999	1987 actual	1988 est.	1989 est.
41.0 Grants, subsidies, and contributions .....			134,000
99.0 Reimbursable obligations .....			15,000
99.9 Total obligations .....			149,000

**WORKER READJUSTMENT**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 16-0176-2-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Trade adjustment assistance .....			-102,000
00.02 Unemployment assistance and payments under other Federal unemployment programs .....			
00.03 Worker readjustment assistance .....			711,000
10.00 Total obligations (object class 41.0) .....			609,000
<b>Financing:</b>			
24.40 Unobligated balance available, end of year .....			237,000
40.00 Budget authority (appropriation) .....			846,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			609,000
74.40 Obligated balance, end of year .....			-681,612
90.00 Outlays .....			-72,612

Legislation is proposed to replace the current trade adjustment assistance and JTPA dislocated worker assistance programs with a new worker readjustment program to meet the training needs of all dislocated workers. Amounts available will cover the costs of assistance to workers already certified under the Trade Act and Redwood Park expansion, in addition to other retraining and reemployment needs.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS**

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, **[\$258,383,000]** \$262,080,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, **[\$72,877,000]** \$73,920,000. (Department of Labor Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 16-0175-0-1-504	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 National programs .....	262,080	258,383	262,080

General and special funds—Continued

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS—  
Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 16-0175-0-1-504	1987 actual	1988 est.	1989 est.
00.02 State programs.....	73,920	72,877	73,920
10.00 Total obligations (object class 41.0).....	336,000	331,260	336,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	336,000	331,260	336,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	336,000	331,260	336,000
72.40 Obligated balance, start of year.....	258,631	279,834	282,247
74.40 Obligated balance, end of year.....	-279,834	-282,247	-285,363
77.00 Adjustments in expired accounts.....	-3,038		
90.00 Outlays.....	311,759	328,847	332,884

This program provides part-time work experience in community service activities to unemployed, low-income persons aged 55 and over and is forward funded on a July to June cycle. Approximately 65,700 job opportunities will be provided through June 30, 1990.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and payments as authorized by title II of Public Law 95-250, as amended, and of trade adjustment benefit payments and allowances, as provided by law (part I, subchapter B, chapter 2, title II of the Trade Act of 1974, as amended), \$141,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year. *Provided*, That amounts received or recovered pursuant to section 208(e) of Public Law 95-250 shall be available for payments. (Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 16-0326-0-1-603	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Trade adjustment assistance.....	215,790	138,000	
00.02 Unemployment assistance and payments under other Federal unemployment programs.....	2,109	3,000	
00.91 Total direct program.....	217,899	141,000	
01.01 Reimbursable program.....	8,344	15,000	
10.00 Total obligations.....	226,243	156,000	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-108,890	-15,000	
25.00 Unobligated balance lapsing.....	647		
40.00 Budget authority (appropriation).....	118,000	141,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	117,352	141,000	
72.40 Obligated balance, start of year.....	4,372	12,478	2,000
74.40 Obligated balance, end of year.....	-12,478	-2,000	
77.00 Adjustments in expired accounts.....	-1,038		
90.00 Outlays.....	108,208	151,478	2,000

*Trade adjustment assistance.*—Adjustment assistance allowances are paid to workers as authorized by the Trade Act of 1974, as amended. For 1989, resources to finance these benefits are requested under the new worker readjustment account.

*Unemployment assistance and payments under other Federal unemployment programs.*—Benefits are paid to workers under Public Law 95-250, which expanded the

Redwood National Park. Reimbursements from the Federal Emergency Management Agency provide Federal disaster unemployment assistance. For 1989, resources for these programs are shown under the new worker readjustment account.

Object classification (in thousands of dollars)

Identification code 16-0326-0-1-603	1987 actual	1988 est.	1989 est.
Direct obligations:			
41.0 Grants, subsidies and contributions.....	217,899	141,000	
99.0 Reimbursable obligations.....	8,344	15,000	
99.9 Total obligations.....	226,243	156,000	

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-491-1; 39 U.S.C. 3202(a)(1)(E)); title III of the Social Security Act, as amended (42 U.S.C. 502-504); necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, and sections 231-235 and 243-244, title II of the Trade Act of 1974, as amended; as authorized by section 7c of the Act of June 6, 1933, as amended, necessary administrative expenses under sections 101(a)(15)(H)(ii), 212(a)(14), and 216(g)(1)(2)(3) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.); and necessary administrative expenses to carry out the Targeted Jobs Tax Credit program under section 51 of the Internal Revenue Code of 1986, \$22,403,000, \$21,500,000, together with not to exceed \$2,418,405,000 \$2,372,194,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which the sums available in the basic allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the basic allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, [1988] 1989, and of which \$21,733,000 \$20,400,000 together with not to exceed \$701,296,000 \$658,100,000 of the amount which may be expended from said trust fund shall be available for obligation for the period July 1, [1988] 1989, through June 30, [1989] 1990, to fund activities under section 6 of the Act of June 6, 1933, as amended, including activities under the Targeted Jobs Tax Credit program under section 51 of the Internal Revenue Code of 1986 and the cost of penalty mail made available to States in lieu of allotments for such purpose and of which \$175,076,000 \$157,479,000 (including not to exceed \$4,404,000) \$3,000,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980) shall be available only to the extent necessary to administer unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustments based on State obligations as of December 31, [1988] 1989. (Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 16-0179-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Unemployment compensation:			
00.01 State operations.....	1,627,297	1,230,966	1,255,883
00.02 State integrity activities.....		244,931	254,587
00.03 National activities.....	2,129	9,751	10,151
00.04 Contingency.....		175,076	157,479
Employment service:			
00.10 Allotments to States.....	758,379	747,157	711,897
00.11 National activities.....	37,533	57,055	37,094
00.91 Total direct program.....	2,425,338	2,464,936	2,427,091
01.01 Reimbursable program.....	2,759	5,210	5,210
10.00 Total obligations.....	2,428,097	2,470,146	2,432,301

Financing:			
Offsetting collections from:			
11.00	Federal funds .....	-2,759	-5,210
13.00	Trust funds .....	-2,402,711	-2,441,808
21.40	Unobligated balance available, start of year .....	-16,293	-17,025
24.40	Unobligated balance available, end of year .....	17,025	16,300
25.00	Unobligated balance lapsing .....	41	
<b>40.00</b>	<b>Budget authority (appropriation) .....</b>	<b>23,400</b>	<b>22,403</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	22,627	23,128
72.40	Obligated balance, start of year .....	19,230	60,476
74.40	Obligated balance, end of year .....	-60,476	-60,427
77.00	Adjustments in expired accounts .....	56,572	
<b>90.00</b>	<b>Outlays .....</b>	<b>37,953</b>	<b>23,177</b>

Note.—State integrity and contingency obligations for 1987 are included in State operations.

**Unemployment compensation.**—State operations amounts provide administrative grants to State agencies which pay unemployment compensation to eligible workers and collect State unemployment taxes from employers. These agencies also pay unemployment benefits to former Federal personnel as well as trade adjustment assistance to eligible individuals. Grants are also provided to upgrade State automated systems for benefit payments and collection of taxes. State integrity activities provide administrative grants to State agencies to improve the integrity and financial stability of the unemployment compensation program through a quality control program and related activities designed to assess and reduce errors and prevent fraud, waste, and abuse in the payment of unemployment compensation benefits and the collection of unemployment taxes. National activities relating to the Federal-State unemployment insurance programs are conducted through contracts or agreements with the State agencies. Contingency funds are available only to meet increases in the costs of administration resulting from changes in State law, increases in the number of claims filed and claims paid, or increased salary costs caused by changes in State compensation plans and to provide for amortization payments for States which had independent retirement plans prior to 1980 in their State employment service agencies.

Proposals will be pursued that increase the latitude for State-level decisionmaking, reduce unproductive Federal intervention, and improve the UI system's ability to respond rapidly to changing economic circumstances. Basic UI program objectives will remain unchanged—to provide short-term partial wage replacement for workers who lose their jobs and to collect employer taxes to finance the system. These proposals will not affect the 1989 budget estimates.

**PROGRAM STATISTICS**

	1986 actual	1987 estimate	1988 estimate <sup>1</sup>	1989 estimate <sup>1</sup>
Staff years .....	41,816	40,096	40,261	40,320
Basic workload (in thousands):				
Employer tax accounts .....	5,184	5,120	5,482	5,492
Employee wage items recorded .....	338,731	357,862	361,970	414,536
Initial claims taken .....	20,373	18,028	16,317	16,898
Eligibility interviews .....	6,001	5,307	7,210	7,357
Weeks claimed .....	140,459	128,730	112,844	115,133
Nonmonetary determinations .....	7,056	6,897	6,500	6,447
Appeals .....	976	982	875	904
Covered employment .....	95,547	98,035	99,958	101,602

<sup>1</sup> 1988 and 1989 estimates include workload that can be financed from contingency funds.

**Employment service.**—The public employment service is a nationwide system providing no-fee employment services to individuals who are seeking employment and employers who are seeking workers. State employment service activities are financed by allotment to States distributed under a demographically based funding formula established under the Wagner-Peyser Act, as amended. Employment service allotments are funded on a program year basis running from July 1 through June 30 of the following year.

Employment service activities serving national needs including interstate job listings, and labor certification of aliens are conducted through specific reimbursable agreements between the States and the Federal Government under the Wagner-Peyser Act, as amended.

Legislative and administrative proposals are being considered and pilot projects planned, to strengthen the provision of employment services to more effectively meet the challenges of the labor market of today and the year 2000. There will be no effect on the 1989 budget estimates.

**PROGRAM STATISTICS**

	[In thousands]			
	1986 actual <sup>1</sup>	1987 estimate <sup>2</sup>	1988 estimate <sup>3</sup>	1989 estimate <sup>4</sup>
Total applicants .....	19,219,205	19,100,000	18,600,000	17,600,000
Total placements:				
Transactions .....	4,516,298	4,490,000	4,370,000	4,130,000
Individuals .....	3,246,508	3,200,000	3,140,000	2,970,000

<sup>1</sup> For the program year, July 1, 1986–June 30, 1987.

<sup>2</sup> For the program year, July 1, 1987–June 30, 1988.

<sup>3</sup> For the program year, July 1, 1988–June 30, 1989.

<sup>4</sup> For the program year, July 1, 1989–June 30, 1990.

**Object Classification (in thousands of dollars)**

Identification code 16-0179-0-1-999	1987 actual	1988 est.	1989 est.
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges .....	75,542	74,544	71,577
31.0 Equipment .....	43		
41.0 Grants, subsidies, and contributions .....	2,349,753	2,390,392	2,355,514
99.0 Subtotal, direct obligations .....	2,425,338	2,464,936	2,427,091
99.0 Reimbursable obligations .....	2,759	5,210	5,210
99.9 Total obligations .....	2,428,097	2,470,146	2,432,301

**ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS**

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, [and to the "Federal unemployment benefits and allowances" account,] to remain available until September 30, [1989] 1990; [\$30,000,000] \$124,000,000. (Department of Labor Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 16-0327-0-1-600	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations (object class 92.0) .....	168,276	30,000	124,000
Financing:			
21.40 Unobligated balance available, start of year .....	-301,514		
25.00 Unobligated balance lapsing .....	133,238		
<b>40.00 Budget authority (appropriation) .....</b>		<b>30,000</b>	<b>124,000</b>

**General and special funds—Continued**

**ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	16-0327-0-1-600	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	168,276	30,000	124,000
90.00	Outlays.....	168,276	30,000	124,000

This account provides advances to several other accounts to pay unemployment compensation to eligible individuals under various Federal and State unemployment compensation laws whenever the balances in the funds prove insufficient. Advances made to the Federal employees compensation account in the Unemployment trust fund are nonrepayable. All other advances made to the Federal unemployment account and to the Extended unemployment compensation account (both in the Unemployment trust fund) are repaid, with interest, to the general fund of the Treasury.

This account also provides repayable advances, without interest, to the Black Lung Disability Trust Fund for making payments from that fund whenever its balances prove insufficient.

**Intragovernmental funds:**

**ADVANCES TO THE EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT OF THE UNEMPLOYMENT TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code	16-4510-0-4-603	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....			
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-120,925	-120,925	-120,925
24.40	Unobligated balance available, end of year.....	120,925	120,925	120,925
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

This fund is available for advances to the Employment Security Administration account in the Unemployment Trust Fund under the provisions of section 901(e) of the Social Security Act. These repayable, interest-bearing advances permit financing the Federal and State administrative costs of employment security programs when the balance in the Employment Security Administration Account is insufficient.

**Trust Funds**

**GIFTS AND BEQUESTS**

**Program and Financing (in thousands of dollars)**

Identification code	16-8131-0-7-504	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....		10	10
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-2	-3	-3

24.40	Unobligated balance available, end of year.....	3	3	3
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>1</b>	<b>10</b>	<b>10</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		10	10
90.00	Outlays.....		10	10

This schedule covers miscellaneous contributed funds received by gift or bequest and used in carrying out the responsibilities of the Secretary of Labor and the National Commission for Employment Policy.

**UNEMPLOYMENT TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code	20-8042-0-7-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Federal-State unemployment insurance:				
00.01	Withdrawals: Benefit payments by States.....	15,051,776	13,657,687	14,392,873
00.02	Withdrawals: Federal employees' unemployment compensation.....	316,808	316,000	321,000
00.03	State administrative expenses.....	2,340,473	2,484,937	2,453,074
Federal administrative expenses:				
00.10	Direct expenses.....	51,066	50,855	52,593
00.11	Reimbursements to the Department of Treasury.....	10,261	65,432	66,776
00.20	Veterans employment and training.....	137,794	139,503	142,406
00.21	Interest on refunds.....	6,398	6,800	6,600
00.22	Repayment of advances from general fund.....	2,433,000	600,000	900,000
Railroad unemployment insurance:				
00.30	Withdrawals by Railroad Retirement Board for benefit payments.....	185,955	165,000	151,000
00.31	Administrative expenses.....	13,821	13,786	13,678
00.32	Payment of interest.....	8,309		
10.00	Total obligations.....	20,555,661	17,500,000	18,500,000
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance.....	-1,739,823	-2,101,376	-2,710,305
21.40	U.S. securities (par).....	-21,240,106	-27,917,263	-36,008,334
22.40	Unobligated balance transferred, net.....	18,171		
Unobligated balance available, end of year:				
24.40	Treasury balance.....	2,101,376	2,710,305	3,242,305
24.40	U.S. securities (par).....	27,917,263	36,008,334	43,076,334
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>27,612,542</b>	<b>26,200,000</b>	<b>26,100,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	20,555,661	17,500,000	18,500,000
72.10	Receivables in excess of obligations, start of year.....	-38,185		
72.40	Obligated balance, start of year.....		-9,034	-9,034
74.40	Obligated balance, end of year.....	9,034	9,034	9,034
90.00	Outlays.....	20,526,510	17,500,000	18,500,000

The financial transactions of the Federal-State and railroad unemployment insurance systems are made through the Unemployment Trust Fund. All State and Federal unemployment tax receipts are deposited in the trust fund and invested in Government securities until needed for benefit payments or administrative costs. States may receive repayable advances from the fund when their balances in the fund are insufficient to pay benefits. The fund may receive repayable advances from the general fund when it has insufficient balances to make advances to States or to pay the Federal share of extended benefits.



**REPAYABLE ADVANCES FROM THE GENERAL FUND TO THE UNEMPLOYMENT TRUST FUND**

	1987 actual	1988 estimate	1989 estimate
Outstanding advances, beginning of year	6,636,000	4,203,000	3,603,000
Advances repaid	-2,433,000	-600,000	-900,000
Outstanding advances, end of year	4,203,000	3,603,000	2,703,000

**LOANS FROM THE UNEMPLOYMENT TRUST FUND TO THE STATES**

	1987 actual	1988 estimate	1989 estimate
Outstanding loans, beginning of year	4,777,225	2,922,685	2,745,685
Loans made	1,553,169	689,000	601,000
Loans repaid	-3,407,709	-866,000	-805,000
Outstanding loan advances, end of year	2,922,685	2,745,685	2,541,685

State payroll taxes pay for all regular State benefits. During periods of high State unemployment, extended benefits, financed one-half by State payroll taxes and one-half by the Federal unemployment payroll tax, are also paid. The Federal tax pays the costs of Federal and State administration of unemployment insurance and veterans employment services and 97% of the costs of the employment service.

The Federal employees compensation account provides funds to States for unemployment compensation benefits paid to eligible former Federal civilian personnel, Postal Service employees, and ex-servicemembers. Benefits paid are reimbursed to the Federal employees compensation account by the various Federal agencies. Any additional resources necessary to assure that the account can make the required payments to States will be provided from the Advances to the Unemployment Trust Fund and Other funds account.

Both the benefit payments and administrative expenses of the separate unemployment insurance program for railroad employees are paid from the unemployment trust fund and receipts from the tax on railroad payrolls are deposited in the fund to meet expenses.

**STATUS OF FUNDS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:			
Cash	1,701,638	2,092,342	2,701,271
U.S. securities (par)	21,240,106	27,917,263	36,008,334
Balance of fund, start of year	22,941,744	30,009,605	38,709,605
Transfers to railroad retirement account	-18,171		
Cash income during the year:			
Government receipts:			
State unemployment taxes	19,133,514	17,510,000	16,383,000
Federal unemployment tax collections	6,080,272	5,887,000	6,362,000
Deposits by Railroad Retirement Board	204,479	188,000	176,000
Intrabudgetary transactions:			
Interest and profits on investments	1,909,040	2,313,000	2,859,000
Collections from Federal agencies	285,237	302,000	320,000
Total annual income	27,612,542	26,200,000	26,100,000
Cash outgo during the year:			
Federal-State unemployment insurance:			
State unemployment benefits	15,053,575	13,657,400	14,392,800
Federal unemployment benefits	316,808	316,000	321,000
State administrative expenses	2,460,298	2,609,864	2,580,085
Federal administrative expenses:			
Direct expenses	64,491	65,704	67,739
Reimbursements to the Department of Treasury	10,261	65,432	66,776
Interest on refunds of taxes	6,398	6,800	6,600
Repayment of advances from general fund	2,433,000	600,000	900,000
Railroad unemployment insurance:			
Railroad unemployment benefits	164,266	165,000	151,000
Administrative expenses	9,105	13,800	14,000
Payment of interest	8,308		
Total annual outgo	20,526,510	17,500,000	18,500,000

	1987 actual	1988 est.	1989 est.
Unexpended balance, end of year:			
Cash	2,092,342	2,701,271	3,233,271
U.S. securities (par)	27,917,263	36,008,334	43,076,334
Balance of fund, end of year	30,009,605	38,709,605	46,309,605

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
20-8042-0-7-999			
Other services:			
25.0 Employment and Training Administration	44,763	44,380	46,607
25.0 Departmental management	6,303	6,475	5,986
25.0 Payments to States for administrative expenses	2,340,473	2,484,937	2,453,074
25.0 Reimbursements to the Department of Treasury	10,261	65,432	66,776
41.0 Grants, subsidies, and contributions: Railroad unemployment benefits	185,955	165,000	151,000
Insurance claims and indemnities:			
42.0 Federal unemployment benefits	316,808	316,000	321,000
42.0 State unemployment benefits	15,051,776	13,657,687	14,392,873
43.0 Interest and dividends	14,707	6,800	6,600
92.0 Undistributed: Repayment of advances from the general fund	2,433,000	600,000	900,000
Administrative expenses:			
93.0 Railroad unemployment insurance administrative fund	13,821	13,786	13,678
93.0 Veterans employment and training	137,794	139,503	142,406
99.9 Total obligations	20,555,661	17,500,000	18,500,000

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

- Department of Health and Human Services: Family Support Administration: "Work Incentives".
- Department of Education: Office of Vocational and Adult Education: "Vocational and Adult Education".

**LABOR-MANAGEMENT SERVICES**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for Labor-Management Services, **[\$7,776,000]** \$73,059,000, of which **[\$12,063,000]** \$5,000,000 for a pension plan data base shall remain available until September 30, **[1989]** 1990. (18 U.S.C. 664, 1027, 1954; 29 U.S.C. 301-401, 1001-1144; 50 U.S.C. App 459; Department of Labor Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
16-0104-0-1-505			
<b>Program by activities:</b>			
00.01 Labor-management relations and cooperative programs	5,025	5,626	5,793
00.02 Labor-management standards	23,144	24,350	25,333
00.03 Pension and welfare benefit program	32,644	46,912	41,933
10.00 Total obligations	60,813	76,888	73,059
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-450	
24.40 Unobligated balance available, end of year	450		
25.00 Unobligated balance lapsing	1,012	338	
40.00 <b>Budget authority (appropriation)</b>	<b>62,275</b>	<b>76,776</b>	<b>73,059</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	60,813	76,888	73,059
72.40 Obligated balance, start of year	15,193	16,313	19,185
74.40 Obligated balance, end of year	-16,313	-19,185	-18,180
77.00 Adjustments in expired accounts	-3,031		
90.00 <b>Outlays</b>	<b>56,662</b>	<b>74,016</b>	<b>74,064</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

**Labor-management relations and cooperative programs.**—Promotes labor-management cooperation. Certifies labor protection provisions in applications for Department of Transportation grants. Decides worker claims of violations of these provisions. Reviews determinations of eligibility for worker benefits under the Redwood National Park Act of 1978. The decrease in the Redwood workload results from the expiration on September 30, 1984, of the period of protection under the Act for all but older workers.

	1987 actual	1988 est.	1989 est.
Transportation grant certifications .....	900	900	900
Redwood health and welfare pension claims.....	1,648	600	148

**Labor-management standards.**—Collects and discloses union constitutions and financial records. Audits union financial records and investigates instances of possible abuse of funds. Conducts reruns of union elections after court determinations that elections were not conducted according to union constitutions.

	1987 actual	1988 est.	1989 est.
Reports received .....	49,796	65,800	65,000
Investigations, field audits, and elections.....	4,758	9,309	8,938

**Pension and welfare benefit program.**—Investigates activities of pension and welfare plans, including the plan established by the Federal Employees' Retirement System Act, to ensure compliance with statutory fiduciary standards. Issues interpretive rules, regulations and exemptions under the statutory fiduciary standards and issues advisory opinions to assist compliance. Conducts research to assist in developing national economic and retirement income policy. Collects and discloses private pension plan descriptions and financial reports. In 1989, implementation of the new ERISA data base will commence.

	1987 actual	1988 est.	1989 est.
Reports processed.....	1,350,646	1,130,000	1,090,000
Exemptions, variances, determinations, interpretations, and regulations issued.....	2,830	1,887	2,025
Plan reviews and investigations conducted.....	1,758	1,883	2,129

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
16-0104-0-1-505			
Personnel compensation:			
11.1 Full-time permanent.....	31,817	35,845	36,606
11.3 Other than full-time permanent.....	768	220	220
11.5 Other personnel compensation.....	341	314	314
11.8 Special personal services payments.....	8		
11.9 Total personnel compensation.....	32,934	36,379	37,140
12.1 Civilian personnel benefits.....	4,671	5,924	6,672
13.0 Benefits for former personnel.....	19		
21.0 Travel and transportation of persons.....	2,132	2,064	2,442
22.0 Transportation of things.....	110	79	97
23.1 Rental payments to GSA.....	4,818	4,748	4,942
23.3 Communications, utilities, and miscellaneous charges.....	663	1,570	1,524
24.0 Printing and reproduction.....	514	479	489
25.0 Other services.....	13,090	24,738	18,829
26.0 Supplies and materials.....	695	283	291
31.0 Equipment.....	1,161	324	333
41.0 Grants, subsidies, and contributions.....	6	300	300
99.9 Total obligations.....	60,813	76,888	73,059

Personnel Summary

Total number of full-time permanent positions.....	934	1,013	1,009
Total compensable workyears:			
Full-time equivalent employment.....	955	1,022	1,018
Full-time equivalent of overtime and holiday hours.....	3	3	3

PENSION BENEFIT GUARANTY CORPORATION

Federal Funds

Public enterprise funds:

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, [1988] 1989, for such Corporation: *Provided, That not to exceed [\$38,329,000] \$41,232,000 shall be available for administrative expenses of the Corporation [.]*: *Provided further, That contractual expenses of such Corporation for legal and financial services in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation. (29 U.S.C. 1304; Department of Labor Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
16-4204-0-3-601			
Program by activities:			
Operating expenses:			
00.01 Administrative expenses subject to limitation.....	35,443	37,712	40,661
00.02 Other expenses.....			13,000
00.03 Benefit payments.....	471,211	353,363	420,362
00.91 Total operating expenses.....	506,654	391,075	474,023
Capital investment:			
01.01 Purchase of equipment.....	393	530	571
01.02 Financial assistance.....	1,554	1,400	1,800
01.91 Total capital investment.....	1,947	1,930	2,371
10.00 Total obligations.....	508,601	393,005	476,394
Financing:			
Offsetting collections from:			
11.00 Federal funds: Interest on Government securities.....	-42,065	-84,605	-104,794
Non-Federal sources:			
14.00 Premium income.....	-284,366	-515,276	-679,468
14.00 Other income.....	-3,955	-334	-377
14.00 Benefit payment reimbursement.....	-306,102	-177,314	-178,399
14.00 Reimbursement from trust fund.....	-325	-1,100	-13,000
Unobligated balance available, start of year:			
21.47 Authority to borrow.....	-100,000	-100,000	-100,000
21.98 Fund balance.....	-366,556	-494,767	-880,391
Unobligated balance available, end of year:			
24.47 Authority to borrow.....	100,000	100,000	100,000
24.98 Fund balance.....	494,767	880,391	1,380,035
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-128,212	-385,624	-499,644
72.98 Obligated balance, start of year: Fund balance.....	43,042	-13,183	172,450
74.98 Obligated balance, end of year: Fund balance.....	13,183	-172,450	-177,266
90.00 Outlays.....	-71,987	-571,257	-504,460

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
16-4204-0-3-601			
Position with respect to limitation on obligations:			
1111 Limitation on direct loans.....			

1131	Direct loan obligations exempt from limitation.....	1,554	1,400	1,800
1150	Total direct loan obligations.....	1,554	1,400	1,800
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	2,342	2,406	2,521
1231	Disbursements: Direct loan disbursements.....	1,554	1,400	1,800
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-1,490	-1,285	-1,632
1290	Outstanding, end of year.....	2,406	2,521	2,689
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....	96.0	92.0	91.0
1330	Subsidy amount (in thousands of dollars).....	1,490	1,285	1,632

<sup>1</sup> Amortization of reserve for losses.

This wholly owned government corporation administers programs of mandatory insurance to prevent loss of pension benefits under covered private, defined-benefit pension plans if single-employer plans terminate or if multiemployer plans are unable to pay benefits. Terminated plans are taken over by the Corporation. The Corporation assumes control of their assets, administers them in a trust fund held in a private bank, and takes responsibility for paying benefits. The Corporation also provides repayable assistance to insolvent multiemployer plans when necessary to pay benefits and to forestall termination and subsequent Corporation responsibility to pay benefits.

Plans terminated during year:	1987 actual	1988 est.	1989 est.
With sufficient assets.....	10,865	9,000	9,000
With insufficient assets (distress terminations).....	61	104	104
Government trusteeships at end of year.....	1,264	1,369	1,474
Regulations issued.....	8	10	11

**Administrative expenses subject to limitation and other expenses.**—Provides case processing, benefits administration, resource management, legal support, public information, executive direction, and other support functions.

**Benefit payments.**—Checks are issued when due to pay status participants and other beneficiaries in plans which have terminated.

	1987 actual	1988 est.	1989 est.
Payees in Government trusteeships receiving monthly benefits from the Corporation.....	113,477	123,477	133,477

**Financial assistance.**—If multiemployer-sponsored plans become insolvent the Corporation gives repayable loans to enable the plans to continue paying benefits. Financial assistance to an insolvent plan is made only after the plan takes a series of prescribed steps to place the plan on a sound financial basis.

**Financing.**—Sources of financing are per capita annual premiums from ongoing covered plans, assets from terminated plans, investment income, and amounts due the Corporation from the sponsors of terminating plans. Also, the Corporation is authorized to borrow up to \$100 million from the U.S. Treasury.

**Operating results.**—The following tables show the status of the Corporation's trust funds and the Corporation's operating results.

**STATUS OF TRUST FUNDS**

	[In thousands of dollars]			
Assets:	1986 actual	1987 actual	1988 est.	1989 est.
Cash.....	145	24	24	24
Investments.....	1,083,902	1,351,272	1,339,186	1,671,142
Receivables:				
Due from Pension Benefit Guaranty Corporation.....	2,722,930	1,799,345	2,470,083	2,809,136
Due from employers—terminated plans.....	168,810	434,189	367,754	296,569

Due from employers—pending terminations.....	41,647			
Assets of pretrustered plans.....	19,117	43,022	118,757	105,120
Assets of plans pending termination.....	456,281	123,737		
Other assets.....	13,146	6,865	6,865	6,865
Total assets.....	4,505,978	3,758,454	4,302,669	4,888,856
Liabilities:				
Estimate of future benefits—terminated plans.....	3,480,437	3,330,426	4,291,736	4,877,922
Estimate of future benefits—pending terminations (net).....	1,012,739	417,096		
Other liabilities.....	12,802	10,932	10,933	10,934
Total liabilities.....	4,505,978	3,758,454	4,302,669	4,888,856

**CHANGE IN CORPORATION'S LIABILITY UNDER TERMINATED PLANS**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Liability, beginning of year.....	2,196,873	1,573,789	2,470,083
Net liability incurred due to plan terminations.....	-36,720	650,869	385,273
(New liabilities assumed).....	185,325	1,049,000	681,000
(Plan assets acquired).....	-175,245	-341,764	-243,389
(Recoveries from employers, net).....	-46,800	-56,367	52,338
Operating loss of trust fund.....	-250,560	421,474	195,742
Benefit payments.....	-168,128	-176,049	-241,962
Adjustment to prior year.....	-167,676		
Liability, end of year.....	1,573,789	2,470,083	2,809,136

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue:			
Premium income.....	284,366	515,276	679,468
Investment income.....	7,931	84,605	104,794
Other income.....	3,955	334	377
Total estimated income.....	296,252	600,215	784,639
Expenses:			
Net operating loss or gain (-), trust fund.....	-250,560	421,474	195,742
Net liability incurred due to plan terminations.....	-425,848	650,869	385,273
Provision for pending terminations (net).....		-293,359	
Change in allowance for uncollectable financial assistance.....	-9,066	1,428	1,433
Administrative expenses.....	38,684	35,636	41,639
Total estimated expenses.....	-646,790	816,048	624,087
Net operating income or loss, total.....	943,042	-215,833	160,552

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Fund balance with U.S. Treasury.....	523	2,330	2,477	2,477
U.S. securities (par).....	409,075	479,255	1,050,365	1,554,825
Adjustment to market value.....	46,085	8,793	7,265	8,372
Accounts receivable.....	41,111	93,875	8,271	6,918
Equipment (net).....	2,623	2,463	1,951	1,544
Loans to plans (net).....	2,342	2,406	4,106	4,651
Total assets.....	501,759	589,122	1,074,435	1,578,787
Liabilities:				
Selected liabilities:				
Unearned premiums.....	65,908	70,694	168,065	173,390
Accounts payable.....	12,933	7,560	8,200	7,792
Net liability incurred—terminated plans.....	2,196,873	1,573,789	2,470,083	2,809,136
Estimated liability for pending terminations.....	514,811	293,359		
Reserve for financial assistance.....	29,009	18,453	18,653	18,483
Accrued annual leave.....	1,151	1,151	1,151	1,151
Total liabilities.....	2,820,685	1,965,006	2,666,152	3,009,952
Government equity:				
Selected equities:				
Unexpended balances:				
Undelivered orders.....	5,312	2,438	4,456	4,456

Public enterprise funds—Continued

PENSION BENEFIT GUARANTY CORPORATION FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
Unobligated balance:				
Fund balance.....	366,555	494,767	880,391	1,380,035
Authority to borrow.....	100,000	100,000	100,000	100,000
Unused borrowing authority.....	-100,000	-100,000	-100,000	-100,000
Invested capital.....	-2,690,793	-1,873,089	-2,476,564	-2,815,656
Total Government equity.....	-2,318,926	-1,375,884	-1,591,717	-1,431,165

Object Classification (in thousands of dollars)

Identification code 16-4204-0-3-601	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	1,554	1,400	1,800
42.0 Insurance claims and indemnities.....	471,211	353,363	420,362
93.0 Administrative expenses (see separate schedule).....	35,836	38,242	41,232
93.0 Other expenses.....			13,000
99.9 Total obligations.....	508,601	393,005	476,394

Personnel Summary

Total number of full-time permanent positions.....	478	499	530
Total compensable workyears:			
Full-time equivalent employment.....	452	494	546
Full-time equivalent of overtime and holiday hours.....	7	6	6

PENSION BENEFIT GUARANTY CORPORATION

(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 16-4204-6-3-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligation, direct loan subsidy (object class 41.0).....			1,632
<b>Financing:</b>			
24.98 Unobligated balance available, end of year: Fund balance.....			-1,632
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			1,632
74.98 Obligated balance, end of year: Fund balance.....			-1,632
90.00 Outlays.....			

This schedule shows the effects of the Administration's credit reform proposal. It contains estimates of the subsidy for Federal direct loan obligations made by the Corporation to insolvent multiemployer pension plans that would need to be taken over by the government in the absence of the loans. The proposal requires no credit limitation for these loans but requires estimates of the subsidy arising from writeoff of uncollectable loans. No new credit activity is required to be financed through the Federal credit direct loan revolving fund.

ADMINISTRATIVE EXPENSES

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Administrative expenses subject to limitation.....	35,836	38,242	41,232
Other expenses.....			13,000
Total obligations.....	35,836	38,242	54,232

Financing:

Unobligated balance lapsing.....		87	
<b>Total.....</b>	<b>35,836</b>	<b>38,329</b>	<b>54,232</b>

Relation of obligations to outlays:

Obligations incurred, net.....	35,836	38,242	54,232
Obligated balance, start of year.....	7,362	7,362	7,362
Obligated balance, end of year.....	-7,362	-7,362	-7,362
<b>Outlays.....</b>	<b>35,836</b>	<b>38,242</b>	<b>54,232</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

Object Classification (in thousands of dollars)

Identification code 16-4204-0-3-601	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	15,001	16,880	18,806
11.3 Other than full-time permanent.....	647	664	667
11.5 Other personnel compensation.....	940	940	940
11.9 Total personnel compensation.....	16,588	18,484	20,413
12.1 Civilian personnel benefits.....	1,899	2,265	2,724
13.0 Benefits for former personnel.....	172		
21.0 Travel and transportation of persons.....	237	357	522
22.0 Transportation of things.....	5	40	41
23.2 Rental payments to others.....	4,300	4,530	5,036
24.0 Printing and reproduction.....	101	409	425
25.0 Other services.....	11,270	11,268	23,942
26.0 Supplies and materials.....	283	423	448
31.0 Equipment.....	981	466	681
93.0 Administration expenses included in schedule for fund as a whole.....	-35,836	-38,242	-41,232
93.0 Other expenses.....			-13,000
99.0 Total administrative expenses.....			

EMPLOYMENT STANDARDS ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, [\$207,709,000, of which not to exceed \$7,659,000 shall be available for obligation through September 30, 1989, for acquisition of computer equipment and software for the Federal Employees' Compensation Program's ADP system,] \$214,489,000 together with [\$467,000] \$526,000 which may be expended from the Special Fund in accordance with sections 39(c) and 44(j) of the Longshore and Harbor Workers' Compensation Act. (5 U.S.C. 8101-50, 8171(a)(2); 8 U.S.C. 1101(a), 1184(c), 1324; 15 U.S.C. 1671-77; 20 U.S.C. 951-63; 29 U.S.C. 31-42, 201-19, 251-62, 553, 793; 1802, 1813(a); 30 U.S.C. 934, 934a; 33 U.S.C. 901-50; 38 U.S.C. 2012; 40 U.S.C. 267a, 267c; 41 U.S.C. 35-45, 328-33, 351-57; 42 U.S.C. 1651-54, 1701-17, 2000e nt.; 43 U.S.C. 1333(c); title 36 of the District of Columbia Code; 59 Stat. 1263; 64 Stat. 1268; Executive Order 11136 of January 3, 1964; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 16-0105-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Enforcement of wage and hour standards.....	78,325	81,909	90,035
00.02 Federal contractor EEO standards enforcement.....	45,747	50,375	52,493
00.03 Federal programs for workers' compensation.....	75,288	88,487	87,228
00.04 Executive direction and support services.....	13,463	14,618	15,469
00.91 Total direct program.....	212,823	235,389	245,225
01.01 Reimbursable program.....	689	1,813	1,813
10.00 Total obligations.....	213,512	237,202	247,038

Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-365	-313	-313
13.00	Trust funds.....	-26,787	-28,495	-30,736
14.00	Non-Federal sources.....	-1,342	-1,500	-1,500
21.40	Unobligated balance available, start of year.....	-8,000		
22.40	Unobligated balance transferred, net.....	8,000		
25.00	Unobligated balance lapsing.....	6,032	815	
39.00	<b>Budget authority.....</b>	<b>191,050</b>	<b>207,709</b>	<b>214,489</b>
Budget authority:				
40.00	Appropriation.....	194,209	207,709	214,489
41.00	Transferred to other accounts.....	-3,159		
43.00	<b>Appropriation (adjusted).....</b>	<b>191,050</b>	<b>207,709</b>	<b>214,489</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	185,018	206,894	214,489
72.40	Obligated balance, start of year.....	20,365	27,874	32,853
74.40	Obligated balance, end of year.....	-27,874	-32,853	-34,844
77.00	Adjustments in expired accounts.....	-1,425		
90.00	<b>Outlays.....</b>	<b>176,084</b>	<b>201,915</b>	<b>212,498</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Enforcement of wage and hour standards.**—The Wage and Hour Division works to obtain compliance with the minimum wage, overtime, child labor, and other employment standards under the Fair Labor Standards Act, Migrant and Seasonal Agricultural Worker Protection Act, certain provisions of the Immigration Reform and Control Act, and the wage garnishment provisions in title III of the Consumer Credit Protection Act. Prevailing wages are determined and employment standards enforced under various Government contract wage standards. In 1989, approximately 418,600 persons are expected to be aided under the Fair Labor Standards Act through assessing employers for underpayments and securing agreements to pay the workers. Through the special minimum wage program, 400,000 persons will be aided by certificates issued and employment authorized. In Government contract compliance actions, 48,700 persons will be aided through assessing employers for underpayments and securing agreements to pay the workers. Under the Migrant and Seasonal Agricultural Worker Protection Act program, approximately 146,000 persons will be aided through enforcement of employment standards for migrant and seasonal agricultural workers. In the course of all on-site investigations, compliance officers will routinely check for employer compliance with the eligibility recordkeeping requirements of the Immigration Reform and Control Act. About 725 investigations will be conducted to ensure compliance with homeworker employment restrictions.

**Federal contractor EEO standards enforcement.**—The Office of Federal Contract Compliance Programs (OFCCP) works to ensure nondiscrimination in employment on Federal contracts. It is responsible for conducting compliance activities to assure that Federal contractors take affirmative action in the hiring and promotion of minorities and women under the authority of Executive Orders 11246 and 11375. Administration of affirmative action provisions of the Rehabilitation Act of 1973, relating to the hiring and promotion of physically and mentally handicapped individuals, is included in this activity. Also included is the administration of the Vietnam Era Veterans Readjustment Assistance Act providing for affirmative action by Federal contractors to employ and advance in employment disabled veterans

and veterans of the Vietnam era. In 1989, about 6,140 compliance reviews and 1,045 complaint investigations will be conducted. During these reviews and investigations, employer compliance with the Immigration Reform and Control Act will be checked regarding hiring only legally authorized workers. A total of 5,995 other compliance actions will be conducted with respect to contractor employment practices.

**Federal programs for workers' compensation.**—Under this income maintenance activity, the Employment Standards Administration administers the Federal Employees' Compensation Act, the Longshore and Harbor Workers' Compensation Act, and the benefit provisions of the Federal Mine Safety and Health Act of 1977. These programs insure that eligible disabled and injured workers or their survivors receive compensation and medical benefits and a range of services including rehabilitation, supervision of medical care, and technical and advisory counseling to which they are entitled. Technical assistance is provided to the States to upgrade their workers' compensation laws.

**Executive direction and support services.**—This activity includes planning, personnel management, financial management, research and Federal/State liaison programs, management systems implementation, and data processing operations. Major goals in 1989 will include implementing financial management initiatives; continued efforts to eliminate internal fraud, waste, and mismanagement; the improvement of management information, automated data processing, and program and fiscal accountability; and legislative and regulatory improvements.

Object Classification (in thousands of dollars)

Identification code	16-0105-0-1-505	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	122,267	132,875	139,616
11.5	Other personnel compensation.....	4,027	25	25
11.9	Total personnel compensation.....	126,294	132,900	139,641
12.1	Civilian personnel benefits.....	18,364	21,497	24,611
13.0	Benefits for former personnel.....	256	208	150
21.0	Travel and transportation of persons.....	6,247	6,913	7,297
22.0	Transportation of things.....	306	438	593
23.1	Rental payments to GSA.....	12,282	16,380	16,884
23.3	Communications, utilities, and miscellaneous charges.....	3,187	3,361	3,549
24.0	Printing and reproduction.....	1,126	825	958
25.0	Other services.....	39,308	41,059	45,585
26.0	Supplies and materials.....	1,343	1,445	1,800
31.0	Equipment.....	3,976	10,363	4,157
42.0	Insurance claims and indemnities.....	134		
99.0	Subtotal, direct obligations.....	212,823	235,389	245,225
99.0	Reimbursable obligations.....	689	1,813	1,813
99.9	Total obligations.....	213,512	237,202	247,038

Personnel Summary

Total number of full-time permanent positions.....	4,100	4,192	4,238
Total compensable workyears:			
Full-time equivalent employment.....	3,955	4,060	4,103
Full-time equivalent of overtime and holiday hours.....	29		

General and special funds—Continued

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, **[\$174,000,000]** **\$292,000,000**, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to September 15 of the current year: *Provided*, That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through September 30, **[1988]** **1989**. (5 U.S.C. 8147; 8191-93; 33 U.S.C. 901, 944(a); 42 U.S.C. 1701; 50 U.S.C. 2001-3013; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 16-1521-0-1-600	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Federal Employees' Compensation Act benefits....	1,155,989	1,225,000	1,295,000
00.02 Longshore and harbor workers' compensation benefits.....	4,110	4,000	4,000
10.00 Total obligations (object class 42.0) .....	1,160,099	1,229,000	1,299,000
<b>Financing:</b>			
11.00 Offsetting collections from Federal funds.....	-948,453	-1,020,000	-1,042,000
25.00 Unobligated balance lapsing.....	18,148		
39.00 Budget authority.....	229,794	209,000	257,000
<b>Budget authority:</b>			
40.00 Appropriation.....	263,600	174,000	292,000
40.20 Appropriation available from subsequent year.....		35,000	
40.30 Appropriation available in prior year.....	-33,806		-35,000
43.00 Appropriation (adjusted).....	229,794	209,000	257,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	211,646	209,000	257,000
72.40 Obligated balance, start of year.....	329	1,080	1,080
74.40 Obligated balance, end of year.....	-1,080	-1,080	-1,080
77.00 Adjustments in expired accounts.....	-1,012		
90.00 Outlays.....	209,882	209,000	257,000

**Federal Employees' Compensation Act benefits.**—Currently, approximately 50,600 claimants are receiving long-term compensation benefits for job-related injuries, diseases, or deaths, as specified in the Federal Employees' Compensation Act (FECA) and its extensions. Pertinent medical bills are paid for compensable injuries. Compensation benefits are paid when the injury causes loss of job time. Workers suffering noncontroverted, traumatic injuries continue in full pay status for a period not to exceed 45 days, paid by the employing agency rather than through this account. All medical costs associated with these continuation-of-pay claims are examined and paid by the FECA program. In addition, the FECA program is responsible for claims extending beyond 45 days, all nontraumatic injuries and controverted claims, medical costs associated with the above, and the review of the agency-paid continuation-of-pay claims. Costs to this account are subsequently charged back to the employing agency.

FEDERAL EMPLOYEES' COMPENSATION WORKLOAD

	1987 actual	1988 est.	1989 est.
Wage-loss claims received.....	21,584	22,000	22,000
Compensation and medical payments.....	1,568,813	1,500,000	1,500,000
Cases received.....	155,216	166,000	166,000
Periodic roll cases.....	50,636	50,000	50,000

**Longshore and harbor workers' compensation benefits.**—Under the Longshore and Harbor Workers' Compensation Act, as amended, the Federal Government pays from direct appropriations one-half of the increased benefits provided by the amendments for persons on the rolls prior to 1972. The remainder is provided from the special fund which is financed by private employers assessed at the beginning of each calendar year for their proportionate share of these payments.

Trust Funds

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, **[\$649,169,000]** **\$688,214,000**, of which **[\$594,522,000]** **\$633,435,000** shall be available until September 30, **[1989]** **1990**, for payment of all benefits as authorized by section 9501(d), (1), (2), and (7) of the Internal Revenue Code of 1954, as amended, and of which **[\$28,217,000]** **\$30,210,000** shall be available for transfer to Employment Standards Administration, Salaries and Expenses, and **[\$25,924,000]** **\$24,054,000** for transfer to Departmental Management, Salaries and Expenses, and **[\$506,000]** **\$515,000** for transfer to Departmental Management, Office of Inspector General, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5)(A) of that Act: *Provided*, That in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation or other benefits for any period subsequent to June 15 of the current year: *Provided further*, **[That in addition, there are hereby appropriated such amounts as may be necessary to repay advances from the Treasury that are not needed to make disbursements during the current fiscal year, as authorized by section 9501(d)(4) of that Act: *Provided further*,]** That in addition, such amounts shall be paid from this fund into miscellaneous receipts as the Secretary of the Treasury determines to be the administrative expenses of the Department of the Treasury for administering the fund during the current fiscal year, as authorized by section 9501(d)(5)(B) of that Act. (30 U.S.C. 901; Department of Labor Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	2,996	2,608	
Total income.....	642,386	610,000	729,000
Appropriation.....	236,260	688,725	688,970
Appropriation lapsing.....		-38,989	
Appropriation available from subsequent year.....		13,970	
Appropriation available in prior year.....			-13,970
Unobligated appropriation, start of year.....	409,416	2,902	
Unobligated appropriation, end of year.....	-2,902		
Subtotal, appropriation used.....	642,774	666,608	675,000
Unappropriated balance, end of year.....	2,608		

Program and Financing (in thousands of dollars)

Identification code 20-8144-0-7-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Disabled coal miners benefits.....	593,201	611,394	619,465
00.02 Administrative expenses.....	49,573	55,214	55,535
10.00 Total obligations.....	642,774	666,608	675,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-409,416	-2,902	

24.40	Unobligated balance available, end of year.....	2,902		
25.00	Unobligated balance lapsing.....		38,989	
39.00	<b>Budget authority.....</b>	<b>236,260</b>	<b>702,695</b>	<b>675,000</b>
Budget authority:				
40.00	Appropriation.....	235,740	649,169	688,214
40.00	Appropriation (indefinite).....	520	756	756
40.00	Appropriation (indefinite).....		38,800	
40.20	Appropriation available from subsequent year.....		13,970	
40.30	Appropriation available in prior year.....			-13,970
43.00	<b>Appropriation (adjusted).....</b>	<b>236,260</b>	<b>702,695</b>	<b>675,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	642,774	666,608	675,000
72.40	Obligated balance, start of year.....			54,000
74.40	Obligated balance, end of year.....		-54,000	
90.00	Outlays.....	642,774	612,608	729,000

The trust fund consists of all moneys collected from the coal mine industry under the provisions of the Black Lung Benefits Revenue Act of 1981, as amended by the Consolidated Omnibus Budget Reconciliation Act of 1985, in the form of an excise tax on mined coal tonnage. These moneys are expended to pay compensation, medical, and survivor benefits to eligible miners and their survivors, where mine employment terminated prior to 1970 or where no mine operator can be assigned liability. In addition the fund pays all administrative costs incurred in the operation of the black lung program. The fund is administered jointly by the Secretaries of Labor, the Treasury, and Health and Human Services. The Benefits Revenue Act provides for repayable advances to the fund in the event fund resources will not be adequate to meet program obligations. Such advances are to be repaid with interest. Advances outstanding at the end of the year are: 1981, \$1,510 million; 1982, \$1,793 million; 1983, \$2,151 million; 1984, \$2,497 million; 1985, \$2,833 million; 1986, \$2,884 million; 1987, \$2,952 million; 1988, \$2,982 million; and 1989, \$3,106 million.

**BLACK LUNG DISABILITY TRUST FUND WORKLOAD**

	1987 actual	1988 est.	1989 est.
Claims received.....	10,902	11,250	11,100
Claims in payment status.....	86,885	86,000	84,500
Medical benefits only recipients.....	60,000	53,500	47,500

**STATUS OF FUNDS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Balance of fund, start of year.....	2,996	2,608	
Cash income during the year:			
Government receipts:			
Coal tonnage.....	572,295	578,000	603,000
Proprietary receipts:			
Miscellaneous interest.....	2,315	2,000	2,000
Intrabudgetary transactions:			
Advances from general fund.....	67,776	30,000	124,000
Total annual income.....	642,386	610,000	729,000
Cash outgo during the year:			
Disabled coal miners' benefits:			
Benefits paid.....	605,717	570,394	687,765
Refunds.....	-12,516	-13,000	-14,300
Total benefits.....	593,201	557,394	673,465
Federal administrative expenses:			
Direct expenses.....	26,346	28,028	30,210
Departmental management:			
Salaries and expenses.....	22,095	25,924	24,054
Inspector General.....	612	506	515

Reimbursements to Treasury.....	520	756	756
Subtotal.....	49,573	55,214	55,535
Total annual outgo.....	642,774	612,608	729,000
Balance of fund, end of year.....	2,608		

**Object Classification (in thousands of dollars)**

Identification code 20-8144-0-7-601	1987 actual	1988 est.	1989 est.
25.0 Other services.....	49,573	55,214	55,535
42.0 Insurance claims and indemnities.....	593,201	611,394	619,465
99.9 Total obligations.....	642,774	666,608	675,000

**SPECIAL WORKERS' COMPENSATION EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code 16-9971-0-7-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Longshore and Harbor Workers' Compensation Act, as amended.....	58,804	63,000	69,000
00.02 District of Columbia Compensation Act.....	11,139	11,000	12,000
10.00 Total obligations.....	69,943	74,000	81,000
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	1,738	-4,612	-4,612
21.40 U.S. securities (par).....	-34,440	-32,940	-38,940
Unobligated balance available, end of year:			
24.40 Treasury balance.....	4,612	4,612	4,612
24.40 U.S. securities (par).....	32,940	38,940	44,940
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>74,794</b>	<b>80,000</b>	<b>87,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	69,943	74,000	81,000
72.40 Obligated balance, start of year.....	2,094	54	54
74.40 Obligated balance, end of year.....	-54	-54	-54
90.00 Outlays.....	71,984	74,000	81,000
Distribution of budget authority by account:			
Longshore and Harbor Workers' Compensation Act.....	58,657	67,000	73,000
District of Columbia Compensation Act.....	16,137	13,000	14,000
Distribution of outlays by account:			
Longshore and Harbor Workers' Compensation Act.....	60,433	63,000	69,000
District of Columbia Compensation Act.....	11,551	11,000	12,000

The trust funds consist of amounts received from employers for the death of an employee where no person is entitled to compensation for such death, for fines and penalty payments, and pursuant to an annual assessment of the industry, for the general expenses of the fund under the Longshore and Harbor Workers' Compensation Act, as amended.

These trust funds are available for payments of additional compensation for second injuries. When a second injury, when combined with a previous disability, results in increased permanent partial disability, permanent total disability, or death, the employer provides compensation only for the disability caused by the subsequent injury; compensation to supplement the employer's payment is provided from this fund. In addition, the fund pays one-half of the increased benefits provided under the Longshore and Harbor Workers' Compensation Act, as amended, for persons on the rolls prior to 1972. Maintenance payments are made to disabled employees undergoing vocational rehabilitation to

General and special funds—Continued

SPECIAL WORKERS' COMPENSATION EXPENSES—Continued

enable them to return to remunerative occupations, and the costs of necessary rehabilitation services not otherwise available to disabled workers are defrayed. Payments are made in cases where other circumstances preclude payment by an employer and to provide medical, surgical, and other treatment in disability cases where there has been a default by the insolvency of an uninsured employer.

Object Classification (in thousands of dollars)

Identification code	16-9971-0-7-601	1987 actual	1988 est.	1989 est.
25.0	Other services .....	441	467	526
42.0	Insurance claims and indemnities.....	69,502	73,533	80,474
99.9	Total obligations.....	69,943	74,000	81,000

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, **[\$235,474,000] \$244,851,000**, including not to exceed **[\$40,524,000] \$41,334,000**, which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970: *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended for the assessment of civil penalties issued for first instance violations of any standard, rule, or regulation promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful, or repeated violations under section 17 of the Act) resulting from the inspection of any establishment or workplace subject to the Act, unless such establishment or workplace is cited, on the basis of such inspection, for ten or more violations: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, order or administrative action under the Occupational Safety and Health Act of 1970 affecting any work activity by reason of recreational hunting, shooting, or fishing: *Provided further*, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost work day case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of five or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

*Provided further*, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended for the proposal or assessment of any civil penalties for the violation or alleged violation by an employer of ten or fewer employees of any standard, rule, regulation, or order promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful or repeated violations and violations which pose imminent danger under section 13 of the Act) if, prior to the inspection which gives rise to the alleged violation, the employer cited has (1) voluntarily requested consultation under a program operated pursuant to section 7(c)(1) or section 18 of the Occupational Safety and Health Act of 1970 or from a private consultative source approved by the Administration and (2) had the consultant examine the condition cited and (3) made or is in the process of making a reasonable good faith effort to eliminate the hazard created by the condition cited as such, which was identified by the aforementioned consultant, unless changing circumstances or workplace conditions render inapplicable the advice obtained from such consultants: *Provided further*, That none of the funds appropriated under this paragraph may be obligated or expended for any State plan monitoring visit by the Secretary of Labor under section 18 of the Occupational Safety and Health Act of 1970, of any factory, plant, establishment, construction site, or other area, workplace or environment where such a workplace or environment has been inspected by an employee of a State acting pursuant to section 18 of such Act within the six months preceding such inspection: *Provided further*, That this limitation does not prohibit the Secretary of Labor from conducting such monitoring visit at the time and place of an inspection by an employee of a State acting pursuant to section 18 of such Act, or in order to investigate a complaint about State program administration including a failure to respond to a worker complaint regarding a violation of such Act, or in order to investigate a discrimination complaint under section 11(c) of such Act, or as part of a special study monitoring program, or to investigate a fatality or catastrophe: *Provided further*, That none of the funds appropriated under this paragraph may be obligated or expended for the inspection, investigation, or enforcement of any activity occurring on the Outer Continental Shelf which exceeds the authority granted to the Occupational Safety and Health Administration by any provision of the Outer Continental Shelf Lands Act, or the Outer Continental Shelf Lands Act Amendments of 1978. (29 U.S.C. 651 et seq.; 33 U.S.C. 941 et seq.; 40 U.S.C. 333 et seq.; 41 U.S.C. 35 et seq., 351 et seq.; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	16-0400-0-1-554	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Safety and health standards .....	6,463	6,484	6,751
Enforcement:				
00.02	Federal enforcement.....	86,732	109,878	116,969
00.03	State programs .....	59,789	40,524	41,334
00.04	Technical support.....	16,454	16,558	17,486
00.05	Compliance assistance .....	34,987	35,279	36,078
00.06	Safety and health statistics .....	17,628	19,654	20,241
00.07	Executive direction and administration.....	6,046	5,797	5,992
00.91	Total direct program .....	228,099	234,174	244,851
01.01	Reimbursable program .....	302	355	355
10.00	Total obligations.....	228,401	234,529	245,206
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-174	-225	-225
14.00	Non-Federal sources.....	-128	-130	-130
22.40	Unobligated balance transferred, net.....	-3,116		



25.00	Unobligated balance lapsing .....	828	1,300	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>225,811</b>	<b>235,474</b>	<b>244,851</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	228,099	234,174	244,851
72.40	Obligated balance, start of year .....	32,761	37,351	42,798
74.40	Obligated balance, end of year .....	- 37,351	- 42,798	- 51,247
77.00	Adjustments in expired accounts.....	- 9,002	.....	.....
90.00	<b>Outlays.....</b>	<b>214,508</b>	<b>228,727</b>	<b>236,402</b>

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Safety and health standards.**—New and revised standards are proposed and promulgated to protect the safety and health of workers. All new standards, except emergency temporary standards, are promulgated under procedures providing opportunity for public comment. Before any standard is proposed or promulgated, a determination is made that: (1) a significant risk of serious employee injury or health impairment exists; (2) the standard will reduce this risk; (3) the standard is economically and technologically sound; and (4) the standard is cost-effective when compared with alternative regulatory proposals providing equal levels of protection.

**Enforcement.**—The Occupational Safety and Health Act of 1970 provides for enforcement of Federal standards in States declining to assert jurisdiction and for grants to assist States in administering and enforcing State standards. Compliance with occupational safety and health standards is gained in part by the physical inspection of plants and facilities and by encouraging the voluntary protection efforts of employers and employees. Programs are targeted to the investigation of claims of imminent danger and employee complaints, the investigation of fatal and catastrophic accidents, programmed inspections of firms with injury-illness rates that are above the national average, and special emphasis inspections for serious health and safety hazards.

**Technical support.**—Technical assistance is provided on all aspects of standards setting, variances, compliance assistance, and enforcement programs. Laboratory support is provided to compliance officers. Comprehensive scientific and technical information services are made available. The economic and environmental impacts of proposed standards are analyzed.

**Compliance assistance.**—This activity contributes to the balanced use of the authority provided by the Act through a variety of employer and employee assistance activities. Under cooperative agreements, State agencies are reimbursed for 90 percent of the costs of providing free onsite consultation to employers upon request. Grants are awarded to assist organizations to develop their capacity to provide occupational safety and health training for workers and employers. Employers are encouraged to establish voluntary labor-management and self-inspection protection programs. This activity also provides leadership and assists agencies in implementing job safety and health programs to protect Federal workers. Professional training for compliance personnel and others with related workplace safety and health responsibilities is conducted at the OSHA Training Institute.

**Safety and health statistics.**—Statistics on occupational fatalities, injuries, and illnesses are collected directly or through grants to States and published annually to aid in the identification of occupational safety and health problems and to facilitate administration.

**Executive direction and administration.**—These activities include executive direction, planning and evaluation, management support, legislative liaison, inter-agency affairs, and administrative services.

**PROGRAM STATISTICS**

Standards promulgated:	1987 actual	1988 est.	1989 est.
Health .....	4	6	7
Safety.....	4	8	4
Inspections:			
Federal inspections .....	61,466	62,200	66,500
State program inspections.....	109,906	101,000	101,000
Training and consultations:			
Training grants supported.....	38	34	34
Consultation visits.....	27,141	27,000	26,000

**Object Classification (in thousands of dollars)**

Identification code 16-0400-0-1-554	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	72,653	83,821	87,597
11.3 Other than full-time permanent.....	993	507	518
11.5 Other personnel compensation.....	809	932	1,895
11.9 Total personnel compensation.....	74,455	85,260	90,010
12.1 Civilian personnel benefits .....	11,881	16,727	17,481
13.0 Benefits for former personnel.....	36	.....	.....
21.0 Travel and transportation of persons.....	8,513	8,727	10,011
22.0 Transportation of things.....	408	880	820
23.1 Rental payments to GSA.....	8,132	9,934	10,342
23.3 Communications, utilities, and miscellaneous charges.....	2,968	3,948	4,120
24.0 Printing and reproduction .....	1,885	1,057	1,098
25.0 Other services.....	53,295	51,763	54,107
26.0 Supplies and materials.....	1,957	2,401	2,495
31.0 Equipment.....	5,337	6,769	6,767
41.0 Grants, subsidies, and contributions .....	59,172	46,708	47,600
42.0 Insurance claims and indemnities .....	60	.....	.....
99.0 Subtotal, direct obligations.....	228,099	234,174	244,851
99.0 Reimbursable obligations .....	302	355	355
99.9 Total obligations .....	228,401	234,529	245,206

**Personnel Summary**

Total number of full-time permanent positions.....	2,141	2,352	2,404
Total compensable workyears:			
Full-time equivalent employment.....	2,167	2,395	2,445
Full-time equivalent of overtime and holiday hours.....	10	15	15

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Environmental Protection Agency: Hazardous Substance Response Trust Fund.

**MINE SAFETY AND HEALTH ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for the Mine Safety and Health Administration **[\$160,193,000]** \$164,597,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the purchase of not to exceed **[sixty]** twenty passenger motor vehicles for replacement only; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of major disaster; *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shell dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine. (30 U.S.C. 1-11, 801, 951 et seq., 960; 91 Stat. 1290-1322; 93 Stat. 111, 137; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
16-1200-0-1-554			
<b>Program by activities:</b>			
<b>Enforcement:</b>			
00.01 Coal	79,181	82,168	82,879
00.02 Metal/non-metal	30,804	31,277	32,498
00.03 Standards development	943	1,140	1,920
00.04 Assessments	1,758	2,034	2,164
00.05 Educational policy and development	11,582	11,604	12,070
00.06 Technical support	20,133	20,125	20,833
00.07 Program administration	12,289	10,926	12,233
10.00 Total obligations	156,690	159,274	164,597
<b>Financing:</b>			
22.40 Unobligated balance transferred	-1,941		
25.00 Unobligated balance lapsing	1,731	919	
40.00 Budget authority (appropriation)	156,480	160,193	164,597
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	156,690	159,274	164,597
72.40 Obligated balance, start of year	14,168	22,634	22,052
74.40 Obligated balance, end of year	-22,634	-22,052	-24,051
77.00 Adjustments in expired accounts	-1,508		
90.00 Outlays	146,716	159,857	162,598

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Enforcement.**—Enforcement of the Federal Mine Safety and Health Act of 1977 includes inspection of mines, the development and promulgation of health and safety standards, assistance in mine rescue operations, investigations of serious accidents in mines, recommendations to reduce working hazards, and on-site education and training assistance. The estimates will support all inspections specified in the Act of mines expected to be operating throughout 1988 and 1989. In addition to these regular health and safety inspections the program statistics below include additional inspections and investigations that are conducted as needed to ensure the safety and health of miners.

**Assessments.**—This activity assesses civil monetary penalties for violations of safety and health standards.

**Educational policy and development.**—This activity develops and coordinates MSHA's mine safety and health education and training policies, and provides classroom instruction at the National Academy for MSHA personnel, other governmental personnel, and the mining industry. States are encouraged to develop training programs through grants and technical assistance.

**Technical support.**—This activity provides technical services and advice to field managers, mine inspectors, State program employees, and industry management to

assist enforcement or improve mining practices. It also collects and analyzes data relative to the cause, frequency, and circumstances of accidents.

**Program administration.**—This activity provides for general administrative functions and collection of civil monetary penalties.

PROGRAM STATISTICS

	1987 actual	1988 est.	1989 est.
<b>Operating mines:</b>			
Coal underground	2,208	2,208	2,208
Coal surface	3,019	3,019	3,019
Metal/non-metal underground	434	430	430
Metal/non-metal surface	10,979	11,170	11,170
<b>Enforcement:</b>			
Coal mine inspections	64,530	68,935	70,142
Metal/non-metal mine inspections	33,006	35,274	36,114
Regulations promulgated	10	16	16
<b>Assessments:</b>			
Violations assessed	131,453	131,000	131,000
<b>Educational policy and development:</b>			
Student days	41,018	40,000	40,000
<b>Technical support:</b>			
Equipment approvals	3,889	4,400	4,400
Field investigations	484	600	600
Laboratory samples analyzed	26,547	26,000	26,000

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
16-1200-0-1-554			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	94,516	98,858	101,046
11.3 Other than full-time permanent	963	1,459	927
11.5 Other personnel compensation	1,045	998	1,020
11.9 Total personnel compensation	96,524	101,315	102,993
12.1 Civilian personnel benefits	14,510	18,445	19,522
13.0 Benefits for former personnel	13		
21.0 Travel and transportation of persons	5,357	6,093	6,223
22.0 Transportation of things	2,021	2,153	2,129
23.1 Rental payment to GSA	5,373	6,512	6,232
23.2 Rental payments to others	884	921	939
23.3 Communications, utilities, and miscellaneous charges	2,838	2,956	2,780
24.0 Printing and reproduction	659	687	714
25.0 Other services	12,297	10,874	13,016
26.0 Supplies and materials	2,262	1,808	2,062
31.0 Equipment	8,425	2,560	2,938
32.0 Land and structures	336		
41.0 Grants, subsidies, and contributions	5,186	4,950	5,049
42.0 Insurance claims and indemnities	5		
99.9 Total obligations	156,690	159,274	164,597

Personnel Summary

Total number of full-time permanent positions	2,759	2,745	2,745
<b>Total compensable workyears:</b>			
Full-time equivalent employment	2,764	2,819	2,791
Full-time equivalent of overtime and holiday hours	9	10	10

BUREAU OF LABOR STATISTICS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, **[\$176,481,000]** \$190,397,000, of which **[\$8,793,000]** \$2,829,000 shall be for expenses of revising the **【Consumer Price Index】** Standard Industrial Classification, together with not to exceed **【\$41,569,000】** \$46,323,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: *Provided*, That **【\$7,366,000】** \$3,550,000 shall remain available until September 30, **【1989】** 1990. (29 U.S.C. 1-96, 181; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)				
Identification code	1987 actual	1988 est.	1989 est.	
Identification code 16-0200-0-1-505				
<b>Program by activities:</b>				
Direct program:				
00.01	Labor force statistics.....	97,612	101,641	111,278
00.02	Prices and cost of living.....	52,771	56,821	72,098
00.03	Wages and industrial relations.....	20,050	21,162	22,028
00.04	Productivity and technology.....	5,020	5,174	5,457
00.05	Economic growth and employment projections.....	3,019	3,193	3,347
00.06	Executive direction and staff services.....	15,165	21,203	22,512
00.07	Consumer Price Index revision.....	11,429	8,705	.....
00.91	Total direct program.....	205,066	217,899	236,720
01.01	Reimbursable program.....	16,187	10,747	11,155
10.00	Total obligations.....	221,253	228,646	247,875
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-15,545	-9,716	-10,124
13.00	Trust funds.....	-37,872	-41,569	-46,323
14.00	Non-Federal sources.....	-688	-1,031	-1,031
21.40	Unobligated balance available, start of year.....	-169	-623	.....
24.40	Unobligated balance available, end of year.....	623	.....	.....
25.00	Unobligated balance lapsing.....	323	774	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>167,925</b>	<b>176,481</b>	<b>190,397</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	167,148	176,330	190,397
72.40	Obligated balance, start of year.....	28,492	40,100	38,044
74.40	Obligated balance, end of year.....	-40,100	-38,044	-37,607
77.00	Adjustments in expired accounts.....	-1,516	.....	.....
90.00	Outlays.....	154,024	178,386	190,834

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Labor force statistics.**—Publishes monthly estimates of the labor force, employment, unemployment, and earnings for the Nation, States, and local areas. Makes studies of the labor force. Publishes data on insured employment and wages, by industry. In 1989, the Bureau will start to expand its list of businesses for government-wide statistical use.

**WORKLOAD STATISTICS (SELECTED ITEMS)**

	1987 actual	1988 est.	1989 est.
Labor force statistics:			
Insured employment and wages (quarterly series).....	925,572	1,200,000	925,572
Employment and unemployment estimates for States and local areas (monthly and annual series).....	5,355	5,385	5,415
Occupational employment statistics (annual series on 3-year cycle).....	19,700	13,400	23,940
Data development and evaluation projects.....	138	136	140

**Prices and cost of living.**—Publishes the Consumer Price Index, the Producer Price Index, Export and Import Price Indexes, Estimates of Consumers' Expenditures, and studies of price change. In 1989, Export and Import Price Indexes will be improved.

	1987 actual	1988 est.	1989 est.
Consumer price indexes published (monthly).....	8,643	8,239	8,239
Producer prices:			
(a) Commodity indexes published (monthly).....	12,247	12,247	12,247
(b) Mining and manufacturing indexes published (monthly)....	619	619	619
International prices (percent of value covered):			
(a) Export price index.....	100	100	100
(b) Import price index.....	100	100	100

**Wages and industrial relations.**—Data on wages and benefits are collected and analyzed by occupation for major labor markets and industries. Monthly information is compiled on major work stoppages and wage developments.

**WORKLOAD STATISTICS (MAJOR ITEMS)**

	1987 actual	1988 est.	1989 est.
Wages and industrial relations:			
Employment cost index—number of schedules.....	5,100	5,400	5,400

Collective bargaining, bargaining units reviewed.....	2,500	2,500	2,500
Number of contracts maintained.....	4,900	4,900	4,900

**Productivity and technology.**—Provides studies of productivity changes for industries, major economic sectors in the private economy, and the Federal Government. Develops international comparisons of productivity and cost. Studies the effects of technology change on employment and productivity.

	1987 actual	1988 est.	1989 est.
Studies.....	65	62	54
Series.....	162,705	163,110	163,260

**Economic growth and employment projections.**—Provides economic projections, including changes in the level and structure of economic growth, and industry employment and occupational projections. Publishes the *Occupational Outlook Handbook and Quarterly*.

	1987 actual	1988 est.	1989 est.
Employment projections for 160 industries.....	80	80	80
Occupational Outlook Hand Book statements (2 year cycle).....	90	90	90
Studies.....	4	3	3

**Executive direction and staff services.**—Provides planning and policy for the Bureau, operates the management information system, coordinates research, and publishes data and reports for government and public use.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
Identification code 16-0200-0-1-505				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	59,034	62,806	66,759
11.3	Other than full-time permanent.....	4,420	4,339	4,372
11.5	Other personnel compensation.....	1,012	611	1,310
11.9	Total personnel compensation.....	64,466	67,756	72,441
12.1	Civilian personnel benefits.....	8,486	12,146	12,328
13.0	Benefits for former personnel.....	95	118	56
21.0	Travel and transportation of persons.....	4,087	3,732	4,985
22.0	Transportation of things.....	126	175	241
23.1	Rental payments to GSA.....	8,585	10,483	11,687
23.3	Communications, utilities, and miscellaneous charges... ..	1,864	2,223	2,334
24.0	Printing and reproduction.....	898	943	1,005
25.0	Other services.....	74,454	75,830	81,844
26.0	Supplies and materials.....	933	1,002	1,076
31.0	Equipment.....	3,992	2,906	3,434
41.0	Grants, subsidies and contributions.....	37,071	40,585	45,289
42.0	Insurance claims and indemnities.....	9	.....	.....
99.0	Subtotal, direct obligations.....	205,066	217,899	236,720
99.0	Reimbursable obligations.....	16,187	10,747	11,155
99.9	Total obligations.....	221,253	228,646	247,875

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	1,833	1,912	1,997
Total compensable workyears:			
Full-time equivalent employment.....	2,076	2,122	2,175
Full-time equivalent of overtime and holiday hours.....	25	10	10
Reimbursable:			
Total number of full-time permanent positions.....	196	212	207
Total compensable workyears: Full-time equivalent employment.	198	213	200

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Department of Labor, Employment and Training Administration, State unemployment insurance and employment services operations.

DEPARTMENTAL MANAGEMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of 5 sedans, and including **[\$2,434,000]** \$2,468,000 for the President's Committee on Employment of the Handicapped, **[\$114,929,000]** \$117,339,000, together with not to exceed **[\$274,000]** \$285,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. (37 Stat. 736, 738; 63 Stat. 409; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	16-0165-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Executive direction.....	13,425	17,789	16,556
00.02	Legal services.....	46,305	51,179	51,584
00.03	International labor affairs.....	4,325	5,850	6,243
00.04	Administration and management.....	24,091	24,799	25,007
00.05	Adjudication.....	29,079	31,609	30,005
00.06	Promoting employment of the handicapped.....	2,259	2,418	2,468
00.07	Women's bureau.....	5,824	5,955	6,083
00.09	Civil rights.....	3,175	3,634	3,732
00.91	Total direct program.....	128,483	143,233	141,678
01.01	Reimbursable program.....	6,049	7,852	7,852
10.00	Total obligations.....	134,532	151,085	149,530
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-6,163	-7,852	-7,852
13.00	Trust funds.....	-22,358	-26,198	-24,339
21.40	Unobligated balance available, start of year.....	.....	-2,763	.....
22.40	Unobligated balance transferred, net.....	-1,675	.....	.....
24.40	Unobligated balance available, end of year.....	2,763	.....	.....
25.00	Unobligated balance lapsing.....	2,356	657	.....
39.00	Budget authority.....	109,455	114,929	117,339
Budget authority:				
40.00	Appropriation.....	106,852	114,929	117,339
42.00	Transferred from other accounts.....	2,603	.....	.....
43.00	Appropriation (adjusted).....	109,455	114,929	117,339
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	106,011	117,035	117,339
72.40	Obligated balance, start of year.....	23,883	26,025	30,115
74.40	Obligated balance, end of year.....	-26,025	-30,115	-29,735
77.00	Adjustments in expired accounts.....	-5,105	.....	.....
90.00	Outlays.....	98,765	112,945	117,719

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Executive direction.**—Provides policy direction for all programs and functions assigned to the Department. Provides guidance for the development and implementation of governmental policy to protect and promote the interests of the American worker—toward achieving better employment and earnings, promotion of labor standards, safeguarding of pension rights, promotion of affirmative action in employment, and collection and analysis of statistics on the labor force.

**Legal services.**—Includes enforcement of Federal labor statutes and legal advisory, legislative, and litigation services related to the statutes administered by the Department.

**International labor affairs.**—Integrates all international labor programs and foreign economic policy within the Department; gives Departmental guidance to the U.S. participation in international organizations concerned with labor and employment and training

problems; and provides for labor and employment and training technical services to other Government and international agencies.

**Administration and management.**—Exercises leadership in all DOL administration and management programs and services. Provides policy guidance on matters of budget and resource and personnel management. Provides for consistent and constructive internal labor-management relations throughout the Department.

**Adjudication.**—Conducts formal hearings and renders timely decisions on claims filed under (a) the Longshore and Harbor Workers' Compensation Act and its extensions, (b) the Black Lung Benefits Reform Act of 1977, (c) the Federal Employees' Compensation Act, and (d) other acts involving health and safety regulations, unfair labor practices, and other labor-related areas.

**Promoting employment of the handicapped.**—The President's Committee on Employment of the Handicapped seeks to identify and eliminate barriers standing in the way of full social and vocational opportunities for physically and mentally handicapped persons.

**Women's bureau.**—Promotes the welfare and seeks to improve the economic status of working women; seeks to increase the utilization of women in the Nation's economy; and encourages the advancement of women workers.

**Civil rights.**—Ensures full compliance with title VI of the Civil Rights Act of 1964 and other regulatory non-discrimination provisions in programs receiving financial assistance from the Department of Labor and promotes equal opportunity in these programs and activities. Ensures equal employment opportunity to all DOL employees and applicants for employment.

Object Classification (in thousands of dollars)

Identification code	16-0165-0-1-505	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	69,135	77,368	75,430
11.3	Other than full-time permanent.....	1,788	3,197	3,223
11.5	Other personnel compensation.....	952	768	768
11.8	Special personal services payments.....	425	120	120
11.9	Total personnel compensation.....	72,300	81,453	79,541
12.1	Civilian personnel benefits.....	9,791	15,177	15,219
13.0	Benefits for former personnel.....	143	.....	.....
21.0	Travel and transportation of persons.....	3,148	2,558	3,471
22.0	Transportation of things.....	83	115	144
23.1	Rental payments to GSA.....	10,958	14,698	13,714
23.3	Communications, utilities, and miscellaneous charges..	3,026	3,367	3,834
24.0	Printing and reproduction.....	378	469	571
25.0	Other services.....	23,762	23,642	23,289
26.0	Supplies and materials.....	1,673	891	1,070
31.0	Equipment.....	2,990	863	825
41.0	Grants, subsidies, and contributions.....	227	.....	.....
42.0	Insurance claims.....	4	.....	.....
99.0	Subtotal, direct obligations.....	128,483	143,233	141,678
99.0	Reimbursable obligations.....	6,049	7,852	7,852
99.9	Total obligations.....	134,532	151,085	149,530

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,877	1,973	1,905
Total compensable workyears:			
Full-time equivalent employment.....	1,870	2,045	1,977
Full-time equivalent of overtime and holiday hours.....	8	8	8

Reimbursable:			
Total number of full-time permanent positions .....	34	46	46
Total compensable workyears: Full-time equivalent employment .....	38	50	50

OFFICE OF THE INSPECTOR GENERAL

For salaries and expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, **[\$37,051,000]** \$39,497,000, together with not to exceed **[\$6,201,000]** \$5,701,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. (Public Law 95-452, as amended; Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 16-0106-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Office of Audit .....	24,695	24,457	25,051
00.02 Office of Investigations .....	6,790	7,359	7,623
00.03 Office of Labor Racketeering .....	6,314	7,379	8,395
00.04 Executive direction and management .....	3,797	3,823	4,644
10.00 Total obligations .....	41,596	43,018	45,713
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds .....	-6,652	-6,707	-6,216
22.40 Unobligated balance transferred, net .....	-460		
25.00 Unobligated balance lapsing .....	905	740	
39.00 Budget authority .....	35,389	37,051	39,497
<b>Budget authority:</b>			
40.00 Appropriation .....	34,833	37,051	39,497
42.00 Transferred from other accounts .....	556		
43.00 Appropriation (adjusted) .....	35,389	37,051	39,497
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	34,944	36,311	39,497
72.40 Obligated balance, start of year .....	9,768	7,837	8,427
74.40 Obligated balance, end of year .....	-7,837	-8,427	-9,913
77.00 Adjustments in expired accounts .....	-2,694		
90.00 Outlays .....	34,181	35,720	38,011

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Audit.**—Provides audits of programs, activities, and systems of the Department to determine whether information is reliable, resources are safeguarded, funds are expended in a manner consistent with law and managed economically and efficiently, and desired program results are achieved. Promotes economy, efficiency, and effectiveness in the administration of Departmental programs and prevents and detects fraud and abuse. Keeps the Secretary of Labor and the Congress informed of the need for corrections.

	1987 actual	1988 est.	1989 est.
Audits Studies and Reviews .....	504	353	530

**Investigations.**—Administers an investigative program to detect and deter fraud, waste, and abuse in Departmental programs. Promotes economy and efficiency of program operations by providing findings to program managers.

	1987 actual	1988 est.	1989 est.
Investigations .....	1,293	975	975

**Labor Racketeering.**—This office is responsible for identifying racketeering in employee benefit plans, labor-management relations, and internal union affairs.

	1987 actual	1988 est.	1989 est.
Investigations .....	62	68	80

**Executive Direction and Management.**—This activity includes the management, administrative support, plan-

ning, evaluation, legislative liaison, personnel and financial functions for the OIG.

Object Classification (in thousands of dollars)

Identification code 16-0106-0-1-505	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	18,912	20,277	20,916
11.3 Other than full-time permanent .....	232	68	106
11.5 Other personnel compensation .....	834	1,047	1,151
11.9 Total personnel compensation .....	19,978	21,392	22,173
12.1 Civilian personnel benefits .....	2,851	3,994	4,334
21.0 Travel and transportation of persons .....	3,321	3,709	4,448
22.0 Transportation of things .....	45	73	96
23.1 Rental payments to GSA .....	1,912	2,316	2,489
23.3 Communications, utilities, and miscellaneous charges .....	576	539	596
24.0 Printing and reproduction .....	42	65	70
25.0 Other services .....	11,975	10,479	10,985
26.0 Supplies and materials .....	226	249	262
31.0 Equipment .....	670	202	260
99.9 Total obligations .....	41,596	43,018	45,713

Personnel Summary

Total number of full time permanent positions .....	505	536	543
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	519	530	542
Full-time equivalent of overtime and holiday hours .....	16	20	20

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed **[\$139,614,000]** \$142,406,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 2001-08 and 2021-26. (Department of Labor Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>State administration:</b>			
Disabled veterans outreach program .....	68,139	72,400	73,848
Local veterans employment representatives .....	56,230	52,365	53,412
Administration .....	13,425	14,738	15,146
Total obligations .....	137,794	139,503	142,406
<b>Financing:</b>			
Available from the trust fund .....	139,510	139,614	142,406
Unobligated balance lapsing .....	1,716	111	
Total .....	141,226	139,725	142,406
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	137,794	139,503	142,406
Obligated balance, start of year .....	17,838	16,022	15,860
Obligated balance, end of year .....	-16,022	-15,860	-16,109
Adjustments in expired accounts .....	-6,360		
Outlays .....	133,250	139,665	142,157

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**State administration.**—The Disabled Veterans Outreach Program (DVOP) provides intensive employability development services to secure permanent employment for veterans with service-connected disabilities and the most disadvantaged Vietnam-era veterans. Local Veterans Employment Representatives (LVER's) provide job development, placement, and supportive services directly to veterans and act as functional supervisors of the services provided veterans by other local office staff to ensure compliance with the performance standards for services to veterans.

**Administration.**—Identifies policies and programs to serve and meet employment and training needs of vet-

General and special funds—Continued

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING—  
Continued

erans. Assures the adequacy of counseling, testing, job training, and job placement services for veterans through monitoring, evaluating, and providing technical assistance and training to the delivery systems providing these services. Provides information and processes complaints to help veterans, reservists, and members of the National Guard obtain employment rights provided by law.

Object Classification (in thousands of dollars)

Identification code 20-8042-0-7-999	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	9,626	10,121	10,157
11.5 Other personnel compensation.....	63	100	100
11.9 Total personnel compensation.....	9,689	10,221	10,257
12.1 Civilian personnel benefits.....	1,293	1,370	1,418
21.0 Travel and transportation of persons.....	674	339	475
22.0 Transportation of things.....	14	6	10
23.1 Rental payments to GSA.....	255	281	291
23.3 Communications, utilities, and miscellaneous charges.....	90	90	90
24.0 Printing and reproduction.....	29	30	40
25.0 Other services.....	1,169	2,345	2,490
26.0 Supplies and materials.....	35	36	40
31.0 Equipment.....	176	20	35
41.0 Grants, subsidies and contributions.....	124,369	124,765	127,260
93.0 Administrative expenses included in schedule of funds as a whole.....	-137,794	-139,503	-142,406
99.9 Total obligations.....			

Personnel Summary

Total number of full-time permanent positions.....	272	279	276
Total compensable workyears: Full-time equivalent employment.....	275	279	276

SPECIAL FOREIGN CURRENCY PROGRAM

Program and Financing (in thousands of dollars)

Identification code 16-0151-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 21.0).....	3		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2	-46	
24.40 Unobligated balance available, end of year.....	46		
25.00 Unobligated balance lapsing.....		46	
40.00 Budget authority (appropriation).....	47		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3		
72.40 Obligated balance, start of year.....	55	35	
74.40 Obligated balance, end of year.....	-35		
90.00 Outlays.....	23	35	

This activity utilized currencies available under Title I of the Agricultural Trade Development and Assistance Act of 1954, declared by the Treasury Department to be excess to the normal requirements of the United States. No appropriation has been requested in 1988 and 1989 because of the decline in available excess foreign currencies.

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 16-4601-0-4-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Administrative management services.....	10,983	16,413	15,496
00.02 Field services.....	16,839	20,097	20,486
00.03 Facilities management.....	5,916		
00.04 National Capital Service Center.....	4,582	5,480	5,589
00.05 Penalty mail and telecommunications.....	18,685	18,549	18,920
10.00 Total obligations.....	57,005	60,539	60,491
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-58,783	-57,609	-58,761
21.98 Unobligated balance available, start of year: Fund balance.....	-6,528	-8,306	-5,376
24.98 Unobligated balance available, end of year: Fund balance.....	8,306	5,376	3,646
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-1,778	2,930	1,730
72.98 Obligated balance, start of year: Fund balance.....	9,547	7,962	10,619
74.98 Obligated balance, end of year: Fund balance.....	-7,962	-10,619	-9,539
90.00 Outlays.....	-193	273	2,810

**Administrative management services.**—Provides a broad range of administrative services, including printing, mailing, messengers, motor pool, accounting and payroll oversight, supply and property management, and safety and health services.

**Field services.**—Provides centralized services from the Department's regional offices to all agencies of the Department located in the regions. The services include personnel management, voucher audit, and administrative services.

**Facilities management.**—Manages the Frances Perkins Building, which is the Department's headquarters, under the terms of an agreement with the General Services Administration. Beginning in 1988, this activity is funded through a reimbursable agreement from General Services Administration to Department of Labor.

**National Capital Service Center.**—Provides a range of centralized services to agencies of the Department located in the national capital area. These services include personnel, accounting, payroll and voucher payments, procurements, and contracting.

**Penalty mail and telecommunications.**—Provides for departmental mail payments to the U.S. Postal Service and telecommunications payments to the General Services Administration.

**Financing.**—The fund is reimbursed by the agencies for which centralized services are performed at rates which return in full all expenses of operation, including reserves for accrued annual leave and depreciation of equipment.

**Operating results.**—The fund ended 1987 with a net operating income of \$1,346 thousand.

Object Classification (in thousands of dollars)

Identification code 16-4601-0-4-505	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	18,239	19,150	19,495
11.3 Other than full-time permanent.....	1,292	802	802
11.5 Other personnel compensation.....	394	420	420
11.9 Total personnel compensation.....	19,925	20,372	20,717

12.1	Civilian personnel benefits .....	2,380	3,169	3,273
13.0	Benefits for former personnel.....	32		
21.0	Travel and transportation of persons.....	455	475	584
22.0	Transportation of things.....	50	61	62
23.1	Rental payments to GSA.....	3,900	5,775	5,892
23.2	Rental payments to others.....	21,688	20,211	20,617
24.0	Printing and reproduction.....	354	403	411
25.0	Other services.....	6,602	8,739	7,726
26.0	Supplies and materials.....	1,116	852	870
31.0	Equipment.....	497	482	339
42.0	Insurance claims and indemnities.....	6		
99.9	Total obligations.....	57,005	60,539	60,491

**Personnel Summary**

Total number of full-time permanent positions.....	648	678	679
Total compensable workyears:			
Full-time equivalent employment.....	693	709	710
Full-time equivalent of overtime and holiday hours.....	13	13	13

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
U.S. Information Agency, "Salaries and expenses."

**GENERAL PROVISIONS**

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

SEC. 102. None of the funds appropriated under this Act shall be used to grant variances, interim orders or letters of clarification to employers which will allow exposure of workers to chemicals or other workplace hazards in excess of existing Occupational Safety and Health Administration standards for the purpose of conducting experiments on workers health or safety.

【SEC. 103. None of the funds appropriated in this Act shall be obligated or expended for the purpose of closing any Job Corps Center operating under part B of title IV of the Job Training Partnership Act prior to January 1, 1989.】

【SEC. 104. Notwithstanding any other provision of this Act, no funds appropriated by this Act may be used to execute or carry out any contract with a non-governmental entity to administer or manage a Civilian Conservation Center of the Job Corps which was not under such a contract as of September 1, 1984.】

【SEC. 105. None of the funds appropriated in this Act shall be used by the Job Corps program to pay the expenses of legal counsel or representation in any criminal case or proceeding for a Job Corps participant, unless certified to and approved by the Secretary of Labor that a public defender is not available.】 (*Department of Labor Appropriations Act, 1988.*)

**TITLE V—GENERAL PROVISIONS**

SEC. 501. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 502. No part of any appropriation contained in this Act shall be expended by an executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract in full compliance with such Act and regulations promulgated thereunder.

SEC. 503. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 504. Appropriations contained in this Act, available for salaries and expenses, shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 505. Appropriations contained in this Act, available for salaries and expenses, shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 506. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curricula, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 507. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 508. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 509. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress.

SEC. 510. The Secretaries of Labor, Health and Human Services, and Education are each authorized to make available not to exceed \$7,500 from funds available for salaries and expenses under titles I, II, and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed \$2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed \$2,500 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 511. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or a participant's parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

【SEC. 512. (a)(1) In the cases of all appropriations accounts within this Act from which expenses for travel, transportation, and subsistence (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are hereby prohibited to be obligated under such accounts in fiscal year 1988 a uniform percentage of such amounts, as determined by the President in accordance with the provisions of paragraph (2), as, but for this subsection, would—

- (A) be available for obligation in such accounts as of October 1, 1987,
- (B) be planned to be obligated for such expenses after such date during fiscal year 1988, and
- (C) result in total outlays of \$23,600,000 in fiscal year 1988.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to (A) the identification of the accounts affected, (B) the amount in each such account available as of such date for obligation, (C) the amounts planned to be obligated for such expenses after such date in fiscal year 1988, and (D) the uniform

percentage by which such amounts need to be reduced in order to comply with paragraph (1).】

【(b) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to the Congress a report specifying the determinations of the President under subsection (a).】

【(c) Sections 1341(a) and 1517 of title 31, United States Code, apply to each account for which a determination is made by the President under subsection (a).】

【Sec. 513. (a) Subject to subsection (b), none of the funds made available by this or any other Act may be used by the Secretary of Labor to withdraw approval of the California State occupational safety and health plan, or to exercise exclusive Federal safety and health authority in the State of California, under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).】

【(b) The prohibition established in subsection (a) shall apply until the California Supreme Court has rendered a final disposition in the case of *Ixta v. Rinaldi* (Case No. 3 Civil C 002805).】

【Sec. 514. (a) Notwithstanding the matter under the heading "CENTERS FOR DISEASE CONTROL", none of the funds made available under this Act to the Centers for Disease Control shall be used to provide AIDS education, information, or prevention materials and activities that promote or encourage, directly, homosexual sexual activities.】

【(b) Education, information, and prevention activities and materials paid for with funds appropriated under this Act shall emphasize—

(1) abstinence from sexual activity outside a sexually monogamous marriage (including abstinence from homosexual activities) and

(2) abstinence from the use of illegal intravenous drugs.】

【(c) The homosexual activity referred to in subsections (a) and (b) includes any sexual activity between two or more males as described in section 2256(2)(A) of title 18, United States Code.】

【(d) The illegal drugs referred to in subsection (b) include any controlled substance as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).】

【(e) If the Secretary of Health and Human Services finds that a recipient of funds under this Act has failed to comply with this section, the Secretary shall notify the recipient, if the funds are paid directly to the recipient, or notify the State if the recipient receives the funds from the State, of such finding and that—

(1) no further funds shall be provided to the recipient;

(2) no further funds shall be provided to the State with respect to noncompliance by the individual recipient;

(3) further payment shall be limited to those recipients not participating in such noncompliance; and

(4) the recipient shall repay to the United States, amounts found not to have been expended in accordance with this section.】

SEC. 【515】 512. In administering funds made available under this Act for research relating to the treatment of AIDS, the National Institutes of Health shall take all possible steps to ensure that all experimental drugs for the treatment of AIDS, particularly antivirals and immunomodulators, that have shown some effectiveness in treating individuals infected with the human immunodeficiency virus are tested in clinical trials as expeditiously as possible and with as many subjects as is scientifically acceptable. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.*)



## DEPARTMENT OF STATE

### ADMINISTRATION OF FOREIGN AFFAIRS

#### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

Notwithstanding sections 110 and 122 of H.R. 1777 (the Foreign Relations Authorization Act, fiscal years 1988 and 1989) for necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945), expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad; [including not to exceed \$7,000,000 for counterterrorism research and development;] permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress; acquisition by exchange or purchase of vehicles as authorized by law, except that special requirement vehicles may be purchased without regard to any price limitation otherwise established by law; [ \$1,694,000,000: *Provided*, That none of these funds shall be available for the Office of Public Diplomacy for Latin America and the Caribbean ] \$1,799,000,000; and in addition not to exceed \$250,000 in registration fees collected pursuant to Section 38 of the Arms Export Control Act, as amended, may be used in accordance with Section 38(b)(3)(A) of such Act. (Department of State Appropriation Act, 1988.)

#### Program and Financing (in thousands of dollars)

Identification code 19-0113-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Executive direction and policy formulation .....	117,417	140,973	141,450
00.02 Inspections and audits .....	10,373	14,736	16,670
00.03 Conduct of diplomatic relations .....	229,902	233,146	234,000
00.04 Conduct of consular relations .....	153,140	164,924	167,900
00.05 Professional training and development .....	28,174	32,660	63,888
00.06 Information management .....	329,774	316,843	328,763
00.07 Security .....	295,453	468,853	303,000
00.08 Medical .....	19,945	19,420	20,149
00.09 Administration and staff activities .....	445,847	520,239	523,180
00.91 Total direct program .....	1,630,025	1,911,794	1,799,000
01.01 Reimbursable program .....	340,057	374,062	411,468
10.00 Total obligations .....	1,970,082	2,285,856	2,210,468
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-340,057	-374,062	-411,468
21.40 Unobligated balance available, start of year .....	-238,819	-217,794	.....
22.40 Unobligated balance transferred, net .....	-2,515	.....	.....
24.40 Unobligated balance available, end of year .....	217,794	.....	.....
25.00 Unobligated balance lapsing .....	5,899	.....	.....
40.00 Budget authority (appropriation) .....	1,612,384	1,694,000	1,799,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,630,025	1,911,794	1,799,000
72.40 Obligated balance, start of year .....	376,697	452,457	704,486
74.40 Obligated balance, end of year .....	-452,457	-704,486	-723,312
77.00 Adjustments in expired accounts .....	-57,658	.....	.....
90.00 Outlays .....	1,496,607	1,659,765	1,780,174
<b>Distribution of outlays by account:</b>			
Salaries and expenses .....	1,325,181	1,659,765	1,780,174
Reopening consulates .....	171,426	.....	.....

The program described below is financed by this appropriation and by reimbursements from other agencies. Those agencies are provided with most of their administrative services overseas by the Department of State.

*Executive direction and policy formulation.*—This activity identifies resources which provide sound management through the direction of the Secretary and with the assistance of staff officers, specialized offices and functional and regional bureaus, for policy formulation and in pursuit of regional and global foreign policy objectives.

*Inspections and audits.*—This function encompasses domestic and overseas inspections, audits and investigations. The Inspector General is responsible for audits, investigations and inspections, and directs the Foreign Service Inspection Corps.

*Conduct of diplomatic relations.*—Resources of this activity include: the political and economic reporting and analysis of interests to the United States; the representation of U.S. diplomatic and national interests to countries abroad; and the bilateral and multilateral negotiation of our foreign policy objectives. These resources also fund the conduct of U.S. diplomatic policy through political and multilateral affairs, economic and social affairs, international budgetary and management affairs, and participation in various international organizations.

*Conduct of consular relations.*—Activities included are overseas and domestic visa and American citizen services. Visa services involve the issuance, denial, and adjudication of immigrant and non-immigrant visas; refugee processing; and visa fraud detection and investigation. American citizen services include the issuance of passports, emergency assistance to American citizens abroad, and passport fraud detection and investigation.

*Professional development and training.*—The professional development and training activity is a continuous process by which the Department ensures that its professionals have the skills, experience and judgment to fulfill its functions at all levels. Training programs are designed to provide employees with the specific functional, area and language skills needed for the conduct of foreign relations in the Department and abroad.

*Information management.*—This activity identifies resources necessary for the effective and efficient creation, collection, processing, transmission, dissemination, use, storage, and disposition of information required for the formulation and execution of foreign policy and for the conduct of daily business. Its requirements are driven by the informational needs of the President, the Secretary of State, the department and its 262 missions, and approximately fifty government agencies. Components of the information management activity include: telecommunications; classified information handling, unclassified data and word processing; pouch, mail, and publishing services; administration of

General and special funds—Continued

SALARIES AND EXPENSES—Continued

an electronic and archival records management program; document classification and declassification, information security; and provision of information management services, as appropriate, to all branches of the Government and to the public. In all of these programs, responsibilities range from policy setting to planning and design, implementation, operation, and maintenance. The Department manages large computer and communications centers to provide administrative, consular, economic, and political information. The computer systems support worldwide consular applications, financial management systems, management of building programs, and intelligence research systems.

**Security.**—This activity identifies resources necessary in meeting security and counterterrorism responsibilities, both foreign and domestic. Covered in this activity are: security operations; engineering services, which relate to the technical defense of Foreign Service personnel and establishments against electronics and physical attack; investigations, such as malfeasance and passport fraud; protection of dignitaries; and, physical security operations, including construction and renovation projects to combat attacks, assaults and technical penetrations made against U.S. facilities and personnel for all the foreign affairs agencies.

**Medical.**—This activity encompasses medical programs for the Department of State, the Foreign Service, and 35 other U.S. Government departments and agencies overseas. Services are provided in Washington as well as at 262 missions worldwide and cover some 60,000 employees and dependents.

**Administration and staff activities.**—These activities include normal domestic and overseas administrative services such as:

- The direction and control of all administration and management operations, representing and negotiating U.S. government administrative matters with foreign officials and reviewing and setting resource levels and priorities for the various programs and bureaus in the Department.
- The budgeting, financial planning and fiscal operations for the Department of State and most federal agencies resident abroad.
- The management, recruitment and performance evaluation of the Department's Foreign and Civil Service employees and Foreign Service National staff.
- The contracting and procurement of services and supplies, maintenance and repair of equipment and physical property, vehicle operation and shipping and customs services.
- Centralized funding for the payment of salaries and worldwide related benefits to full-time permanent employees.

Post Assignment Travel funds that provide for travel, transportation, and related items in connection with the assignment, transfer, and separation for the Department's full-time permanent staff and their dependents are also included in this activity.

Object Classification (in thousands of dollars)

Identification code 19-0113-0-1-153	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	659,354	712,640	740,600
11.3 Other than full-time permanent .....	18,671	20,164	21,777
11.5 Other personnel compensation .....	33,675	36,369	39,278
11.8 Special personal services payments .....	3,467	3,744	4,043
11.9 Total personnel compensation .....	715,167	772,917	805,698
12.1 Civilian personnel benefits .....	53,572	57,857	62,485
13.0 Benefits for former personnel .....	3,303	3,567	3,852
21.0 Travel and transportation of persons .....	64,979	76,172	71,772
22.0 Transportation of things .....	37,221	43,630	41,110
23.1 Rental payments to GSA .....	53,529	56,205	59,189
23.2 Rental payments to others .....	47	54	51
23.3 Communications, utilities, and miscellaneous charges .....	117,302	137,508	123,565
24.0 Printing and reproduction .....	9,915	11,608	10,937
25.0 Other services .....	377,579	521,726	378,730
26.0 Supplies and materials .....	67,305	78,891	71,334
31.0 Equipment .....	87,661	102,761	91,286
32.0 Land and structures .....	33,123	38,827	68,123
33.0 Investments and loans .....	52	60	57
41.0 Grants, subsidies, and contributions .....	8,242	8,901	9,613
42.0 Insurance claims and indemnities .....	1,028	1,110	1,198
99.0 Subtotal, direct obligations .....	1,630,025	1,911,794	1,799,000
99.0 Reimbursable obligations .....	340,057	374,062	411,468
99.9 Total obligations .....	1,970,082	2,285,856	2,210,468

Personnel Summary

Total number of full-time permanent positions .....	26,309	26,023	26,014
Total compensable workyears: Full-time equivalent employment .....	24,319	25,230	24,943

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), **[\$313,100,000]** \$240,021,000, to remain available until expended **[**: *Provided*, That the funds appropriated in this paragraph shall be available subject to the approval of the House and Senate Committees on Appropriations under said Committees' policies concerning the reprogramming of funds contained in House Report 100-182: *Provided further*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies]. (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 19-0535-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Acquisition, development, and construction:</b>			
00.01 State Department .....	45,054	304,526	503,582
00.02 Other agencies .....	4,801	27,514	.....
00.03 Leasehold payments .....	81,864	133,599	100,490
00.04 Functional payments .....	17,878	42,264	33,682
00.05 Related activities .....	119,855	131,841	86,577
00.06 Administration .....	14,706	25,761	26,362
00.91 Total direct program .....	284,158	665,505	750,693
01.01 Reimbursable program .....	24,000	25,000	23,000
10.00 Total obligations .....	308,158	690,505	773,693
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	—24,000	—25,000	—23,000
14.00 Non-Federal sources .....	—80,484	—3,300	—3,300
21.40 Unobligated balance available, start of year .....	—741,158	—997,881	—648,776
24.40 Unobligated balance available, end of year .....	997,881	648,776	141,404
25.00 Unobligated balance restored .....	—10,917	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>449,480</b>	<b>313,100</b>	<b>240,021</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	203,674	662,205	747,393

72.40	Obligated balance, start of year .....	213,532	159,858	482,234
74.40	Obligated balance, end of year .....	-159,858	-482,234	-888,872
90.00	Outlays .....	257,348	339,829	340,755

The Foreign Service buildings program provides consolidated office space for the Foreign Service and other Government agencies abroad and living quarters for American employees. Funds for minor improvements and building maintenance expenses formerly funded from FBO Special Foreign Currency program are included in the FBO regular appropriation beginning in 1988.

**Object Classification (in thousands of dollars)**

Identification code 19-0535-0-1-153	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	5,395	17,158	17,600
11.5	Other personnel compensation .....	3,204	8,080	8,900
11.9	Total personnel compensation .....	8,599	25,238	26,500
12.1	Civilian personnel benefits .....	3,665	21,027	20,309
21.0	Travel and transportation of persons .....	3,015	5,894	5,000
22.0	Transportation of things .....	1,629	14,881	8,075
23.2	Rental payments to others .....	129,083	118,217	112,196
24.0	Printing and reproduction .....	158	562	300
25.0	Other services .....	59,861	109,605	102,858
26.0	Supplies and materials .....	4,361	9,845	7,959
31.0	Equipment .....	12,417	41,912	22,013
32.0	Land and structures .....	61,370	318,324	445,483
99.0	Subtotal, direct obligations .....	284,158	665,505	750,693
99.0	Reimbursable obligations .....	24,000	25,000	23,000
99.9	Total obligations .....	308,158	690,505	773,693

**Personnel Summary**

Total number of full-time permanent positions .....	298	298	298
Total compensable workyears:			
Full-time equivalent employment .....	201	201	201
Full-time equivalent overtime and holiday hours .....	1	1	1

**ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code 19-0538-0-1-153	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Acquisition, development, and construction: Near East and South Asia .....	67	1,252	.....
<b>Related activities:</b>				
00.10	Minor improvements .....	347	750	.....
00.11	Leasehold payments .....	870	900	.....
00.12	Maintenance of buildings .....	2,701	4,811	.....
00.13	Furnishings and equipment .....	35	150	.....
00.14	Project supervision .....	38	.....	.....
10.00	Total obligations .....	4,058	7,863	.....
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-11,921	-7,863	.....
24.40	Unobligated balance available, end of year .....	7,863	.....	.....
39.00	Budget authority .....	.....	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	4,058	7,863	.....
72.40	Obligated balance, start of year .....	13,748	11,815	14,178
74.40	Obligated balance, end of year .....	-11,815	-14,178	-10,178
90.00	Outlays .....	5,991	5,500	4,000

Since 1961, a separate appropriation for payments in excess foreign currencies has been enacted annually to

supplement the regular appropriation. These currencies are used to acquire or construct real property and to finance maintenance costs to the greatest extent possible. This program will be terminated when balances are expended.

**Object Classification (in thousands of dollars)**

Identification code 19-0538-0-1-153	1987 actual	1988 est.	1989 est.	
22.0	Transportation of things .....	28	52	.....
23.2	Rental payments to others .....	1,647	1,700	.....
25.0	Other services .....	1,059	977	.....
26.0	Supplies and materials .....	824	900	.....
31.0	Equipment .....	66	100	.....
32.0	Land and structures .....	433	4,134	.....
41.0	Grants, subsidies, and contributions .....	1	.....	.....
99.9	Total obligations .....	4,058	7,863	.....

**REPRESENTATION ALLOWANCES**

[Notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956, for] For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), and for representation by United States missions to the United Nations and the Organization of American States, [\$4,500,000] \$4,590,000. (Department of State Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 19-0545-0-1-153	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	4,487	4,540	4,590
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-31	-40	.....
25.00	Unobligated balance lapsing .....	4	.....	.....
40.00	Budget authority (appropriation) .....	4,460	4,500	4,590
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	4,456	4,500	4,590
72.40	Obligated balance, start of year .....	661	509	635
74.40	Obligated balance, end of year .....	-509	-635	-706
77.00	Adjustments in expired accounts .....	-25	.....	.....
90.00	Outlays .....	4,583	4,374	4,519

Officers of the Foreign Service are reimbursed in part for expenses incurred in the pursuance of official activities abroad and at missions to international organizations in the United States.

**PROTECTION OF FOREIGN MISSIONS AND OFFICIALS**

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314), and to provide for the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, [\$9,000,000] \$9,100,000. (Department of State Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 19-0520-0-1-153	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Missions and officials to United Nations .....	10,399	7,490	7,078
00.02	Missions and officials in United States .....	1,966	2,000	2,022
10.00	Total obligations (object class 25.0) .....	12,365	9,490	9,100
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	.....	-490	.....

General and special funds—Continued

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 19-0520-0-1-153	1987 actual	1988 est.	1989 est.
22.40 Unobligated balance transferred, net.....	-4,175		
24.40 Unobligated balance available, end of year.....	490		
25.00 Unobligated balance lapsing.....	420		
<b>40.00 Budget authority (appropriation).....</b>	<b>9,100</b>	<b>9,000</b>	<b>9,100</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	12,365	9,490	9,100
72.40 Obligated balance, start of year.....	9,829	5,253	6,693
74.40 Obligated balance, end of year.....	-5,253	-6,693	-7,153
77.00 Adjustments in expired accounts.....	26		
<b>90.00 Outlays.....</b>	<b>16,967</b>	<b>8,050</b>	<b>8,640</b>

This appropriation will provide for (1) reimbursement to the New York City police department for protection extended to foreign missions and officials accredited to the United Nations, and (2) protection of foreign missions and officials elsewhere in the United States through reimbursement of State and local governments for police assistance and by contracting for protective services with private security firms. Protective services will be authorized by the Secretary of State and will be provided only in cases of extraordinary need.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), **[\$4,000,000]** \$4,500,000, to remain available until expended. (Department of State Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 19-0522-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Repatriation loans.....	515	700	700
00.02 Rewards.....		1,000	
00.03 Other activities.....	2,405	3,300	3,800
<b>10.00 Total obligations.....</b>	<b>2,920</b>	<b>5,000</b>	<b>4,500</b>
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,000	-1,000	
24.40 Unobligated balance available, end of year.....	1,000		
25.00 Unobligated balance lapsing.....	1,080		
<b>40.00 Budget authority (appropriation).....</b>	<b>4,000</b>	<b>4,000</b>	<b>4,500</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	2,920	5,000	4,500
72.40 Obligated balance, start of year.....	2,712	3,016	4,344
74.40 Obligated balance, end of year.....	-3,016	-4,344	-4,987
<b>90.00 Outlays.....</b>	<b>2,616</b>	<b>3,672</b>	<b>3,857</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	4,000	4,000	4,500
Outlays.....	2,616	3,672	3,857
Credit reform:			
Budget authority.....			-412
Outlays.....			-412
<b>Total:</b>			
Budget authority.....	4,000	4,000	4,088
Outlays.....	2,616	3,672	3,445

Status of Direct Loans (in thousands of dollars)

Identification code 19-0522-0-1-153	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Direct loan obligations exempt from limitation.....	515	700	700
<b>1150 Total direct loan obligations.....</b>	<b>515</b>	<b>700</b>	<b>700</b>
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,548	1,963	2,563
1231 Disbursements: Direct loan disbursements.....	515	700	700
1251 Repayments: Repayments and prepayments.....	-100	-100	-100
<b>1290 Outstanding, end of year.....</b>	<b>1,963</b>	<b>2,563</b>	<b>3,163</b>
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	43.6	42.4	41.2
1330 Subsidy amount (in thousands of dollars).....	305	297	288

These funds are used for relief and repatriation loans to U.S. citizens abroad and for other emergencies of the Department. Repayments are deposited to miscellaneous receipts of the Treasury.

Object Classification (in thousands of dollars)

Identification code 19-0522-0-1-153	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	515	700	700
91.0 Unvouchered.....	2,405	4,300	3,800
<b>99.9 Total obligations.....</b>	<b>2,920</b>	<b>5,000</b>	<b>4,500</b>

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 19-0522-6-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Repatriation loans.....			-700
00.04 Federal credit reform subsidy.....			288
<b>10.00 Total obligations.....</b>			<b>-412</b>
<b>Financing:</b>			
<b>40.00 Budget authority (appropriation).....</b>			<b>-412</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-412
<b>90.00 Outlays.....</b>			<b>-412</b>

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made by this program; for which an appropriation will be requested. Beginning in fiscal year 1989, the direct loans will be financed and disbursed by the Federal credit direct loan revolving fund. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code 19-0522-6-1-153	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....			-700
41.0 Grants, subsidies, and contributions.....			288
<b>99.9 Total obligations.....</b>			<b>-412</b>

BUYING POWER MAINTENANCE

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....	-2,515	
22.40	Unobligated balance transferred, net.....	2,515	
39.00	<b>Budget authority</b> .....		
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....		
90.00	Outlays.....		

This account will offset losses due to exchange rate and overseas wage and price fluctuations unanticipated in the budget. Any gains due to fluctuations will be merged with this account to be available to offset future losses.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

【Notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956, for】 For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), 【\$11,000,000】 \$10,890,000. (Department of State Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 25.0).....	9,379	11,000
<b>Financing:</b>			
40.00	<b>Budget authority (appropriation)</b> .....	9,379	11,000
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	9,379	11,000
72.40	Obligated balance, start of year.....	1,554	990
74.40	Obligated balance, end of year.....	-990	-1,749
77.00	Adjustments in expired accounts.....	-34	
90.00	Outlays.....	9,908	10,242

The Taiwan Relations Act (Public Law 96-8) requires programs with respect to Taiwan to be carried out by or through the American Institute in Taiwan.

The Department will continue to contract with the Institute to conduct commercial, cultural, and other relations with the people on Taiwan.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, 【\$86,000,000】 \$107,684,000. (Department of State Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 13.0).....	300,698	253,400
<b>Financing:</b>			
39.00	<b>Budget authority</b> .....	300,698	253,400
Budget authority:			
40.00	<b>Appropriation (current)</b> .....	127,398	86,000
60.00	<b>Appropriation (permanent, indefinite)</b> .....	173,300	167,400

Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	300,698	253,400
90.00	Outlays.....	300,698	253,400

The current appropriation finances, by 30 equal annual installments, any unfunded liability created by new or liberalized benefits, new groups of beneficiaries, and salary increases. In addition, the current appropriation finances the annual balance of the Foreign Service normal cost not met by employee and employer contributions.

The permanent appropriation provides payments to the fund for the interest on the unfunded liability and disbursements attributable to military and naval services—a full 100 percent in each year.

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

Funds appropriated to the President:

“Operating expenses of the Agency for International Development.”

“Economic support fund.”

U.S. Arms Control and Disarmament Agency: “Arms control and disarmament activities.”

United States Information Agency: “Salaries and expenses, special foreign currency program”; “Salaries and expenses.”

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01	Publishing services.....	4,178	4,279
00.02	Supply services.....	3,159	3,224
00.03	Central support services.....	24,830	27,008
00.91	Total operating expenses.....	32,167	34,511
Capital investment:			
01.01	Publishing services.....	1,312	1,004
01.02	Supply services.....		5
01.03	Central support services.....	137	144
01.91	Total capital investment.....	1,449	1,153
10.00	Total obligations.....	33,616	35,664
<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds.....	-33,579	-35,664
21.98	Unobligated balance available, start of year: Fund balance.....	-101	-64
24.98	Unobligated balance available, end of year: Fund balance.....	64	64
39.00	<b>Budget authority</b> .....		
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	38	
72.98	Obligated balance, start of year: Fund balance.....	3,210	5,957
74.98	Obligated balance, end of year: Fund balance.....	-5,957	-5,957
90.00	Outlays.....	-2,709	

On a reimbursable basis, this fund finances certain administrative services, such as printing and reproduction, editorial material, motor pool operations and dispatch agencies operations.

**Intragovernmental funds—Continued**  
**WORKING CAPITAL FUND—Continued**  
**Object Classification (in thousands of dollars)**

Identification code 19-4519-0-4-153	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	6,023	6,395	6,581
11.3 Other than full-time permanent.....	106	109	112
11.5 Other personnel compensation.....	395	407	419
11.9 Total personnel compensation.....	6,524	6,911	7,112
12.1 Civilian personnel benefits.....	848	895	921
21.0 Travel and transportation of persons.....	151	165	169
22.0 Transportation of things.....	7,205	7,421	7,644
23.2 Rental payments to others.....	1,534	1,583	1,629
25.0 Other services.....	12,481	14,005	14,393
26.0 Supplies and materials.....	3,424	3,531	3,636
31.0 Equipment.....	1,449	1,153	386
99.9 Total obligations.....	33,616	35,664	35,889

<b>Personnel Summary</b>			
Total number of full-time permanent positions.....	256	256	256
Total compensable workyears:			
Full-time equivalent employment.....	226	226	226
Full-time equivalent of overtime and holiday hours.....	9	9	9

**Trust Funds**

**FOREIGN SERVICE RETIREMENT AND DISABILITY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 19-8186-0-7-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Payments to beneficiaries.....	228,660	263,962	288,163
00.02 Refunds and gratuities.....	11,713	7,600	4,600
10.00 Total obligations.....	240,373	271,562	292,763
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-8,772	-1,077	-1,218
21.40 U.S. securities (par).....	-2,939,529	-3,473,696	-3,928,138
Unobligated balance available, end of year:			
24.40 Treasury balance.....	1,077	1,218	1,370
24.40 U.S. securities (par).....	3,473,696	3,928,138	4,420,664
60.00 Budget authority (appropriation) (permanent, indefinite).....	766,844	726,145	785,442
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	240,373	271,562	292,763
72.40 Obligated balance, start of year.....	48	50	50
74.40 Obligated balance, end of year.....	-50	-50	-50
90.00 Outlays.....	240,371	271,562	292,763

The fund is maintained through: (a) contributions by participants, consisting of all Foreign Service officers, Foreign Service information officers, Foreign Service reserve officers with unlimited tenure, and all Foreign Service staff officers and employees with unlimited appointments, amounting to 7 percent of their basic salaries; (b) matching Government contributions; (c) special Government contributions from Payment to the Foreign Service Retirement and Disability Fund; and (d) interest on investments (22 U.S.C. 4042).

It is estimated that approximately 10,382 annuitants will be paid retirement benefits from this fund September 30, 1989, compared with 9,932 paid September 30, 1988, and 9,482 paid September 30, 1987. Gratuities and refunds represent payments to eligible former participants leaving the retirement system.

The status of the fund is as follows (in thousands of dollars):

**STATUS OF FUND**

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:			
U.S. securities (par).....	2,939,529	3,473,696	3,928,138
Cash.....	8,820	1,127	1,268
Balance of fund, start of year.....	2,948,349	3,474,823	3,929,406
Cash income for the year:			
Government receipts:			
Deductions from employees' salaries.....	47,730	36,317	34,819
Voluntary contributions.....	621	400	300
Intrabudgetary transactions:			
Employer's contribution.....	57,674	60,433	67,518
Receipts from the Civil Service retirement fund.....	1,599	1,400	1,400
Federal contribution.....	346,199	288,532	308,116
Interest on investments.....	313,021	339,063	373,289
Total net income.....	766,844	726,145	785,442
Cash outgo during the year:			
Payments to beneficiaries.....	228,658	263,962	288,163
Refunds and gratuities.....	11,713	7,600	4,600
Total outgo.....	240,371	271,562	292,763
Unexpended balance, end of year:			
U.S. securities (par).....	3,473,696	3,928,138	4,420,664
Cash.....	1,127	1,268	1,420
Balance of fund, end of year.....	3,474,823	3,929,406	4,422,084

**Object Classification (in thousands of dollars)**

Identification code 19-8186-0-7-602	1987 actual	1988 est.	1989 est.
42.0 Insurance claims and indemnities.....	228,660	263,962	288,163
44.0 Refunds.....	11,713	7,600	4,600
99.9 Total obligations.....	240,373	271,562	292,763

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 19-9971-0-7-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Unconditional gift fund.....	303	400	400
00.02 Conditional gift fund.....	1,579	2,800	2,800
10.00 Total obligations.....	1,882	3,200	3,200
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-879	-648	-948
21.40 U.S. securities (par).....		-300	
Unobligated balance available, end of year:			
24.40 Treasury balance.....	648	948	948
24.40 U.S. securities (par).....	300		
60.00 Budget authority (appropriation) (permanent, indefinite).....	1,951	3,200	3,200
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,882	3,200	3,200
72.40 Obligated balance, start of year.....	1,396	1,449	1,449
74.40 Obligated balance, end of year.....	-1,449	-1,449	-1,449
90.00 Outlays.....	1,829	3,200	3,200
Distribution of budget authority by account:			
Unconditional gift fund.....	527	400	400
Conditional gift fund.....	1,424	2,800	2,800
Distribution of outlays by account:			
Unconditional gift fund.....	317	400	400
Conditional gift fund.....	1,512	2,800	2,800

*Unconditional gift fund.*—Unconditional gifts may be used for carrying out the Department's functions (22 U.S.C. 809).

*Conditional gift fund.*—Use of these funds consists of procurement of furnishings, paintings, and decorative objects for the Department's diplomatic reception rooms, and funds donated by overseas commissary and mess service to assist such services at other posts (22 U.S.C. 809).

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
21.0	140	224	224
25.0	1,604	2,720	2,720
26.0	4	32	32
31.0	134	224	224
99.9	1,882	3,200	3,200

**INTERNATIONAL ORGANIZATIONS AND CONFERENCES**

*Federal Funds*

**General and special funds:**

**CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS**

Notwithstanding section 102(a) (1) through (11) of H.R. 1777 (the Foreign Relations Authorization Act, fiscal years 1988 and 1989), for expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, **[\$480,000,000, to remain available until expended] \$489,906,000: Provided.** That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings. (*Department of State Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	389,158	483,950	490,768
<b>Financing:</b>			
14.00	-3,889	-3,950	-862
40.00	385,269	480,000	489,906
<b>Relation of obligations to outlays:</b>			
71.00	385,269	480,000	489,906
72.40	13,852	73,844	24,001
74.40	-73,844	-24,001	-25,936
77.00	-1,377		
90.00	323,900	529,843	487,971

**Status of Direct Loans** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210	8,701	4,812	862
1251	-3,889	-3,950	-862
1290	4,812	862	

As a member of 46 international organizations, the United States contributes an assessed share of the budgets of those organizations net of certain withholdings. A substantial amount of 1989 estimates reflect approved budgets of those organizations.

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
25.0	2,655	4,250	4,435
41.0	386,503	479,700	486,333
99.9	389,158	483,950	490,768

**CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES**

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces, **[\$29,400,000] \$29,000,000.** (*Department of State Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	29,400	29,400	29,000
<b>Financing:</b>			
40.00	29,400	29,400	29,000
<b>Relation of obligations to outlays:</b>			
71.00	29,400	29,400	29,000
72.40	98		
90.00	29,498	29,400	29,000

This appropriation provides the United States' share of the expenses of the United Nations Disengagement Observer Force in the Golan Heights (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL).

**INTERNATIONAL CONFERENCES AND CONTINGENCIES**

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, contributions for the United States share of general expenses of international organizations and representation to such organizations, and personal services without regard to civil service and classification laws, \$6,000,000, to remain available until expended, of which not to exceed \$200,000 may be expended for representation as authorized by law. (*Department of State Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Participation in international conferences:</b>			
00.01	3,722	3,720	3,679
00.02	134		
00.03	1,780	1,780	1,780
00.91	5,636	5,500	5,459
<b>Contributions to new or provisional organizations:</b>			
01.01	24	46	48
01.02	62	71	71
01.03	102	141	
01.04	90	111	111
01.05	9	13	13
01.06	6	53	53
01.07			141
01.08		104	104
01.91	293	539	541
10.00	5,929	6,039	6,000
<b>Financing:</b>			
21.40	-508	-39	
24.40	39		
40.00	5,460	6,000	6,000
<b>Relation of obligations to outlays:</b>			
71.00	5,929	6,039	6,000

General and special funds—Continued

INTERNATIONAL CONFERENCES AND CONTINGENCIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
72.40	5,027	3,867	3,751
74.40	-3,867	-3,751	-3,805
90.00	7,089	6,155	5,946

This appropriation funds official U.S. Government participation in multilateral intergovernmental conferences; certain expenses of international secretariats to meetings, conferences, and related activities held under U.S. auspices; and contributions to organizations with which U.S. relations are new or provisional.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
11.5	115	115	115
21.0	2,395	2,607	2,607
22.0	24	25	25
23.2	131	132	132
24.0	45	46	46
25.0	2,706	2,506	2,467
26.0	50	52	52
31.0	36	37	37
41.0	293	519	519
91.0	134		
99.9	5,929	6,039	6,000

INTERNATIONAL COMMISSIONS

Federal Funds

General and special funds:

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, conventions, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the [United States and Mexico International Boundary and Water Commission] *International Boundary and Water Commission, United States and Mexico*, and to comply with laws applicable to the United States Section; and leasing of private property to remove therefrom sand, gravel, stone, and other materials, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, including preliminary surveys, operations and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, [ \$10,261,000 ] \$10,466,000: *Provided*, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89): *Provided further*, That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the cost of said dam as shall have been allocated to such purposes by the Secretary of State: *Provided further*, That not to exceed \$500,000 of the amount appropriated in this paragraph shall

be available to reimburse the city of San Diego, in the State of California, for expenses incurred in treating domestic sewage received from the city of Tijuana, in the State of Baja California, Mexico. (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	1,791	1,628	1,662
00.02	1,625	1,735	1,773
00.03	7,369	6,898	7,031
00.91	10,785	10,261	10,466
01.01	229	293	227
10.00	11,014	10,554	10,693
<b>Financing:</b>			
11.00	-229	-293	-227
25.00	15		
40.00	10,800	10,261	10,466
Relation of obligations to outlays:			
71.00	10,785	10,261	10,466
72.40	1,689	2,277	2,202
74.40	-2,277	-2,202	-2,230
77.00	-137		
90.00	10,060	10,336	10,438

**Administration.**—Activities under this appropriation comprise negotiations and supervision of joint projects with Mexico to solve international problems, overall control of the operation of the U.S. section of the Commission, formulation of operating policies and procedures, and financial management to carry out international obligations of the United States, pursuant to treaty and congressional authorization.

**Engineering.**—This appropriation provides for: (a) supervision of measurement and determination of the national ownership of boundary waters; (b) technical engineering guidance and supervision of the planning, construction, and operation and maintenance of international projects; (c) studies relating to international problems of a continuing nature; and (d) preliminary surveys and investigations to determine the need for and feasibility of projects for the solution of international problems arising along the boundary.

**Operation and maintenance.**—This appropriation finances the U.S. part of the operation and maintenance of river channel and levee projects, dams, gaging stations, water quality control projects, and boundary monuments and markers.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1	6,082	6,236	6,317
11.3	20	25	25
11.5	195	200	200
11.9	6,297	6,461	6,542
12.1	1,037	987	1,019
21.0	141	133	138
22.0	422	410	424
23.2	178	122	126
24.0	29	24	25
25.0	266	298	308
26.0	801	771	798
31.0	1,071	600	621
32.0	13	21	21



41.0	Grants, subsidies, and contributions .....	530	434	444
99.0	Subtotal, direct obligations .....	10,785	10,261	10,466
99.0	Reimbursable obligations .....	229	293	227
99.9	Total obligations .....	11,014	10,554	10,693

Total compensable workyears:			
Full-time equivalent employment .....	1	10	9
Full-time equivalent overtime and holiday hours .....	1	5	3

**Personnel Summary**

Total number of full-time permanent positions .....	275	275	275
Total compensable workyears:			
Full-time equivalent employment .....	253	253	253
Full-time equivalent of overtime and holiday hours .....	5	5	5

**CONSTRUCTION**

**[(INCLUDING TRANSFER OF FUNDS)]**

For detailed plan preparation and construction of authorized projects, including the Rio Grande Rectification Improvement project, to remain available until expended, **[\$3,166,000] \$5,800,000: Provided.** That activities for the New River project may be financed from these funds or from carryover balances under the heading, "International Boundary and Water Commission, United States and Mexico, Construction". (*Department of State Appropriation Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 19-1078-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,297	5,817	9,500
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-3,748	-6,351	-3,700
24.40 Unobligated balance available, end of year .....	6,351	3,700	
40.00 <b>Budget authority (appropriation) .....</b>	<b>3,900</b>	<b>3,166</b>	<b>5,800</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,297	5,817	9,500
72.40 Obligated balance, start of year .....	585	1,095	5,184
74.40 Obligated balance, end of year .....	-1,095	-5,184	-8,340
90.00 Outlays .....	787	1,728	6,344

This account provides for construction of projects to solve international problems of water supply, water quality, and flood damage reduction. Projects are normally constructed jointly with Mexico.

**Object Classification (in thousands of dollars)**

Identification code 19-1078-0-1-301	1987 actual	1988 est.	1989 est.
<b>INTERNATIONAL COMMISSIONS</b>			
Personnel compensation:			
11.1 Full-time permanent .....	35	352	304
11.3 Other than full-time permanent .....	9	10	10
11.5 Other personnel compensation .....	39	199	116
11.9 Total personnel compensation .....	83	561	430
12.1 Civilian personnel benefits .....	6	61	38
21.0 Travel and transportation of persons .....	13	112	45
22.0 Transportation of things .....	11	64	42
23.2 Rental payments to others .....	2	25	9
24.0 Printing and reproduction .....	2	25	18
25.0 Other services .....	767	892	500
26.0 Supplies and materials .....	257	319	153
31.0 Equipment .....	156	745	110
32.0 Land and structures .....		3,013	8,155
99.9 Total obligations .....	1,297	5,817	9,500

**Personnel Summary**

<b>INTERNATIONAL COMMISSIONS</b>			
Total number of full-time permanent positions .....	12	14	17

**AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS**

**[Notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956, for]** For necessary expenses, not otherwise provided for, including not to exceed \$6,000 for representation, **[\$4,316,000] \$4,400,000;** for the International Joint Commission, including salaries and expenses of the Commissioners on the part of the United States who shall serve at the pleasure of the President; salaries of employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses; and the International Boundary Commission, for necessary expenses, not otherwise provided for, including expenses required by awards to the Alaskan Boundary Tribunal and existing treaties between the United States and Canada or Great Britain. (*Department of State Appropriation Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 19-1082-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 International Boundary Commission .....	678	734	734
International Joint Commission:			
00.02 U.S. section .....	2,396	3,427	3,022
00.03 Special and technical investigations by U.S. Geological Survey .....	460	479	494
00.04 New referral start up fund .....	69	150	150
10.00 Total obligations .....	3,603	4,790	4,400
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....		-474	
24.40 Unobligated balance available, end of year .....	474		
25.00 Unobligated balance lapsing .....	97		
40.00 <b>Budget authority (appropriation) .....</b>	<b>4,174</b>	<b>4,316</b>	<b>4,400</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	3,603	4,790	4,400
72.40 Obligated balance, start of year .....	1,304	2,058	2,747
74.40 Obligated balance, end of year .....	-2,058	-2,747	-2,865
90.00 Outlays .....	2,849	4,101	4,282

These funds are used for payment of the U.S. share of the expenses of:

**International Boundary Commission.**—The Commission, in accordance with existing treaties, maintains the physical boundary between the United States and Canada by surveying, inspecting, and clearing the boundary and repairing or replacing markers as necessary.

**International Joint Commission.**—Pursuant to the Boundary Waters Treaty of 1909, the Commission approves, regulates, and monitors structures in boundary waters and transboundary streams; investigates matters referred to it by the Governments of the United States and Canada that principally include transboundary water quality; and, continues ongoing surveillance at the request of the two Governments.

**Object Classification (in thousands of dollars)**

Identification code 19-1082-0-1-301	1987 actual	1988 est.	1989 est.
<b>AMERICAN SECTIONS</b>			
Personnel compensation:			
11.1 Full-time permanent .....	1,347	1,391	1,412
11.3 Other than full-time permanent .....	168	180	160
11.5 Other personnel compensation .....	296	145	163
11.9 Total personnel compensation .....	1,811	1,716	1,735

General and special funds—Continued

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	19-1082-0-1-301	1987 actual	1988 est.	1989 est.
12.1	Civilian personnel benefits.....	224	358	368
21.0	Travel and transportation of persons.....	219	265	269
22.0	Transportation of things.....	10	15	15
23.2	Rental payments to others.....	192	218	238
24.0	Printing and reproduction.....	65	105	110
25.0	Other services.....	494	1,342	843
26.0	Supplies and materials.....	91	132	148
31.0	Equipment.....	37	10	30
41.0	Grants, subsidies, and contributions.....		150	150
99.0	Subtotal obligations, American Sections.....	3,143	4,311	3,906

ALLOCATION TO DEPARTMENT OF THE INTERIOR: GEOLOGICAL SURVEY

Identification code	19-1087-0-1-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	209	220	226
11.3	Other than full-time permanent.....	47	48	48
11.5	Other personnel compensation.....	6	6	6
11.9	Total personnel compensation.....	262	274	280
12.1	Civilian personnel benefits.....	24	37	38
21.0	Travel and transportation of persons.....	29	30	31
22.0	Transportation of things.....	18	18	18
23.3	Communications, utilities, and miscellaneous charges.....	43	44	48
24.0	Printing and reproduction.....	3	3	3
25.0	Other services.....	63	55	57
26.0	Supplies and materials.....	14	14	15
31.0	Equipment.....	4	4	4
99.0	Subtotal obligations, Department of the Interior.....	460	479	494
99.9	Total obligations.....	3,603	4,790	4,400

Personnel Summary

AMERICAN SECTIONS

Total number of full-time permanent positions.....	31	31	31
Total compensable workyears: Full-time equivalent employment.....	30	30	30

ALLOCATION TO DEPARTMENT OF THE INTERIOR: GEOLOGICAL SURVEY

Total number of full-time permanent positions.....	11	11	11
Total compensable workyears: Full-time equivalent employment.....	12	12	12

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, **[\$10,548,000]** \$10,760,000: *Provided*, That the United States share of such expenses may be advanced to the respective commissions. (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	19-1087-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	International Pacific Halibut Commission.....	773	763	774
00.02	Inter-American Tropical Tuna Commission.....	2,745	2,679	2,741
00.03	International Whaling Commission.....	27	27	27
00.04	International North Pacific Fisheries Commission.....	107	103	117
00.05	Great Lakes Fishery Commission.....	4,662	4,549	4,637
00.06	North Pacific Fur Seal Commission.....		10	10
00.07	International Commission for the Conservation of Atlantic Tunas.....		68	68
00.08	Northwest Atlantic Fisheries Organization.....	46	16	16
00.09	Pacific Salmon Commission.....	1,190	2,171	2,180
00.10	Commission for the Conservation of Antarctic Marine Living Resources.....	22	50	50
00.11	North Atlantic Salmon Conservation Organization.....	10	12	15
00.12	International Council for the Exploration of the Sea.....	92	56	81
00.13	Expenses of the U.S. Commissioners.....	24	44	44
10.00	Total obligations.....	9,698	10,548	10,760

Financing:				
25.00	Unobligated balance lapsing.....	1,102		
40.00	<b>Budget authority (appropriation).....</b>	<b>10,800</b>	<b>10,548</b>	<b>10,760</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	9,698	10,548	10,760
72.40	Obligated balance, start of year.....	837	838	838
74.40	Obligated balance, end of year.....	-838	-838	-838
77.00	Adjustments in expired accounts.....	-17		
90.00	Outlays.....	9,680	10,548	10,760

These funds are used for payment of the United States' share of the expenses of 11 international fisheries commissions, one international sea council, and the expenses of the respective commissioners. The commissions either conduct or plan and coordinate studies to determine measures necessary for the preservation and expansion of the productivity of fishery stocks. In addition, the Great Lakes Fishery Commission carries on a program of lamprey eradication and control; and all the commissions are authorized to recommend conservation measures to the member governments. The sea council proposes and organizes fishery and oceanographic investigations and disseminates the results to the member governments.

Object Classification (in thousands of dollars)

Identification code	19-1087-0-1-302	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	359	457	457
25.0	Other services.....	318	1,275	1,275
41.0	Grants, subsidies, and contributions.....	9,021	8,816	9,028
99.9	Total obligations.....	9,698	10,548	10,760

OTHER

Federal Funds

General and special funds:

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of Title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of Title 5, United States Code; **[\$346,450,000]** \$340,000,000: *Provided*, That not less than \$25,000,000 shall be available for Soviet, Eastern European and other refugees resettling in Israel: *Provided further*, That not less than \$8,000,000 shall be available for the construction of educational facilities for North African Jewish refugees in France: *Provided further*, That not less than \$114,547,500 shall be available for the refugee admissions program, including AIDS screening: *Provided further*, That not less than \$1,500,000 shall be available for education programs at refugee camps in Thailand: *Provided further*, That funds appropriated under this heading shall be administered in a manner that ensures equity in the treatment of all refugees receiving Federal assistance: *Provided further*, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to ensure against Communist infiltration in the Western Hemisphere: *Provided further*, That of the funds appropriated under this heading \$5,000,000 shall be available only for costs of the expedited resettlement of Vietnamese Amerasians eligible for refugee benefits, or, to the extent that any of such funds are not required for this purpose, they may be applied to admissions expenditures for Vietnamese Amerasians and their family members and

other related Orderly Departure Program expenses: *Provided further*, That not more than \$8,000,000 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State: *Provided further*, That funds appropriated under this heading for refugees resettling in Israel and for educational facilities for North African Jewish refugees shall be made available notwithstanding any other provision of law: *Provided further*, That H.R. 3770, as introduced in the House of Representatives on December 15, 1987, is hereby enacted into law; section 102 of H.J. Res. 395 shall not apply with respect to provisions enacted by this proviso. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

That of the funds made available in the fiscal year 1988 Foreign Operations, Export Financing and Related Programs Appropriations Act (Public Law 100-202), under the heading Migration and Refugee Assistance, \$8,000,000 for the construction of educational facilities for North African Jewish refugees in France is rescinded. (H.R. 3884, enacted February 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
19-1143-0-1-151			
<b>Program by activities:</b>			
00.01 U.S. refugee admissions program	108,731	119,548	115,400
00.02 Refugee assistance overseas	194,725	176,200	197,100
00.03 Other activities	34,900	34,702	19,500
00.04 Administrative expenses	8,329	8,000	8,000
10.00 Total obligations	346,685	338,450	340,000
<b>Financing:</b>			
25.00 Unobligated balance lapsing	171		
40.00 Budget authority (appropriation)	346,856	338,450	340,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	346,685	338,450	340,000
72.40 Obligated balance, start of year	121,119	136,051	149,224
74.40 Obligated balance, end of year	-136,051	-149,224	-162,679
77.00 Adjustments in expired accounts	-2,697		
90.00 Outlays	329,056	325,277	326,545

**U.S. refugee admissions program.**—The 1989 estimate assumes processing and transportation costs related to the admission of 68,500 refugees.

**Refugee assistance overseas.**—This program addresses the relief needs of refugees worldwide, including those in East Asia, Africa, Latin America and the Near East. Most funds will be provided to programs of international organizations, including the United Nations High Commissioner for Refugees.

**Other activities.**—This program covers a variety of activities, including contributions to the Intergovernmental Committee for Migration, the International Committee of the Red Cross, and the program assisting refugees immigrating to Israel.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
19-1143-0-1-151			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	3,753	3,838	3,962
11.3 Other than full-time permanent	359	368	373
11.5 Other personnel compensation	469	480	487
11.9 Total personnel compensation	4,581	4,686	4,822
12.1 Civilian personnel benefits	781	867	927
21.0 Travel and transportation of persons	430	453	469
22.0 Transportation of things	27	30	39
23.3 Communications, utilities, and miscellaneous charges	459	696	664
24.0 Printing and reproduction	19	21	25
25.0 Other services	1,480	1,066	854
26.0 Supplies and materials	84	106	110
31.0 Equipment	273	75	90
41.0 Grants, subsidies, and contributions	338,551	330,450	332,000
99.9 Total obligations	346,685	338,450	340,000

Personnel Summary

Total number of full-time permanent positions	107	107	107
Total compensable workyears: Full-time equivalent employment	107	107	107

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
11-0040-0-1-151			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	7,504	700	9,240
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-6,138	-12,634	-11,934
24.40 Unobligated balance available, end of year	12,634	11,934	2,694
40.00 Budget authority (appropriation)	14,000		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	7,504	700	9,240
72.40 Obligated balance, start of year	13,327	8,550	
74.40 Obligated balance, end of year	-8,550		
90.00 Outlays	12,281	9,250	9,240

The Emergency refugee and migration assistance fund enables the President to provide emergency assistance for unexpected, urgent refugee and migration needs.

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, as amended, \$98,750,000: *Provided*, That not less than \$15,000,000 of the funds appropriated under this heading shall be available for narcotics interdiction and control programs for Bolivia: *Provided further*, That in addition to amounts made available pursuant to the previous proviso, not less than \$7,000,000 of the funds appropriated under this heading shall be available for Latin America regional programs \$101,000,000. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
11-1022-0-1-151			
<b>Program by activities:</b>			
00.01 Country programs	102,439	88,850	89,265
00.02 International organization programs	4,000	1,100	3,000
00.03 Program support and development	4,800	3,300	3,735
00.04 Interregional programs	6,500	5,500	5,000
10.00 Total obligations	117,738	98,750	101,000
<b>Financing:</b>			
25.00 Unobligated balance lapsing	707		
40.00 Budget authority (appropriation)	118,445	98,750	101,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	117,738	98,750	101,000
72.40 Obligated balance, start of year	42,120	99,642	111,096
74.40 Obligated balance, end of year	-99,642	-111,096	-119,898
77.00 Adjustments in expired accounts	-627		
90.00 Outlays	59,591	87,295	92,198

Assistance is provided to foreign countries and international organizations to help them control the production, processing, and illegal trafficking in narcotics and psychotropic drugs.

General and special funds—Continued

INTERNATIONAL NARCOTICS CONTROL—Continued

Object Classification (in thousands of dollars)

Identification code	11-1022-0-1-151	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	1,806	2,192	2,406
11.5	Other personnel compensation.....	1,196	1,452	1,594
11.9	Total personnel compensation.....	3,002	3,644	4,000
12.1	Civilian personnel benefits.....	313	592	680
13.0	Benefits for former personnel.....	21	25	50
21.0	Travel and transportation of persons.....	1,414	725	750
22.0	Transportation of things.....	133	95	125
23.2	Rental payments to others.....	779	425	500
24.0	Printing and reproduction.....	52	60	100
25.0	Other services.....	25,841	6,675	10,000
26.0	Supplies and materials.....	17	100	150
31.0	Equipment.....	414	5,250	6,200
41.0	Grants, subsidies, and contributions.....	85,752	81,159	78,445
99.9	Total obligations.....	117,738	98,750	101,000

Personnel Summary

Total number of full-time permanent positions.....	74	87	87
Total compensable workyears: Full-time equivalent employment.....	66	66	66

ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, \$9,840,000. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code	19-0114-0-1-152	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Program management.....	148	250	250
00.02	Executive seminars.....	343	1,105	1,105
00.03	Training assessment.....	67	162	162
00.04	Training.....	8,155	7,523	7,523
00.05	Equipment grants.....	1,127	800	800
10.00	Total obligations.....	9,840	9,840	9,840
Financing:				
40.00	Budget authority (appropriation).....	9,840	9,840	9,840
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	9,840	9,840	9,840
72.40	Obligated balance, start of year.....	8,822	7,483	8,570
74.40	Obligated balance, end of year.....	-7,483	-8,570	-9,298
90.00	Outlays.....	11,178	8,753	9,112

The appropriation will provide for a program of anti-terrorism assistance and training for foreign civilian law enforcement authorities as a part of the President's overall program to combat international terrorism.

Object Classification (in thousands of dollars)

Identification code	19-0114-0-1-152	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	172	190	190
22.0	Transportation of things.....	5	6	6
25.0	Other services.....	5,917	6,044	6,044
31.0	Equipment.....	897	800	800
41.0	Grants, subsidies, and contributions.....	2,849	2,800	2,800
99.9	Total obligations.....	9,840	9,840	9,840

U.S. BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

For expenses, not otherwise provided for, to enable the United States to participate in programs of scientific and technological cooperation with Yugoslavia and Poland, **[\$1,900,000]** \$2,000,000, to remain available until expended. (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	19-1151-0-1-153	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0).....	1,900	1,900	2,000
Financing:				
40.00	Budget authority (appropriation).....	1,900	1,900	2,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,900	1,900	2,000
90.00	Outlays.....	1,900	1,900	2,000

These funds will pay the United States' share of expenses for bilateral science and technology (S&T) cooperative agreements between the United States and Yugoslavia and the United States and Poland.

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

For expenses not otherwise provided to enable the Secretary of State to reimburse private firms and American institutions of higher education for research contracts and graduate training for development and maintenance of knowledge about the Soviet Union and Eastern European countries, **[\$4,600,000]** \$5,000,000. (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	19-0118-0-1-153	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0).....	4,588	4,600	5,000
Financing:				
25.00	Unobligated balance lapsing.....	12		
40.00	Budget authority (appropriation).....	4,600	4,600	5,000
Relations of obligations to outlays:				
71.00	Obligations incurred, net.....	4,588	4,600	5,000
72.40	Obligated balance, start of year.....	4,663	5,041	1,840
74.40	Obligated balance, end of year.....	-5,041	-1,840	-2,000
90.00	Outlays.....	4,209	7,801	4,840

This appropriation provides for advanced study and research projects of the Soviet Union and Eastern European countries by American institutions of higher education and private research firms.

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, **[\$13,700,000]** \$8,000,000, to remain available until expended. (*Department of State Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	19-0525-0-1-153	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0).....	8,800	13,700	8,000
Financing:				
40.00	Budget authority (appropriation).....	8,800	13,700	8,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	8,800	13,700	8,000

72.40	Obligated balance, start of year .....	2,436	1,042	2,055
74.40	Obligated balance, end of year .....	-1,042	-2,055	-1,200
90.00	Outlays .....	10,194	12,687	8,855

The Asia Foundation promotes friendship and cooperation between Asian nations and the United States by providing grants within Asian countries to fill needs not met by direct Federal programs.

ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT

Program and Financing (in thousands of dollars)

Identification code	19-0526-0-1-153	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-2,000		
22.40	Unobligated balance transferred, net .....	2,000		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
90.00	Outlays .....			

These funds were transferred to a new account entitled "Promotion of Stability and Security in Central America" and are now intended to facilitate the regional peace initiative signed in Guatemala City on August 7, 1987.

COUNTERTERRORISM RESEARCH AND DEVELOPMENT

Program and Financing (in thousands of dollars)

Identification code	19-0116-0-1-153	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
72.40	Obligated balance, start of year .....	10,000	10,000	5,000
74.40	Obligated balance, end of year .....	-10,000	-5,000	
90.00	Outlays .....		5,000	5,000

These funds provide for special interagency counterterrorism research and development programs.

INTERNATIONAL CENTER, WASHINGTON, D.C.

Program and Financing (in thousands of dollars)

Identification code	19-5151-0-2-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	11,628	1,119	410
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-376	-176	-2
24.40	Unobligated balance available, end of year .....	176	2	2
60.00	<b>Budget authority (appropriation) (permanent, indefinite, special fund) .....</b>	<b>11,428</b>	<b>945</b>	<b>410</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	11,629	1,119	410
72.40	Obligated balance, start of year .....	5,564	15,910	16,084
74.40	Obligated balance, end of year .....	-15,910	-16,084	-16,084
90.00	Outlays .....	1,283	945	410

These funds provide for the development, sale, exchange, or lease to foreign governments or international organizations of property, owned by the United States, in the District of Columbia.

Object Classification (in thousands of dollars)

Identification code	19-5151-0-2-153	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons .....	1	30	25
23.2	Rental payments to others .....	15	12	50
24.0	Printing and reproduction .....		1	1
25.0	Other services .....	177	623	249
26.0	Supplies and materials .....		2	2
31.0	Equipment .....	7	4	26
32.0	Land and structures .....	11,428	447	57
99.9	Total obligations .....	11,628	1,119	410

[FISHERMEN'S PROTECTIVE FUND]

[For expenses necessary to carry out the provisions of the Fishermen's Protective Act of 1967, as amended, \$959,000, to remain available until expended.] (Department of State Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	19-5116-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	15	1,023	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-80	-65	
24.40	Unobligated balance available, end of year .....	65		
40.00	<b>Budget authority (appropriation) .....</b>		<b>959</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	15	1,023	
72.40	Obligated balance, start of year .....		15	
74.40	Obligated balance, end of year .....	-15		
90.00	Outlays .....		1,038	

Status of Direct Loans (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	15	15	15
1290	Outstanding, end of year .....	15	15	15

The fishermen's protective fund was created to reimburse owners of vessels for amounts of fines, fees and other direct charges which were paid by owners to a foreign country to secure the release of their vessels and crews.

FISHERMEN'S GUARANTY FUND

For expenses necessary to carry out the provisions of section 7 of the Fishermen's Protective Act of 1967, as amended, [\$1,725,000] \$1,800,000, of which \$900,000 is to be derived from the receipts collected pursuant to that Act, to remain available until expended. (Department of State Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	19-5121-0-2-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	219	1,671	1,800
<b>Financing:</b>				
21.98	Unobligated balance available, start of year .....	-368	-599	-653
24.98	Unobligated balance available, end of year .....	599	653	653
39.00	<b>Budget authority .....</b>	<b>450</b>	<b>1,725</b>	<b>1,800</b>
Budget authority:				
40.00	Appropriation (current) .....	450	1,725	900
60.00	Appropriation (permanent, indefinite) .....			900
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	219	1,671	1,800

**General and special funds—Continued**  
**FISHERMEN'S GUARANTY FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	1987 actual	1988 est.	1989 est.
19-5121-0-2-376			
72.40	Obligated balance, start of year .....	54	
74.40	Obligated balance, end of year .....	-54	
90.00	Outlays .....	165	1,725
			1,800

This fund provides for payment to vessel owners and crews to compensate for certain financial losses sustained as a result of foreign seizures of American fishing vessels found within 200 miles of their coasts.

Output/performance measures:	1987 actual	1988 est.	1989 est.
Number of claims received .....	4	4	4
Number of claims processed .....	3	3	3

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
19-5121-0-2-376			
11.1	Personnel compensation: Full-time permanent .....	49	51
12.1	Civilian personnel benefits .....	5	6
21.0	Travel and transportation of persons .....	1	2
42.0	Insurance claims and indemnities .....	164	1,612
99.9	Total obligations .....	219	1,671
			1,800

**Personnel Summary**

Total number of full-time permanent positions .....	1	1	1
Total compensable workyears: Full-time equivalent employment .....		2	2

**GENERAL PROVISIONS—DEPARTMENT OF STATE**

SEC. 301. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapters 59 of 5 U.S.C.; for services as authorized by 5 U.S.C. 3109; and hire of passenger or freight transportation.

【SEC. 302. The Secretary of State shall report to the appropriate committees of the Congress on the obligation of funds provided for diplomatic security and related expenses every month beginning January 1, 1988.】

【SEC. 303. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a total of \$290,000 for each fiscal year to carry out (in accordance with the respective authorization amounts) paragraph (2) of the first section of Public Law 74-170, section 2(2) of Public Law 84-689, section 2 of Public Law 86-42, and section 2 of Public Law 86-420. These funds may be disbursed to each delegation, pursuant to vouchers in accordance with the applicable provisions of law, at any time requested by the Chairman of the delegation after that fiscal year begins. Section 2 of Public Law 84-689 is amended by striking out "annually," and inserting in lieu thereof "annually (1)", by striking out "\$50,000, \$25,000" and inserting in lieu thereof "(2) \$100,000, \$50,000", and by striking out "and \$25,000" and inserting in lieu thereof "and \$50,000".】

【SEC. 304. The Secretary of State shall not permit the Soviet Union to occupy the new chancery building at its new embassy complex in Washington, D.C. or any other new facility in the Washington, D.C. metropolitan area, until a new chancery building is ready for occupancy for the United States embassy in Moscow: *Provided*, That none of the funds appropriated in this Act or any prior Act may be obligated for the new office building in Moscow except for engineering, and technical studies prior to October 1, 1988.】

SEC. 【305】 302. The following sections of H.R. 1777 (the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989) are waived during Fiscal Years 1988 and 1989 in the event that H.R. 1777 is enacted into law: Sec. 122, Sec. 151, and Sec. 204. (*Department of State Appropriation Act, 1988.*)

## DEPARTMENT OF TRANSPORTATION

### FEDERAL HIGHWAY ADMINISTRATION

Title 23 U.S.C. ("Highways") and other supporting legislation provide authority for the various programs of the Federal Highway Administration designed to improve highways throughout the Nation.

In summary, the 1989 budget contemplates \$13,800.2 million in budget authority and \$13,461.1 million in outlays. The following table compares 1989 program level (obligations) with those of prior years.

[In millions of dollars]

Account:	1987 actual	1988 est.	1989 est.
Federal-aid highways.....	12,815.3	13,029.9	12,331.0
Interstate construction.....	2,890.9	2,800.0	2,700.0
Interstate 4R.....	3,074.2	2,700.0	2,500.0
Primary.....	2,267.7	2,000.0	1,900.0
Interstate substitutions.....	474.7	600.0	600.0
Secondary system.....	460.4	450.0	400.0
Urbanized system.....	721.8	600.0	500.0
Bridge construction.....	1,616.1	1,550.0	1,516.0
Safety construction.....	305.8	300.0	300.0
Federal lands highway program.....	230.5	235.0	235.0
Sec. 149 Demo Programs.....	49.4	178.0	160.0
Administration and research.....	202.5	202.2	223.8
Other.....	521.5	1,414.7	1,296.2
Motor carrier safety.....	18.6	23.4	24.6
Railroad-highway crossings demonstration projects.....	4.0	7.1	7.1
Access highways to lakes.....	3.7	9.8	.....
Waste isolation pilot projects.....	11.5	15.5	.....
Expressway gap closing.....	.....	22.5	.....
Miscellaneous appropriations.....	22.7	61.5	.....
Highway-related safety grants.....	10.0	9.4	10.0
Baltimore-Washington Parkway.....	6.7	17.6	.....
Trust fund share.....	8.2	14.1	14.1
Highway safety research and development.....	8.0	7.2	.....
Motor carrier safety grants.....	47.8	49.4	60.0
Miscellaneous trust funds.....	6.0	1.9	3.7
Miscellaneous highway trust funds.....	24.4	71.0	.....
Right-of-way revolving fund.....	47.8	.....	.....
<b>Total program level.....</b>	<b>13,034.9</b>	<b>13,340.2</b>	<b>12,450.5</b>

#### Federal Funds

#### General and special funds:

##### MOTOR CARRIER SAFETY

For necessary expenses to carry out the motor carrier safety functions of the Secretary as authorized by the Department of Transportation Act (80 Stat. 939-940), **[\$22,790,000]** \$24,577,000, of which **[\$1,920,000]** \$1,495,000 shall remain available until expended, and not to exceed \$300,000 shall be available for "Limitation on general operating expenses". (Department of Transportation and Related Agencies Appropriations Act, 1988.)

##### Program and Financing (in thousands of dollars)

Identification code 69-0552-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operations.....	17,224	20,585	23,082
00.02 Research and development.....	2,002	2,036	1,920
00.03 Demonstration program.....	-503	510	.....
00.04 Administration.....	300	285	.....
10.00 Total obligations.....	19,023	23,416	25,002
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	-436	.....	-425
21.40 Unobligated balance available, start of year.....	-524	-626	.....
24.40 Unobligated balance available, end of year.....	626	.....	.....
25.00 Unobligated balance lapsing.....	826	.....	.....
40.00 <b>Budget authority (appropriation).....</b>	<b>19,515</b>	<b>22,790</b>	<b>24,577</b>

Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	18,588	23,416
72.40	Obligated balance, start of year.....	3,512	4,213
74.40	Obligated balance, end of year.....	-4,213	-5,657
77.00	Adjustments in expired accounts.....	-58	.....
90.00	<b>Outlays.....</b>	<b>17,828</b>	<b>21,972</b>

The motor carrier safety mission is to reduce the risk of accidents in truck and bus highway transportation by regulation of motor carriers engaged in interstate commerce through safety reviews and roadside examinations. In particular, the program seeks to ensure regulatory compliance with the Federal Motor Carrier Safety Regulations and the Federal Commercial Drivers' Licensing requirements. Beginning in 1989, the Administration plans to finance a portion of motor carrier safety research through a proposed expansion of the administrative drawdown of the Motor Carrier Safety Grants program. This approach will be used for research activities which support the Commercial Drivers' License program and other Federal regulations affecting State motor carrier activities.

#### Object Classification (in thousands of dollars)

Identification code 69-0552-0-1-401	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	9,992	11,257	11,806
11.3 Other than full-time permanent.....	616	205	225
11.5 Other personnel compensation.....	156	203	224
11.9 Total personnel compensation.....	10,764	11,665	12,255
12.1 Civilian personnel benefits.....	2,224	3,436	3,723
21.0 Travel and transportation of persons.....	1,855	3,072	3,321
22.0 Transportation of things.....	220	229	232
23.3 Communications, utilities, and miscellaneous charges.....	116	137	151
24.0 Printing and reproduction.....	1	95	104
25.0 Other services.....	2,858	3,409	4,487
26.0 Supplies and materials.....	54	168	183
31.0 Equipment.....	931	1,205	546
99.9 Total obligations.....	19,023	23,416	25,002

#### Personnel Summary

Total number of full-time permanent positions.....	433	433	448
Total compensable workyears: Full-time equivalent employment.....	405	443	458

#### [RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS]

For necessary expenses of certain railroad-highway crossings demonstration projects as authorized by section 163 of the Federal-Aid Highway Act of 1973, as amended, to remain available until expended, \$7,790,000, of which \$5,193,333 shall be derived from the Highway Trust Fund. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

#### Program and Financing (in thousands of dollars)

Identification code 69-0557-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	4,045	7,089	7,089
00.02 Reimbursable program.....	8,091	14,066	14,067
10.00 Total obligations (object class 41.0).....	12,136	21,155	21,156

General and special funds—Continued

**【RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS】—Continued**

**Program and Financing** (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.	
69-0557-0-1-401				
<b>Financing:</b>				
13.00	Offsetting collections from: Trust funds	-8,091	-14,066	-14,067
21.40	Unobligated balance available, start of year	-11,710	-11,581	-7,089
24.40	Unobligated balance available, end of year	11,581	7,089	
40.00	<b>Budget authority (appropriation)</b>	<b>3,917</b>	<b>2,597</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	4,045	7,089	7,089
72.40	Obligated balance, start of year	9,129	10,073	11,443
74.40	Obligated balance, end of year	-10,073	-11,443	-11,824
90.00	Outlays	3,101	5,719	6,708

This program provides for congressionally-mandated projects in 18 cities. The 1988 appropriations act provided a total of \$7.790 million (\$2.597 million general funds and \$5.193 million trust funds) for this program. It is anticipated that these funds and unobligated balances will be obligated during 1988 and 1989. Trust fund amounts for railroad-highway crossings demonstration projects are included in the account, "Trust Fund Share of Other Highway Programs."

No additional appropriation is requested for this program.

**【ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES】**

【Notwithstanding any other provision of law, there is appropriated \$1,786,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended.】 (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
69-0503-0-1-401				
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	3,708	9,803	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-7,239	-8,017	
24.40	Unobligated balance available, end of year	8,017		
25.00	Unobligated balance lapsing	513		
40.00	<b>Budget authority (appropriation)</b>	<b>5,000</b>	<b>1,786</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	3,708	9,803	
72.40	Obligated balance, start of year	16,049	14,523	17,969
74.40	Obligated balance, end of year	-14,523	-17,969	-10,475
90.00	Outlays	5,234	6,357	7,494

The Federal-Aid Highway Amendments of 1974 authorized a program to construct or reconstruct access highways to public recreation areas on lakes. No additional appropriation is requested for this program.

**【WASTE ISOLATION PILOT PROJECT ROADS】**

【For necessary expenses in connection with the upgrading of certain highways for the transportation of nuclear waste generated during defense-related activities, not otherwise provided for, \$15,504,000, to remain available until expended.】 (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
69-0562-0-1-401				
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	11,498	15,504	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-1,498		
40.00	<b>Budget authority (appropriation)</b>	<b>10,000</b>	<b>15,504</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	11,498	15,504	
72.40	Obligated balance, beginning of year	11,547	15,793	20,196
74.40	Obligated balance, end of year	-15,793	-20,196	-10,497
90.00	Outlays	7,252	11,101	9,699

This appropriation contains \$15.504 million in 1988 for highway activities connected with the Waste Isolation Pilot Project in New Mexico. Certain highways in that State are being upgraded for the transportation of nuclear waste generated during defense-related activities. No additional appropriation is requested for this program.

**【EXPRESSWAY GAP CLOSING DEMONSTRATION PROJECT】**

【For necessary expenses to carry out a highway construction project along State Route 113 in north-central California that demonstrates methods of reducing motor vehicle congestion and increasing employment, \$7,885,000, to remain available until expended.】 (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
69-0563-0-1-401				
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		22,461	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-8,613	-14,813	
24.40	Unobligated balance available, end of year	14,813		
39.00	<b>Budget authority</b>	<b>6,200</b>	<b>7,648</b>	
<b>Budget authority:</b>				
40.00	Appropriation	6,200	7,885	
41.00	Transferred to other accounts		-237	
43.00	<b>Appropriation (adjusted)</b>	<b>6,200</b>	<b>7,648</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligation incurred, net		22,461	
72.40	Obligated balance, start of year			18,431
74.40	Obligated balance, end of year		-18,431	-12,591
90.00	Outlays		4,030	5,840

This appropriation provided \$7.885 million in 1988 for a highway construction project to close an expressway gap on California Route 113 between the cities of Davis and Woodland. No additional appropriation is requested for this program.

MISCELLANEOUS APPROPRIATIONS

**【BRIDGE IMPROVEMENT DEMONSTRATION PROJECT】**

【For 80 percent of the expenses necessary to carry out a highway project in the vicinity of Jacksonville, Florida, for the purpose of demonstrating methods of reducing traffic congestion and improving efficiency in the trans-shipment of military and civilian cargo, by construction of a bridge to Blount Island, widening State Highway 105 (Heckscher Drive) and constructing an interchange at the inter-



section of Heckscher Drive and the new Blount Island Bridge, \$4,750,000, to remain available until expended.]

**[HIGHWAY BRIDGE RELOCATION DEMONSTRATION PROJECT]**

[For 80 percent of the expenses necessary to carry out a highway project involving the relocation of U.S. Highway 101 and the Queets River Bridge in the State of Washington that demonstrates methods of improving highway safety, \$2,470,000, to remain available until expended.]

**[HIGHWAY BYPASS DEMONSTRATION PROJECT]**

[For 80 percent of the expenses necessary to carry out a highway project in the vicinity of Prunedale, California, that demonstrates methods of accelerating the environmental studies and preliminary engineering for the construction of a highway bypass, \$1,900,000, to remain available until expended.]

**[HIGHWAY WIDENING AND IMPROVEMENT DEMONSTRATION PROJECT]**

[For 80 percent of the expenses necessary to carry out a highway project between Paintsville and Prestonsburg, Kentucky, that demonstrates the safety and economic benefits of widening and improving highways in mountainous areas, \$2,375,000, to remain available until expended.]

**[TRAFFIC IMPROVEMENT DEMONSTRATION PROJECT]**

[For 80 percent of the expenses necessary to carry out a highway bypass project in the vicinity of Petoskey, Michigan, that demonstrates methods of improving economic development and regional transportation, there is authorized to be appropriated \$28,000,000, to remain available until expended, of which \$475,000 is hereby appropriated, to remain available until expended: *Provided*, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.] (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Highway Bypass Demonstration .....	1,900	.....
Highway Widening Demonstration (Kentucky) .....	2,375	.....
Traffic Improvement Demonstration .....	475	.....

Distribution of outlays by account:		
1. Interstate Transfer Grants .....	37,096	35,321 34,674
2. Highway Crossing Federal Project .....	22	.....
3. Mianus Bridge Assistance .....	55	119 89
4. Highway Widening Demonstrations .....	6,539	2,232 1,705
5. Rural Highway Public Transportation .....	-14	.....
6. Alaska Highway .....	54	115 123
7. Territorial Highways .....	354	2,217 2,054
8. Bikeway Demonstrations .....	122	29 21
9. Highway Beautification .....	3,624	3,037 2,345
10. Rail Crossing Demonstration Projects .....	268	120 90
11. Highway Related Safety Grants .....	.....	5 4
12. Off-System Rail Highway Demonstration .....	2,337	3,601 2,700
13. Safer Off-System Roads .....	1,940	2,472 1,854
14. Off-System Roads .....	107	394 296
15. Bicycle Program .....	26	62 47
16. Public Lands .....	-5	7 6
17. Inter-American Highway .....	5	33 25
18. Darien Gap Highway .....	.....	815 611
19. Highway Safety Separation Demonstration .....	4,487	2,563 1,982
20. Rail Line Consolidation Project .....	.....	876 1,272
21. Airport-Highway Demonstration .....	86	636 1,008
22. Auto-Pedestrian Separation Demonstration .....	18	346 554
23. Highway Bridge Relocation .....	.....	494 790
24. Bridge Improvement Demonstration .....	.....	950 1,520
25. Highway Bypass Demonstration .....	.....	380 608
26. Highway Widening Demonstration (Kentucky) .....	.....	475 760
27. Traffic Improvement Demonstration .....	.....	95 152

This consolidated schedule shows the obligation and outlay of amounts made available for programs in prior years. No further appropriation is requested.

**Trust Funds**

**FEDERAL-AID HIGHWAYS**

**(LIMITATION ON OBLIGATIONS)**

**(HIGHWAY TRUST FUND)**

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of **[\$11,780,000,000]** \$11,398,000,000 for Federal-aid-highways and highway safety construction programs for fiscal year **[1988]** 1989. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**FEDERAL-AID HIGHWAYS**

**(LIQUIDATION OF CONTRACT AUTHORIZATION)**

**(HIGHWAY TRUST FUND)**

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23 U.S.C. 308, **[\$13,400,000,000]** \$12,700,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Program and Financing (in thousands of dollars)			
Identification code 69-9911-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Interstate transfer grants .....	14,278	37,571	.....
00.02 Highway widening demonstrations .....	228	183	.....
00.03 Traffic improvement demonstration .....	.....	475	.....
00.04 Alaska highway .....	18	212	.....
00.05 Territorial highways .....	273	2,302	.....
00.06 Highway beautification .....	1,430	391	.....
00.07 Rail crossing demonstration projects .....	403	.....	.....
00.08 Autopedestrian separation demonstration .....	.....	1,732	.....
00.09 Highway safety separation demonstration .....	6,132	352	.....
00.10 Rail line consolidation project .....	.....	3,620	.....
00.11 Airport-highway demonstration .....	115	3,122	.....
00.12 Highway safety bridge relocation demonstration project .....	.....	2,470	.....
00.13 Bridge improvement demonstration project .....	.....	4,750	.....
00.14 Highway bypass demonstration project .....	.....	1,900	.....
00.15 Highway widening and improvement demonstration project .....	.....	2,375	.....
10.00 Total obligations (object class 41.0) .....	22,877	61,455	.....
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds .....	-135	.....	.....
17.00 Recovery of prior year obligations .....	-1,127	.....	.....
21.40 Unobligated balance available, start of year .....	-69,678	-49,484	.....
24.40 Unobligated balance available, end of year .....	49,484	.....	.....
25.00 Unobligated balance lapsing .....	466	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>1,887</b>	<b>11,970</b>	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	22,741	61,455	.....
72.40 Obligated balance, start of year .....	155,840	118,775	122,836
74.40 Obligated balance, end of year .....	-118,775	-122,836	-67,546
77.00 Adjustments in expired accounts .....	-1,557	.....	.....
78.00 Adjustments in unexpired accounts .....	-1,127	.....	.....
90.00 Outlays .....	57,122	57,394	55,290
<b>Distribution of budget authority by account:</b>			
Airport Highway Demonstration .....	1,887	.....	.....
Highway Bridge Relocation .....	.....	2,470	.....
Bridge Improvement Demonstration .....	.....	4,750	.....

Program and Financing (in thousands of dollars)			
Identification code 69-8083-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Interstate construction .....	2,890,859	2,800,000	2,700,000
00.02 Interstate 4R .....	3,074,191	2,700,000	2,500,000
00.03 Primary system .....	2,267,698	2,000,000	1,900,000
00.04 Interstate substitutions .....	474,666	600,000	600,000
00.05 Secondary system .....	460,358	450,000	400,000
00.06 Urban system .....	721,839	600,000	500,000
00.07 Bridge program .....	1,616,058	1,550,000	1,516,000
00.08 Safety construction programs .....	305,777	300,000	300,000
00.09 Federal lands highways program .....	230,510	235,000	235,000
00.10 Section 149 demonstration programs .....	49,399	178,009	160,000
00.11 Administration and research .....	202,483	202,249	223,801

**FEDERAL-AID HIGHWAYS—Continued**  
**(LIQUIDATION OF CONTRACT AUTHORIZATION)—Continued**  
**(HIGHWAY TRUST FUND)—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code 69-8083-0-7-401	1987 actual	1988 est.	1989 est.
00.12 Other.....	521,477	1,414,641	1,296,199
00.91 Total direct program.....	12,815,315	13,029,899	12,331,000
01.01 Reimbursable program.....	53,081	54,183	48,555
10.00 Total obligations.....	12,868,396	13,084,082	12,379,555
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-8,252	-24,827	-26,400
13.00 Trust funds.....	-5,881	-8,673	-100
14.00 Non-Federal sources.....	-38,947	-20,683	-22,055
Unobligated balance available, start of year:			
21.40 Appropriation.....	-1,000		
21.49 Contract authority.....	-7,681,775	-8,338,130	-9,014,550
22.40 Unobligated balance transferred, net.....	1,000		
24.49 Unobligated balance available, end of year: Contract authority.....	8,338,130	9,014,550	10,385,479
25.00 Unobligated balance lapsing.....	7,368		
39.00 <b>Budget authority.....</b>	<b>13,479,038</b>	<b>13,706,319</b>	<b>13,701,929</b>
<b>Budget authority:</b>			
Current:			
40.00 Appropriation.....	13,130,000	13,400,000	12,700,000
40.49 Portion applied to liquidate contract authority.....	-13,130,000	-13,400,000	-12,700,000
49.10 <b>Contract authority (Public Law 100-17).....</b>	<b>13,379,038</b>		
Permanent:			
69.10 <b>Contract authority (Public Law 100-17).....</b>	<b>100,000</b>	<b>13,706,319</b>	<b>13,701,929</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	12,815,315	13,029,899	12,331,000
Obligated balance, start of year:			
72.40 Appropriation.....	1,519,331	2,035,338	2,247,338
72.49 Contract authority.....	19,978,795	19,664,110	19,294,009
Obligated balance, end of year:			
74.40 Appropriation.....	-2,035,338	-2,247,338	-1,715,338
74.49 Contract authority.....	-19,664,110	-19,294,009	-18,925,009
90.00 Outlays.....	12,613,993	13,188,000	13,232,000

**Status of Direct Loans (in thousands of dollars)**

Identification code 69-8083-0-7-401	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	76,278	38,361	20,555
1231 Disbursements: Direct loan disbursements.....	234	1,377	
1251 Repayments: Repayments and prepayments.....	-38,151	-19,183	-20,555
1290 Outstanding, end of year.....	38,361	20,555	

**Status of Unfunded Contract Authority (in thousands of dollars)**

Unfunded balance, start of year.....	27,660,570	28,002,240	28,308,559
Contract authority.....	13,479,038	13,706,319	13,701,929
Unfunded balance lapsing.....	-7,368		
Appropriation from highway trust fund to liquidate contract authority.....	-13,130,000	-13,400,000	-12,700,000
Unfunded balance, end of year.....	28,002,240	28,308,559	29,310,488

Grants are made available to States under the following programs for construction and improvements on the National System of Interstate and Defense Highways and for urban and rural transportation programs. To constrain the proliferation of programs exempt from routine funding controls, a Federal-aid highways obligation limitation of \$11.398 billion, covering all Federal-aid programs except emergency relief and minimum allocation is proposed.

The 1989 budget proposal for Federal-Aid Highways budget authority is consistent with the amount authorized in the Surface Transportation and Uniform Relocation Assistance Act. Obligations and obligation limitation levels are determined by receipt levels generated by current law user fees. Average annual obligations for all highway programs would be equal to average annual net revenue from highway user fees for the authorization period of 1987-1991.

*Interstate construction.*—Provides grants for the completion of the Interstate System. States can be expected to construct high priority Interstate segments, not yet built, especially gaps between major urbanized areas. States that have completed their portion of the system may use the funds for Interstate 4R purposes.

*Interstate 4R.*—Preserves and continues the Nation's investment in the Interstate system through a program of resurfacing, restoring, rehabilitation, and reconstruction.

*Primary system.*—Provides grants to States for highway construction, rehabilitation, reconstruction, and related planning for the primary highway system.

*Interstate substitutions.*—Provides grants to States and localities which withdrew previously approved Interstate segments and apply authorized funds to substitute highway or transit projects. The budget proposes to consolidate funding for both highway and transit substitute projects within the highway authorization.

*Secondary system.*—Provides grants to States for highway construction, rehabilitation, reconstruction, and related planning and research on the secondary system.

*Urban system.*—Provides grants to States for highway construction, rehabilitation, reconstruction, and related planning and research on the urban system.

*Bridge program.*—Provides grants to States to replace or rehabilitate bridges on and off the Federal-aid systems that are hazardous to the safety of motorists.

*Safety construction programs.*—Provides grants to States for safety improvements to the highway systems, including hazard elimination, pavement marking, and rail highway crossings.

*Federal lands highways.*—Provides funds for improvements on forest highways, park roads, Indian reservation roads, and public lands highways. The Department of Transportation coordinates with the land managing agency in the planning studies and program development of public Federal lands highways.

*Demonstration projects.*—Provides funds for 80 percent of the cost of demonstration projects specified in Sec. 149 of Public Law 100-17. The 1989 budget proposal subjects these projects to the obligation limitation.

*Administration and research.*—Provides for executive and general administrative and research expenses of Federal-aid highways. These funds are controlled by the limitation on general operating expenses.

*Other.*—Provides for emergency relief, minimum allocation, strategic highway research, and other miscellaneous programs.

Object Classification (in thousands of dollars)

Identification code 69-8083-0-7-401	1987 actual	1988 est.	1989 est.
<b>FEDERAL HIGHWAY ADMINISTRATION</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	6,626	6,864	7,075
11.3 Other than full-time permanent.....	1,103	1,256	1,284
11.5 Other personnel compensation.....	443	566	580
11.9 Total personnel compensation.....	8,172	8,686	8,938
12.1 Civilian personnel benefits.....	1,054	1,120	1,153
21.0 Travel and transportation of persons.....	2,487	2,902	2,953
22.0 Transportation of things.....	826	751	764
23.2 Rental payments to others.....	357	370	378
24.0 Printing and reproduction.....	66	120	122
25.0 Other services.....	7,326	10,302	8,197
26.0 Supplies and materials.....	201	265	271
31.0 Equipment.....	26	53	54
32.0 Land and structures.....	96,416	135,430	114,150
41.0 Grants, subsidies, and contributions.....	12,382,850	12,547,651	11,853,218
93.0 Limitation on general operating expenses (see separate schedule).....	202,483	202,249	223,801
99.0 Subtotal direct obligations, Federal Highway Administration.....	12,755,345	12,964,082	12,262,555
99.0 Reimbursable obligations, Federal Highway Administration.....	53,081	54,183	48,555
<b>ALLOCATION ACCOUNTS</b>			
Personnel compensation:			
11.1 Full-time permanent.....	13,650	14,338	14,415
11.3 Other than full-time permanent.....	3,458	4,897	5,035
11.5 Other personnel compensation.....	919	1,157	1,186
11.9 Total personnel compensation.....	18,027	20,392	20,636
12.1 Civilian personnel benefits.....	2,270	2,835	2,869
21.0 Travel and transportation of persons.....	2,227	2,609	2,491
22.0 Transportation of things.....	1,032	1,347	1,331
23.1 Rental payments to GSA.....	1	1	1
23.2 Rental payments to others.....	2,669	2,830	2,931
24.0 Printing and reproduction.....	65	149	146
25.0 Other services.....	17,118	20,756	18,741
26.0 Supplies and materials.....	3,462	3,843	3,782
31.0 Equipment.....	3,374	4,756	4,742
32.0 Land and structures.....	62,793	60,482	59,330
41.0 Grants, subsidies, and contributions.....	13		
99.0 Subtotal obligations, allocation accounts.....	113,051	120,000	117,000
99.9 Total obligations.....	12,868,396	13,084,082	12,379,555
Obligations are distributed as follows:			
Federal Highway Administration.....	12,755,345	12,964,082	12,262,555
Urban Mass Transportation Administration.....	6,498	10,000	10,000
Army: Corps of Engineers.....	-346		
Agriculture: Forest Service.....	9,406	10,500	8,500
Interior:			
Bureau of Indian Affairs.....	78,848	78,000	78,000
National Park Service.....	18,527	21,000	20,000
Bureau of Land Management.....	118	500	500

Personnel Summary

<b>FEDERAL HIGHWAY ADMINISTRATION</b>			
Direct:			
Total number of full-time permanent positions.....	257	260	264
Total compensable workyears:			
Full-time equivalent employment.....	257	306	311
Full-time equivalent of overtime and holiday hours.....	17	20	20
Reimbursable:			
Total number of full-time permanent positions.....	101	101	101
Total compensable workyears:			
Full-time equivalent employment.....	137	120	117
Full-time equivalent of overtime and holiday hours.....	1	4	4
<b>ALLOCATION ACCOUNTS</b>			
Total number of full-time permanent positions.....	602	608	587
Total compensable workyears:			
Full-time equivalent employment.....	846	858	829
Full-time equivalent of overtime and holiday hours.....	3	3	3

LIMITATION ON GENERAL OPERATING EXPENSES

Necessary expenses for administration, operation, and research of the Federal Highway Administration, not to exceed **[\$206,736,000]** \$223,901,000, shall be paid in accordance with law, from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided*, That not to exceed **[\$37,566,000]** \$38,265,000 of the amount provided herein shall remain available until expended: *Provided further*, That not less than \$5,000,000 shall be available to reimburse the Internal Revenue Service for diesel tax compliance enforcement activities: *Provided further*, That, notwithstanding any other provision of law, there may be credited to this account funds received from States, counties, municipalities, other public authorities and private sources, for training expenses incurred for non-Federal employees. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Program direction and coordination:			
Executive direction.....	1,082	1,094	1,199
Program review.....	326	330	361
Legal services.....	1,948	1,969	2,158
Public affairs.....	138		154
Civil rights.....	796	804	882
General program support:			
Policy.....	5,284	5,017	10,322
Research, development, and technology.....	29,424	32,147	30,517
Administrative support.....	47,843	48,347	52,994
National Highway Institute.....	1,979		
Career development programs.....	2,947	2,979	3,265
Highway programs:			
Engineering and program development.....	12,816	15,035	14,029
Right-of-way and environment.....	3,249	3,284	3,600
Safety and traffic operations.....	3,763	3,627	3,892
Motor carriers.....	1,201	1,344	1,332
Construction skill training and minority business enterprise.....	12,583	12,268	9,009
Demonstration bonding program.....	4,872	75	
Field operations.....	80,678	81,036	88,826
Total obligations.....		210,857	223,901
<b>Financing:</b>			
Offsetting collections from: Federal funds.....	-2,264		
Unobligated balance available, start of year.....	-9,209	-4,121	
Unobligated balance available, end of year.....	4,121		
Unobligated balance lapsing.....	1,973		
<b>Limitation.....</b>	<b>205,550</b>	<b>206,736</b>	<b>223,901</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	208,665	210,857	223,901
Obligated balance, start of year.....	221,975	241,797	248,443
Obligated balance, end of year.....	-241,797	-248,443	-270,383
Outlays from limitations.....	188,843	204,211	201,961

This limitation provides for the salaries and expenses of the Federal Highway Administration. Resources are allocated from the following programs: Federal-aid highways, and highway-related safety grants.

**Program direction and coordination.**—Provides overall direction and coordination of the highway transportation program, including program review of agency operations; provides legal services for all programs; plans and directs public affairs programs; and develops and recommends policies and standards, and ensures compliance with the civil rights and equal opportunity procedures by the Federal Highway Administration and by recipients of grants-in-aid administered by the Federal Highway Administration.

**General program support.**—Formulates policy, multi-year and long-range plans and goals for highway programs, and data and analyses for current and long-range programming; conducts direct and contract re-

FEDERAL-AID HIGHWAYS—Continued

LIMITATION ON GENERAL OPERATING EXPENSES—Continued

search and development relating to traffic operations, new construction techniques, and the social and environmental aspects of highways; provides administrative support services for all elements of the Federal Highway Administration; and provides on-the-job training for employees of the Federal Highway Administration and training opportunities for other highway-related personnel. Beginning in 1989, the FHWA will reimburse the Internal Revenue Service for increased enforcement of diesel fuel tax compliance. The budget also proposes to consolidate the activities of the Highway Safety Research and Development program within this account.

**Highway programs.**—Provides engineering guidance to Federal and State agencies and to foreign governments, and conducts a program to encourage use of modern traffic engineering procedures to increase the vehicle-carrying capacity of existing highways and urban streets; assists States, other Federal agencies, and certain foreign countries in right-of-way acquisition and develops procedures for highway location selection and consideration of environmental impacts; and finances construction skill training programs for disadvantaged workers hired by contractors on federally aided highway projects.

**Field operations.**—Provides staff advisory and support services in field offices of the Federal Highway Administration; and provides program and engineering supervision of the several highway programs through 9 regional and 52 division offices.

Object Classification (in thousands of dollars)

Identification code 69-8083-0-7-401	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	102,271	102,793	106,086
11.3 Other than full-time permanent.....	1,868	2,677	2,692
11.5 Other personnel compensation.....	1,449	2,116	2,118
11.9 Total personnel compensation.....	105,588	107,586	110,896
12.1 Civilian personnel benefits.....	16,149	18,489	19,651
13.0 Benefits for former personnel.....	43	50	50
21.0 Travel and transportation of persons.....	5,028	5,021	5,348
22.0 Transportation of things.....	1,169	1,168	1,223
23.1 Rental payments to GSA.....	11,126	11,403	12,669
23.2 Rental payments to others.....	5,322	5,045	5,458
24.0 Printing and reproduction.....	1,068	1,068	1,110
25.0 Other services.....	62,366	57,969	63,114
26.0 Supplies and materials.....	1,533	1,533	1,581
31.0 Equipment.....	1,526	1,525	2,801
42.0 Insurance claims and indemnities.....	11		
93.0 Administrative expenses included in schedule for fund as a whole.....	-210,929	-210,857	-223,901
99.0 Total obligations.....			

Personnel Summary

Total number of full-time permanent positions.....	2,628	2,621	2,621
Total compensable workyears:			
Full-time equivalent employment.....	2,686	2,753	2,750
Full-time equivalent of overtime and holiday hours.....	11	14	14

HIGHWAY-RELATED SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, administered by the Federal Highway Administration, to remain available until expended, **[\$9,900,000]**, **\$10,000,000**, to be derived from the Highway Trust Fund: *Provided*, That not to exceed \$100,000 of the amount appropriated herein shall be available for "Limitation on general operating expenses": *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of **[\$9,405,000]** **\$10,000,000** in fiscal year **[1988]** 1989 for "Highway-related safety grants". (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 69-8019-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 State and community grants.....	9,825	9,380	9,900
00.02 Administration of grant programs.....	175	25	100
10.00 Total obligations.....	10,000	9,405	10,000
<b>Financing:</b>			
21.49 Unobligated balance available, start of year: Contract authority.....			-595
24.49 Unobligated balance available, end of year: Contract authority.....		595	595
39.00 Budget authority.....	10,000	10,000	10,000
<b>Budget authority:</b>			
Current:			
40.00 Appropriation.....	12,000	9,900	10,000
40.49 Portion applied to liquidate contract authority.....	-12,000	-9,900	-10,000
49.10 Contract authority.....	10,000		
Permanent:			
69.10 Contract authority (90 Stat. 451, 92 Stat. 2727).....		10,000	10,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	10,000	9,405	10,000
Obligated balance, start of year:			
72.40 Appropriation.....	2,442	5,393	5,912
72.49 Contract authority.....	15,802	13,802	13,307
Obligated balance, end of year:			
74.40 Appropriation.....	-5,393	-5,912	-5,144
74.49 Contract authority.....	-13,802	-13,307	-13,307
90.00 Outlays.....	9,050	9,381	10,768

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 69-8019-0-7-401	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....	15,802	13,802	13,902
Contract authority.....	10,000	10,000	10,000
Appropriation to liquidate contract authority.....	-12,000	-9,900	-10,000
Unfunded balance, end of year.....	13,802	13,902	13,902

The Highway Safety Act of 1970 authorized grants to States and communities for implementing and maintaining highway-related safety standards.

The 1987 Surface Transportation and Uniform Relocation Assistance Act provided a \$10 million annual program level for 1987 through 1991.

Object Classification (in thousands of dollars)

Identification code 69-8019-0-7-401	1987 actual	1988 est.	1989 est.
25.0 Other services.....	175	25	100
41.0 Grants, subsidies, and contributions.....	9,825	9,380	9,900
99.9 Total obligations.....	10,000	9,405	10,000

**[BALTIMORE-WASHINGTON PARKWAY]**

**[(HIGHWAY TRUST FUND)]**

For necessary expenses, not otherwise provided, to carry out the provisions of the Federal-Aid Highway Act of 1970, for the Baltimore-Washington Parkway, to remain available until expended, \$14,250,000, to be derived from the Highway Trust Fund and to be withdrawn therefrom at such times and in such amounts as may be necessary. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 69-8014-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	6,700	17,550	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-3,300	
24.40 Unobligated balance available, end of year	3,300		
39.00 <b>Budget authority</b>	<b>10,000</b>	<b>14,250</b>	
<b>Budget authority:</b>			
40.00 Appropriation	8,000	14,250	
42.00 Transferred from other accounts	2,000		
43.00 <b>Appropriation (adjusted)</b>	<b>10,000</b>	<b>14,250</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	6,700	17,550	
72.40 Obligated balance, start of year	3,420	9,918	19,618
74.40 Obligated balance, end of year	-9,918	-19,618	-12,079
90.00 <b>Outlays</b>	<b>202</b>	<b>7,850</b>	<b>7,539</b>

This appropriation provided \$14.25 million for construction activity on the Baltimore-Washington Parkway, as authorized in the Federal-Aid Highway Act of 1970. No additional appropriation is requested for this program.

**TRUST FUND SHARE OF OTHER HIGHWAY PROGRAMS**

**Program and Financing (in thousands of dollars)**

Identification code 69-8009-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Railroad-highway crossings demonstration projects	8,091	14,066	14,067
00.02 Rail crossings demonstration projects	136		
10.00 Total obligations (object class 25.0)	8,226	14,066	14,067
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-23,908	-23,515	-14,067
24.40 Unobligated balance available, end of year	23,515	14,067	
25.00 Unobligated balance lapsing		575	
40.00 <b>Budget authority (appropriation)</b>	<b>7,833</b>	<b>5,193</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	8,226	14,066	14,067
72.40 Obligated balance, start of year	23,614	21,492	22,919
74.40 Obligated balance, end of year	-21,492	-22,919	-23,224
77.00 Adjustments in expired accounts	-68		
90.00 <b>Outlays</b>	<b>10,281</b>	<b>12,639</b>	<b>13,762</b>
<b>Distribution of budget authority by account: Railroad-highway crossings demonstration projects</b>			
	7,833	5,193	
<b>Distribution of outlays by account:</b>			
Railroad-highway crossings demonstration projects	10,096	11,474	13,667
Rail crossing demonstration projects	144	61	46
Rural highway public transportation demonstration program	14	3	2
Bicycle program	27	62	47

This account provides the trust fund share of certain general fund accounts that are funded with both general funds and trust funds. Those accounts are listed in

the distribution tables shown above. The language appropriating the amounts reflected in this account and the narrative statements on program and performance appear with the general fund accounts.

**[HIGHWAY SAFETY RESEARCH AND DEVELOPMENT]**

**[(HIGHWAY TRUST FUND)]**

For necessary expenses in carrying out provisions of sections 307(a) and 403 of title 23, United States Code, to be derived from the Highway Trust Fund and to remain available until expended, \$6,650,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 69-8017-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	7,997	7,194	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,541	-544	
24.40 Unobligated balance available, end of year	544		
40.00 <b>Budget authority (appropriation)</b>	<b>7,000</b>	<b>6,650</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	7,997	7,194	
72.40 Obligated balance, start of year	15,344	15,845	15,209
74.40 Obligated balance, end of year	-15,845	-15,209	-8,153
90.00 <b>Outlays</b>	<b>7,496</b>	<b>7,830</b>	<b>7,056</b>

This appropriation is proposed for incorporation within the Research, Development, and Technology program funded within the Limitation on General Operating Expenses, beginning in 1989. The consolidation reflects the fact that both programs are authorized to carry out the basic highway-related research objectives set forth in 23 U.S.C. section 307.

**MOTOR CARRIER SAFETY GRANTS**

**(LIQUIDATION OF CONTRACT AUTHORIZATION)**

**[(HIGHWAY TRUST FUND)]**

For payment of obligations incurred in carrying out the provisions of section 402 of Public Law 97-424, \$50,000,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of \$46,992,000 \$60,000,000 for "Motor carrier safety grants": Provided further, That notwithstanding any other provision of law, \$425,000 of funds available for these grants and for supplemental grants for commercial driver testing shall be available by transfer for related research activities in "Motor carrier safety." (Department of Transportation and Related Agencies Appropriations Act, 1988.)*

**Program and Financing (in thousands of dollars)**

Identification code 69-8048-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Motor carrier grants	47,773	49,423	59,575
00.02 Administration and research			425
10.00 Total obligations	47,773	49,423	60,000
<b>Financing:</b>			
<b>Unobligated balance available, start of year:</b>			
21.40 Appropriation	-3,121	-2,431	
21.49 Contract authority		-3,187	-6,195
<b>Unobligated balance available, end of year:</b>			
24.40 Appropriation	2,431		
24.49 Contract authority	3,187	6,195	6,195
39.00 <b>Budget authority</b>	<b>50,269</b>	<b>50,000</b>	<b>60,000</b>

MOTOR CARRIER SAFETY GRANTS—Continued

(LIQUIDATION OF CONTRACT AUTHORIZATION)—Continued

(HIGHWAY TRUST FUND)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
69-8048-0-7-401			
Budget authority:			
Current:			
40.00	51,269	50,000	50,000
40.49	— 35,000	— 50,000	— 50,000
41.00	— 16,000		
43.00	269		
49.10	50,000		
Permanent:			
69.10	50,000	60,000	
Relation of obligations to outlays:			
Obligations incurred, net:			
71.00	47,773	49,423	60,000
Obligated balance, start of year:			
72.40	10,806	20,422	32,406
72.49		11,814	8,806
Obligated balance, end of year:			
74.40	— 20,422	— 32,406	— 33,786
74.49	— 11,814	— 8,806	— 18,806
90.00	26,343	40,447	48,620

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-8027-0-7-401			
Unfunded balance, start of year		15,000	15,000
Contract authority	50,000	50,000	60,000
Appropriation to liquidate contract authority	— 35,000	— 50,000	— 50,000
Unfunded balance, end of year	15,000	15,000	25,000

The Motor Carrier Safety Grant program, authorized by the 1982 Surface Transportation Assistance Act, provides grants to States to enforce Federal and compatible State standards applicable to commercial motor vehicle safety. States become eligible for funds by adopting Federal truck safety standards and maintaining minimum levels of program funding. Uniform safety standards both enhance the coordination of enforcement activities and simplify the safety requirements of interstate trucking parties.

Federal grants for enforcement of commercial motor vehicle safety standards may not be used to maintain efforts already undertaken by State governments. The purpose of the grant program is to raise the level of enforcement, not to substitute Federal for State and local dollars. Liquidating cash appropriations of \$50 million in 1989 are necessary for payment of program obligations.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-8048-0-7-401			
25.0			425
41.0	47,773	49,423	59,575
99.9	47,773	49,423	60,000

HIGHWAY TRUST FUND

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year	12,772,866	13,607,039	14,893,765
Balance in expenditure accounts	— 110,132	— 157,683	— 164,975
Appropriated balance	— 1,863,401	— 2,882,191	— 3,479,779
Unappropriated balance, start of year	10,799,333	10,567,165	11,249,011
Receipts	14,310,121	15,505,600	15,526,700
Total available for appropriation	25,109,454	26,072,765	26,775,711
Appropriations:			
Federal Highway Administration:			
Federal-aid highways (liquidation of contract authorization)	13,130,000	13,400,000	12,700,000
Highway-related safety grants (liquidation of contract authorization)	12,000	9,900	10,000
Trust fund share of other highway programs:			
Appropriation	7,833	5,193	
Highway safety research and development	7,000	6,650	
Motor carrier safety grants	16,269		
Motor carrier safety grants (by transfer)	— 16,000		
Motor carrier safety grants (liquidation of contract authorization)	35,000	50,000	50,000
Highway-railroad grade crossing	2,000	9,500	
Highway-railroad grade crossing (by transfer)	2,000		
Theodore Roosevelt Bridge	1,500		
Nuclear waste transportation safety demonstration	2,000		
Airport access highway demonstration	2,500		
Highway safety improvement demonstration	4,800	1,900	
Highway safety improvement demonstration (by transfer)	2,000		
Airport access demonstration	4,000		
Highway safety and economic development	10,000	9,500	
Highway safety and economic development (by transfer)	5,000		
Intermodal urban demonstration project	10,000	9,500	
Baltimore-Washington Parkway	8,000	14,250	
Baltimore-Washington Parkway (by transfer)	2,000		
Vehicular and Pedestrian Safety		6,650	
Vehicular and Pedestrian Safety (by transfer)	5,000		
Corridor Safety Improvement Project		4,702	
Bridge Capacity Improvement Project		237	
National Highway Traffic Safety Administration:			
Trust fund share of operations and research	34,172	30,346	31,414
Transfer	1,000		
Highway traffic safety grants (liquidation of contract authorization)	127,000	135,000	130,500
Urban Mass Transportation Administration:			
Discretionary grants (liquidation of contract authorization)	1,100,000	1,100,000	400,000
Formula transit grants (liquidation of contract authorization)			500,000
Other agencies:			
Construction, NPS (liquidation of contract authorization)	12,500	31,000	31,000
Mt. St. Helens, USFS (liquidation of contract authorization)	9,915		
Total appropriations	14,537,489	14,824,328	13,852,914
Adjustments in expired accounts, unexpired accounts and lapses, return to unappropriated receipts	— 4,800	575	
Unexpended balance, end of year	13,607,039	14,893,765	15,715,019
Balance in expenditure accounts	— 157,683	— 164,975	— 108,006
Appropriated balance	— 2,882,191	— 3,479,779	— 2,684,216
Unappropriated balance, end of year	10,567,165	11,249,011	12,922,797

The Highway Revenue Act of 1956, as amended, provides for the transfer from the general fund to the highway trust fund of revenue from the motor fuel tax and certain other taxes paid by highway users. The Secretary of the Treasury estimates the amounts to be so transferred. In turn, appropriations are authorized from this fund to meet expenditures for Federal-aid highways and other programs specified by law.

The status of the fund is as follows:

STATUS OF HIGHWAY TRUST FUND

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:			
U.S. securities (par)	11,499,288	12,690,931	14,893,765
Cash	1,273,578	916,108	
Balance of fund at start of year	12,772,866	13,607,039	14,893,765
Cash income during the year: Governmental receipts:			
From excise taxes:			
Gasoline tax	8,810,644	9,521,000	9,326,000
Truck, bus and trailer taxes	723,731	1,306,000	1,284,000
Tire, innertube, and tread rubber taxes	291,583	309,000	310,000
Diesel fuel taxes	2,810,977	2,973,000	3,155,000
Lubricating oil taxes	47		
Use tax on certain vehicles	620,197	544,000	557,000
Truck parts and accessories tax	-431		
Fines and penalties	1,657	2,000	2,000
Transfers to land and water fund	-1,000		
Transfer to aquatic resources fund	-98,162	-110,000	-113,000
Refund of taxes	-126,886	-223,000	-223,000
Intrabudgetary transactions:			
Interest on investments	1,277,765	1,173,600	1,228,700
Total annual income	14,310,121	15,505,600	15,526,700
(Mass transit account)	(1,582,713)	(1,581,400)	(1,691,000)
Cash outlays during the year:			
Federal Highway Administration appropriations:			
Federal-aid highways (liquidation of contract authorization)	12,613,993	13,188,000	13,232,000
Highway-related safety grants (liquidation of contract authorization)	9,050	9,381	10,768
Trust fund share of other highway programs	10,281	12,639	13,762
Highway safety research and development	7,496	7,830	7,056
Miscellaneous highway trust funds	1,037	24,763	28,020
Motor carrier safety grants	26,343	40,447	48,620
Right-of-way revolving fund (liquidation of contract authorization)	-26,899		
Baltimore-Washington Parkway	202	7,850	7,539
National Highway Traffic Safety Administration appropriations:			
Trust fund share of operations and research	33,366	34,225	32,006
Highway traffic safety grants (liquidation of contract authorization)	114,773	121,393	127,570
Urban Mass Transportation Administration:			
Formula transit grants (liquidation of contract authorization)			413,000
Discretionary grants (liquidation of contract authorization)	667,534	753,275	762,705
Other agencies:			
Construction, NPS, Interior	12,127	16,800	21,400
Mt. St. Helens, USFS, Agriculture	6,644	2,271	1,000
Total annual outlays	13,475,947	14,218,874	14,705,446
Unexpended balance carried forward:			
U.S. securities (par)	12,690,931	14,893,765	15,715,019
Cash	916,108		
Balance of fund at end of year	13,607,039	14,893,765	15,715,019
Commitment against unexpended balances:			
Appropriated but not expended:			
Appropriations	-157,683	-164,975	-108,006
Liquidation of contract authorization	-2,882,191	-3,479,779	-2,684,216
Committed to future liquidating cash appropriations:			
Outstanding obligated balance of contract authority	-21,629,094	-22,090,529	-22,223,529
Unobligated balance of contract authority	-9,394,414	-9,393,483	-10,730,912
Total commitment against unexpended balances	-34,063,382	-35,128,766	-35,746,663
Uncommitted balance, end of year	-20,456,343	-20,235,001	-20,031,644

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-9971-0-7-151			
Program by activities:			
00.01 Cooperative work, forest highways	1,700	504	390

00.02	Technical assistance, U.S. dollars advanced from foreign governments	3,281	961	2,960
00.03	Contributions for highway research programs		68	15
00.04	Advances from State cooperating agencies	1,017	338	330
10.00	Total obligations	5,998	1,871	3,695
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-8		
Unobligated balance available, start of year:				
21.40	Appropriation	-1,299	-379	
21.49	Contract authority	-24	-136	
Unobligated balance available, end of year:				
24.40	Appropriation	379		
24.49	Contract authority	136		
39.00	<b>Budget authority</b>	<b>5,182</b>	<b>1,356</b>	<b>3,695</b>
Budget authority:				
Permanent:				
60.00	Appropriation	4,882	2,261	3,695
60.49	Portion applied to liquidate contract authority	-141	-905	
63.00	<b>Appropriation (adjusted)</b>	<b>4,741</b>	<b>1,356</b>	<b>3,695</b>
69.10	<b>Contract authority</b>	<b>441</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net	5,998	1,871	3,695
Obligated balance, start of year:				
72.40	Appropriation	2,224	2,051	2,399
72.49	Contract authority	581	770	
Obligated balance, end of year:				
74.40	Appropriation	-2,051	-2,399	-2,096
74.49	Contract authority	-770		
78.00	Adjustments in unexpired accounts	-8		
90.00	Outlays	5,975	2,292	3,998
Distribution of budget authority by account:				
	Cooperative work, forest highways	1,561	375	390
	Technical assistance, U.S. dollars advanced from foreign governments	2,617	650	2,960
	Contributions for highway research programs	41	14	15
	Advances from State cooperating agencies	964	317	330
Distribution of outlays by account:				
	Cooperative work, forest highways	871	670	666
	Equipment, supplies, etc., for cooperating countries		309	231
	Technical assistance, U.S. dollars advanced from foreign governments	3,293	1,074	
	Contributions for highway research programs	52	21	31
	Advances from State cooperating agencies	1,760	218	287

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year	605	905
Contract authority	441	
Appropriation to liquidate contract authority	-141	-905
Unfunded balance, end of year	905	

Miscellaneous Trust Funds contains the following programs financed out of the highway trust fund and reimbursed by the requesting parties.

**Cooperative work, forest highways.**—Contributions are received from States and counties in connection with cooperative engineering, survey, maintenance, and construction projects for forest highways.

**Technical assistance, U.S. dollars advanced from foreign governments.**—The Federal Highway Administration renders technical assistance and acts as agent for the purchase of equipment and materials for carrying out highway programs in foreign countries. Currently, these services are being rendered in Costa Rica and Kuwait.

**Contributions for highway research programs.**—In association with the General Services Administration and the Department of Defense, tests of highway equipment are conducted for the purpose of establishing perform-

MISCELLANEOUS TRUST FUNDS—Continued

ance standards upon which to base specifications for use by the Government in purchasing such equipment.

*Advances from State cooperating agencies.*—Funds are contributed by the State highway departments or local subdivisions thereof for construction and/or maintenance of roads or bridges. The work is performed under the supervision of the Federal Highway Administration.

Object Classification (in thousands of dollars)

Identification code 69-9971-0-7-151	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	836	261	515
11.5 Other personnel compensation.....	296	92	182
11.9 Total personnel compensation.....	1,132	353	697
12.1 Civilian personnel benefits.....	162	51	100
21.0 Travel and transportation of persons.....	78	24	48
22.0 Transportation of things.....	41	13	25
25.0 Other services.....	2,615	816	1,611
26.0 Supplies and materials.....	2	1	1
32.0 Land and structures.....	1,968	613	1,213
99.9 Total obligations.....	5,998	1,871	3,695

Personnel Summary

Total number of full-time permanent positions.....	15	15	15
Total compensable workyears: Full-time equivalent employment.....	13	16	16

MISCELLANEOUS HIGHWAY TRUST FUNDS

【INTERMODAL URBAN DEMONSTRATION PROJECT】

【(HIGHWAY TRUST FUND)】

【For necessary expenses to carry out the provisions of section 124 of the Federal-Aid Highway Amendments of 1974, \$9,500,000, to be derived from the Highway Trust Fund and to remain available until expended.】

【HIGHWAY SAFETY AND ECONOMIC DEVELOPMENT DEMONSTRATION PROJECTS】

【(HIGHWAY TRUST FUND)】

【For necessary expenses to carry out construction projects as authorized by Public Law 99-500 and Public Law 99-591, \$9,500,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided*, That, notwithstanding any other provision of law, funds appropriated for this project shall not be included in any calculations made under section 157 of title 23, United States Code, for fiscal year 1988 and each fiscal year thereafter.】

【HIGHWAY SAFETY IMPROVEMENT DEMONSTRATION PROJECT】

【(HIGHWAY TRUST FUND)】

【For the purpose of carrying out a coordinated project of highway improvements in the vicinity of Pontiac and East Lansing, Michigan, that demonstrates methods of enhancing safety and promoting economic development through widening and resurfacing of highways on the Federal-aid primary system and on roads on the Federal-aid urban system, as authorized by Public Law 99-500 and Public Law 99-591, \$1,900,000, to be derived from the Highway Trust Fund and to remain available until expended.】

【HIGHWAY-RAILROAD GRADE CROSSING SAFETY DEMONSTRATION PROJECT】

【(HIGHWAY TRUST FUND)】

【For the purpose of carrying out a coordinated project of highway-railroad grade crossing separations in Mineola, New York, that demonstrates methods of enhancing highway-railroad crossing safety while minimizing surrounding environmental effects, as authorized by Public Law 99-500 and Public Law 99-591, \$9,500,000, to be derived from the Highway Trust Fund and to remain available until expended.】

【VEHICULAR AND PEDESTRIAN SAFETY DEMONSTRATION PROJECT】

【(HIGHWAY TRUST FUND)】

【For the purpose of carrying out a demonstration of methods of improving vehicular and pedestrian safety on roads on the Federal-aid urban and Federal-aid secondary systems, involving Route 66 in Northampton and Huntington, Massachusetts, \$6,650,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided*, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

【CORRIDOR SAFETY IMPROVEMENT PROJECT】

【(HIGHWAY TRUST FUND)】

【For the purpose of carrying out a demonstration of methods of improving vehicular and pedestrian safety on roads on the Federal-aid primary and Federal-aid secondary systems, involving Route 1 in New Jersey, there is hereby authorized to be appropriated \$50,000,000, to be derived from the Highway Trust Fund and to remain available until expended, of which \$4,702,000 is hereby appropriated and to remain available until expended: *Provided*, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

【BRIDGE CAPACITY IMPROVEMENTS】

【(HIGHWAY TRUST FUND)】

【For the purpose of carrying out the Nashua River Bridge and Broad Street Parkway project in Nashua, New Hampshire, that crosses the Nashua River, there is hereby authorized to be appropriated \$8,000,000, to be derived from the Highway Trust Fund and to remain available until expended, of which \$237,000 is hereby appropriated, to remain available until expended. All funds appropriated under this head, shall be exempted from any limitation on obligations for Federal-aid highway safety construction programs.】 (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 69-9972-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Vehicular and pedestrian safety demonstration project.....		11,650	
00.02 Carpool vanpool projects.....	55	81	
00.03 Intermodal urban demonstration project.....	12,468	9,500	
00.04 Corridor safety improvement project.....		4,702	
00.05 Highway safety and economic development demonstration projects.....	10,000	14,500	
00.06 Highway safety improvement demonstration project.....	1,567	7,133	
00.07 Highway-railroad grade crossing safety demonstration project.....		13,500	
00.08 Nuclear waste transportation safety.....	300	1,700	
00.09 Theodore Roosevelt Bridge.....		1,500	
00.10 Airport access highway demonstration.....		2,500	
00.11 Airport access demonstration.....		4,000	
00.12 Bridge capacity improvement demonstration.....		237	
10.00 Total obligations (object class 41.0).....	24,389	71,003	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	— 35		
21.40 Unobligated balance available, start of year.....	— 2,568	— 29,014	
24.40 Unobligated balance available, end of year.....	29,014		
39.00 Budget authority.....	50,800	41,989	
<b>Budget authority:</b>			
40.00 Appropriation.....	36,800	41,989	
42.00 Transferred from other accounts.....	14,000		
43.00 Appropriation (adjusted).....	50,800	41,989	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	24,390	71,003	
72.40 Obligated balance, start of year.....	7,401	30,706	76,946
74.40 Obligated balance, end of year.....	— 30,706	— 76,946	— 48,926
77.00 Adjustments in expired accounts.....	— 13		
78.00 Adjustments in unexpired accounts.....	— 35		
90.00 Outlays.....	1,037	24,763	28,020



Distribution of budget authority, by account:

Intermodal Urban Demonstration	10,000	9,500
Highway Safety and Economic Development	15,000	9,500
Highway Safety Improvement Demonstration	6,800	1,900
Highway Railroad Grade Crossing	4,000	9,500
Nuclear Waste Transportation Safety	2,000	
Roosevelt Bridge	1,500	
Airport Access Highway Demonstration	2,500	
Airport Access Demonstration	4,000	
Vehicular and Pedestrian Safety Demonstration	5,000	6,650
Corridor Safety Demonstration		4,702
Bridge Capacity Improvement Demonstration		237

Distribution of outlays by account:

Project Acceleration Demonstration	8	198	148
Traffic Control Signalization	41	450	338
Overseas Highway	362	1,450	1,088
Intermodal Urban Demonstration	240	3,244	4,048
Carpool/Vanpool Projects	74	234	189
Highway Safety and Economic Development	105	6,858	7,608
Highway Safety Improvement Demonstration	206	1,971	2,691
Highway Railroad Grade Crossing		2,700	4,320
Nuclear Waste Transportation Safety		460	634
Roosevelt Bridge		300	480
Airport Access Highway Demonstration		500	800
Airport Access Demonstration		3,080	368
Vehicular and Pedestrian Safety Demonstration		2,330	3,728
Corridor Safety Demonstration		940	1,505
Bridge Capacity Improvement Demonstration		47	76

For 1988, a total of \$42 million was appropriated for the following "demonstration" project accounts: Intermodal Urban, Highway Safety and Economic Development, Highway Safety Improvement, Highway Railroad Grade Crossing, Vehicular and Pedestrian Safety, Corridor Safety Improvement, and Bridge Capacity Improvement. No further budget authority is requested for 1989. Other accounts in this consolidated schedule show the obligation and outlay of amounts made available in prior years.

RIGHT-OF-WAY REVOLVING FUND  
(LIMITATION ON DIRECT LOANS)  
(TRUST FUND)

During fiscal year [1988] 1989 and with the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [\$45,457,000] \$47,850,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-8402-0-8-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0)	119,493	45,457	47,850
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-71,643	-45,457	-47,850
17.00 Recovery of prior year obligations	-96,518		
Unobligated balance available, start of year:			
21.40 Appropriation	-34,424	-83,092	-83,092
21.49 Contract authority	-40,000	-40,000	-40,000
Unobligated balance available, end of year:			
24.40 Appropriation	83,092	83,092	83,092
24.49 Contract authority	40,000	40,000	40,000
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	47,850		
72.98 Obligated balance, start of year: Fund balance	94,490	72,721	72,721
74.98 Obligated balance, end of year: Fund balance	-72,721	-72,721	-72,721
78.00 Adjustments in unexpired accounts	-96,518		
90.00 Outlays	-26,899		

Status of Direct Loans (in thousands of dollars)

Identification code 69-8402-0-8-401	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans	47,850	45,457	47,850
1150 Total direct loan obligations	47,850	45,457	47,850
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	131,086	104,187	104,187
1231 Disbursements: Direct loan disbursements	44,744	45,457	47,850
1251 Repayments: Repayments and prepayments	-71,643	-45,457	-47,850
1290 Outstanding, end of year	104,187	104,187	104,187

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year	40,000	40,000	40,000
Appropriation from the Highway Trust Fund to liquidate contract authority			
Unfunded balance, end of year	40,000	40,000	40,000

The Federal-Aid Highway Act of 1968 authorized \$300 million for the establishment of a right-of-way revolving fund. This fund is utilized to make cash advances to the States for the purpose of purchasing right-of-way parcels in advance of highway construction and thereby preventing the inflation of land prices from significantly increasing construction costs.

The initial legislation for this program required the States to construct the highway and reimburse the revolving fund within seven years from the date of the advance. The 1973 Highway Act extended the required time limit on construction to 10 years and the 1976 Highway Act extended the time limit indefinitely, if deemed necessary by the Secretary.

In 1989, gross obligations will be limited to \$47.85 million.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Advances for acquisition of right-of-way program:			
Revenue	71,643		
Expense	-44,744		
Net operating income	26,899		

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Drawing account with Treasury:				
Advances (loans)	131,086	104,187	104,187	104,187
Due from Highway trust fund	128,914	155,813	155,813	155,813
Total assets	260,000	260,000	260,000	260,000
Liabilities				
Government equity:				
Selected equities:				
Non-interest-bearing capital:				
Undisbursed loan obligations	94,490	72,721	72,721	72,721
Unobligated balance	74,424	123,092	123,092	123,092
Contract authority	-40,000	-40,000	-40,000	-40,000
Invested capital	131,086	104,187	104,187	104,187
Total Government equity	260,000	260,000	260,000	260,000

**NATIONAL HIGHWAY TRAFFIC SAFETY  
ADMINISTRATION**

The programs administered by the National Highway Traffic Safety Administration (NHTSA) are authorized by three separate laws: The National Traffic and Motor Vehicle Safety Act, the Highway Safety Act, and the Motor Vehicle Information and Cost Savings Act. The following table shows the funding for NHTSA programs.

[In thousands of dollars]

Budget authority:	1987 actual	1988 est.	1989 est.
Operations and research.....	55,767	62,534	63,124
Operations and research (Highway trust fund).....	34,172	30,346	31,414
Highway traffic safety grants.....	121,000	126,000	126,000
Reappropriation.....		94,085	
<b>Total budget authority.....</b>	<b>210,939</b>	<b>312,965</b>	<b>220,538</b>
<b>Program level (obligations):</b>			
Operations and research.....	60,889	64,232	63,124
Operations and research (Highway trust fund).....	35,086	30,346	31,414
Highway traffic safety grants.....	122,111	128,483	128,500
Miscellaneous safety programs.....		278	
<b>Total program level.....</b>	<b>218,086</b>	<b>223,339</b>	<b>223,038</b>
<b>Outlays:</b>			
Operations and research.....	59,217	65,647	65,665
Operations and research (Highway trust fund).....	33,366	34,225	32,006
Highway traffic safety grants.....	114,773	121,393	127,570
Miscellaneous safety programs.....	652	1,400	1,400
<b>Total outlays.....</b>	<b>208,008</b>	<b>222,665</b>	<b>226,641</b>

**Federal Funds**

**General and special funds:**

**OPERATIONS AND RESEARCH**

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under the Motor Vehicle Information and Cost Savings Act (Public Law 92-513, as amended), and the National Traffic and Motor Vehicle Safety Act, **[\$62,534,000] \$63,124,000**, of which **[\$29,331,000] \$26,626,000**, shall remain available until expended [; *Provided*, That of the funds available under this head, \$6,480,000 shall be available to implement the recommendations of the 1985 National Academy of Sciences report on trauma research]. (*Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation has been proposed.*)

**Program and Financing (in thousands of dollars)**

Identification code 69-0650-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Rulemaking programs.....	6,848	7,488	8,027
00.02 Enforcement programs.....	11,918	11,842	12,798
00.03 Highway safety programs.....	3,675	3,865	4,927
00.04 Research and analysis.....	30,945	33,759	29,280
00.05 Office of the Administrator.....	1,963	1,883	2,085
00.06 General administration.....	5,540	5,395	6,007
00.91 Total direct program.....	60,889	64,232	63,124
01.01 Reimbursable program.....	40,450	36,802	38,064
10.00 Total obligations.....	101,339	101,034	101,188
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-150	-900	-900
13.00 Trust funds.....	-39,946	-35,002	-36,264
14.00 Non-Federal sources.....	-354	-900	-900
17.00 Recovery of prior year obligations.....	-311		
21.40 Unobligated balance available, start of year.....	-1,928	-1,698	
22.40 Unobligated balance transferred, net.....	-5,000		
24.40 Unobligated balance available, end of year.....	1,698		
25.00 Unobligated balance lapsing.....	419		
40.00 <b>Budget authority (appropriation).....</b>	<b>55,767</b>	<b>62,534</b>	<b>63,124</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	60,889	64,232	63,124
72.40	Obligated balance, start of year.....	34,166	35,343	33,928
74.40	Obligated balance, end of year.....	-35,343	-33,928	-31,387
77.00	Adjustments in expired accounts.....	-184		
78.00	Adjustments in unexpired accounts.....	-311		
90.00	<b>Outlays.....</b>	<b>59,217</b>	<b>65,647</b>	<b>65,665</b>

Programs funded under the Operations and Research appropriation are described below. Funding levels vary between program activities to reflect current priorities.

**Rulemaking programs.**—Covers rulemaking activity relative to the promulgation of Federal motor vehicle safety standards for new and used motor vehicles, tires, and equipment; automotive fuel economy standards required by the Energy Policy and Conservation Act; international harmonization of standards; theft prevention; regulatory reform; and information on motor vehicle safety required by the Motor Vehicle Information and Cost Savings Act.

**Enforcement programs.**—Provides for the enforcement of programs described under the rulemaking activity, including manufacturer compliance with motor vehicle safety and automotive fuel economy standards, investigation of safety-related motor vehicle defects, and surveillance of odometer tampering.

**Highway safety programs.**—Provides for technical assistance to the States in the conduct of their highway safety programs; demonstration programs emphasizing alcohol countermeasures, safety belt and child safety seat usage, automatic protection, improved traffic law enforcement, emergency medical services, and enhanced traffic records systems to reduce highway fatalities and injuries; and operation and improvement of the national driver register.

**Research and analysis.**—Provides motor vehicle safety and highway safety research and development in support of all NHTSA programs, including the collection and analysis of data to identify safety problems, develop alternative solutions, and assess costs, benefits, and effectiveness. Research will continue to concentrate on improving vehicle crashworthiness, accident avoidance characteristics of cars, trucks and motorcycles, safety belt usage and alcohol countermeasures. The budget includes funds to continue a national accident data collection program to improve problem identification, regulatory reform, and program evaluation activities.

**Office of the Administrator.**—Provides for the overall executive direction, coordination and implementation of agency programs. Includes legal, public affairs, civil rights and executive secretariat support for programs of this administration.

**General administration.**—Provides for the planning, program evaluation, and basic administrative and supporting services for programs of this administration.

**Object Classification (in thousands of dollars)**

Identification code 69-0650-0-1-401	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	16,682	17,310	17,605
11.3 Other than full-time permanent.....	677	711	711

11.5	Other personnel compensation.....	266	315	350
11.9	Total personnel compensation.....	17,625	18,336	18,666
12.1	Civilian personnel benefits.....	1,938	2,607	2,647
13.0	Benefits for former personnel.....	13		
21.0	Travel and transportation of persons.....	397	386	386
22.0	Transportation of things.....	42	45	45
23.1	Rental payments to GSA.....	1,997	2,439	2,667
23.3	Communications, utilities, and miscellaneous charges.....	805	818	1,070
24.0	Printing and reproduction.....	674	775	806
25.0	Other services.....	35,207	37,245	35,251
26.0	Supplies and materials.....	578	250	253
31.0	Equipment.....	1,613	1,331	1,333
99.0	Subtotal, direct obligations.....	60,889	64,232	63,124
99.0	Reimbursable obligations.....	40,450	36,802	38,064
99.9	Total obligations.....	101,339	101,034	101,188

**Personnel Summary**

Total number of full-time permanent positions.....	497	503	506
Total compensable workyears:			
Full-time equivalent employment.....	504	504	509
Full-time equivalent of overtime and holiday hours.....	1	1	1

**MISCELLANEOUS SAFETY PROGRAMS**

**Program and Financing (in thousands of dollars)**

Identification code 69-0651-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....		278	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-67		
21.40 Unobligated balance available, start of year.....	-211	-278	
24.40 Unobligated balance available, end of year.....	278		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		278	
72.40 Obligated balance, start of year.....	4,365	3,646	2,524
74.40 Obligated balance, end of year.....	-3,646	-2,524	-1,124
78.00 Adjustments in unexpired accounts.....	-67		
90.00 Outlays.....	652	1,400	1,400

This schedule displays the following programs funded by State and community highway safety: Territorial Grant and Transportation Systems Management. These programs no longer require appropriations. Obligation and outlay amounts shown reflect spend-out of prior year appropriations.

**Trust Funds**

**OPERATIONS AND RESEARCH  
(HIGHWAY TRUST FUND)**

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under chapter 4, title 23, United States Code, to be derived from the Highway Trust Fund, **[\$30,346,000] \$31,414,000**, to remain available until expended: *Provided*, That, of the funds available under this head, \$1,680,000 shall be available for light truck and van safety research and analysis]. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 69-8016-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Highway safety programs.....	14,921	14,719	15,842
00.02 Research and analysis.....	17,748	13,203	12,870

00.03 Office of the Administrator.....	663	697	784
00.04 General administration.....	1,754	1,727	1,918
10.00 Total obligations.....	35,086	30,346	31,414
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-33		
22.40 Unobligated balance transferred, net.....	-1,000		
25.00 Unobligated balance lapsing.....	119		
40.00 <b>Budget authority (appropriation)</b> .....	<b>34,172</b>	<b>30,346</b>	<b>31,414</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	35,086	30,346	31,414
72.40 Obligated balance, start of year.....	18,375	20,096	16,217
74.40 Obligated balance, end of year.....	-20,096	-16,217	-15,625
90.00 Outlays.....	33,366	34,225	32,006

This account represents the portion of the operations and research appropriation authorized under 23 U.S.C. 403 and financed from the Highway Trust Fund for the following activities:

**Highway safety programs.**—Provides for headquarters and field staff to assist the States in the conduct of their highway safety and demonstration programs, and to develop and implement a National Occupant Protection Program.

**Research and analysis.**—Provides for highway safety research in support of NHTSA programs, including the collection and analysis of data to determine the relationship between driver performance characteristics and crashes causing death or personal injury. Research is also undertaken to identify ways to improve safety belt usage and alcohol control. The 1989 budget includes funds to continue a national accident data collection program to improve problem identification, regulatory reform, and program evaluation activities.

**Office of the Administrator.**—Provides for the pro rata contribution to the cost of executive direction, coordination and implementation of agency programs. Includes legal, public affairs, civil rights and executive secretariat support for programs of this administration.

**General administration.**—Provides for the pro rata contribution to the cost of planning, program evaluation, and basic administrative and supporting services for programs of this administration.

**Object Classification (in thousands of dollars)**

Identification code 69-8016-0-7-401	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	6,259	6,905	7,000
11.3 Other than full-time permanent.....	627	639	639
11.5 Other personnel compensation.....	100	147	169
11.9 Total personnel compensation.....	6,986	7,691	7,808
12.1 Civilian personnel benefits.....	727	995	1,009
13.0 Benefits for former personnel.....	5		
21.0 Travel and transportation of persons.....	299	327	324
22.0 Transportation of things.....	28	18	18
23.1 Rental payments to GSA.....	1,290	966	1,108
23.3 Communications, utilities, and miscellaneous charges.....	520	248	370
24.0 Printing and reproduction.....	436	431	448
25.0 Other services.....	23,380	18,745	19,403
26.0 Supplies and materials.....	373	133	133
31.0 Equipment.....	1,042	792	793
99.9 Total obligations.....	35,086	30,346	31,414

**Personnel Summary**

Total number of full-time permanent positions.....	143	145	145
Total compensable workyears: Full-time equivalent employment.....	144	145	145

**HIGHWAY TRAFFIC SAFETY GRANTS**  
**(LIQUIDATION OF CONTRACT AUTHORITY)**  
**(HIGHWAY TRUST FUND)**

For payment of obligations incurred carrying out the provisions of 23 U.S.C. 402, 406, and 408, and section 209 of Public Law 95-599, as amended, to remain available until expended, **[\$135,000,000]** \$130,500,000, to be derived from the Highway Trust Fund: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of **[\$114,950,000]** \$115,000,000 in fiscal year **[1988]** 1989 for "State and community highway safety grants" authorized under 23 U.S.C. 402: *Provided further*, That none of these funds shall be used for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of **[\$13,533,000]** \$13,500,000 for "Alcohol safety incentive grants" authorized under 23 U.S.C. 408: *Provided further*, That not to exceed **[\$4,656,000]** \$4,850,000 shall be available for administering the provisions of 23 U.S.C. 402: *Provided further*, That notwithstanding any other provision of law, none of the funds in this Act shall be available for the planning or execution of programs authorized under section 209 of Public Law 95-599, as amended, the total obligations for which are in excess of \$4,750,000 in fiscal years 1982, 1983, 1984, 1985, 1986, 1987, **[and]** 1988, and 1989. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code 69-8020-0-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Safety formula grants:			
00.01 Grants.....	116,336	110,294	110,150
00.02 Administration.....	4,860	4,656	4,850
00.03 Alcohol safety incentive grants.....	915	13,533	13,500
10.00 Total obligations.....	122,111	128,483	128,500
<b>Financing:</b>			
21.49 Unobligated balance available, start of year: Contract authority.....	-185,094	-89,898	-181,500
24.49 Unobligated balance available, end of year: Contract authority.....	89,898	181,500	179,000
25.00 Unobligated balance lapsing.....	94,085		
39.00 <b>Budget authority</b> .....	<b>121,000</b>	<b>220,085</b>	<b>126,000</b>
Budget authority:			
Current:			
40.00 Appropriation.....	127,000	135,000	130,500
40.49 Portion applied to liquidate contract authority.....	-127,000	-135,000	-130,500
43.00 <b>Appropriation (adjusted)</b> .....			
49.10 <b>Contract authority</b> .....	<b>126,000</b>		
Permanent:			
49.10 Contract authority rescinded (unobligated balances) (P.L. 99-88, 99-500 and 99-591).....	-5,000		
50.00 <b>Reappropriation</b> .....		<b>94,085</b>	
69.10 <b>Contract authority (96 Stat. 1740)</b> .....		<b>126,000</b>	<b>126,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	122,111	128,483	128,500
Obligated balance, start of year:			
72.40 Appropriation.....	31,484	43,711	57,318
72.49 Contract authority.....	98,615	93,726	87,209
Obligated balance, end of year:			
74.40 Appropriation.....	-43,711	-57,318	-60,248
74.49 Contract authority.....	-93,726	-87,209	-85,209
90.00 Outlays.....	114,773	121,393	127,570
Distribution of budget authority by account:			
Safety formula grants.....	126,000	126,000	126,000
Alcohol safety incentive grants.....	-5,000	94,085	
Distribution of outlays by account:			
Safety formula grants.....	102,573	106,093	107,270
School bus driver training.....	500	300	300
Alcohol safety incentive grants.....	10,000	13,000	17,000
Safety education and information.....	1,700	2,000	3,000

**Status of Unfunded Contract Authority** (in thousands of dollars)

Identification code 69-8020-0-7-401	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....	283,709	183,624	268,709
Contract authority (101 Stat. 218-219).....	121,000	126,000	126,000
Reappropriation.....		94,085	
Unfunded balance lapsing.....	-94,085		
Appropriation to liquidate contract authority.....	-127,000	-135,000	-130,500
Unfunded balance, end of year.....	183,624	268,709	264,209

**Safety formula grants.**—Grant allocations are determined on the basis of a statutory formula established under 23 U.S.C. 402. Individual States use this funding in areas which have the greatest potential for achieving safety improvements and reducing traffic crashes and fatalities. Activities are centered predominantly on efforts to control the drinking driver; stimulate activities to improve child passenger safety and increase safety belt usage; improve traffic law enforcement; improve the quality of emergency medical services; improve the collection and analysis of traffic accident data; and establish and maintain a computerized traffic recordkeeping system.

**Safety formula grant administration.**—Under 23 U.S.C. 402, up to 5 percent of amounts authorized for safety formula grants are permitted to be used for reimbursement to the operations and research account for grant administration. Funds of \$4.85 million are required to cover the expenses of administering Federal grant activity in 1989.

**Alcohol safety incentive grants.**—Grant allocations will be made under 23 U.S.C. 408, to those States which adopt and implement effective programs to reduce traffic safety problems resulting from persons driving while under the influence of alcohol. These grants will be made in accordance with established criteria and will only be used to implement and enforce such programs. Public Law 97-364 establishes a two-tier grant system. The first tier, i.e., basic grant, amounts to 30 percent of each State's apportionment under the safety formula grant program (section 402 program) if the State meets specified minimum criteria. The second tier is a supplemental grant of up to 20 percent of the State's apportionment if it qualifies for the base grant and implements additional specified alcohol traffic safety measures. Public Law 98-363 established a third tier to encourage States to enact stiffer penalties for drunk driving.

**Object Classification** (in thousands of dollars)

Identification code 69-8020-0-7-401	1987 actual	1988 est.	1989 est.
25.0 Other services.....	4,860	4,656	4,850
41.0 Grants, subsidies, and contributions.....	117,251	123,827	123,650
99.9 Total obligations.....	122,111	128,483	128,500

**FEDERAL RAILROAD ADMINISTRATION**

The following table depicts the level of all Federal Railroad Administration programs, the details of which are in the following budget schedules:

(In thousands of dollars)

Program level	1987 actual	1988 est.	1989 est.
Office of the Administrator .....	44,159	31,707	18,292
Railroad safety .....	28,629	28,450	28,518
Railroad safety research and development .....	11,171	13,043	9,297
Commuter rail service .....	.....	10,000	.....
Settlements of railroad litigation .....	6,543	-38,951	.....
Northeast corridor improvement .....	17,936	42,769	.....
Railroad rehabilitation and improvement .....	11,057	-186,519	-120,109
Regional rail reorganization .....	15,033	2,774	540
Subtotal, FRA .....	134,528	-96,727	-63,462
National Railroad Passenger Corp. (Amtrak) grants .....	584,000	627,888	.....
Total program .....	718,528	531,161	-63,462

Federal Funds

General and special funds:

OFFICE OF THE ADMINISTRATOR

[(INCLUDING TRANSFER OF FUNDS)]

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, [\$22,877,000, together with \$1,900,000 to be derived from unobligated balances of "Airport access demonstration project",] \$18,292,000, of which [\$15,024,000] \$6,054,000 shall remain available until expended; and in addition, all unexpended balances in "Rail service assistance" after September 30, 1987, shall be transferred to this account, to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and that no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: *Provided further*, That none of the funds in this Act shall be available for the acquisition, sale, or transference of Washington Union Station without the prior approval of the Committees on Appropriations of the Senate and the House of Representatives: *Provided further*, That, notwithstanding any other provision of law, of the funds available under this head, \$9,600,000 shall be available for necessary expenses for rail assistance authorized by section 5(q) of the Department of Transportation Act, as amended, to remain available until expended: *Provided further*, That \$7,200,000 of the fiscal year 1988 funds made available under section 5(h) shall be made available for use directly under sections 5(h)(3)(B)(ii) and 5(h)(3)(C) of the Department of Transportation Act, as amended, notwithstanding any provisions therein to the contrary: *Provided further*, That each State shall be entitled to, and no more than, \$48,000 under the combined provisions of section 5(h)(2) and section 5(i), notwithstanding any provisions therein to the contrary: *Provided further*, That no State may apply for fiscal year 1988 funds available under section 5(h)(2) until such State has obligated all funds granted to it under section 5(h)(2) in the fiscal years prior to the beginning of fiscal year 1983, other than funds not expended due to pending litigation: *Provided further*, That a State denied funding by reason of the preceding proviso may still apply for and receive funds for planning purposes]. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
69-0700-0-1-401				
<b>Program by activities:</b>				
Direct program:				
00.01	Salaries and expenses .....	12,286	10,081	12,238
00.02	Contractual support .....	1,973	1,676	1,420
00.03	Washington Union Station .....	4,600	3,500	2,741
00.04	Local rail service assistance .....	25,300	16,450	.....
00.05	Alaska railroad workers' compensation and unemployment compensation payments .....	.....	.....	1,893
00.91	Total, direct program .....	44,159	31,707	18,292
01.01	Reimbursable program .....	389	2,650	750
10.00	Total obligations .....	44,548	34,357	19,042

Financing:

Offsetting collections from:				
11.00	Federal funds .....	-389	-750	-750
13.00	Trust funds .....	.....	-1,900	.....
17.00	Recovery of prior year obligations .....	-1,007	.....	.....
21.40	Unobligated balance available, start of year .....	-28,489	-8,830	.....
22.40	Unobligated balance transferred, net .....	-200	.....	.....
24.40	Unobligated balance available, end of year .....	8,830	.....	.....
25.00	Unobligated balance lapsing .....	82	.....	.....
40.00	<b>Budget authority (appropriation) .....</b>	<b>23,375</b>	<b>22,877</b>	<b>18,292</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	44,159	31,707	18,292
72.40	Obligated balance, start of year .....	58,909	63,608	53,831
74.40	Obligated balance, end of year .....	-63,608	-53,831	-37,922
77.00	Adjustments in expired accounts .....	-139	.....	.....
78.00	Adjustments in unexpired accounts .....	-1,007	.....	.....
90.00	Outlays .....	38,314	41,484	34,201
Distribution of budget authority by account:				
.....	Office of the Administrator .....	23,375	22,877	18,292
Distribution of outlays by account:				
.....	Office of the Administrator .....	14,395	41,484	34,201
.....	Rail service assistance .....	23,919	.....	.....

**Salaries and expenses.**—Provides for salaries and related expenses for the Office of the Administrator and his immediate staff, Chief Counsel, Civil Rights, Public Affairs, Office of Budget, Office of Administration, Office of Policy and the Office of Passenger and Freight Services. Together these offices resolve national problems confronting the railroad industry and provide top level support to the Federal Railroad Administrator.

**Contract support.**—The Office of Policy and the Office of Passenger and Freight Services use contractual support to develop positions regarding various proposed structural changes in the railroad industry such as mergers and Amtrak rail passenger services. Contractual support is also used to conduct internal studies dealing with traffic, economic forecasting, financial condition, and other factors that contribute to an efficient national freight railroad network. In 1987 and 1988, this program also provided contractual support to Federal assistance programs, labor-management activities, railroad rehabilitation and improvement financing funds, grants to the National Railroad Passenger Corporation, the sale of Conrail to the private sector, and the Conrail labor protection program.

**Washington Union Station.**—The Department of Transportation assumed responsibility for leasing Washington Union Station in 1984. In 1989, funds requested are what is needed to rent the facility. However, in 1989, the Department plans to purchase Union Station. A budget amendment will be transmitted when the purchase price is known.

**Local rail service assistance.**—This program provides discretionary and formula grants to all States for rail planning and for track rehabilitation of light density lines. No funds are requested in 1989.

**Reimbursable program.**—This program provides reimbursable support to the Department of Defense for the Peacekeeper Rail Garrison Program. In 1988, funds were transferred from unobligated balances of the Federal Highway Administration's airport access demonstration project to this appropriation.

General and special funds—Continued

OFFICE OF THE ADMINISTRATOR—Continued

【(INCLUDING TRANSFER OF FUNDS)】—Continued

Object Classification (in thousands of dollars)

Identification code	69-0700-0-1-401	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	8,125	6,069	7,946
11.3	Other than full-time permanent .....	80	60	61
11.5	Other personnel compensation .....	92	103	103
11.9	Total personnel compensation .....	8,297	6,232	8,110
12.1	Civilian personnel benefits .....	890	938	985
13.0	Benefits for former personnel .....	10	85	1,893
21.0	Travel and transportation of persons .....	123	118	162
22.0	Transportation of things .....	1	1	1
23.1	Rental payments to GSA .....	1,161	1,161	1,276
23.3	Communications, utilities, and miscellaneous charges .....	300	542	483
24.0	Printing and reproduction .....	114	120	105
25.0	Other services .....	7,464	5,870	5,112
26.0	Supplies and materials .....	65	65	50
31.0	Equipment .....	434	125	115
41.0	Grants, subsidies, and contributions .....	25,300	16,450	.....
99.0	Subtotal, direct obligations .....	44,159	31,707	18,292
99.0	Reimbursable obligations .....	389	2,650	750
99.9	Total obligations .....	44,548	34,357	19,042

Personnel Summary

Total number of full-time permanent positions .....	204	203	190
Total compensable workyears:			
Full-time equivalent employment .....	191	189	179
Full-time equivalent of overtime and holiday hours .....	1	1	1

RAILROAD SAFETY

For necessary expenses in connection with railroad safety, not otherwise provided for, 【\$27,968,000】 \$28,518,000, of which 【\$2,090,000】 \$1,140,000 shall remain available until expended. (Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation has been proposed.)

Program and Financing (in thousands of dollars)

Identification code	69-0702-0-1-401	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Federal enforcement .....	20,838	22,301	23,562
00.02	Automated track inspection program .....	1,250	1,351	1,140
00.03	Safety regulation and program administration .....	5,175	3,848	3,816
00.04	Grants-in-aid for railroad safety .....	1,366	950	.....
00.91	Total direct program .....	28,629	28,450	28,518
01.01	Reimbursable program .....	500	750	2,000
10.00	Total obligations .....	29,129	29,200	30,518
Financing:				
11.00	Offsetting collections from Federal funds .....	- 500	- 750	- 2,000
17.00	Recovery of prior year obligations .....	- 479	.....	.....
21.40	Unobligated balance available, start of year .....	- 1,269	- 482	.....
22.40	Unobligated balance transferred, net .....	- 535	.....	.....
24.40	Unobligated balance available, end of year .....	482	.....	.....
25.00	Unobligated balance lapsing .....	337	.....	.....
40.00	Budget authority (appropriation) .....	27,165	27,968	28,518
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	28,629	28,450	28,518
72.40	Obligated balance, start of year .....	5,953	5,706	5,782
74.40	Obligated balance, end of year .....	- 5,706	- 5,782	- 5,892
77.00	Adjustments in expired accounts .....	- 124	.....	.....
78.00	Adjustments in unexpired accounts .....	- 479	.....	.....
90.00	Outlays .....	28,273	28,374	28,408

The 1989 budget includes funds for three new supervisory safety field inspectors to enhance management of railroad safety programs.

**Federal enforcement.**—This program provides salaries and related expenses for safety field operations and is designed to reduce the number of railroad related accidents/incidents. Federal inspectors monitor railroads for compliance with Federal laws with specific emphasis on passenger and hazardous material routes. In addition, this staff provides training to Federal, State and railroad industry personnel on related safety enforcement activities, including programs dealing with the problem of alcohol and drug abuse.

**Automated track inspection program.**—This program provides \$1,140 thousand for the continued operation by FRA's Office of Safety of a self-propelled automatic track inspection vehicle. The track inspection vehicle will survey approximately 25,000 miles of track in 1989. In 1987, FRA transferred ownership of four track geometry vehicles to the Department of Defense.

**Safety regulation and program administration.**—This program funds the salaries and related expenses of safety headquarters personnel, data gathering and dissemination, and planning and evaluation activities. The ongoing responsibility of this program is to issue new or revised standards, procedures, and regulations to provide a safer railroad environment. This program also administers post-accident testing and technical training and management of rail-highway grade crossings.

**Grants-in-aid for railroad safety.**—This program assists States in paying salaries and expenses incurred for State safety inspectors on a 50-percent cost-sharing basis. No funds are requested in 1989.

**Reimbursable program.**—This program provides reimbursable support to the Department of Defense for the Peacekeeper Rail Garrison Program.

Object Classification (in thousands of dollars)

Identification code	69-0702-0-1-401	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	15,726	16,402	17,008
11.3	Other than full-time permanent .....	128	228	232
11.5	Other personnel compensation .....	468	192	195
11.9	Total personnel compensation .....	16,322	16,822	17,435
12.1	Civilian personnel benefits .....	2,313	2,360	2,441
13.0	Benefits for former personnel .....	93	151	151
21.0	Travel and transportation of persons .....	2,774	2,879	2,879
22.0	Transportation of things .....	28	9	10
23.1	Rental payments to GSA .....	1,037	1,037	1,214
23.3	Communications, utilities, and miscellaneous charges .....	702	757	760
24.0	Printing and reproduction .....	101	163	160
25.0	Other services .....	3,500	3,191	3,084
26.0	Supplies and materials .....	134	97	100
31.0	Equipment .....	259	34	284
41.0	Grants, subsidies, and contributions .....	1,366	950	.....
99.0	Subtotal, direct obligations .....	28,629	28,450	28,518
99.0	Reimbursable obligations .....	500	750	2,000
99.9	Total obligations .....	29,129	29,200	30,518

Personnel Summary

Total number of full-time permanent positions .....	443	444	447
Total compensable workyears:			
Full-time equivalent employment .....	424	444	447
Full-time equivalent of overtime and holiday hours .....	12	5	5

**RAILROAD SAFETY RESEARCH AND DEVELOPMENT**

For necessary expenses for railroad safety research and development, **[\$9,286,000]** \$9,297,000, to remain available until expended. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing** (in thousands of dollars)

Identification code 69-0745-0-1-401	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Equipment, operations and hazardous materials.....	3,119	3,644	2,922
00.02	Track safety.....	3,378	2,808	5,013
00.03	Track/train safety testing.....	3,554	2,656	.....
00.04	Other.....	.....	2,608	.....
00.05	Administration.....	1,145	1,327	1,362
00.91	Total direct program.....	11,196	13,043	9,297
01.01	Reimbursable program.....	625	11,100	15,000
10.00	Total obligations.....	11,821	24,143	24,297
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-650	-11,100	-15,000
17.00	Recovery of prior year obligations.....	-133	.....	.....
21.40	Unobligated balance available, start of year.....	-5,214	-3,757	.....
24.40	Unobligated balance available, end of year.....	3,757	.....	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>9,581</b>	<b>9,286</b>	<b>9,297</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	11,171	13,043	9,297
72.40	Obligated balance, start of year.....	10,886	11,056	11,527
74.40	Obligated balance, end of year.....	-11,056	-11,527	-9,389
78.00	Adjustments in unexpired accounts.....	-133	.....	.....
90.00	Outlays.....	10,868	12,572	11,435

The 1989 budget provides funds for the conduct of railroad safety research and development, including the salaries and related expenses of the research management staff. The research conducted encompasses all aspects of existing railroad operations and maintenance, as well as new industry developments and trends, in support of safety rulemaking and enforcement.

**Equipment, operations and hazardous materials safety.**—This program focuses on the safety of equipment, components, operating practices, and hazardous materials transport in the railroad environment. The 1989 activities will continue to emphasize research on the causes of freight car component failures, advanced automatic train control systems, tank car design and construction materials, locomotive cab design improvements, training requirements for train dispatchers, and other critical areas of safety regulation and performance.

**Track safety.**—This program focuses on the safety of track structures, including critical rail components, railroad bridge structures, signal and train control systems, and other elements of the railroad right-of-way that influence train operations. In 1989, this program combines research on the interaction between trains and track structures conducted on the Facility for Accelerated Service Testing (FAST) at the Transportation Test Center.

**Other.**—This program area consists of carryover funds for contractual support for other than the preceding activities that are non-recurring.

**Administration.**—This program includes salaries and related expenses to administer the railroad safety research and development programs.

**Reimbursable program.**—Other Government agencies provide reimbursements for research and development

testing, evaluation and analysis, including activities in support of the Peacekeeper Rail Garrison Program for the Department of Defense.

**Object Classification** (in thousands of dollars)

Identification code 69-0745-0-1-401	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	768	779	801
11.3	Other than full-time permanent.....	3	5	5
11.5	Other personnel compensation.....	.....	5	5
11.9	Total personnel compensation.....	771	789	811
12.1	Civilian personnel benefits.....	82	93	96
13.0	Benefits for former personnel.....	1	1	1
21.0	Travel and transportation of persons.....	30	30	30
22.0	Transportation of things.....	1	4	5
23.1	Rental payments to GSA.....	74	74	101
23.3	Communications, utilities, and miscellaneous charges.....	27	30	35
24.0	Printing and reproduction.....	7	10	10
25.0	Other services.....	10,156	11,929	8,153
26.0	Supplies and materials.....	46	50	50
31.0	Equipment.....	1	33	5
99.0	Subtotal, direct obligations.....	11,196	13,043	9,297
99.0	Reimbursable obligations.....	625	11,100	15,000
99.9	Total obligations.....	11,821	24,143	24,297

**Personnel Summary**

Total number of full-time permanent positions.....	15	15	15
Total compensable workyears:			
Full-time equivalent employment.....	14	15	15
Full-time equivalent of overtime and holiday hours.....	.....	1	1

**CONRAIL LABOR PROTECTION**

**Program and Financing** (in thousands of dollars)

Identification code 69-0707-0-1-603	1987 actual	1988 est.	1989 est.	
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-315	.....	.....
21.40	Unobligated balance available, start of year.....	-7,758	-129	.....
22.40	Unobligated balance transferred, net.....	7,944	.....	.....
24.40	Unobligated balance available, end of year.....	129	.....	.....
25.00	Unobligated balance lapsing.....	.....	129	.....
39.00	<b>Budget authority.....</b>	.....	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	.....	.....	.....
72.40	Obligated balance, start of year.....	75	.....	.....
78.00	Adjustments in unexpired accounts.....	-315	.....	.....
90.00	Outlays.....	-240	.....	.....

**Conrail labor protection.**—Funds in this program were provided under the Regional Rail Reorganization Act, as amended, for benefits to Conrail employees deprived of employment because of workforce reductions and other actions. This program no longer exists since Conrail has been returned to the private sector.

Also included under this appropriation were funds provided for Milwaukee Railroad employee benefits under the Regional Rail Reorganization Act, as amended. The unobligated balances available from this program will be withdrawn in 1988.

General and special funds—Continued

COMMUTER RAIL SERVICE

Program and Financing (in thousands of dollars)

Identification code 69-0747-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		10,000	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-5,000	-10,000	
24.40 Unobligated balance available, end of year	10,000		
40.00 Budget authority (appropriation)	5,000		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		10,000	
90.00 Outlays		10,000	

These funds helped to defray the one-time only start-up costs of commuter service and other transition expenses connected with the transfer of rail commuter services from Conrail to other operators. In 1986, \$5 million was appropriated by transfer from UMTA research and development. In 1987, an additional \$5 million was appropriated to fund commuter rail and bridge improvements in the Philadelphia, Pennsylvania, region. No additional funds are requested in 1989.

【SETTLEMENTS OF RAILROAD LITIGATION】

【For the settlement of promissory notes pursuant to section 210(f) of the Regional Rail Reorganization Act of 1973 (Public Law 93-236), as amended, \$38,950,246, to be derived from the proceeds of settlements of railroad litigation, to remain available until expended.】 (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-0708-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0)	6,543		
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources		-38,951	
31.00 Redemption of debt		38,951	
39.00 Budget authority	6,543		
<b>Budget authority:</b>			
40.00 Appropriation	63,471		
40.47 Portion applied to debt reduction	-56,928		
43.00 Appropriation (adjusted)	6,543		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	6,543	-38,951	
90.00 Outlays	6,543	-38,951	

In 1981, the Government began valuation settlements with railroads for properties transferred to Conrail in 1976. Total settlements made through 1987 amount to \$2.8 billion.

PAYMENTS FOR PURCHASE OF CONRAIL SECURITIES

Status of Direct Loans (in thousands of dollars)

Identification code 69-0748-0-1-401	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	850,939		

1264 Adjustments: Other adjustments, net	-850,939		
1290 Outstanding, end of year			

<sup>1</sup> The Government's interest in Conrail debentures and preferred stock was canceled concurrent with the public offering.

These funds were provided for the U.S. Railway Association to purchase debentures and series A preferred stock issued by the Consolidated Rail Corporation which were transferred to the Department of Transportation on November 21, 1986.

The Department of Transportation sold in a public stock offering the Government's interest in Conrail, as mandated by the Conrail Privatization Act.

【NORTHEAST CORRIDOR IMPROVEMENT PROGRAM】

【(INCLUDING TRANSFER OF FUNDS)】

【For necessary expenses for improvements to the Communication and Signal Systems at locations between Wilmington, Delaware, and Boston, Massachusetts, on the Northeast Corridor main line and between Philadelphia, Pennsylvania, and Harrisburg, Pennsylvania, on the Harrisburg line; improvements to the Electric Traction System between Wilmington, Delaware, and Newark, New Jersey; installation of baggage rack restraints, seat back guards and seat lock devices on 348 passenger cars operating within the Northeast Corridor; installation of 44 event recorders and 10 electronic warning devices on locomotives operating within the Northeast Corridor; acquisition of cab signal test boxes and installation of 9 wayside loop code transmitters for use on the Northeast Corridor; North Philadelphia Station platform refurbishments, building renovations, and site improvements; and necessary mechanical, electrical, and structural repair work on the North Tunnel; \$26,600,000, together with \$950,000 to be derived from unobligated balances of "Airport access demonstration project", to remain available until expended.】 (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-0123-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Construction	18,513	37,670	
00.02 System engineering/program management and administration	25	439	
00.03 Public grade crossing elimination		4,660	
00.91 Total direct program	18,538	42,769	
01.01 Reimbursable program		1,950	
10.00 Total obligations	18,538	44,719	
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
13.00 Trust funds		-950	
14.00 Non-Federal sources	-602	-1,000	
17.00 Recovery of prior year obligations	-5,676		
21.40 Unobligated balance available, start of year	-11,467	-16,169	
24.40 Unobligated balance available, end of year	16,169		
40.00 Budget authority (appropriation)	16,962	26,600	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	17,936	42,769	
72.40 Obligated balance, start of year	216,543	133,690	108,704
74.40 Obligated balance, end of year	-133,690	-108,704	-63,194
78.00 Adjustments in unexpired accounts	-5,676		
90.00 Outlays	95,113	67,755	45,510

**Construction.**—No funds are requested for this program in 1989. At the end of 1985, responsibility for any additional construction on the Northeast Corridor was transferred to the National Railroad Passenger Corporation (Amtrak). However, obligations and outlays will continue on projects included in prior year appropriations.



**Reimbursable program.**—Collections are made from Federal and non-Federal agencies for cost-shared improvement projects, such as stations. In 1988, funds were transferred from unobligated balances of the Federal Highway Administration's airport access demonstration project to this appropriation.

**System engineering/program management and administration.**—In 1989, the primary effort will be to complete and audit a number of projects being closed out. At the end of 1985, all Northeast Corridor Improvement program work scope and responsibility was transferred to Amtrak.

**Public grade crossing elimination.**—No funds are requested for this program in 1989; however, obligations and outlays will continue on projects which were included in prior year appropriations.

Object Classification (in thousands of dollars)			
Identification code	1987 actual	1988 est.	1989 est.
FEDERAL RAILROAD ADMINISTRATION			
Direct obligations:			
25.0 Other services.....	18,497	36,716	
99.0 Reimbursable obligations: Federal Railroad Administration.....		1,950	
ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION			
25.0 Other services.....	41	6,053	
99.0 Subtotal obligations, Federal Highway Administration.....	41	6,053	
99.9 Total obligations.....	18,538	44,719	

**【GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION】**  
**【(INCLUDING TRANSFERS OF FUNDS)】**

【To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for operating losses incurred by the Corporation, capital improvements, and labor protection costs authorized by 45 U.S.C. 565, to remain available until expended, \$580,800,000: *Provided*, That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status: *Provided further*, That the Secretary shall make no commitments to guarantee new loans or loans for new purposes under 45 U.S.C. 602 in fiscal year 1988: *Provided further*, That the incurring of any obligation or commitment by the Corporation for the purchase of capital improvements prohibited by this Act or not expressly provided for in an appropriation Act shall be deemed a violation of 31 U.S.C. 1341: *Provided further*, That no funds are required to be expended or reserved for expenditure pursuant to 45 U.S.C. 601(e): *Provided further*, That none of the funds in this or any other Act shall be made available to finance the rehabilitation and other improvements (including upgrading track and the signal system, ensuring safety at public and private highway and pedestrian crossings by improving signals or eliminating such crossings, and the improvement of operational portions of stations related to intercity rail passenger service) on the main line track between Atlantic City, New Jersey, and the main line of the Northeast Corridor, unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Federal sources: *Provided further*, That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall not operate rail passenger service between Atlantic City, New Jersey, and the Northeast Corridor main line unless the Corporation's Board of Directors determines that revenues from such service have covered or exceeded 80 per centum of the short-term avoidable costs of operating such service in the first year of operation and 100 per centum of the

short term avoidable operating costs for each year thereafter: *Provided further*, That none of the funds provided in this or any other Act shall be made available to finance the acquisition and rehabilitation of a line, and construction necessary to facilitate improved rail passenger service, between Spuyten Duyvil, New York, and the main line of the Northeast Corridor unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Amtrak sources.】 (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)			
Identification code	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Operating grants.....	582,000	558,000	
00.02 Labor protection and capital grants.....	2,000	69,888	
10.00 Total obligations (object class 41.0).....	584,000	627,888	
Financing:			
21.40 Unobligated balance available, start of year.....	— 24,087	— 47,088	
22.40 Unobligated balance transferred, net.....	— 12,209		
24.40 Unobligated balance available, end of year.....	47,088		
40.00 Budget authority (appropriation).....	594,791	580,800	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	584,000	627,888	
72.40 Obligated balance, start of year.....	14,410	1,099	29,227
74.40 Obligated balance, end of year.....	— 1,099	— 29,227	— 187
90.00 Outlays.....	597,311	599,760	29,040

The National Railroad Passenger Corporation (Amtrak) is a private corporation. In past years, Federal funds were provided to sustain Amtrak operations. No funds are requested in 1989. The President's Privatization Commission is considering proposals for the privatization of Amtrak, including the possible sale of Amtrak's assets to the private sector or other interested parties.

**Operating grants and State assisted routes.**—No funds are requested in 1989 because Amtrak's performance to date has failed to justify continued massive Federal subsidies of interstate, commuter, and state-assisted rail passenger service.

**Labor protection and capital grants.**—No funds are requested in 1989. Labor protection payments, insofar as they exist, are a responsibility of the corporation.

**Public enterprise funds:**

ALASKA RAILROAD REVOLVING FUND			
Program and Financing (in thousands of dollars)			
Identification code	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance.....	3,743	600	
74.98 Obligated balance, end of year: Fund balance.....	— 600		
90.00 Outlays.....	3,143	600	

The Alaska Railroad was operated by the Federal Government under the Act of March 12, 1914 (38 Stat. 305).

The Alaska Transfer Act of 1982 authorized transfer of the Alaska Railroad to the State of Alaska. The transfer was accomplished January 5, 1985.

Public enterprise funds—Continued

REGIONAL RAIL REORGANIZATION PROGRAM

Program and Financing (in thousands of dollars)

Identification code 69-4100-0-3-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0)	15,033	2,774	540
<b>Financing:</b>			
67.10 Authority to borrow (permanent, indefinite)	15,033	2,774	540
Relation of obligations to outlays:			
71.00 Obligations incurred, net	15,033	2,774	540
90.00 Outlays	15,033	2,774	540

Status of Direct Loans (in thousands of dollars)

Identification code 69-4100-0-3-401	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	88,826		
1264 Adjustments: Other adjustments, net	-88,826		
1290 Outstanding, end of year			

The United States Railway Association was authorized by the Regional Rail Reorganization Act, as amended, to borrow funds and make loans to certain railroads. These borrowings were guaranteed by the Secretary of Transportation and are limited to an aggregate of outstanding obligations of \$395 million. Outstanding loans payable were transferred to the Department of Transportation on January 1, 1987. No new loans will be made in 1988 or 1989.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue	722		
Expense	5,022		
Net income or loss (-) for the year	-4,300		

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Loans receivable (net)	833	728		
Accrued interest receivable (net)	17,167	17,994		
Notes receivable	20,246	20,246		
Total assets	38,246	38,968		
<b>Liabilities:</b>				
Borrowing from the Federal Financing Bank (principal and capitalized interest)				
	83,804			
Total liabilities	83,804			
<b>Government equity:</b>				
Retained earnings or deficit (-)	-45,558	38,968		
Total Government equity	-45,558	-38,968		

Note.—\$88,826 thousand liability to the FFB was repaid on September 30, 1987. Settlements with Central Jersey Industries and the Reading Railroad liquidated the outstanding accrued interest and notes receivable.

RAILROAD REHABILITATION AND IMPROVEMENT FINANCING FUNDS

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the

guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided*, That no new loan guarantee commitments shall be made during fiscal year [1988: *Provided further*, That, notwithstanding any other provision of law, the Secretary of Transportation shall sell all securities or promissory notes held by the Department of Transportation under authority of sections 502, 505-507, 509, and 511-513 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended: *Provided further*, That such securities or promissory notes authorized to be sold in the immediately preceding proviso shall be sold only for amounts greater than or equal to the net present value to the Government of each loan as determined by the Secretary of Transportation in consultation with the Secretary of the Treasury: *Provided further*, That the Secretary of Transportation shall transmit a written certification to the Committees on Appropriations of the Senate and House of Representatives for approval before the consummation of each sale certifying that the amount to be realized is equal to or greater than the net present value to the Government of each loan: *Provided further*, That, notwithstanding any other provision of law, all amounts realized from the sale of notes or securities sold under authority of this section shall be considered as domestic discretionary outlay offsets and not as "asset sales" or "loan prepayments" as defined by section 257(12) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended] 1989: *Provided further*, That, to the extent possible, compensation to be paid to financial advisors for technical support in the sale of securities or promissory notes shall be paid as necessary from receipts resulting from investigation fees and premium charges, or as necessary from the proceeds of the loan sales: *Provided further*: That any underwriting fees and related expenses shall be derived solely from the proceeds of the sales. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-4411-0-3-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Loan repayments	540	928	898
00.02 Loan guarantee default	1,551		
00.03 Direct loans	1,800	1,000	
00.04 Redeemable preference shares	5,960	17,599	
10.00 Total obligations (object class 33.0)	11,720	19,527	898
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-10	-10	-10
Non-Federal sources:			
14.00 Fees and repayments	-653	-1,036	-997
14.00 Sale of assets		-205,000	-120,000
Unobligated balance available, start of year:			
21.47 Authority to borrow	-32,059	-17,599	
21.98 U.S. securities (par)	-125	-188	-311
21.98 Fund balance	18,827	-5	
22.47 Unobligated balance transferred, net: Authority to borrow	5,000		
Unobligated balance available, end of year:			
24.47 Authority to borrow	17,599		
24.98 U.S. securities (par)	188	311	420
24.98 Fund balance	5		
25.00 Unobligated balance lapsing		205,000	120,000
39.00 Budget authority	20,492	1,000	
Budget authority:			
Current:			
47.00 Authority to borrow	13,002		
Permanent:			
67.10 Authority to borrow (permanent, indefinite)	7,490	1,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	11,057	-186,519	-120,109
72.47 Obligated balance, start of year: Authority to borrow	33,919	45,790	56,195
74.47 Obligated balance, end of year: Authority to borrow	-45,790	-56,195	-59,130
77.00 Adjustments in expired accounts	12,923		
90.00 Outlays	12,109	-196,924	-123,044

Status of Direct Loans (in thousands of dollars)

Identification code 69-4411-0-3-401	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	634,372	637,702	285,464
<b>Disbursements:</b>			
1231 Disbursements: Direct loan disbursements .....	2,319	17,690	14,810
1232 Disbursements for guaranteed loan claims .....	1,551		
<b>Repayments:</b>			
1251 Repayments and prepayments .....	-540	-928	-898
1253 Proceeds from loan asset sales to the public .....		-205,000	-120,000
1264 Adjustments: Other adjustments, net <sup>1</sup> .....		-164,000	-45,200
1290 Outstanding, end of year .....	637,702	285,464	134,176
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....	7.0	7.0	7.0
1330 Subsidy amount (in thousands of dollars) .....	162	1,238	1,037

<sup>1</sup> Reflects the discount from face value on sale of loan assets to the public.

No new commitments for the redeemable preference shares and loan guarantee programs will be made in 1988; however, outlays will continue on projects which were included in prior year appropriations. This account now reflects direct loans which were previously shown under the Federal Financing Bank (FFB) direct loan account. The account reflects receipts of \$205 million in 1988 and \$120 million in 1989 resulting from the sale of redeemable preferences shares to the private sector.

**Loan repayments.**—This program reflects repayments of principal and interest on outstanding borrowings by the railroads to the Federal Financing Bank (FFB).

**Loan guarantee defaults.**—This program reflects public debt authority incurred in 1987 associated with a prepayment of a section 511 loan guarantee with Milwaukee Road, Inc.

**Direct loans.**—This program provides direct loans that are disbursed by the Federal Financing Bank to private freight railroad companies that are guaranteed by the Federal Railroad Administration, as authorized by sections 511-513 of Public Law 94-210. The budget authority for this account reflects draw downs by the railroads on the direct loans.

URBAN MASS TRANSPORTATION  
ADMINISTRATION

The underlying policy principle in the development of the 1989 budget is that greater funding at the local level and greater participation by the private sector can and will reduce public costs in providing for the mass transportation needs of American citizens. Greater private sector participation in capital infrastructure development through direct private investment or public/private joint ventures in new rail systems, rail extensions, and station modernization will greatly reduce reliance on Federal capital assistance. Also, the introduction of greater competition through competitive bidding of service and maintenance will significantly reduce operating costs and the need for Federal subsidies.

In 1989 the administration will propose legislation to limit mass transit funding to the level of receipts provided by the one cent per gallon of the motor fuel tax dedicated to mass transit. These grants would be distributed by formula to States and large urban areas for their use on local transit projects. The legislation will

recommend an immediate end to discretionary grant funding used to build new or expand current transit systems. The proposed changes in Federal mass transit funding reflect the view that support of essentially local activities is not an appropriate Federal role.

The following tables depict budget authority and program levels for all Urban Mass Transportation programs for which more detail is furnished in the budget schedules:

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
<b>Budget authority:</b>			
Administrative expenses .....	31,000	31,882	
Research, training, and human resources .....	17,400	12,217	
Interstate transfer grants—transit .....	200,000	123,500	
Washington Metro .....	201,120	180,500	128,000
Formula grants .....	2,000,000	1,736,453	
Formula transit grants (trust fund) .....			1,394,000
Discretionary grants (trust fund) .....	1,097,000	1,200,000	
<b>Total, budget authority .....</b>	<b>3,546,520</b>	<b>3,284,552</b>	<b>1,522,000</b>
<b>Program level:</b>			
Miscellaneous accounts .....	-5,784	1	
Administrative expenses .....	30,763	31,882	
Research, training, and human resources .....	20,552	18,979	
Interstate transfer grants—transit .....	197,435	189,855	
Washington Metro .....	201,101	180,519	128,000
Formula grants .....	2,235,282	1,810,000	774,114
Formula transit grants (trust fund) .....			1,394,000
Discretionary grants (trust fund) .....	754,960	1,938,404	
<b>Total, program level .....</b>	<b>3,434,309</b>	<b>4,169,640</b>	<b>2,296,114</b>

Federal Funds

General and special funds:

[ADMINISTRATIVE EXPENSES]

[For necessary administrative expenses of the urban mass transportation program authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), and 23 U.S.C. chapter 1, in connection with these activities, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, \$31,882,000, of which not to exceed \$600,000 shall be available for the Office of the Administrator.] (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-1120-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program .....	30,719	31,882	
00.02 Reimbursable program .....	44		
10.00 Total obligations .....	30,763	31,882	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-44		
22.40 Unobligated balance transferred, net .....	-300		
25.00 Unobligated balance lapsing .....	581		
40.00 Budget authority (appropriation) .....	31,000	31,882	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	30,719	31,882	
72.40 Obligated balance, start of year .....	2,499	3,812	3,200
74.40 Obligated balance, end of year .....	-3,812	-3,200	
77.00 Adjustments in expired accounts .....	-368		
90.00 Outlays .....	29,037	32,494	3,200

Note.—Excludes \$32,500 thousand in 1989 for activities proposed to be funded within Formula Transit Grants (trust fund)

Through 1988, this appropriation finances, with general revenues from the Treasury, personnel and other support costs associated with managing and directing UMTA program responsibilities including executive di-

General and special funds—Continued

【ADMINISTRATIVE EXPENSES】—Continued

rection, policy, budget, financial management, civil rights, public affairs, legal, grants delivery and management, technical assistance, and research and demonstration support. No appropriation is requested from general funds in 1989 to fund this program. Rather in 1989, it is proposed that funds from the Mass Transit Account of the Highway Trust Fund be made available to finance this program. This proposal is further explained under the account heading Formula Transit Grants (trust fund).

Object Classification (in thousands of dollars)

Identification code	69-1120-0-1-401	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	18,223	18,523	
11.3	Other than full-time permanent	593	560	
11.5	Other personnel compensation	317	373	
11.9	Total personnel compensation	19,133	19,456	
12.1	Civilian personnel benefits	2,117	3,195	
13.0	Benefits for former personnel	3	30	
21.0	Travel and transportation of persons	583	500	
22.0	Transportation of things	15	15	
23.1	Rental payments to GSA	2,473	2,473	
23.2	Rental payments to others	85	90	
23.3	Communications, utilities, and miscellaneous charges	950	919	
24.0	Printing and reproduction	169	198	
25.0	Other services	4,349	4,571	
26.0	Supplies and materials	166	178	
31.0	Equipment	721	256	
43.0	Interest and dividends		1	
99.9	Total obligations	30,763	31,882	

Personnel Summary

Total number of full-time permanent positions	455	443
Total compensable workyears:		
Full-time equivalent employment	468	456
Full-time equivalent of overtime and holiday hours	2	3

【RESEARCH, TRAINING, AND HUMAN RESOURCES】

【For necessary expenses for research, training, and human resources as authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), to remain available until expended, \$12,217,000: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for training.】 (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	69-1121-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program	20,369	18,979	
01.01	Reimbursable program	183		
10.00	Total obligations	20,552	18,979	
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	—183		
17.00	Recovery of prior year obligations	—2,005		
21.40	Unobligated balance available, start of year	—8,026	—6,762	
22.40	Unobligated balance transferred, net	300		
24.40	Unobligated balance available, end of year	6,762		
40.00	Budget authority (appropriation)	17,400	12,217	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	20,369	18,979	
72.40	Obligated balance, start of year	52,612	49,311	47,625

74.40	Obligated balance, end of year	—49,311	—47,625	—31,682
78.00	Adjustments in unexpired accounts	—2,005		
90.00	Outlays	21,666	20,665	15,943

Note.—Excludes \$10,000 thousand in 1989 for activities proposed to be funded within Formula Transit Grants (trust fund)

Through 1988 this appropriation finances, with general revenues from the Treasury, grants and contracts for the purpose of developing, testing, and demonstrating techniques and methods (analytical, operational, and managerial) and of improving the cost effectiveness and efficiency of mass transportation services; grants to public bodies to provide for advanced training for personnel in the mass transportation field; and grants to public and private nonprofit institutions to assist in establishing or continuing programs that combine professional training and research in the field of mass transportation. Funding will continue to be provided for the Entrepreneurial and Suburban Mobility programs. In addition, grants are provided to enhance the utilization of human resources and to ensure the participation of minority business enterprises in the transit industry. In 1989, it is proposed that funds from the Mass Transit Account of the Highway Trust Fund be made available to finance this program. It will be subject to the obligation limitation for the new Formula Transit Grants Program.

Object Classification (in thousands of dollars)

Identification code	69-1121-0-1-401	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
25.0	Other services	16,218	16,579	
41.0	Grants, subsidies, and contributions	4,151	2,400	
99.0	Subtotal, direct obligations	20,369	18,979	
99.0	Reimbursable obligations	183		
99.9	Total obligations	20,552	18,979	

【INTERSTATE TRANSFER GRANTS—TRANSIT】

【For necessary expenses to carry out the provisions of 23 U.S.C. 103(e)(4) related to transit projects, \$123,500,000, to remain available until expended.】 (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	69-1127-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	197,435	189,855	
<b>Financing:</b>				
17.00	Recovery of prior year obligations	—1,913		
21.40	Unobligated balance available, start of year	—67,787	—66,355	
24.40	Unobligated balance available, end of year	66,355		
25.00	Unobligated balance lapsing	5,910		
40.00	Budget authority (appropriation)	200,000	123,500	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	197,435	189,855	
72.40	Obligated balance, start of year	653,421	584,874	536,204
74.40	Obligated balance, end of year	—584,874	—536,204	—350,329
78.00	Adjustments in unexpired accounts	—1,913		
90.00	Outlays	264,069	238,525	185,875

Grants under this activity are authorized by the Federal-Aid Highway Act of 1973 as amended (23 U.S.C. 103(e)(4)) whereby States and localities may withdraw

previously approved segments of the Interstate System and substitute transit or other highway capital projects. Through 1988, this appropriation provided funding for substituted transit projects while funding for substituted highway projects was included in the budget of the Federal Highway Administration. Beginning in 1989, no funding is requested under this account. Eligible substituted transit project commitments are proposed to be funded through the Interstate Transfer program under the Federal-Aid Highways Account (Trust Fund), administered by the Federal Highway Administration.

WASHINGTON METRO

For necessary expenses to carry out the provisions of section 14 of Public Law 96-184, **[\$180,500,000]** \$128,000,000, to remain available until expended. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-1128-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	201,101	180,519	128,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-19	
24.40 Unobligated balance available, end of year	19		
40.00 <b>Budget authority (appropriation)</b>	<b>201,120</b>	<b>180,500</b>	<b>128,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	201,101	180,519	128,000
72.40 Obligated balance, start of year	749,939	800,775	822,269
74.40 Obligated balance, end of year	-800,775	-822,269	-785,819
90.00 <b>Outlays</b>	<b>150,265</b>	<b>159,025</b>	<b>164,450</b>

The National Capital Transportation Amendments of 1979 authorized \$1.7 billion in Federal funds for the construction of the Federal portion of the Washington Metrorail system. Through 1988, \$1,338.8 million has been appropriated, leaving a balance of \$361.2 million under the original Stark-Harris authorization. An appropriation of \$128 million is requested for 1989 to complete construction of 89.5 miles, the Federal commitment under the 1986 full funding agreement. The Washington Metropolitan Area Transit Authority needs to initiate a dedicated source of local funding to become independent of Federal funding. Through fiscal year 1989, including other appropriations as well as this one, the Federal government will have made available a total of \$7.36 billion for the Washington Metro system, far more than for the construction of any other new mass transit system.

**[FORMULA GRANTS]**

[For necessary expenses to carry out the provisions of sections 9 and 18 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), \$1,731,703,000, together with \$4,750,000 to carry out the provisions of section 18(h) of the Urban Mass Transportation Act as amended, to remain available until expended: *Provided*, That notwithstanding any other provision of law, before apportionment of these funds, \$12,350,000 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended: *Provided further*, That, notwithstanding any other provision of law, of the funds provided under this Act for formula grants, no more than \$804,691,892 may be used for operating assistance under section 9(k)(2) of the Urban Mass Transportation Act of 1964, as amended.] (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-1129-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Urban formula grants	2,153,774	1,740,611	741,220
00.02 Nonurban formula grants	81,508	64,639	32,894
00.03 Rural transportation assistance		4,750	
10.00 Total obligations (object class 41.0)	2,235,282	1,810,000	774,114
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-135,350		
21.40 Unobligated balance available, start of year	-970,234	-847,661	-774,114
24.40 Unobligated balance available, end of year	847,661	774,114	
25.00 Unobligated balance lapsing	22,642		
40.00 <b>Budget authority (appropriation)</b>	<b>2,000,000</b>	<b>1,736,453</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,235,282	1,810,000	774,114
72.40 Obligated balance, start of year	4,178,674	4,456,780	4,136,200
74.40 Obligated balance, end of year	-4,456,780	-4,136,200	-3,299,739
78.00 Adjustments in unexpired accounts	-135,350		
90.00 <b>Outlays</b>	<b>1,821,826</b>	<b>2,130,580</b>	<b>1,610,575</b>

Through 1988, this program provided grants on the basis of statutory formulas to State and local agencies for mass transportation capital and operating expenses. Capital expenses included construction, acquisition, modernization, and improvement of existing transit facilities and equipment, employment of new technology, and technical planning assistance. Operating assistance expenses included administration, maintenance and operation of transit systems.

No appropriations are requested under this heading in 1989. Rather, it is proposed that formula grants be funded from the Mass Transit Account of the Highway Trust Fund. This proposal is further explained below under the account heading Formula Transit Grants (trust fund).

MISCELLANEOUS ACCOUNTS

Program and Financing (in thousands of dollars)

Identification code 69-9913-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Waterborne and commuter rail		1	
10.00 Total obligations (object class 41.0)		1	
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-5,785		
21.40 Unobligated balance available, start of year		-1	
24.40 Unobligated balance available, end of year	1		
25.00 Unobligated balance lapsing	5,784		
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		1	
72.40 Obligated balance, start of year	1,028,889	678,079	478,080
74.40 Obligated balance, end of year	-678,079	-478,080	-278,080
78.00 Adjustments in unexpired accounts	-5,785		
90.00 <b>Outlays</b>	<b>345,026</b>	<b>200,000</b>	<b>200,000</b>

Status of Direct Loans (in thousands of dollars)

Identification code 69-9913-0-1-401	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year		535	535

General and special funds—Continued

MISCELLANEOUS ACCOUNTS—Continued

Status of Direct Loans (in thousands of dollars)—Continued

Identification code	69-9913-0-1-401	1987 actual	1988 est.	1989 est.
1262	Adjustments: Write-offs for default .....		— 535	
1290	Outstanding, end of year .....	535		

Status of Guaranteed Loans (in thousands of dollars)

Identification code	69-9913-0-1-401	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	997,000	997,000	997,000
2290	Outstanding, end of year .....	997,000	997,000	997,000

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	997,000	997,000	997,000
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These schedules display programs that no longer require appropriations and thus reflects obligations and outlays made under prior year appropriations. Among these programs is the general funded appropriation for Discretionary Grants for 1983 and earlier years.

The schedules also show the Federal Government's guarantee of bonds sold to support construction of the Washington Metrorail system.

Trust Funds

FORMULA TRANSIT GRANTS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	69-8099-2-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Urban formula capital grants .....			1,054,500
00.02	Small urban operating grants .....			160,000
00.03	Non-Urban grants .....			67,000
00.04	Research training and human resources .....			10,000
00.05	Administrative expenses .....			32,500
00.06	Elderly and handicapped .....			35,000
00.07	Planning .....			35,000
10.00	Total obligations .....			1,394,000
<b>Financing:</b>				
39.00	Budget authority .....			1,394,000
Budget authority:				
40.00	Appropriation .....			500,000
40.49	Portion applied to liquidate contract authority .....			— 500,000
43.00	Appropriation (adjusted) .....			
49.10	Contract authority (substantive law) .....			1,394,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			1,394,000
74.40	Obligated balance, end of year .....			— 87,000
74.49	Obligated balance, end of year .....			— 894,000
90.00	Outlays .....			413,000

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code	69-8099-2-7-401	1987 actual	1988 est.	1989 est.
	Unfunded balance, start of year .....			
	Contract authority .....			1,394,000

Appropriation to liquidate contract authority .....			500,000
Unfunded balance end of year .....			894,000

For 1989, legislation will be proposed to amend section 21 of the Urban Mass Transportation Act of 1964 to provide that funds available in the Mass Transit Account be allocated on the basis of legislative formulas to State and local agencies for mass transit capital investments rather than on a discretionary basis. This new Formula Transit Grants program will also replace the Formula Grants program which is currently funded from general funds, and will require a 50 percent local match on Federal funds.

The specific activities to be funded are:

*Urban formula capital grants.*—Funding is proposed to be allocated on the basis of legislative formulas for mass transportation capital activities in urbanized areas with populations of 50 thousand or more.

*Small urban operating grants.*—The legislative proposal will also provide that only small urban and non-urban areas may use funds for operating assistance. These areas are the most dependent upon Federal operating assistance. The amounts available for small urban operating assistance will be approximately \$160 million.

Since benefits derived from mass transit accrue primarily to localities, and in light of the mounting pressure on the Federal deficit, it is appropriate to reduce the Federal role to one of managing and allocating the penny gas tax for transit. Since this transit tax is collected nationally, it is also appropriate that it be allocated nationally so that, to the greatest degree possible, all payers of this tax may receive equitable benefits.

An obligation limitation of \$1.394 billion, in line with the projected receipts from the one penny per gallon motor fuel tax for mass transit over the 5-year authorization period, will be proposed for 1989. The budget and proposed legislation would set average budget authority for the transit trust fund programs equal to average annual revenue from transit's one-cent share of motor fuel taxes for fiscal years 1987-91.

*Non-urban grants.*—Funding is proposed to be allocated to States by a legislative formula for mass transportation capital and operating activities in nonurbanized areas with populations below 50 thousand. In addition to the amount of funds made available by the formula, non-urban areas will receive an additional \$30 million in recognition of their greater dependence of Federal assistance.

*Research, training and human resources.*—Up to \$10 million in funds from the Mass Transit Account is requested to be made available to fund the Research, Training and Human Resources program. Prior to 1989, funding this program was derived from general fund revenues. Areas of emphasis in 1989 will include private sector transit alternatives, transit safety and security, operations and management practices, financial management, necessary project management oversight, and human resources.

*Administrative expenses.*—It is also requested in 1989 that \$32.5 million in funds from the Mass Transit Account be made available to fund the necessary expenses for the administration and operation of the UMTA program. This appropriation will finance personnel and

other support costs associated with managing and directing UMTA program responsibilities. Prior to 1989, funding for the Administrative Expenses program was derived from general fund revenues. Cost savings in the Administrative Expenses account from 1988 to 1989 results primarily from a planned reduction of 40 work-years, consistent with termination of selected mass transit programs.

**Elderly and handicapped.**—The Urban Mass Transportation Act of 1964, as amended, requires that special efforts be made in planning and design of mass transportation facilities and services so that elderly and handicapped persons are assured of mass transportation services. This request for \$35 million will provide equipment and facilities needed to enhance transit mobility for elderly and handicapped persons through private, non-profit providers. The 16(b)(2) program is administered at the State level by designated State agencies.

**Planning.**—This program provides \$35 million to finance section 8 transit planning and technical studies.

The status of the Mass Transit Account is as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Unexpended balance, start of year:	3,286,877	4,202,056	5,030,181
Cash income during the year, Governmental receipts:			
Motor fuel taxes	1,238,858	1,219,000	1,276,000
Interest on investments	343,855	362,400	415,000
Total annual income	1,582,713	1,581,400	1,691,000
Cash outgo during the year (liquidation of contract authorization):			
Discretionary grants	667,534	753,275	762,705
Formula transit grants			413,000
Subtotal	667,534	753,275	1,175,705
Unexpended balance, end of year	4,202,056	5,030,181	5,545,476

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
69-8099-2-7-401			
Personnel compensation:			
11.1 Full-time permanent			18,848
11.3 Other than full-time permanent			339
11.5 Other personnel compensation			379
11.9 Total personnel compensation			19,566
12.1 Civilian personnel benefits			3,293
13.0 Benefits for former personnel			30
21.0 Travel and transportation of persons			550
22.0 Transportation of things			77
23.1 Rental payments to GSA			2,806
23.2 Rental payments to others			95
23.3 Communications, utilities, and miscellaneous charges			992
24.0 Printing and reproduction			217
25.0 Other services			12,303
26.0 Supplies and materials			163
31.0 Equipment			407
41.0 Grants, subsidies, and contributions			1,353,500
43.0 Interest and dividends			1
99.9 Total obligations			1,394,000

**Personnel Summary**

Total number of full-time permanent positions	400
Total compensable workyears:	
Full-time equivalent employment	428
Full-time equivalent of overtime and holiday hours	3

**DISCRETIONARY GRANTS**

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs in excess of **[\$1,130,500,000]** \$1,250,000,000, in fiscal year 1989 for grants under the contract authority authorized in section 21(a)(2) and (b) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.). (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**[MASS TRANSIT CAPITAL FUND]**

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out section 21(a)(2) and (b) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), administered by the Urban Mass Transportation Administration, **[\$1,100,000,000]** \$400,000,000, to be derived from the Highway Trust Fund and to remain available until expended. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
69-8191-0-7-401			
<b>Program by activities:</b>			
00.01 Discretionary grants	754,903	1,873,154	1,125,000
00.02 Formula grants	2	65,250	125,000
00.03 Reimbursable program	55		
10.00 Total obligations (object class 41.0)	754,960	1,938,404	1,250,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-55		
17.00 Recovery of prior year obligations	-39,771		
21.49 Unobligated balance available, start of year:			
Contract authority	-426,038	-807,904	-69,500
24.49 Unobligated balance available, end of year: Contract authority	807,904	69,500	69,500
39.00 <b>Budget authority</b>	<b>1,097,000</b>	<b>1,200,000</b>	<b>1,250,000</b>
<b>Budget authority:</b>			
Current:			
40.00 Appropriation	1,100,000	1,100,000	400,000
40.49 Portion applied to liquidate contract authority	-1,100,000	-1,100,000	-400,000
43.00 <b>Appropriation (adjusted)</b>			
Permanent:			
69.10 <b>Contract authority (Public Law 100-17)</b>	<b>1,097,000</b>	<b>1,200,000</b>	<b>1,250,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	754,905	1,938,404	1,250,000
Obligated balance, start of year:			
72.40 Appropriation	146,112	578,578	925,303
72.49 Contract authority	2,233,661	1,848,796	2,687,200
Obligated balance, end of year:			
74.40 Appropriation	-578,578	-925,303	-458,192
74.49 Contract authority	-1,848,796	-2,687,200	-3,537,200
78.00 Adjustments in unexpired accounts	-39,771		
90.00 <b>Outlays</b>	<b>667,534</b>	<b>753,275</b>	<b>867,111</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority	1,097,000	1,200,000	1,250,000
Outlays	667,534	753,275	867,111
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			-1,250,000
Outlays			-104,406
<b>Total:</b>			
Budget authority	1,097,000	1,200,000	
Outlays	667,534	753,275	762,705

**【MASS TRANSIT CAPITAL FUND】—Continued**  
**(LIQUIDATION OF CONTRACT AUTHORIZATION) —Continued**  
**(HIGHWAY TRUST FUND) —Continued**

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 69-8191-0-7-401	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....	2,659,700	2,656,700	2,756,700
Contract authority.....	1,097,000	1,200,000	1,250,000
Contract authority legislative proposal.....			-1,250,000
Appropriation to liquidate contract authority.....	-1,100,000	-1,100,000	-400,000
Unfunded balance, end of year.....	2,656,700	2,756,700	2,356,700

Since 1984, funding in this account has been allocated for capital mass transit projects under Discretionary Grants, which provided additional financial assistance over and above the Section 9 and 18 Formula Grants programs.

The funding has provided financial assistance at the discretion of the Secretary (though often directed by Congress) for planning and capital investments in mass transportation. The Discretionary Grants program has been used to fund selected bus projects, rail modernization projects, and new subway and light rail systems. In addition, a small amount of discretionary funds were used for selected grants to support planning, innovative techniques, and special elderly and handicapped transportation services. In 1989, legislation will be proposed to eliminate this program. These schedules reflect the program under the current authorization. This proposal is further explained under the account heading Formula Transit Grants (trust fund).

**DISCRETIONARY GRANTS**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 69-8191-2-7-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Discretionary grants.....			-1,125,000
00.02 Formula grants.....			-125,000
10.00 Total obligations (object class 41.0).....			-1,250,000
<b>Financing:</b>			
49.10 Contract authority (P.L. 100-17).....			-1,250,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-1,250,000
74.40 Obligated balance, end of year: appropriation.....			-104,406
74.49 Obligated balance, end of year: Contract authority.....			1,250,000
90.00 Outlays.....			-104,406

In 1989, legislation will be proposed to eliminate the Discretionary Grants program. In its place, a new formula grant program under the heading Formula Transit Grants is being proposed to ensure that resources from the nationally derived motor fuel tax will be more fairly allocated on the basis of legislative formulas.

Currently the Discretionary Grant program uses trust funds from transit's share of the gasoline tax. Over 80 percent of these funds benefit fewer than 20 cities. Moreover, continued Federal funding under the Discretionary Grants account for major new fixed guideway investments, or new starts, results in the development of many inefficient, expensive transit sys-

tems that will cost more to operate than other available transportation alternatives.

**FEDERAL AVIATION ADMINISTRATION**

The following table depicts the funding for all Federal Aviation Administration programs, for which more detail is furnished in the budget schedules:

	[In millions of dollars]		
	1987 actual	1988 est.	1989 est.
<b>Budget authority:</b>			
Operations.....	2,924	3,150	3,445
Trust fund.....	(621)	(827)	(1,478)
Headquarters administration.....	35	36	37
Metropolitan Washington airports.....	23		
Grants-in-aid for airports (trust).....	869	1,700	1,700
Facilities and equipment (trust).....	805	1,108	1,600
Research, engineering, and development (trust).....	142	153	155
Aircraft purchase loan guarantee program.....			
Total net.....	4,798	6,147	6,937
<b>Program level:</b>			
Operations.....	2,908	3,166	3,445
Trust fund.....	(622)	(827)	(1,478)
Headquarters administration.....	35	36	37
Facilities, engineering, and development.....		1	
Metropolitan Washington airports.....	27		
Grants-in-aid for airports (trust).....	1,050	1,269	1,200
Facilities and equipment (trust).....	992	912	1,254
Research, engineering, and development (trust).....	158	156	155
Aviation insurance revolving fund.....	-1	-3	-3
Aircraft purchase loan guarantee program.....			
Total net.....	5,170	5,536	6,088
<b>Outlays:</b>			
Operations.....	2,838	3,120	3,415
Trust fund.....	(622)	(827)	(1,479)
Headquarters administration.....	40	39	39
Facilities, engineering, and development.....	1	3	
Metropolitan Washington airports.....	38		
Grants-in-aid for airports (trust).....	917	979	1,110
Facilities and equipment (trust).....	892	987	1,073
Research, engineering, and development (trust).....	170	186	166
Aviation insurance revolving fund.....	-1	-3	-3
Aircraft purchase loan guarantee program.....			
Total net.....	4,895	5,311	5,801

**Federal Funds**

**General and special funds:**

**OPERATIONS**

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development, and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act, as amended, or other provisions of law authorizing the obligation of funds for similar programs of airport and airway development or improvement, purchase of four passenger motor vehicles for replacement only, **【\$3,148,520,000】 \$3,444,000,000**, of which **【not to exceed \$825,955,000】 \$1,477,500,000**, shall be derived from the Airport and Airway Trust Fund, notwithstanding section 506(c)(3) of the Airport and Airway Improvement Act of 1982, as amended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities: *Provided further*, That none of these funds shall be available for new applicants for the second career training program **【or for a pilot test of contractor maintenance: *Provided further*, That the immediately preceding proviso shall not prohibit the augmentation of the existing field maintenance work force if it is determined to be essential for the safe operation of the air traffic control system】**: *Provided further*, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, **【1987】 1988**" and inserting "December 31, **【1988】 1989**" in lieu



thereof: *Provided further*, That section 8344(h) of title V, United States Code, is amended by striking “[April 1] December 31, 1986” in paragraph (2) and inserting “December 31, [1986] 1987” in lieu thereof: *Provided further*, That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed [“\$9,700,000”] \$10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, [1988] 1989, for the purpose of funding such employment: *Provided further*, That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code 69-1301-0-1-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	1,308,862	1,410,900	1,530,396
00.02	177,101	183,560	202,327
00.03	588,311	637,414	688,792
00.04	210,096	242,933	257,876
00.05	302,817	333,942	378,179
00.06	10,062	9,487	9,736
00.07	28,324	30,180	32,558
00.08	81,517	79,673	87,636
00.09	202,039	235,974	256,500
00.91	2,909,129	3,164,063	3,444,000
01.01	32,767	45,500	45,500
10.00	2,941,896	3,209,563	3,489,500
<b>Financing:</b>			
Offsetting collections from:			
11.00	-23,587	-36,400	-36,400
13.00	-622,418	-825,955	-1,477,500
14.00	-10,000	-9,100	-9,100
21.40	-1,850	-15,543	
22.40	-1,750		
24.40	15,543		
25.00	4,998		
39.00	2,302,832	2,322,565	1,966,500
<b>Budget authority:</b>			
40.00	2,279,213	2,322,565	1,966,500
42.00	23,619		
43.00	2,302,832	2,322,565	1,966,500
<b>Relation of obligations to outlays:</b>			
71.00	2,285,890	2,338,108	1,966,500
72.40	303,996	360,460	404,964
74.40	-360,460	-404,964	-435,059
77.00	-14,092		
90.00	2,215,334	2,293,604	1,936,405

*Operation of traffic control system.*—This activity covers the operation of a national system of air traffic management in the United States, its territories and possessions on a 24-hour basis. With the aid of radar, communications, and other facilities, traffic management personnel at 24 centers monitor and control en route flights of civil and military aircraft conducted under instrument conditions to assure safety and to expedite the flow of traffic. Terminal control facilities are operated at major civil airports to guide traffic movements at and in the vicinity of the airports. A system of flight service stations provides weather and aeronautical information to pilots, processes flight plans and provides inflight advisory and emergency services.

*Installation and materiel services.*—This activity covers procurement, contracting and materiel management programs; supply support for the National Air-

space System (NAS) and agency aircraft, except for aircraft related to the research and development program; leased space for which payment is made to General Services Administration (GSA); and other logistics support functions.

*Maintenance of traffic control system.*—This activity covers direction and engineering services related to the maintenance, improvement, and modification of facilities and equipment in the traffic control system as well as technical operation and maintenance of a national network of air navigation aids and traffic control facilities in the United States, and its territories and possessions.

*Leased telecommunications services.*—This activity finances the non-capital costs of FAA’s operational telecommunications system. This system, which currently includes over 23,000 voice and data communications circuits, consists of three major components: en route, terminal, and flight service stations. Under this activity, funds are provided for leased circuits and equipment, as well as end-to-end communications between FAA facilities and service affording public access to FAA facilities, and administrative communications services provided through the Federal Telecommunications Systems (FTS).

*Administration of aviation standards program.*—This activity exists to promote flight safety of civil aviation by assuring: the airworthiness of aircraft; the competence of pilots, aviators and aviator technicians; the adequacy of flight procedures and air operations; and the evaluation of inflight facility performance for compliance with prescribed standards. In addition, this activity covers the safe operation and the effective development, utilization, and maintenance of the FAA’s aircraft fleet. Resources are also included under this activity for the conduct of the Federal Government’s civil aviation security program, and to ensure the medical fitness of personnel in the national airspace system.

*Development direction.*—This activity covers the planning, direction, and evaluation of the engineering and development program, the direct project costs of which are financed under the Research, engineering and development appropriation.

*Administration of airports program.*—This activity includes the following work programs: (1) administration of an airport grant program for airport planning and development; (2) maintenance of the national plan of integrated airport systems; (3) development and application of airport engineering and safety standards; (4) collection, processing, and dissemination of airport data; (5) safety certification of airports serving air carriers utilizing aircraft with a seating capacity of more than 30 passengers; and (6) airport capacity enhancements.

*Direction, staff and supporting services.*—This activity covers administrative and housekeeping functions such as administrative supplies, communications, and payrolls at Oklahoma City, Atlantic City, and regional offices. Included also for these locations are activities for direction and management, public affairs, plans, international aviation, legal, accounting, budget, civil rights, communication control, data systems, and management systems. Also included are centrally managed items,

General and special funds—Continued

OPERATIONS—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

such as certain data processing and Information Resources Management Plan requirements.

**Human resource management (HRM).**—This activity directly supports the other FAA activities. The most important goal of the HRM activity is to provide the highly skilled, competent, and motivated workforce necessary to accomplish FAA's objectives in improving air safety while promoting the Administration's goals in aviation-related activities. The HRM activity includes administration of FAA employee recruitment, development, compensation (including Federal Employees' Compensation Program payments and unemployment compensation), training, and labor-management relations programs. Key activities funded within the HRM are: conduct and administration of FAA's technical and management training programs; recruitment and placement of technical and administrative personnel; initiation of labor relations activities with the goal of increased employee participation in work-related decisions and increased productivity; and human relations improvement activities resulting from reviews of internal surveys and external recommendations.

Object Classification (in thousands of dollars)

Identification code 69-1301-0-1-402	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,588,353	1,653,599	1,759,616
11.3 Other than full-time permanent.....	19,062	17,124	17,477
11.5 Other personnel compensation.....	172,094	185,728	191,217
11.8 Special personal services payments.....	2,446	2,696	2,780
11.9 Total personnel compensation.....	1,781,955	1,859,147	1,971,090
12.1 Civilian personnel benefits.....	359,513	384,450	424,053
13.0 Benefits for former personnel.....	2,741	2,413	2,413
21.0 Travel and transportation of persons.....	66,186	85,418	92,416
22.0 Transportation of things.....	20,912	21,593	23,411
23.1 Rental payments to GSA.....	29,018	30,305	34,581
23.2 Rental payments to others.....	18,954	31,284	30,773
23.3 Communications, utilities, and miscellaneous charges.....	267,618	313,045	333,915
24.0 Printing and reproduction.....	11,336	10,914	12,198
25.0 Other services.....	253,298	334,473	421,072
26.0 Supplies and materials.....	61,946	68,601	71,882
31.0 Equipment.....	35,299	22,198	25,272
32.0 Land and structures.....	159	109	808
42.0 Insurance claims and indemnities.....	194	113	116
99.0 Subtotal, direct obligations.....	2,909,129	3,164,063	3,444,000
99.0 Reimbursable obligations.....	32,767	45,500	45,500
99.9 Total obligations.....	2,941,896	3,209,563	3,489,500

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	45,266	46,301	47,832
Total compensable workyears:			
Full-time equivalent employment.....	43,279	44,091	45,035
Full-time equivalent of overtime and holiday hours.....	1,618	1,343	1,343
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	384	384	384
Total compensable workyears: Full-time equivalent employment.....	327	383	362

HEADQUARTERS ADMINISTRATION

For necessary expenses, not otherwise provided for, of providing administrative services at the headquarters location of the Federal Aviation Administration, including but not limited to accounting, budgeting, legal, public affairs, and executive direction services for

the Federal Aviation Administration, **[\$35,520,000]** \$37,057,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-1302-0-1-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	34,706	35,520	37,057
01.01 Reimbursable program.....	657	1,747	1,747
10.00 Total obligations.....	35,363	37,267	38,804
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	- 657	- 1,747	- 1,747
25.00 Unobligated balance lapsing.....	415		
39.00 Budget authority.....	35,121	35,520	37,057
<b>Budget authority:</b>			
40.00 Appropriation.....	34,500	35,520	37,057
42.00 Transferred from other accounts.....	621		
43.00 Appropriation (adjusted).....	35,121	35,520	37,057
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	34,706	35,520	37,057
72.40 Obligated balance, start of year.....	19,510	12,670	9,513
74.40 Obligated balance, end of year.....	- 12,670	- 9,513	- 7,339
77.00 Adjustments in expired accounts.....	- 1,351		
90.00 Outlays.....	40,194	38,677	39,231

The Headquarters Administration appropriation provides administrative services at the Washington Headquarters location of the Federal Aviation Administration. This appropriation finances:

**Executive direction.**—Establishes and directs the implementation of policy and broad technological, operational, and managerial concepts.

**Communications control.**—Provides key agency officials with effective executive telecommunications.

**Public affairs.**—Insures that relevant information concerning FAA is consistently presented in a factual and timely manner.

**Legal.**—Provides legal counsel and advice for the handling of all legal matters with which FAA is concerned, in order to insure conformance with all legal requirements of all applicable laws, rules, regulations, and orders.

**Planning/policy.**—Recommends FAA policy and plans; identifies needed national air system changes; and performs economic analysis of regulations.

**Accounting.**—Provides accounting, financial advisory, and audit liaison services.

**Budget.**—Identifies and defines budgetary needs and assures that they are effectively presented to the Office of the Secretary of Transportation, Office of Management and Budget, and Congressional Committees, and that funds and other resources available to the agency are effectively utilized.

**Civil rights.**—Assures full and affirmative implementation of civil rights and equal opportunity precepts within the Federal Aviation Administration.

**International aviation.**—Insures adequacy of international aviation systems policies, and maintains effective liaison with foreign governments.

**Management systems/data systems.**—Develops and administers the implementation and operation of FAA organizational plans, management systems and controls, and administrative standards and procedures; pro-

vides data processing, editorial, graphics, and publishing services.

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1302-0-1-402			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	21,150	23,000	24,032
11.3 Other than full-time permanent	779	714	742
11.5 Other personnel compensation	500	236	236
11.8 Special personal services payments	162		
11.9 Total personnel compensation	22,591	23,950	25,010
12.1 Civilian personnel benefits	2,718	2,895	3,003
21.0 Travel and transportation of persons	989	782	803
22.0 Transportation of things	72	30	31
23.3 Communications, utilities, and miscellaneous charges	673	479	489
24.0 Printing and reproduction	35	34	35
25.0 Other services	6,546	6,846	7,167
26.0 Supplies and materials	286	363	373
31.0 Equipment	796	141	146
99.0 Subtotal, direct obligations	34,706	35,520	37,057
99.0 Reimbursable obligations	657	1,747	1,747
99.9 Total obligations	35,363	37,267	38,804

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions	507	510	530
<b>Total compensable workyears:</b>			
Full-time equivalent employment	526	504	512
Full-time equivalent of overtime and holiday hours	4	3	3
<b>Reimbursable:</b>			
Total number of full-time permanent positions	43	43	43
Total compensable workyears: Full-time equivalent employment	18	43	43

**FACILITIES, ENGINEERING AND DEVELOPMENT**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1303-0-1-402			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	167	626	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-793	-626	
24.40 Unobligated balance available, end of year	626		
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	167	626	
72.40 Obligated balance, start of year	3,018	2,570	
74.40 Obligated balance, end of year	-2,570		
90.00 <b>Outlays</b>	615	3,196	

This program has expired.

**OPERATION AND MAINTENANCE, METROPOLITAN WASHINGTON AIRPORTS**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1332-0-1-402			
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Washington National Airport	10,927		
00.02 Washington Dulles International Airport	11,647		
00.91 Total operating expenses	22,574		
02.01 Reimbursable program	4,375		
10.00 Total obligations	26,949		

**Financing:**

11.00 Offsetting collections from: Federal funds	-4,375		
25.00 Unobligated balance lapsing	186		
39.00 <b>Budget authority</b>	<b>22,760</b>		
<b>Budget authority:</b>			
40.00 Appropriation	35,000		
41.00 Transferred to other accounts	-12,240		
43.00 <b>Appropriation (adjusted)</b>	<b>22,760</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	22,574		
72.40 Obligated balance, start of year	5,152		
77.00 Adjustments in expired accounts	-1,648		
90.00 <b>Outlays</b>	<b>26,078</b>		

Funding is not requested for this account in 1989. On June 7, 1987, Washington National and Washington Dulles International Airports were transferred by long-term lease from the Federal Government to the newly established independent Metropolitan Washington Airports Authority.

Under the provisions of the "Metropolitan Washington Airports Act of 1986," the Secretary of Transportation entered into a 50-year lease with the new airport authority represented by the Commonwealth of Virginia, the State of Maryland, and the District of Columbia. The lease provides for the airport authority to pay to the general fund of the U.S. Treasury annually an amount computed using GNP price deflator, to equal \$3 million in 1987 dollars.

The new airport authority operates, maintains, protects, promotes, and develops National and Dulles as primary airports serving the Metropolitan Washington Area.

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1332-0-1-402			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	10,398		
11.3 Other than full-time permanent	616		
11.5 Other personnel compensation	2,304		
11.8 Special personal services payments	9		
11.9 Total personnel compensation	13,327		
12.1 Civilian personnel benefits	1,800		
13.0 Benefits for former personnel	1		
21.0 Travel and transportation of persons	105		
22.0 Transportation of things	13		
23.3 Communications, utilities, and miscellaneous charges	3,364		
24.0 Printing and reproduction	7		
25.0 Other services	877		
26.0 Supplies and materials	2,468		
31.0 Equipment	548		
32.0 Land and structures	50		
42.0 Insurance claims and indemnities	14		
99.0 Subtotal, direct obligations	22,574		
99.0 Reimbursable obligations	4,375		
99.9 Total obligations	26,949		

**Personnel Summary**

Total number of full-time permanent positions	720		
Total compensable workyears: Full-time equivalent employment	483		

## General and special funds—Continued

## CONSTRUCTION, METROPOLITAN WASHINGTON AIRPORTS

## Program and Financing (in thousands of dollars)

Identification code 69-1333-0-1-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Washington National Airport.....	3,256		
00.02 Washington Dulles International Airport.....	1,267		
10.00 Total obligations (object class 32.0).....	4,523		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-6,502		
22.40 Unobligated balance transferred, net.....	1,750		
25.00 Unobligated balance lapsing.....	229		
39.00 <b>Budget authority</b> .....			
Budget authority:			
40.00 Appropriation.....	7,000		
41.00 Transferred to other accounts.....	-7,000		
43.00 <b>Appropriation (adjusted)</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	4,523		
72.40 Obligated balance, start of year.....	7,508		
74.40 Obligated balance, end of year.....			
77.00 Adjustments in expired accounts.....	-402		
90.00 Outlays.....	11,629		

Funding is not requested for this account in 1989. On June 7, 1987, Washington National and Washington Dulles International Airports were transferred by long-term lease from the Federal Government to the newly established independent Metropolitan Washington Airports Authority.

Under the provisions of the "Metropolitan Washington Airports Act of 1986," the Secretary of Transportation entered into a 50-year lease with the new airport authority represented by the Commonwealth of Virginia, the State of Maryland, and the District of Columbia.

The new airport authority pursues the improvement, construction, and rehabilitation of the facilities at Washington National and Washington Dulles International Airports, and, to the extent practicable, will accomplish an estimated \$700 million in improvements within five years after the new airport authority first issues bonds.

## AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

The Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to any guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). None of the funds in this Act shall be available for the implementation or execution of programs under this head, the obligations for which are in excess of \$57,000,000 during fiscal year [1988] 1989. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purposes for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as

he shall determine in his discretion. All purchases, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

## Program and Financing (in thousands of dollars)

Identification code 69-1399-0-1-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	470	464	238
<b>Financing:</b>			
39.00 <b>Budget authority</b> .....	470	464	238
Budget authority:			
40.00 Appropriation.....	332		
40.47 Portion applied to debt reduction.....	-332		
43.00 <b>Appropriation (adjusted)</b> .....			
47.00 <b>Authority to borrow (97 Stat. 339)</b> .....	470	464	238
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	470	464	238
72.47 Obligated balance, start of year: Authority to borrow.....	109	6	
74.47 Obligated balance, end of year: Authority to borrow.....	-6		
90.00 Outlays.....	573	470	238

## Status of Direct Loans (in thousands of dollars)

Identification code 69-1399-0-1-402	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	45,296	41,003	53,332
1232 Disbursements: Disbursements for guaranteed loan claims.....		15,000	
1264 Adjustment: Other adjustments, net.....	-4,293	-2,671	-171
1290 Outstanding, end of year.....	41,003	53,332	53,161

## Status of Guaranteed Loans (in thousands of dollars)

Identification code 69-1399-0-1-402	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	276,004	198,924	131,045
2251 Repayments: Repayments and prepayments.....	-77,080	-52,879	-37,970
2261 Adjustments: Termination for default that result in direct loans.....		-15,000	
2290 Outstanding, end of year.....	198,924	131,045	93,075

## MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	179,032	117,941	83,768
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This program is continuing only for the purpose of making payments to private lenders upon default of existing loans by air carriers. No new loans are being made.

## Public enterprise funds:

## AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958, as amended (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year for aviation insurance activities under said Act. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)			
Identification code 69-4120-0-3-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	100	163	163
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-1,281	-2,950	-2,950
14.00 Non-Federal sources .....	-5	-10	-10
Unobligated balance available, start of year:			
21.98 Fund balance .....	-144	-507	-172
21.98 U.S. securities (par) .....	-35,955	-36,778	-39,910
Unobligated balance available, end of year:			
24.98 Fund balance .....	507	172	172
24.98 U.S. securities (par) .....	36,778	39,910	42,707
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-1,186	-2,797	-2,797
72.98 Obligated balance, start of year: Fund balance .....	11	11	14
74.98 Obligated balance, end of year: Fund balance .....	-11	-14	-17
90.00 Outlays .....	-1,186	-2,800	-2,800

The fund currently provides direct support for the aviation insurance program authorized under title XIII of the Federal Aviation Act.

Income to the fund is derived from premium deposits for premium insurance coverage issued, income from authorized investments, and binder fees for nonpremium coverage issued. The binders provide aviation insurance coverage for U.S. air carrier aircraft used in connection with certain Government contract operations entered into by the Department of Defense (DOD) and Department of State (DOS). There exist indemnity agreements under which the DOD and DOS agree to reimburse the Department of Transportation for all payments on account of losses to air carriers sustaining damage to their aircraft by an insured peril with respect to the aircraft operating under contract to DOD and DOS.

Administrative costs are paid from the Aviation Insurance Revolving Fund, into which are credited receipts from premiums, salvage, and interest on assets of the fund (49 U.S.C. 1536).

Revenue and Expense (in thousands of dollars)			
	1987 actual	1988 est.	1989 est.
Administrative expenses:			
Revenue .....	1,286	2,960	2,960
Expense .....	100	163	163
Net operating income .....	1,186	2,797	2,797

Financial Condition (in thousands of dollars)				
	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury .....	155	518	186	186
U.S. securities (par) .....	35,955	36,778	39,910	42,707
Total .....	36,110	37,296	40,096	42,893
<b>Liabilities:</b>				
Accounts payable .....	11	11	14	14
<b>Government equity:</b>				
Retained earnings .....	36,099	37,285	40,082	42,879

Object Classification (in thousands of dollars)				
Identification code 69-4120-0-3-402	1987 actual	1988 est.	1989 est.	
11.1 Personnel compensation: Full-time permanent .....	84	94	94	
12.1 Civilian personnel benefits .....	10	11	11	
21.0 Travel and transportation of persons .....	2	2	2	
25.0 Other services .....	2	2	2	
26.0 Supplies and materials .....	2	4	4	
42.0 Insurance claims and indemnities .....		50	50	
99.9 Total obligations .....	100	163	163	

**Personnel Summary**

Total number of full-time permanent positions .....	2	2	2
Total compensable workyears: Full-time equivalent employment .....	2	2	2

**Trust Funds**

**AIRPORT AND AIRWAY TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year .....	5,883,796	7,209,485	8,267,758
Revenue .....	3,940,242	4,238,500	4,579,700
Total available for appropriation .....	9,824,038	11,447,985	12,847,458
<b>Appropriations:</b>			
Facilities and equipment .....	804,584	1,108,056	1,600,000
Research, engineering and development .....	141,700	153,425	155,000
Grants-in-aid for airports:			
Appropriation to liquidate contract authority .....	1,020,000	1,063,000	1,110,000
Trust fund share of FAA operations .....	621,185	827,455	1,478,250
(authorized studies) .....		(1,500)	(750)
(interest refund to carriers) .....	(17)		
Department of Commerce: NOAA, operations, research and facilities .....	29,000	28,291	30,000
Total appropriations .....	2,616,469	3,180,227	4,373,250
Adjustments in expired accounts, return to unappropriated receipts .....	1,916		
Unappropriated balance, end of year .....	7,209,485	8,267,758	8,474,208

The Tax Equity and Fiscal Responsibility Act of 1982 (26 U.S.C. 9502), as amended by Title IV of the Airport and Airway Safety and Capacity Expansion Act of 1987 (P.L. 100-223), provides for the revenues received in the Treasury from the 8 percent passenger ticket tax and certain other taxes paid by airport and airway users to be transferred from the general fund of the Treasury to the Airport and Airway trust fund. The Secretary of the Treasury estimates the amount to be so transferred. In turn, appropriations are authorized from this fund to meet obligations for airport planning and development and noise compatibility planning and programs; facilities and equipment; research, engineering and development; and a portion of operations.

The status of the fund is as follows (in thousands of dollars):

Unexpended balance, start of year:	1987 actual	1988 est.	1989 est.
U.S. securities (par) .....	8,596,199	9,937,272	11,156,822
Cash .....	29,000	-2,345	10,000
Balance of fund, start of year .....	8,625,199	9,934,927	11,166,822
Cash income during the year:			
Government receipts:			
From excise taxes:			
Passenger ticket tax .....	2,699,919	2,985,000	3,242,000
Waybill tax .....	159,382	182,000	198,000
Fuel tax .....	115,456	113,900	113,900
International departure tax .....	91,431	107,000	110,800

AIRPORT AND AIRWAY TRUST FUND—Continued

Refund of taxes.....	— 6,318	— 6,300	— 6,300
Intrabudgetary transaction: Interest on investments.....	880,372	856,900	921,300
Total annual income.....	3,940,242	4,238,500	4,579,700
Cash outgo during the year:			
Federal Aviation Administration:			
Grants-in-aid for airports.....	916,912	979,022	1,110,333
Facilities and equipment.....	891,811	986,720	1,073,241
Research, engineering and development.....	170,359	185,982	165,811
Operations.....	622,432	826,590	1,479,035
Department of Commerce: NOAA.....	29,000	28,291	30,000
Total annual outgo.....	2,630,514	3,006,605	3,858,420
Unexpended balance, end of year:			
U.S. securities (par).....	9,937,272	11,156,822	11,878,102
Treasury balance.....	— 2,345	10,000	10,000
Balance of fund, end of year.....	9,934,927	11,166,822	11,888,102
Commitments against unexpended balances:			
Appropriated but not expended.....	— 2,725,442	— 2,899,064	— 3,413,894
Committed to future appropriations to liquidate outstanding obligations (contract authority).....	— 1,583,306	— 1,789,031	— 1,879,031
Unobligated balance of contract authority.....	— 67,598	— 498,873	— 998,873
Uncommitted cash balance, end of year.....	5,558,581	5,979,854	5,596,304

At the end of 1988, the uncommitted Trust Fund balance is estimated to be almost \$6.0 billion. This balance has accumulated in part because a penalty provision in the 1982 and 1987 authorization acts caused the share of FAA operations appropriations financed from the Trust Fund to be \$4.0 billion lower than authorized. This shortfall was subsidized by the general taxpayer through the use of general appropriations.

If 1989 operations recovery from the Trust Fund were to be calculated based on the penalty provision in the 1987 Act, there would be an increase of almost \$1.0 billion in the Trust Fund surplus and general tax revenues would continue to subsidize this shortfall.

The proposed 1989 appropriation language waives a part of the penalty provision, thereby allowing a greater recovery of aviation expenses from the Trust Fund and also reducing the 1989 surplus.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended, and under other law authorizing such obligations, and obligations for noise compatibility planning and programs, **[\$1,063,000,000]** \$1,110,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the commitments for which are in excess of **[\$1,268,790,000]** \$1,200,000,000 in fiscal year **[1988]** 1989 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, notwithstanding section 506(e)(4) of the Airport and Airway Improvement Act of 1982. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 69-8106-0-7-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	1,050,386	1,268,725	1,200,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	— 32,021		

21.49 Unobligated balance available, start of year:			
Contract authority.....	— 423,054	— 67,598	— 498,873
24.49 Unobligated balance available, end of year: Con-			
tract authority.....	67,598	498,873	998,873
25.00 Unobligated balance lapsing.....	206,292		
39.00 <b>Budget authority.....</b>	<b>869,200</b>	<b>1,700,000</b>	<b>1,700,000</b>
Budget authority:			
Current:			
40.00 Appropriation.....	1,020,000	1,063,000	1,110,000
40.49 Portion applied to liquidate contract authority.....	— 1,020,000	— 1,063,000	— 1,110,000
43.00 <b>Appropriation (adjusted).....</b>			
49.10 <b>Contract authority (96 Stat. 671 and 101</b>			
<b>Stat. 1486).....</b>		<b>1,700,000</b>	
49.10 <b>Contract authority rescinded (unobligated</b>			
<b>balance) (P.L. 100-17).....</b>	<b>— 148,000</b>		
Permanent:			
69.10 <b>Contract authority (96 Stat. 671 and 101</b>			
<b>Stat. 1486).....</b>	<b>1,017,200</b>		<b>1,700,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,050,386	1,268,725	1,200,000
Obligated balance, start of year:			
72.40 Appropriation.....		89,316	173,294
72.49 Contract authority.....	1,571,169	1,583,306	1,789,031
Obligated balance, end of year:			
74.40 Appropriation.....	— 89,316	— 173,294	— 172,961
74.49 Contract authority.....	— 1,583,306	— 1,789,031	— 1,879,031
78.00 Adjustments in unexpired accounts.....	— 32,021		
90.00 Outlays.....	916,912	979,022	1,110,333

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 69-8106-0-7-402	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....	1,994,223	1,650,903	2,287,903
Contract authority.....	1,017,200	1,700,000	1,700,000
Unfunded outlays not appropriated.....	13,772		
Unobligated balance rescinded (P.L. 100-17).....	— 148,000		
Unobligated balance lapsing.....	— 206,292		
Appropriation to liquidate contract authority.....	— 1,020,000	— 1,063,000	— 1,110,000
Unfunded balance, end of year.....	1,650,903	2,287,903	2,877,903

The Airport and Airway Safety and Capacity Expansion Act of 1987, Public Law 100-223, provides for airport improvement grants which emphasize capacity development, safety, and security needs. To meet these objectives, a \$1,200,000,000 program level is proposed for fiscal year 1989.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities, including initial acquisition of necessary sites by lease or grant; engineering and service testing including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations of officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; **[and the lease or purchase of one aircraft;]** to be derived from the Airport and Airway Trust Fund and to remain available until September 30, **[1992, \$1,108,056,000]** 1993, \$1,600,000,000: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: *Provided further*, That of the funds available under this head, \$5,225,000 shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges having an airway science curriculum recognized by the Federal Aviation Administration, to conduct demonstration projects in the development, advancement, or expansion of airway science curriculum programs, and such funds, which shall remain available until expended, shall be

made available under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with airway science curriculum programs, but, notwithstanding any other provision of law, beginning in fiscal year 1989 and thereafter, in no event shall the total Federal share provided for any airway science construction project exceed 50 percent of the total cost of such project. (Department of Transportation and Related Agencies Appropriations Act, 1988.).

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	340,449	403,353	565,287
00.02	248,099	132,050	305,876
00.03	76,808	61,175	43,905
00.04	95,497	82,704	122,697
00.05	158,373	182,372	170,095
00.06	62,203	36,221	36,160
00.07	10,356	13,961	10,053
00.91	991,785	911,836	1,254,073
01.01	18,623	7,426	7,512
10.00	1,010,408	919,262	1,261,585
<b>Financing:</b>			
Offsetting collections from:			
11.00	-6,824	-2,718	-2,749
14.00	-11,799	-4,708	-4,763
21.40	-1,371,661	-1,183,688	-1,379,908
22.40	-664		
24.40	1,183,688	1,379,908	1,725,835
25.00	1,436		
40.00	804,584	1,108,056	1,600,000
Relation of obligations to outlays:			
71.00	991,785	911,836	1,254,073
72.40	1,220,193	1,319,707	1,244,823
74.40	-1,319,707	-1,244,823	-1,425,655
77.00	-460		
90.00	891,811	986,720	1,073,241

Under this appropriation, the Federal airway system is improved by the installation of new equipment and the construction and modernization of facilities to keep pace with aeronautical activity. The appropriation also finances major capital investments required by other agency programs, such as aircraft for flight inspection of facilities, and related training, and experimental facilities for the engineering and development program. The operating costs of facilities procured under this appropriation are financed under the Operations appropriation.

The funding requested for 1989 is in accordance with the Federal Aviation Administration's comprehensive plan for modernizing and improving air traffic control and airway facilities services.

Budget activities include:

**Air route traffic control centers.**—Long-range radar, communications and automation equipment provide air traffic controllers information on aircraft positions and weather.

**Airport traffic control towers.**—Terminal area radar, doppler weather radar, communications and automation equipment aid air traffic controllers in handling air traffic.

**Flight service facilities.**—Flight service stations and associated facilities provide flight assistance to pilots, particularly general aviation pilots.

**Air navigation facilities.**—Very high, medium and low frequency facilities are used to define airways and air routes and provide distance, direction and weather information to pilots. Precision landing systems, distance measuring equipment and visual lighting aids assist pilots in making final approaches to airport runways.

**Housing, utilities, and miscellaneous facilities.**—This activity includes general facility support requirements which apply to a wide range of FAA installations.

**Aircraft and related equipment.**—This activity includes the procurement, modification and/or replacement of equipment to inspect the accuracy and other characteristics of navigation and traffic control aids from the air and to conduct research and development activities.

**Development, test and evaluation facilities.**—This activity provides for leasing and improvements of the plant and facilities at the Federal Aviation Administration Technical Center in Atlantic City, NJ.

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1	40,434	42,173	43,465
11.3	297	1,421	1,239
11.5	2,913	2,590	2,648
11.8	153	24	24
11.9	43,797	46,208	47,376
12.1	6,480	8,051	8,599
21.0	12,868	11,305	12,012
22.0	1,518	1,495	1,606
23.2	7,961	5,995	5,719
23.3	8,614	4,877	1,246
24.0	114	157	163
25.0	440,858	318,257	507,325
26.0	11,068	24,003	17,862
31.0	393,011	436,430	572,584
32.0	50,942	55,050	79,582
41.0	14,530		
42.0	24	8	
99.0	991,785	911,836	1,254,073
99.0	18,623	7,426	7,512
99.9	1,010,408	919,262	1,261,585

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions	1,162	1,162	1,162
Total compensable workyears:			
Full-time equivalent employment	1,180	1,275	1,213
Full-time equivalent of overtime and holiday hours	73	50	50
<b>Reimbursable:</b>			
Total number of full-time permanent positions	53	53	53
Total compensable workyears:			
Full-time equivalent employment	38	53	53
Full-time equivalent of overtime and holiday hours	3	3	3

**RESEARCH, ENGINEERING, AND DEVELOPMENT**

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, **[\$153,425,000]** \$155,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That there may be credited to this appropriation funds

RESEARCH, ENGINEERING, AND DEVELOPMENT—Continued  
(AIRPORT AND AIRWAY TRUST FUND)—Continued

received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 69-8108-0-7-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Air traffic control.....	99,979	94,032	81,378
00.02 Advanced computer.....	16,763	18,378	25,717
00.03 Navigation.....	4,925	2,679	3,475
00.04 Aviation weather.....	6,493	15,333	15,057
00.05 Aviation medicine.....	4,502	4,458	4,881
00.06 Aircraft safety.....	23,805	19,370	22,380
00.07 Environment.....	1,641	1,940	2,112
00.91 Total direct program.....	158,108	156,190	155,000
01.01 Reimbursable program.....	532	1,400	1,400
10.00 Total obligations.....	158,640	157,590	156,400
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-321	-1,000	-1,000
14.00 Non-Federal sources.....	-211	-400	-400
21.40 Unobligated balance available, start of year.....	-21,088	-2,765	
22.40 Unobligated balance transferred, net.....	1,914		
24.40 Unobligated balance available, end of year.....	2,765		
40.00 Budget authority (appropriation).....	141,700	153,425	155,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	158,108	156,190	155,000
72.40 Obligated balance, start of year.....	142,243	129,992	100,200
74.40 Obligated balance, end of year.....	-129,992	-100,200	-89,389
90.00 Outlays.....	170,359	185,982	165,811

The FAA conducts research, engineering and development programs to improve the national air traffic control system by increasing its safety, productivity and capacity to meet the expected air traffic demands of the future. The agency also administers aviation medical research aimed at increasing the personal effectiveness of air traffic controllers and the safety of aircrew members.

These programs are conducted by the agency's technical personnel and through contracts with qualified private firms, universities, individuals and other Government agencies.

*Air traffic control.*—Initiatives include development and implementation of a collision avoidance capability, development of a communications switching system, and development of data link air/ground services.

This program also includes developing new traffic control system features and concepts and assessing their technical, economic, and operational feasibility to meet the demands of the 1990's. Additional research activities include upgrading airport design standards and developing advisory information and regulatory actions that improve airport safety. Research efforts related to delay reduction and capacity improvements at high density airports are also undertaken.

*Advanced computer.*—This activity modernizes the air traffic control system in order to accommodate future air traffic demands, through the design, development, and testing of an advanced automation system.

ATC automation will be further enhanced by developing traffic management functions to allocate efficiently traffic demand to available system capacity and by developing ATC automation aids for the en route/terminal airspace and airport surface to increase the safety and efficiency of aircraft operations.

*Navigation.*—This program provides for research and development activities for navigation systems to assess and develop standards for navigation systems in the post-1995 period.

*Aviation weather.*—This activity provides for modernization of weather information systems through development of weather radars, processors, and research into hazardous weather phenomena, in coordination with the Departments of Defense and Commerce.

*Aviation medicine.*—Aeromedical research is directed toward identifying and eliminating those physiological and psychological factors harmful to personnel engaged in operating the air traffic control system or which may jeopardize flight safety.

*Aircraft safety.*—This activity covers research to promote flight safety of civil aircraft, develop systems and devices to prevent and deter sabotage in the civil air transportation system and further improve fire safety.

*Environment.*—Principal efforts include the development of data to support rulemaking and to minimize the undesired environmental effects on the public attributable to the air transportation system. Research will also continue into air pollution and noise control, primarily associated with certification and enforcement requirements.

Object Classification (in thousands of dollars)

Identification code 69-8108-0-7-402	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	24,796	26,436	26,674
11.3 Other than full-time permanent.....	529	448	549
11.5 Other personnel compensation.....	284	602	584
11.8 Special personal services payments.....	303	355	320
11.9 Total personnel compensation.....	25,912	27,841	28,127
12.1 Civilian personnel benefits.....	3,501	5,962	6,190
21.0 Travel and transportation of persons.....	2,134	2,963	3,054
22.0 Transportation of things.....	162	242	248
23.3 Communications, utilities, and miscellaneous charges.....	17	199	226
24.0 Printing and reproduction.....		16	6
25.0 Other services.....	122,672	116,847	114,860
26.0 Supplies and materials.....	1,396	1,178	1,488
31.0 Equipment.....	2,314	942	801
99.0 Subtotal, direct obligations.....	158,108	156,190	155,000
99.0 Reimbursable obligations.....	532	1,400	1,400
99.9 Total obligations.....	158,640	157,590	156,400

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	645	645	645
Total compensable workyears:			
Full-time equivalent employment.....	628	640	640
Full-time equivalent of overtime and holiday hours.....	7	7	8
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	8	8	8
Total compensable workyears:			
Full-time equivalent employment.....	8	13	13
Full-time equivalent of overtime and holiday hours.....	3	3	3



TRUST FUND SHARE OF FAA OPERATIONS

Program and Financing (in thousands of dollars)			
Identification code 69-8104-0-7-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	622,435	827,455	1,478,250
<b>Financing:</b>			
22.40 Unobligated balance transferred, net	-1,250		
39.00 <b>Budget authority</b>	<b>621,185</b>	<b>827,455</b>	<b>1,478,250</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>	<b>621,168</b>	<b>827,455</b>	<b>1,477,500</b>
60.00 <b>Appropriation (permanent)</b>	<b>17</b>		<b>750</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	622,435	827,455	1,478,250
72.40 Obligated balance, start of year			865
74.40 Obligated balance, end of year		-865	-80
77.00 Adjustments in expired accounts	-3		
90.00 <b>Outlays</b>	<b>622,432</b>	<b>826,590</b>	<b>1,479,035</b>

The Airport and Airway Improvement Act of 1982, as amended by the Airport and Airway Safety and Capacity Expansion Act of 1987, authorizes use of the Airport and Airway Trust Fund as the source of financing a portion of FAA's operating costs. Under the terms of the "penalty provision" in that Act, the level of operations funded from the Trust Fund would be limited significantly because of the need to fund capital programs below full authorization in order to comply with the recent Bipartisan Budget Agreement. The Department is proposing to fund operations recovery of 50 percent of the funds made available for airport grants, facilities and equipment, and research as provided by the Act, but to waive the "penalty provision" for 1989 which would otherwise reduce the amount available for operations. In FY 1989, \$1.48 billion of the Operations appropriation is proposed to be financed from the Trust Fund.

Object Classification (in thousands of dollars)

Identification code 69-8104-0-7-402	1987 actual	1988 est.	1989 est.
25.0 Other services	622,418	827,455	1,478,250
43.0 Interest and dividends	17		
99.9 <b>Total obligations</b>	<b>622,435</b>	<b>827,455</b>	<b>1,478,250</b>

COAST GUARD

The following table depicts funding for all Coast Guard programs for which detail is furnished in the budget schedules, including net transfers, enacted supplementals, and proposed legislation:

(In thousands of dollars)			
	1987 actual	1988 est.	1989 est. <sup>1</sup>
<b>Budget authority:</b>			
Operating expenses	1,802,275	1,767,506	2,070,506
Acquisition, construction and improvements <sup>2</sup>	298,000	247,000	348,000
Alteration of bridges		940	8,500
Retired pay	356,000	386,700	410,800
Reserve training	64,400	62,880	68,500
Research, development, test and evaluation	20,000	19,000	19,000
Boat safety	47,581	44,100	45,000
Pollution fund	4,805	5,300	5,700
Offshore oil pollution compensation fund	1,000		
Deepwater port liability fund	1,000		
Trust funds	0	80	80
<b>Total net</b>	<b>2,595,061</b>	<b>2,533,506</b>	<b>2,976,086</b>

Program level:	1,906,043	1,897,106	2,106,506
Operating expenses <sup>3</sup>	1,906,043	1,897,106	2,106,506
Acquisition, construction, and improvements	371,811	330,000	358,000
Alteration of bridges	11,776	5,547	8,500
Retired pay	351,934	386,700	410,800
Reserve training	65,156	62,880	68,500
Research, development, test, and evaluation	17,004	19,000	19,000
Boat safety	28,916	21,375	15,000
Pollution fund	3,924	5,300	5,700
Offshore oil pollution compensation fund	147	243	243
Deepwater port liability fund			
Supply fund	49	92	92
Coast Guard yard fund	18,011	14,360	12,850
Trust funds	51	132	132
<b>Total net</b>	<b>2,774,822</b>	<b>2,742,735</b>	<b>3,005,323</b>

<sup>1</sup> Includes proposed legislation.  
<sup>2</sup> Augmented by \$200,000,000 in 1987 and \$20,000,000 in 1988 appropriated to the Coastal defense augmentation account in the Department of the Navy's budget.  
<sup>3</sup> For comparability purposes this table includes \$90,000,000 in 1987 and \$108,000,000 in 1988 and \$6,000,000 in 1989 funded by Department of Defense. Includes \$18,000,000 in 1987, \$21,600,000 in 1988, and \$30,000,000 in 1989 from the Boat Safety Fund.

Federal Funds

General and special funds:

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed eight passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b); and recreation and welfare, [\$1,789,106,000] \$2,100,506,000, of which [\$21,600,000] \$30,000,000 shall be expended from the Boat Safety Account: *Provided*, [That of the funds available under this head, not less than \$429,120,000 shall be available for drug enforcement activities: *Provided further*,] That the number of aircraft on hand at any one time shall not exceed two hundred and fourteen, exclusive of planes and parts stored to meet future attrition: *Provided further*, That none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further*, That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109 except to the extent fees are collected from yacht owners and credited to this appropriation. (*Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 69-0201-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Search and rescue	400,397	371,353	412,243
00.02 Aids to navigation	385,982	382,346	414,392
00.03 Marine safety	115,137	116,642	126,284
00.04 Marine environmental protection	125,280	131,853	143,478
00.05 Enforcement of laws and treaties	590,628	586,804	683,783
00.06 Ice operations	64,420	71,791	77,202
00.07 Defense readiness	22,697		108,787
00.08 Headquarters administration	126,667	128,744	134,637
00.91 <b>Total direct program</b>	<b>1,831,208</b>	<b>1,789,533</b>	<b>2,100,806</b>
01.01 Reimbursable program	120,159	156,500	54,500
10.00 <b>Total obligations</b>	<b>1,951,367</b>	<b>1,946,033</b>	<b>2,155,306</b>
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds	-117,329	-153,500	-51,500
13.00 Trust funds	-18,600	-22,027	-30,300
14.00 Non-Federal sources	-2,830	-3,000	-3,000
22.40 Unobligated balance transferred, net	-10,668		
25.00 Unobligated balance lapsing	336		
39.00 <b>Budget authority</b>	<b>1,802,275</b>	<b>1,767,506</b>	<b>2,070,506</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>	<b>1,779,000</b>	<b>1,767,506</b>	<b>2,070,506</b>

General and special funds—Continued

OPERATING EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	69-0201-0-1-403	1987 actual	1988 est.	1989 est.
42.00	Transferred from other accounts .....	23,275		
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,802,275</b>	<b>1,767,506</b>	<b>2,070,506</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,812,608	1,767,506	2,070,506
72.40	Obligated balance, start of year .....	335,265	436,009	421,135
74.40	Obligated balance, end of year .....	-436,009	-421,135	-396,585
77.00	Adjustments in expired accounts .....	-4,675		
90.00	Outlays .....	1,707,189	1,782,380	2,095,056

Funds for operating expenses represent more than two-thirds of the total Coast Guard program level. To carry out its unique duties as a peacetime operating agency and one of the military services, the Coast Guard employs multipurpose vessels, aircraft and shore units, strategically located along the coasts and inland waterways of the United States and in selected areas overseas. In 1989, search and rescue and enforcement of laws and treaties still account for the major portions of the budget. Amounts requested for the activities described below reflect the continued introduction into the operating forces of new equipment and capital facilities, including new medium endurance cutters and aircraft. Although program increases are included for these new resources, they are partially offset by savings achieved through a reduction in older, existing platforms. Additional savings will be achieved through continued management improvements, including productivity increases, improved efficiency of operations, and continued contracting out of support activities. The growth in the budget includes built-in changes required by military and civilian pay raises, cost-of-living adjustments, and an addition to the budget base of previously non-recurring "in kind" services received from the U.S. Navy.

**Search and rescue.**—The Coast Guard maintains a nationwide system of boats, aircraft, cutters, and rescue coordination centers on 24-hour alert capable of responding to notice of a distress incident.

WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Responses to search and rescue cases .....	68,087	66,700	67,600
Sorties .....	88,513	86,700	87,880
Time on sorties (hours) .....	256,688	251,400	254,850
Lives saved .....	6,638	6,500	6,591
Persons otherwise assisted .....	137,195	134,500	136,215
Property saved (in thousands of dollars) .....	\$955,000	\$936,500	\$949,000
Value of property assisted (in thousands of dollars) .....	\$2,361,700	\$2,313,000	\$2,393,000

**Aids to navigation.**—A network of floating and fixed aids to navigation is maintained along our coasts and on inland waterways to insure the safe passage of the mariner. Loran-C stations provide electronic coastal marine navigation as well as enroute and non-precision approach aviation navigation capabilities throughout the United States. Domestic Loran-C serves the needs of both civilian and military users throughout the continental U.S. and Alaska. Overseas, Loran-C is operated in support of DOD requirements. Eight OMEGA stations, six of which are operated and funded to various levels by the six host partner nations, provide naviga-

tional coverage to military and civilian ships and aircraft nearly worldwide. Radiobeacons operated in the United States provide mariners with an all-weather, low user cost navigational system, used primarily for homing, along our coasts and in the Great Lakes. Administrative control is exercised over the construction, maintenance, and operation of bridges across navigable waters of the United States.

WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Federal floating aids .....	25,551	25,756	25,961
Federal fixed aids .....	23,526	23,726	23,926
Private aids authorized .....	43,835	46,027	48,328
Total vessel traffic service transits .....	963,767	540,800	590,900
Bridge permits and regulations issued .....	134	170	170

**Marine safety.**—The Coast Guard's safety program consists of two major activities:

**Marine inspection and marine licensing programs.**—The Coast Guard reviews plans and specifications for the construction or alteration of merchant vessels; conducts periodic inspections; investigates casualties; and sets standards, procedures, and practices under which merchant marine personnel are licensed and regulated.

WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Marine inspection:			
New construction .....	200	210	220
U.S. vessels inspected .....	35,622	36,000	36,000
Foreign vessels examined .....	2,677	2,700	2,700
Marine investigations .....	9,808	10,000	10,000
Marine licensing:			
License transactions .....	35,369	36,000	36,500
Seamen's document transactions .....	26,000	26,500	27,000

**Recreational boating safety.**—The Coast Guard operates a boat safety standards program and provides boater information and support of the Coast Guard Auxiliary as well as the individual State boating safety programs.

WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Factory visits/inspections .....	900	2,250	2,500
Defect campaigns .....	176	220	240
Potential units affected by campaigns .....	665,000	690,000	730,000
Persons enrolled in Auxiliary boating education courses .....	330,000	340,000	350,000
Courtesy marine examinations (Auxiliary) .....	280,000	285,000	290,000

**Marine environmental protection.**—The Coast Guard's marine environmental protection program consists of two major activities:

**Marine environmental readiness.**—Under various laws, international agreements and conventions the Coast Guard is responsible for responding to pollution incidents involving oil and hazardous chemicals. The Coast Guard receives reports, evaluates, responds to, and mitigates potential and actual pollution discharges on waters and land areas defined as the "Coastal Zone" in the National Contingency Plan.

WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Reports of pollution received by the Coast Guard:			
Oil .....	8,430	8,450	8,450
Chemical .....	933	960	990
Investigations:			
Oil .....	7,435	7,450	7,450
Chemical .....	847	850	850
Responsible party cleanups monitored by the Coast Guard:			
Oil .....	1,820	1,850	1,850
Chemical .....	158	160	160
Federally funded cleanups supervised by the Coast Guard:			
Oil .....	217	220	220
Chemical .....	37	40	40

**Port safety and security.**—Under various laws, conventions, international agreements, and memoranda of understanding with other Federal agencies, the Coast Guard is charged with promoting port safety and security in ports, on waterways, and on the high seas. The Coast Guard is expected to provide rapid and effective response to port emergencies such as fires, explosions, collisions, civil disturbances, and terrorist incidents. The Coast Guard Captain of the Port (COTP) has extensive law enforcement authority over waterfront facilities, vessels and the navigable waters of the United States, and has a broad role as the coordinator and overseer of port safety and security activities of all parties involved in the port complex. Coast Guard responsibilities in port security have been increased recently under the combined Navy/Coast Guard Maritime Defense Zone initiative, and under the DOD/DOT Memorandum of Understanding on Port Readiness.

**WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
<b>Port safety:</b>			
Transfer operations monitored .....	8,080	8,000	8,000
Waterfront facilities inspected .....	4,000	4,000	4,000
Harbor patrols .....	23,558	24,000	24,000
MARPOL facilities inspected .....	609	1,000	1,500
<b>Port security:</b>			
Mobilization exercises .....	82	75	75
Contingency drills .....	138	125	125
Port security cards, issued .....	1,893	15,000	15,000
Special interest vessel boardings .....	1,114	1,200	1,300
Safety zone patrols .....	655	500	500
Security zone patrols .....	248	150	150

**Enforcement of laws and treaties.**—Maritime enforcement of laws and treaties is accomplished by cutters and aircraft conducting patrols to enforce international agreements and Federal laws on and over the high seas and waters over which the U.S. exercises jurisdiction. Fisheries enforcement involves living marine resources, while general law enforcement concerns drug smuggling by air and sea, illegal immigration, hijacking/theft of vessels and other unlawful activities.

This budget reflects increased Coast Guard efforts in the interdiction of controlled substances being smuggled by air into the United States. This budget includes funding for land based aerostats and other facilities in the Bahamas.

**WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
<b>Cutter operating hours:</b>			
Fisheries enforcement .....	56,231	28,000	56,000
General law enforcement .....	215,810	162,000	220,000
<b>Aircraft flight hours:</b>			
Fisheries enforcement .....	5,791	4,300	5,800
General law enforcement .....	26,519	20,000	33,000
Drug-related seizures—vessels .....	136	100	130

**Ice operations.**—Polar ice operations are performed in the Arctic and Antarctic by icebreakers in support of programs of the Coast Guard and other agencies. Funding to continue analyses on how best to replace current icebreakers with new cutters is contained elsewhere in this budget.

Domestic ice operations are performed on the navigable waters of the United States. Also included are certain marine science activities.

**WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
Polar ice operations: Icebreaker deployment days .....	551	435	335
<b>Domestic ice operations:</b>			
Cutter operating hours .....	2,413	3,400	3,400
Aircraft reconnaissance operating hours .....	115	155	155
Vessels assisted .....	115	690	690
International Ice Patrol: Aircraft hours .....	429	500	500

**Defense readiness.**—The Coast Guard operates as a service in the Navy upon declaration of war or during times of national emergency at the direction of the President. During peacetime, an effective state of military preparedness is maintained through individual and unit training, by joint naval training exercises, and by Coast Guard single and multiship operations.

**Headquarters administration.**—Headquarters administration provides funding for administrative services at the headquarters location of the Coast Guard, including executive direction; budget, planning and policy; command, control, communication, and operations; financial management; legal; engineering; civil rights; and personnel and health services for the Coast Guard.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
69-0201-0-1-403			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	110,515	120,532	118,376
11.3 Other than full-time permanent .....	4,430	4,121	4,416
11.5 Other civilian personnel compensation .....	3,903	3,520	3,771
11.7 Military personnel .....	726,737	791,828	807,508
11.8 Special personal services payments .....	1,716	1,731	1,764
11.9 Total personnel compensation .....	847,301	921,732	935,835
12.1 Civilian personnel benefits .....	20,015	22,113	24,631
12.2 Military personnel benefits .....	69,078	74,292	94,826
13.0 Benefits for former personnel .....	2,757	3,257	3,957
21.0 Travel and transportation of persons .....	53,641	39,737	56,550
22.0 Transportation of things .....	38,383	21,537	40,519
23.1 Rental payments to GSA .....	23,299	23,299	28,157
23.2 Rental payments to others .....	23,549	23,615	25,915
23.3 Communications, utilities, and miscellaneous charges .....	70,927	64,451	81,200
24.0 Printing and reproduction .....	5,890	4,222	6,386
25.0 Other services .....	304,199	303,589	381,082
26.0 Supplies and materials .....	293,583	243,189	350,634
31.0 Equipment .....	55,790	40,425	65,188
32.0 Lands and structures .....	2,236	2,710	3,731
42.0 Insurance claims and indemnities .....	1,708	1,177	1,975
43.0 Interest and dividends .....	252	188	220
99.0 Subtotal, direct obligations .....	1,812,608	1,789,533	2,100,806
99.0 Reimbursable obligations .....	138,759	156,500	54,500
99.9 Total obligations .....	1,951,367	1,946,033	2,155,306

**Personnel Summary**

<b>Direct:</b>			
<b>Military:</b>			
Total number of full-time permanent positions .....	35,409	36,952	36,771
Total compensable workyears: Full-time equivalent employment .....	34,733	37,296	36,817
<b>Civilian:</b>			
Total number of full-time permanent positions .....	4,369	4,582	4,576
Total compensable workyears:			
Full-time equivalent employment .....	4,264	4,604	4,542
Full-time equivalent of overtime and holiday hours .....			
<b>Reimbursable:</b>			
<b>Military:</b>			
Total number of full-time permanent positions .....	2,244	199	299
Total compensable workyears: Full-time equivalent employment .....	2,244	199	299

General and special funds—Continued  
OPERATING EXPENSES—Continued  
Personnel Summary—Continued

Civilian:			
Total number of full-time permanent positions.....	209	29	29
Total compensable workyears: Full-time equivalent employ- ment .....	207	27	27

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, to remain available until September 30, [1992] 1993, [\$247,000,000] \$348,000,000: *Provided*, That the Secretary of Transportation shall issue regulations requiring that written warranties shall be included in all contracts with prime contractors for major systems acquisitions of the Coast Guard: *Provided further*, That any such written warranty shall not apply in the case of any system or component thereof that has been furnished by the Government to a contractor: *Provided further*, That the Secretary of Transportation may provide for a waiver of the requirements for a warranty where: (1) the waiver is necessary in the interest of the national defense or the warranty would not be cost effective; and (2) the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries of the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirements: *Provided further*, That the requirements for such written warranties shall not cover combat damage. (*Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 69-0240-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Search and rescue.....	36,586	33,366	92,149
00.02 Aids to navigation.....	32,079	28,602	46,576
00.03 Marine safety.....	4,720	4,017	2,650
00.04 Marine environmental protection.....	10,424	8,651	10,991
00.05 Enforcement of laws and treaties.....	241,021	215,567	177,675
00.06 Ice operations.....	5,121	5,173	1,718
00.07 Defense readiness.....	37,604	34,624	26,241
00.91 Total direct program.....	367,555	330,000	358,000
01.01 Reimbursable program.....	72,819	80,500	80,500
10.00 Total obligations.....	440,374	410,500	438,500
<b>Financing:</b>			
11.00 Offsetting collections from Federal funds.....	-68,563	-80,500	-80,500
17.00 Recovery of prior year obligations.....	-4,256	.....	.....
21.40 Unobligated balance available, start of year.....	-273,206	-203,293	-120,293
24.40 Unobligated balance available, end of year.....	203,293	120,293	110,293
25.00 Unobligated balance lapsing.....	358	.....	.....
40.00 Budget authority (appropriation).....	298,000	247,000	348,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	371,811	330,000	358,000
72.40 Obligated balance, start of year.....	586,098	560,441	483,043
74.40 Obligated balance, end of year.....	-560,441	-483,043	-527,223
77.00 Adjustments in expired accounts.....	-4,233	.....	.....
78.00 Adjustments in unexpired accounts.....	-4,256	.....	.....
90.00 Outlays.....	388,978	407,398	313,820

This appropriation provides for the major acquisition, construction, and improvement of vessels, aircraft, shore units, and aids to navigation, excluding minor acquisitions, additions, renewals, and replacements funded in the Operating Expenses appropriation where estimated costs of a project are \$150 thousand or less, or where renewals and replacements involve less than 75 percent of the original facility. Most of the facilities

financed by this appropriation are multi-mission in nature and are required by the Coast Guard in the performance of its operational and regulatory missions.

**Vessels.**—During fiscal year 1989, acquisition of the 44-foot Motor Lifeboat will continue. All thirteen 270-foot Medium Endurance Cutters (WMEC) will be operational or delivered. In addition, the ninth and final 140-foot Icebreaking Tug (WTGB) will be operational. Major accomplishments will also be realized in the area of vessel renovation and modernization. By the end of fiscal year 1989, all but three of the 37 Coast Guard Island Class 110-foot patrol boats will be delivered or operational. Five of twelve 378-foot High Endurance Cutters (WHEC) and six of sixteen 210-foot Medium Endurance Cutters (WMEC) will have completed their major renovations; five additional WHECs, and two WMECs will be undergoing renovation. Six 180-foot Buoy Tenders (WLB) will have completed service life extension rehabilitation and efforts to design a replacement for the WLB/WLM Buoy Tenders will begin. Nine 130-foot barges for the Second Coast Guard District and three 55-foot Aids-to-Navigation boats will be delivered or operational. Cumulatively, these accomplishments will enhance critical multimission capabilities of the Coast Guard's major vessel capital assets, as well as the fleet's readiness and maintenance posture.

**Aircraft.**—Three new HC-130 Long Range Surveillance fixed-wing aircraft funded in the fiscal year 1986 Coastal Defense Augmentation Account and two funded in the fiscal year 1987 Omnibus Drug Bill will be delivered by the end of fiscal year 1988. During the period fiscal year 1988-89, considerable progress will be made in acquiring aircraft sensors to enhance search and rescue and law enforcement missions. Six Airborne Surveillance Systems (AIREYE) will be in operational use on HH-25A Medium Range Search aircraft during fiscal year 1988. Funds to procure contract maintenance and installation kits for the HC-130 Forward Looking Airborne Radars (FLAR) are requested. All 96 of the HH-65A Short Range Recovery (SRR) helicopters will be delivered by the end of fiscal year 1988. Continued acquisition of the HH-60 Medium Range Recovery (MRR) helicopter and improvements to the HH-65A helicopter promises enhanced mission performance for the Coast Guard helicopter fleet. These improvements will include faster response time, safer operations, and more capable detection systems.

**Shore Facilities.**—Recent shore facility projects have emphasized both new construction and renovation over plant expansion. These projects range from air station rehabilitations and moorings improvements to a service-wide program to remove and replace unused and leaking underground tanks. Particular emphasis has been placed on upgrading shore facilities at Alameda, CA, Portsmouth, VA, Boston, MA, New Bedford, MA, and Long Beach, CA, and health care facilities at Kodiak, AK and Yorktown, VA. This construction is expected to be completed in fiscal year 1989. Projects have also been initiated or continued to provide advanced command, control, communications and information systems to Coast Guard commands, thereby enhancing productivity and facilitating management decisions. The condition of the existing shoreplant, com-

combined with the need for a measure of expansion, requires a significant emphasis on shoreplant investment.

**Object Classification (in thousands of dollars)**

Identification code 69-0240-0-1-403	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,275	5,634	5,975
11.3 Other than full-time permanent .....	6	6	6
11.5 Other civilian personnel compensation .....	183	164	174
11.7 Military personnel .....	9,540	8,565	9,085
11.9 Total personnel compensation .....	16,004	14,369	15,240
12.1 Civilian personnel benefits .....	864	776	823
12.2 Military personnel benefits .....	824	740	785
21.0 Travel and transportation of persons .....	2,110	1,894	2,009
22.0 Transportation of things .....	425	382	405
23.3 Communications, utilities, and miscellaneous charges .....	435	391	414
24.0 Printing and reproduction .....	180	162	171
25.0 Other services .....	20,566	18,465	20,058
26.0 Supplies and materials .....	31,844	28,590	31,058
31.0 Equipment .....	222,968	200,185	217,463
32.0 Land and structures .....	71,335	64,046	69,574
99.0 Subtotal, direct obligations .....	367,555	330,000	358,000
99.0 Reimbursable obligations .....	72,819	80,500	80,500
99.9 Total obligations .....	440,374	410,500	438,500

**Personnel Summary**

<b>Military:</b>			
Total number of full-time permanent positions .....	297	331	330
Total compensable workyears: Full-time equivalent employment .....	292	330	330
<b>Civilian:</b>			
Total number of full-time permanent positions .....	224	238	224
Total compensable workyears: .....			
Full-time equivalent employment .....	215	227	224
Full-time equivalent of overtime and holiday hours .....	5	5	5

**ALTERATION OF BRIDGES**

For necessary expenses for alteration or removal of obstructive bridges, **[\$940,000] \$8,500,000**, to remain available until expended. (Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 69-0244-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	21,806	5,547	8,500
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-10,030		
17.00 Recovery of prior year obligations .....	-889		
21.40 Unobligated balance available, start of year .....	-15,495	-4,607	
24.40 Unobligated balance available, end of year .....	4,607		
40.00 Budget authority (appropriation) .....		940	8,500
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	11,776	5,547	8,500
72.40 Obligated balance, start of year .....	13,516	24,128	16,959
74.40 Obligated balance, end of year .....	-24,128	-16,959	-16,429
78.00 Adjustments in unexpired accounts .....	-889		
90.00 Outlays .....	276	12,716	9,030

This appropriation provides the Government's share of the costs for altering or removing bridges determined to be obstructions to navigation. Generally, bridges to be altered were built with what are now insufficient vertical and/or horizontal clearances for free navigation on navigable waters of the United States. \$8.5 million is requested in 1989 to complete alteration of the

Burlington Northern RR bridge over the Willamette River, Portland, OR.

**RETIRED PAY**

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55), **[\$386,700,000] \$410,800,000**. (Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 69-0241-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Regular military personnel .....	301,118	331,000	349,450
00.02 Former Lighthouse Service personnel .....	1,352	1,000	950
00.03 Reserve personnel .....	12,585	13,700	14,400
00.04 Survivor benefit programs .....	3,879	4,000	4,100
00.05 Medical care .....	33,000	37,000	41,900
10.00 Total obligations .....	351,934	386,700	410,800
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	4,066		
39.00 Budget authority .....	356,000	386,700	410,800
<b>Budget authority:</b>			
40.00 Appropriation .....	364,000	386,700	410,800
41.00 Transferred to other accounts .....	-8,000		
43.00 Appropriation (adjusted) .....	356,000	386,700	410,800
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	351,934	386,700	410,800
72.40 Obligated balance, start of year .....	40,730	40,882	
74.40 Obligated balance, end of year .....	-40,882		
77.00 Adjustments in expired accounts .....	-1,837		
90.00 Outlays .....	349,944	427,582	410,800

This appropriation provides for retired pay of military personnel of the Coast Guard and Coast Guard Reserve, members of the former Lighthouse Service, and for annuities payable to beneficiaries of retired military personnel under the retired serviceman's family protection plan (10 U.S.C. 1431-46) and survivor benefits plans (10 U.S.C. 1447-55); and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55).

The following tabulation shows the average number of personnel on the rolls during 1987 compared with estimated numbers for 1988 and 1989:

**AVERAGE NUMBER**

Category:	1987 actual	1988 est.	1989 est.
Commissioned officers .....	4,007	4,136	4,260
Warrant officers .....	3,453	3,569	3,676
Enlisted personnel .....	14,854	15,027	15,215
Former Lighthouse Service personnel .....	90	85	78
Reserve personnel .....	1,737	1,828	1,901
Total .....	24,141	24,645	25,130

**Object Classification (in thousands of dollars)**

Identification code 69-0241-0-1-403	1987 actual	1988 est.	1989 est.
13.0 Benefits for former personnel .....	318,934	349,690	368,890
25.0 Other services .....	32,991	37,000	41,900

General and special funds—Continued

RETIRED PAY—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	69-0241-0-1-403	1987 actual	1988 est.	1989 est.
26.0	Supplies and materials .....	9	10	10
99.9	Total obligations .....	351,934	386,700	410,800

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services, **[\$62,880,000] \$68,500,000.** (Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	69-0242-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Initial training .....	4,309	4,163	4,352
00.02	Continuing training .....	37,912	36,494	40,948
00.03	Operation and maintenance of training facilities .....	10,587	9,830	10,247
00.04	Administration .....	12,348	12,393	12,953
00.91	Total direct program .....	65,156	62,880	68,500
01.01	Reimbursable program .....	26	50	50
10.00	Total obligations .....	65,182	62,930	68,550
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-26	-50	-50
21.40	Unobligated balance available, start of year .....		-79	
22.40	Unobligated balance transferred, net .....	-1,200		
24.40	Unobligated balance available, end of year .....	79		
25.00	Unobligated balance lapsing .....	364	79	
40.00	Budget authority (appropriation) .....	64,400	62,880	68,500
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	65,156	62,880	68,500
72.40	Obligated balance, start of year .....	6,910	6,551	8,174
74.40	Obligated balance, end of year .....	-6,551	-8,174	-9,533
77.00	Adjustments in expired accounts .....	-740		
90.00	Outlays .....	64,775	61,257	67,141

The Coast Guard Reserve Forces provide qualified individuals and trained units for active duty in event of war, national emergency or domestic disaster. These forces keep ready through realistic, coordinated training in wartime skills, formal training in military skills, and performing peace time duties with the Regular Forces during normal and emergency operations. The 1989 program will provide a Ready Reserve of 18,700 including a Selected Reserve of 13,000.

**Initial training.**—Direct costs of initial training for non-prior service recruits are programmed under this activity.

**Continuing training.**—Direct costs of officer and enlisted drills and annual active duty for training are programmed under this activity.

**Operation and maintenance of training facilities.**—Reserve training facilities for operation and maintenance are programmed under this activity.

**Administration.**—All administrative costs for the Reserve Forces program are programmed under this category.

**Miscellaneous services for other accounts.**—Coast Guard mobilization-related activities for the Selected

Service System and the Federal Emergency Management Agency are reimbursed under this activity.

DAYS OF TRAINING

	1987 actual	1988 est.	1989 est.
Initial training: Initial active duty for training .....	102,764	92,100	88,000
Continuing training: Selected Reserve (with pay):			
Active duty training .....	160,151	124,300	153,000
Drill training .....	280,626	262,500	268,100
Other Ready Reserve (without pay):			
Active duty for training .....	800	800	800
Drill training .....	7,500	20,000	7,500

Object Classification (in thousands of dollars)

Identification code	69-0242-0-1-403	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	1,572	1,600	1,640
11.3	Other than full-time permanent .....	40	40	40
11.5	Other personnel compensation .....	85	90	100
11.7	Military personnel .....	50,365	46,780	52,308
11.9	Total personnel compensation .....	52,062	48,510	54,088
12.1	Civilian personnel benefits .....	223	230	240
12.2	Military personnel benefits .....	1,478	3,600	2,563
21.0	Travel and transportation of persons .....	2,603	3,800	4,560
22.0	Transportation of things .....	518	430	450
23.1	Rental payments to GSA .....	515	606	632
23.3	Communications, utilities, and miscellaneous charges .....	207	214	208
24.0	Printing and reproduction .....	49	50	50
25.0	Other services .....	1,968	2,100	2,200
26.0	Supplies and materials .....	5,028	3,120	3,279
31.0	Equipment .....	505	200	210
42.0	Insurance claims and indemnities .....		20	20
99.0	Subtotal, direct obligations .....	65,156	62,880	68,500
99.0	Reimbursable obligations .....	26	50	50
99.9	Total obligations .....	65,182	62,930	68,550

Personnel Summary

<b>Military:</b>			
Total number of full-time permanent positions .....	599	599	599
Total compensable workyears: Full-time equivalent employment .....	599	599	599
<b>Civilian:</b>			
Total number of full-time permanent positions .....	112	112	112
Total compensable workyears:			
Full-time equivalent employment .....	102	104	104
Full-time equivalent of overtime and holiday hours .....	3	2	2

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for **[basic and]** applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, \$19,000,000, to remain available until expended: *Provided*, That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources and foreign countries, for expenses incurred for research, development, testing, and evaluation. (Department of Transportation and Related Agencies Appropriation Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	69-0243-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Search and rescue .....	3,303	3,593	3,796
00.02	Aids to navigation .....	3,337	3,564	4,480
00.03	Marine safety .....	1,720	1,822	2,544
00.04	Marine environmental protection .....	1,481	1,949	1,499
00.05	Enforcement of laws and treaties .....	5,596	6,527	3,681
00.06	Ice operations .....	409	437	456
00.07	Defense readiness .....	1,158	1,108	2,544
00.91	Total direct program .....	17,004	19,000	19,000

01.01	Reimbursable program.....	653	650	650
10.00	Total obligations.....	17,657	19,650	19,650
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	- 653	- 650	- 650
21.40	Unobligated balance available, start of year.....	-10,394	- 8,390	- 8,390
22.40	Unobligated balance transferred, net.....	5,000		
24.40	Unobligated balance available, end of year.....	8,390	8,390	8,390
40.00	<b>Budget authority (appropriation).....</b>	<b>20,000</b>	<b>19,000</b>	<b>19,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	17,004	19,000	19,000
72.40	Obligated balance, start of year.....	8,352	7,548	8,073
74.40	Obligated balance, end of year.....	-7,548	- 8,073	- 7,593
90.00	Outlays.....	17,807	18,475	19,480

The Coast Guard's Research and Development (R&D) program seeks to maintain the technological base in areas crucial to the successful execution of the Coast Guard's operational and regulatory missions. The R&D program includes the development of techniques, methods, hardware, and systems which directly contribute to increasing the productivity and effectiveness of operating forces. Tests and evaluations are carried out in conjunction with research and development. The 1989 request will provide for: development of improved search and rescue capability; support for replacement of marine vehicles; development of improved aid to navigation performance techniques; development of improved vessel safety knowledge bases to support establishment, modification, or discontinuance of various regulations and standards; development of systems and procedures for control and cleanup of pollutant spills; development of techniques to support law enforcement efforts; technological support for defense readiness; and research, development, test, and evaluation in multi-mission project areas.

**Object Classification (in thousands of dollars)**

Identification code 69-0243-0-1-403				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	2,894	2,759	2,265
11.3	Other than full-time permanent.....	52	50	41
11.5	Other personnel compensation.....	54	51	43
11.7	Military personnel.....	3,011	2,871	2,342
11.9	Total personnel compensation.....	6,011	5,731	4,691
12.1	Civilian personnel benefits.....	367	350	287
12.2	Military personnel benefits.....	230	219	179
21.0	Travel and transportation of persons.....	479	585	640
22.0	Transportation of things.....	90	110	120
23.1	Rental payments to GSA.....	208	254	278
23.3	Communications, utilities, and miscellaneous charges.....	309	377	413
24.0	Printing and reproduction.....	19	23	26
25.0	Other services.....	6,338	7,743	8,417
26.0	Supplies and materials.....	1,599	1,953	2,139
31.0	Equipment.....	1,354	1,655	1,810
99.0	Subtotal, direct obligations.....	17,004	19,000	19,000
99.0	Reimbursable obligations.....	653	650	650
99.9	Total obligations.....	17,657	19,650	19,650

**Personnel Summary**

<b>Military:</b>				
	Total number of full-time permanent positions.....	79	52	42
	Total compensable workyears: Full-time equivalent employment.....	79	52	42
<b>Civilian:</b>				
	Total number of full-time permanent positions.....	104	80	71

Total compensable workyears:				
	Full-time equivalent employment.....	103	79	70
	Full-time equivalent of overtime and holiday hours.....	1	1	1

**POLLUTION FUND**

**Program and Financing (in thousands of dollars)**

Identification code 69-5168-0-2-304				
1987 actual				
1988 est.				
1989 est.				
<b>Program by activities:</b>				
10.00	Total obligations.....	3,924	5,300	5,700
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-9,327	-10,208	-10,208
24.40	Unobligated balance available, end of year.....	10,208	10,208	10,208
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>4,805</b>	<b>5,300</b>	<b>5,700</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,924	5,300	5,700
72.40	Obligated balance, start of year.....	6,212	3,991	1,502
74.40	Obligated balance, end of year.....	-3,991	-1,502	-902
90.00	Outlays.....	6,146	7,789	6,300

This fund insures immediate cleanup of oil or other hazardous polluting substances spilled into the navigable waters of the United States, adjoining shorelines or waters of the contiguous zone. The fund is used when a spill occurs and the responsible owners or operators of a vessel, onshore facility, or offshore facility do not accomplish immediate cleanup with their own resources. Expenditures from the fund are later reimbursed by the responsible owners or operators.

**Object Classification (in thousands of dollars)**

Identification code 69-5168-0-2-304				
1987 actual				
1988 est.				
1989 est.				
21.0	Travel and transportation of persons.....	43	50	50
25.0	Other services.....	3,788	5,150	5,550
26.0	Supplies and materials.....	93	100	100
99.9	Total obligations.....	3,924	5,300	5,700

**OFFSHORE OIL POLLUTION COMPENSATION FUND**

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations in such amounts and at such times as may be necessary to the extent that appropriations are not adequate to meet the obligations of the Fund: *Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of \$57,000,000 \$60,000,000 in fiscal year 1988 1989 for the "Offshore Oil Pollution Compensation Fund". (Department of Transportation and Related Agencies Appropriations Act, 1988.)*

**Amounts Available for Appropriation (in thousands of dollars)**

1987 actual				
1988 est.				
1989 est.				
Unappropriated balance, start of year: U.S. securities (par).....				
		85,281	102,688	121,258
Receipts:				
	Collections.....	10,894	10,570	10,250
	Interest on investments.....	7,513	8,000	9,330
<b>Totals:</b>				
	Available for appropriation.....	103,688	121,258	140,838
	Appropriation.....	-1,000		
Unappropriated balance, end of year: U.S. securities (par).....				
		102,688	121,258	140,838

**General and special funds—Continued**  
**OFFSHORE OIL POLLUTION COMPENSATION FUND—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code 69-5167-0-2-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	147	243	245
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance	-1,567	-1,027	-900
21.40 U.S. securities (par)	-1,446	-1,116	-1,000
22.40 Unobligated balance transferred, net	1,723		
Unobligated balance available, end of year:			
24.40 Treasury balance	1,027	900	655
24.40 U.S. securities (par)	1,116	1,000	1,000
40.00 <b>Budget authority (appropriation)</b>	<b>1,000</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net	147	243	245
72.40 Obligated balance, start of year	61	78	78
74.40 Obligated balance, end of year	-78	-78	-78
90.00 Outlays	129	243	245

The Outer Continental Shelf Lands Act Amendments of 1978 require the Coast Guard to perform additional Marine Safety and Environmental Protection missions on the Outer Continental Shelf. Title III of the law provides for an oil pollution compensation fund to pay compensation for damages, including cleanup, resulting from oil spills. Additional funds are not requested for fiscal year 1989.

**Object Classification (in thousands of dollars)**

Identification code 69-5167-0-2-304	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons	4	7	7
23.3 Communications, utilities, and miscellaneous charges	2	3	3
25.0 Other services	133	220	222
26.0 Supplies and materials	8	13	13
99.9 Total obligations	147	243	245

**DEEPWATER PORT LIABILITY FUND**

The Secretary of Transportation is authorized to issue, and the Secretary of the Treasury is authorized to purchase, without fiscal year limitation, notes or other obligations in such amounts and at such times as may be necessary to the extent that available appropriations are not adequate to meet the obligations of the Fund: *Provided*, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of ~~[\$47,500,000]~~ \$50,000,000 in fiscal year ~~[1988]~~ 1989 for the "Deepwater Port Liability Fund". (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year: U.S. securities (par)	3,727	3,709	4,063
Receipts	982	354	381
<b>Total:</b>			
Available for appropriation	4,709	4,063	4,444
Appropriation	-1,000		
Unappropriated balance, end of year: U.S. securities (par)	3,709	4,063	4,444

**Program and Financing (in thousands of dollars)**

Identification code 69-5170-0-2-304	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance	-82	-28	-28
21.40 U.S. securities (par)	-5,525	-1,434	-1,434
22.40 Unobligated balance transferred, net	5,145		
Unobligated balance available, end of year:			
24.40 Treasury balance	82	28	28
24.40 U.S. securities (par)	1,380	1,434	1,434
40.00 <b>Budget authority (appropriation)</b>	<b>1,000</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	1	1	
74.40 Obligated balance, end of year	-1		
90.00 Outlays		1	

The Deepwater Port Act of 1974 provided a system for determination and settlement, without fault, of claims for all cleanup costs and damages incurred, but not otherwise compensated, as a result of discharges of oil into the marine environment from deepwater port activities. The Deepwater Port Act Amendments of 1984 (Public Law 98-419) suspended, as of September 25, 1984, the 2-cent-per-barrel fee to be assessed against all oil delivered at deepwater ports and to be deposited in this fund. The collection of this fee may not resume unless the fund balance falls below \$4,000,000. Additional funds are not requested for fiscal year 1989.

**Intragovernmental funds:**

**COAST GUARD SUPPLY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 69-4535-0-4-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0)	64,682	67,334	69,960
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-58,381	-60,775	-63,145
14.00 Non-Federal sources	-6,252	-6,467	-6,723
21.98 Unobligated balance available, start of year: Fund balance	-288	-239	-147
24.98 Unobligated balance available, end of year: Fund balance	239	147	55
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	49	92	92
72.98 Obligated balance, start of year: Fund balance	7,723	14,435	14,127
74.98 Obligated balance, end of year: Fund balance	-14,435	-14,127	-13,819
90.00 Outlays	-6,664	400	400

The Coast Guard supply fund, in accordance with 14 U.S.C. 650, finances the procurement of uniform clothing, commissary provisions, general stores, technical material, and fuel for vessels over 180 feet in length. The fund is normally financed by reimbursements from sale of goods.



COAST GUARD YARD FUND

Program and Financing (in thousands of dollars)

Identification code 69-4743-0-4-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Cost of goods sold.....	9,801	10,812	10,111
00.02 Other.....	24,100	25,391	24,590
00.91 Total operating expenses.....	33,901	36,203	34,701
01.01 Capital investment: Purchase of equipment.....	8,200	600	700
10.00 Total obligations.....	42,101	36,803	35,401
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-24,049	-22,393	-22,501
14.00 Non-Federal sources.....	-40	-50	-50
21.98 Unobligated balance available, start of year: Fund balance.....	-68,216	-50,205	-35,845
24.98 Unobligated balance available, end of year: Fund balance.....	50,205	35,845	22,995
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	18,011	14,360	12,850
72.98 Obligated balance, start of year: Fund balance.....	3,494	10,687	10,221
74.98 Obligated balance, end of year: Fund balance.....	-10,687	-10,221	-18,071
90.00 Outlays.....	10,818	14,826	5,000

This fund finances industrial operation of the Coast Guard Yard, Curtis Bay, MD (14 U.S.C.). The yard finances its operations out of advances received from Coast Guard appropriations and other agencies for all direct and indirect costs.

ANALYSIS BY TYPE OF WORK

[Percent]

	1987 actual	1988 est.	1989 est.
Vessel repairs and alterations.....	74	76	76
Vessel construction.....	6	9	14
Boat repairs and construction.....	1	1	1
Buoy fabrication.....	5	1	
Fabrication of special and miscellaneous items.....	15	13	9
Total.....	100	100	100

Object Classification (in thousands of dollars)

Identification code 69-4743-0-4-403	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	15,665	15,883	16,096
11.3 Other than full-time permanent.....	407	413	422
11.5 Other personnel compensation.....	2,562	2,002	2,052
11.7 Military personnel.....	457	477	490
11.9 Total personnel compensation.....	19,091	18,775	19,060
12.1 Civilian personnel benefits.....	2,420	2,817	2,842
12.2 Military personnel benefits.....	27	25	35
21.0 Travel and transportation of persons.....	61	208	208
22.0 Transportation of things.....	72	70	70
23.3 Communications, utilities, and miscellaneous charges.....	1,512	1,325	1,275
24.0 Printing and reproduction.....	10	16	16
25.0 Other services.....	1,866	1,640	1,575
26.0 Supplies and materials.....	16,635	11,327	9,620
31.0 Equipment.....	404	600	700
43.0 Interest and dividends.....	3		
99.9 Total obligations.....	42,101	36,803	35,401

Personnel Summary

<b>Military:</b>			
Total number of full-time permanent positions.....	24	24	24
Total compensable workyears: Full-time equivalent employment.....	24	24	24
<b>Civilian:</b>			
Total number of full-time permanent positions.....	654	654	654

Total compensable workyears:			
Full-time equivalent employment.....	622	632	632
Full-time equivalent of overtime and holiday hours.....	70	52	51

Trust Funds

AQUATIC RESOURCES TRUST FUND

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	152,751	175,039	208,726
Collections (receipts):			
Motorboat fuels tax.....	98,162	109,000	112,000
Excise taxes on sport fishing equipment.....	77,032	90,417	82,267
Import duties on tackle and yachts.....	18,688	21,443	22,891
Interest on investments.....	18,002	19,000	20,000
Total available for appropriation.....	364,635	414,899	445,884
<b>Appropriation:</b>			
National Park Service (Department of the Interior):			
Land and Water Conservation Fund (Motorboat fuels tax)....	1,000	1,000	1,000
U.S. Coast Guard (Department of Transportation):			
Boat safety (motorboat fuels tax).....	28,981	22,500	15,000
Operating expenses (motorboat fuels tax).....	18,600	21,600	30,000
United States Fish and Wildlife Service (Department of the Interior):			
Sport fish restoration account.....	141,015	161,073	194,760
(Motorboat fuels tax).....	(28,165)	(50,775)	(63,900)
(Excise taxes on sport fishing equipment).....	(67,979)	(77,032)	(90,417)
(Import duties on tackle and yachts).....	(31,294)	(18,688)	(21,443)
(Interest).....	(13,578)	(14,578)	(19,000)
Unappropriated balance, end of year.....	175,039	208,726	205,124

The Internal Revenue Code of 1954, as amended, and the Federal Boat Safety Act of 1971 (Public Law 92-75), as amended, provide for the transfer of Highway Trust Fund revenue derived from the motor boat fuel tax and certain other taxes to the Aquatic Resources Trust Fund. The Secretary of the Treasury estimates the amounts to be so transferred. In turn, appropriations are authorized from this fund to meet expenditures for recreational boating safety assistance and other programs specified by law.

BOAT SAFETY

LIQUIDATION OF CONTRACT AUTHORIZATION

For payment of obligations incurred for recreational boating safety assistance under Public Law 92-75, as amended, **[\$22,500,000]** \$15,000,000, to be derived from the Boat Safety Account and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of **[\$21,375,000]** \$15,000,000 in fiscal year **[1988]** 1989 for recreational boating safety assistance. (*Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation for \$15,000,000 to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 69-8149-0-7-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 State recreational boating safety programs.....	28,316	21,375	15,000
00.02 Operating expenses: Coast Guard.....	18,600	21,600	30,000
10.00 Total obligations.....	46,916	42,975	45,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-419	-1,084	-2,209
24.40 Unobligated balance available, end of year.....	1,084	2,209	2,209
40.00 <b>Budget authority (appropriation)</b> .....	<b>47,581</b>	<b>44,100</b>	<b>45,000</b>

**BOAT SAFETY—Continued**

**[LIQUIDATION OF CONTRACT AUTHORIZATION]—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	69-8149-0-7-403	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	46,916	42,975	45,000
72.40	Obligated balance, start of year .....	20,926	26,027	16,887
74.40	Obligated balance, end of year .....	-26,027	-16,887	-19,722
90.00	Outlays .....	41,815	52,115	42,165

This account provides financial assistance for the development and implementation of a coordinated national recreational boating safety program, as provided for in Public Law 92-75, as amended, and Public Law 98-369. In addition, under current law, \$15 million will be transferred in 1989 to Operating Expenses. Legislation has been proposed to increase the amount authorized for transfer to Operating Expenses to \$30 million.

**Object Classification (in thousands of dollars)**

Identification code	69-8149-0-7-403	1987 actual	1988 est.	1989 est.
25.0	Other services .....	15,000	21,600	30,000
41.0	Grants, subsidies, and contributions .....	31,916	21,375	15,000
99.9	Total obligations .....	46,916	42,975	45,000

**COAST GUARD GENERAL GIFT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	69-8533-0-7-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....		80	80
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-6		
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-8	-14	-14
21.40	U.S. securities (par) .....	-130	-130	-130
Unobligated balance available, end of year:				
24.40	Treasury balance .....	14	14	14
24.40	U.S. securities (par) .....	130	130	130
60.00	<b>Budget authority (appropriation) (permanent, indefinite) .....</b>		<b>80</b>	<b>80</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		80	80
72.40	Obligated balance, start of year .....	6		30
74.40	Obligated balance, end of year .....		-30	-30
78.00	Adjustments in unexpired accounts .....	-6		
90.00	Outlays .....		50	80

This trust fund, maintained from gifts and bequests, is used for purposes as specified by the donor in connection with the Coast Guard training program (10 U.S.C. 2601).

**Object Classification (in thousands of dollars)**

Identification code	69-8533-0-7-403	1987 actual	1988 est.	1989 est.
25.0	Other services .....		62	62
26.0	Supplies and materials .....		10	10
31.0	Equipment .....		8	8
99.9	Total obligations .....		80	80

**MISCELLANEOUS TRUST REVOLVING FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	69-9981-0-8-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Cadet activities .....	4,597	5,162	5,584
00.02	Surcharge collections, sales of commissary stores .....	310	310	310
10.00	Total obligations .....	4,907	5,472	5,894
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-4,597	-5,162	-5,584
14.00	Non-Federal sources .....	-259	-258	-258
21.98	Unobligated balance available, start of year: Fund balance .....	-387	-336	-284
24.98	Unobligated balance available, end of year: Fund balance .....	336	284	232
39.00	<b>Budget authority .....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	51	52	52
72.98	Obligated balance, start of year: Fund balance .....	217	184	211
74.98	Obligated balance, end of year: Fund balance .....	-184	-211	-238
90.00	Outlays .....	84	25	25
Distribution of outlays by account:				
	Cadet activities .....	33		
	Surcharge collections, sales of commissary stores .....	51	25	25

The Coast Guard cadet fund is utilized by the Superintendent of the Coast Guard Academy to receive, plan, control, and expend funds for personal expenses and obligations of Coast Guard cadets.

The Coast Guard surcharge collections, sales of commissary stores fund is used to finance expenses incurred in connection with the operation of the Coast Guard commissary stores. Revenue is derived from a surcharge placed on sales (14 U.S.C. 487).

**Object Classification (in thousands of dollars)**

Identification code	69-9981-0-8-403	1987 actual	1988 est.	1989 est.
23.3	Communications, utilities, and miscellaneous charges .....	17	18	19
25.0	Other services .....	3,608	3,976	4,382
26.0	Supplies and materials .....	1,257	1,453	1,468
31.0	Equipment .....	25	25	25
99.9	Total obligations .....	4,907	5,472	5,894

**MARITIME ADMINISTRATION**

The programs administered by the Maritime Administration (MarAd) are authorized by the Merchant Marine Act, 1936, and other related acts. The agency promotes the development and maintenance of an American merchant marine for commercial and defense needs; grants subsidy aid for operation of vessels by American flag operators; administers the outstanding Federal Ship Financing Fund portfolio; pays the increased cost associated with the expanded cargo preference requirement in the Food Security Act of 1985; maintains in a standby condition Government-owned fleets; and trains cadets to become licensed merchant ship officers.

The following table shows the funding for the MarAd programs, including proposed legislation for which detail is furnished in the budget schedules:

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
<b>Budget authority:</b>			
Operating-differential subsidies			224,440
(Appropriation to liquidate contract authority)	(320,000)	(250,300)	(202,370)
Ocean freight differential	24,338	61,305	62,000
Research and development	3,500		
Operations and training	64,000	75,521	74,100
Ready reserve force			110,751
Federal ship financing fund	420,000		
Interest subsidy			90
Special studies, services, and projects	30	100	100
Gifts and bequests	2	15	15
<b>Total budget authority</b>	<b>511,870</b>	<b>136,941</b>	<b>471,496</b>
<b>Program level (obligations):</b>			
Ship construction	310	2,125	
Operating-differential subsidies			224,440
Ocean freight differential	24,338	61,305	62,000
Research and development	4,810	403	
Operations and training	69,331	88,704	74,100
Ready reserve force			110,751
Federal ship financing fund:			
Revolving fund	374,791	40,900	-20,550
Interest subsidy			90
New loan guarantee commitments			
Vessel operations revolving fund	22,634		
War risk insurance revolving fund	-1,725	-1,177	-1,177
Special studies, services, and projects	30	100	100
Gifts and bequests	1	15	15
<b>Total program level</b>	<b>494,520</b>	<b>192,375</b>	<b>449,769</b>
<b>Outlays:</b>			
Ship construction	421	4,890	
Operating-differential subsidies	227,426	213,300	275,290
Ocean freight differential	21,813	63,830	62,000
Research and development	7,237	9,000	488
Operations and training	68,632	77,193	75,937
Ready reserve force			53,287
Federal ship financing fund	416,766	52,640	-20,550
Interest subsidy			90
Vessel operations revolving fund	115,231		
War risk insurance revolving fund	-889	-900	-900
Special studies, services, and projects		100	100
Gifts and bequests	1	15	15
<b>Total outlays</b>	<b>856,638</b>	<b>420,068</b>	<b>445,757</b>

**Federal Funds**

**General and special funds:**

**SHIP CONSTRUCTION**

**Program and Financing (in thousands of dollars)**

Identification code 69-1708-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	310	2,125	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-2,435	-2,125	
24.40 Unobligated balance available, end of year	2,125		
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	310	2,125	
72.40 Obligated balance, start of year	2,875	2,765	
74.40 Obligated balance, end of year	-2,765		
90.00 <b>Outlays</b>	421	4,890	

The remaining unobligated balances in Ship Construction are being reserved for settlement of outstanding claims. No funds are requested for 1989.

**OPERATING-DIFFERENTIAL SUBSIDIES  
(LIQUIDATION OF CONTRACT AUTHORITY)**

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amend-

ed, **[\$250,300,000]** \$248,900,000, to remain available until expended. (46 U.S.C. 1173; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 69-1709-0-1-403	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
39.00 <b>Budget authority</b>			
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation	320,000	250,300	248,900
40.49 Portion applied to liquidate contract authority	-228,285	-213,300	-248,900
40.50 Balance of appropriation to liquidate contract authority withdrawn	-91,715	-37,000	
43.00 <b>Appropriation (adjusted)</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
Obligated balance, start of year:			
72.40 Appropriation	32,913	33,772	33,772
72.49 Contract authority	2,858,512	2,257,662	2,044,362
Obligated balance, end of year:			
74.40 Appropriation	-33,772	-33,772	-33,772
74.49 Contract authority	-2,257,662	-2,044,362	-1,795,462
77.00 Adjustments in expired accounts	-372,565		
90.00 <b>Outlays</b>	227,426	213,300	248,900

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
<b>Budget authority</b>			
Outlays	227,426	213,300	248,900
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			224,440
Outlays			26,390
<b>Total:</b>			
Budget authority			224,440
Outlays	227,426	213,300	275,290

**Status of Unfunded Contract Authority (in thousands of dollars)**

Unfunded balance, start of year	2,858,512	2,257,662	2,044,362
Adjustment in expired accounts	-372,565		
Contract authority (permanent, indefinite)			
Appropriation to liquidate contract authority	-228,285	-213,300	-248,900
Unfunded balance, end of year	2,257,662	2,044,362	1,795,462

The Merchant Marine Act of 1936, as amended, provides that operating subsidies shall be paid to qualified operators of U.S.-flag vessels in order to promote the maintenance of a U.S. Merchant Marine capable of providing essential ocean-shipping services. A strong U.S. Merchant Marine is important to national security and to the development of foreign commerce. Subsidies are designed to achieve a parity between certain U.S. and foreign ship operating costs. The 1989 request provides funds for existing operating-differential subsidy contracts. The budget reflects no new contract authority on the basis that the obligations under the existing contracts were incurred when the contracts were signed. The Administration has proposed a reform of the Operating-Differential Subsidy program which results in \$224,440,000 of budget authority in fiscal year 1989. This proposal follows this presentation.

General and special funds—Continued

OPERATING-DIFFERENTIAL SUBSIDIES  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1709-2-1-403			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			224,440
<b>Financing:</b>			
39.00 Budget authority			224,440
<b>Budget authority:</b>			
40.00 Appropriation			72,920
40.00 Appropriation			-46,530
40.49 Portion applied to liquidate contract authority			46,530
40.50 Balance of appropriation to liquidate contract authority withdrawn			
43.00 <b>Appropriation (adjusted)</b>			<b>72,920</b>
49.10 <b>Contract authority (substantive law)</b>			<b>151,520</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			224,440
<b>Obligated balance, start of year:</b>			
72.40 Appropriation			
72.49 Contract authority			
<b>Obligated balance, end of year:</b>			
74.40 Appropriation			
74.49 Contract authority			135,842
77.00 Adjustments in expired accounts			-333,892
90.00 Outlays			26,390

This legislative proposal reflects the Operating-Differential Subsidy reform measures transmitted to Congress on July 6, 1987. Implementation is assumed on October 1, 1988. Under the reform proposal, an appropriation for current budget authority amounting to \$72,920,000 is estimated for agreements with new operators. It is estimated that the multi-year cost of existing operators' contracts will decrease by a net of \$333,892,000. This net decrease reflects an increase of \$151,520,000 for one contract, the term of which is estimated to extend beyond the current expiration date. This increase is reflected as permanent, indefinite contract authority.

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year			
Adjustment in expired accounts			-333,892
Contract authority (permanent, indefinite)			151,520
Appropriation to liquidate contract authority			46,530
Unfunded balance, end of year			-135,842

OCEAN FREIGHT DIFFERENTIAL

【Such sums as may be necessary for fiscal year 1988 and thereafter are hereby appropriated to liquidate debt and pay interest due to the Secretary of the Treasury, as required by section 901d, Merchant Marine Act 1936.】 (46 App. U.S.C. 1241h; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1751-0-1-403			
<b>Program by activities:</b>			
10.00 Total obligations	24,338	61,305	68,921

<b>Financing:</b>			
39.00 Budget authority	24,338	61,305	68,921
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation		85,643	
40.47 Portion applied to debt reduction		-85,138	
43.00 <b>Appropriation (adjusted)</b>		<b>505</b>	
<b>Permanent:</b>			
60.00 Appropriation			68,921
60.47 Portion applied to debt reduction			-68,921
63.00 <b>Appropriation (adjusted)</b>			
67.10 <b>Authority to borrow (P.L. 99-198) (46 U.S.C. 1241h)</b>	<b>24,338</b>	<b>60,800</b>	<b>68,921</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	24,338	61,305	68,921
72.47 Obligated balance, start of year		2,525	
74.47 Obligated balance, end of year	-2,525		
90.00 Outlays	21,813	63,830	68,921

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority	24,338	61,305	68,921
Outlays	21,813	63,830	68,921
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			-6,921
Outlays			-6,921
<b>Total:</b>			
Budget authority	24,338	61,305	62,000
Outlays	21,813	63,830	62,000

Public Law 99-198 amended section 901 of the Merchant Marine Act to increase from 50 to 75 percent the amount of agricultural commodities under specified programs that must be carried on U.S.-flag vessels. The increased cost associated with this expanded U.S.-flag shipping requirement stems from higher rates charged by U.S.-flag carriers compared with foreign-flag carriers. The Maritime Administration is required to reimburse the Department of Agriculture for ocean freight differential costs for the added tonnage above 50 percent. These reimbursements are funded through borrowings from the Treasury. Public Law 99-198 also requires the Maritime Administration to reimburse the Department of Agriculture for the amount which their ocean freight and ocean freight differential costs in any fiscal year exceeds 20 percent of the cost of the commodities shipped plus ocean freight and ocean freight differentials. The 1988 and 1989 budget estimates do not anticipate payments for the excess 20-percent rule. The Administration has proposed legislation to reform the Operating-Differential Subsidy program, which includes certain reforms in the way cargo preference requirements are administered.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-1751-0-1-403			
22.0 Transportation of things	24,338	60,800	68,921
43.0 Interest and dividends		505	
99.9 Total obligations	24,338	61,305	68,921

OCEAN FREIGHT DIFFERENTIAL

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 22.0)		-6,921
<b>Financing:</b>			
39.00	Budget authority		-6,921
<b>Budget authority:</b>			
40.00	Appropriation		-6,921
40.47	Portion applied to debt reduction		6,921
<b>Appropriation (adjusted):</b>			
43.00	Authority to borrow (substantive law)		-6,921
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net		-6,921
90.00	Outlays		-6,921

The Administration's proposed Operating Differential Subsidy reform legislation includes certain reforms in the administration of cargo preference requirements that are anticipated to reduce the cost of the ocean freight differential funded in this account.

RESEARCH AND DEVELOPMENT

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01	Advanced ship development	186	
00.02	Advanced ship operations	1,311	130
00.03	Research facilities	3,134	
00.04	Advanced maritime technology	179	273
00.91	Total direct program	4,810	403
01.01	Reimbursable program	2,781	
10.00	Total obligations	7,591	403
<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds	-2,781	
17.00	Recovery of prior year obligations	-75	
21.40	Unobligated balance available, start of year	-1,638	-403
24.40	Unobligated balance available, end of year	403	
40.00	Budget authority (appropriation)	3,500	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	4,810	403
72.40	Obligated balance, start of year	11,587	9,085
74.40	Obligated balance, end of year	-9,085	-488
78.00	Adjustments in unexpired accounts	-75	
90.00	Outlays	7,237	9,000

Fiscal year 1987 was the final year of funding for the maritime research and development appropriation.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
25.0	Other services	2,411	403
26.0	Supplies and materials	60	
31.0	Equipment	4	
41.0	Grants, subsidies, and contributions	2,335	
99.0	Subtotal, direct obligations	4,810	403

99.0	Reimbursable obligations	2,781	
99.9	Total obligations	7,591	403

FEDERAL SHIP FINANCING LOAN SUBSIDIES

(Proposed for later transmission, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0)		90
<b>Financing:</b>			
40.00	Budget authority (appropriation)		90
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net		90
90.00	Outlays		90

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	Limitation on direct loans		
1131	Direct loan obligations exempt from limitation		5,000
1150	Total direct loan obligations		5,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210	Outstanding, start of year		
1231	Disbursements: Direct loan disbursements		5,000
1251	Repayments: Repayments and prepayments		-50
1290	Outstanding, end of year		4,950
<b>Estimate of direct loan subsidy:</b>			
1320	Subsidy amount (in percent)		1.8
1330	Subsidy amount (in thousands of dollars)		90

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, **[\$75,521,000]** \$74,100,000, to remain available until expended: *Provided*, That reimbursements may be made to this appropriation from receipts to the "Federal Ship Financing Fund" for administrative expenses in support of that program: *Provided further*, That in addition to any amount heretofore appropriated, \$10,000,000 of the funds appropriated in this paragraph shall be available for the activation and conversion costs of a training vessel for the State University of New York Maritime College: *Provided further*, That the second sentence of the paragraph under this heading in chapter II of title I of the Act of August 22, 1984 (98 Stat. 1372), is amended by deleting "preconversion" and inserting in lieu thereof "activation and conversion", by inserting a period after the word "expended", and by deleting the remainder of the sentence: *Provided further*, That hereafter such training vessel shall be subject to a plan for sharing training vessels approved by the Secretary of Transportation, if such plan is deemed necessary: *Provided further*, That hereafter no funds shall be appropriated for the purchase or construction of training vessels for State maritime academies unless a plan for sharing training vessels between State maritime academies has been approved by the Maritime Administration: *Provided further*, That no funds or vessels shall be provided for support of a State maritime academy which has not agreed to require all candidates entering a merchant marine officer preparation program to pass the examination

General and special funds—Continued

OPERATIONS AND TRAINING—Continued

required for issuance of a merchant marine officer license as a condition for graduation, and to apply for and accept, if offered, appointment as a commissioned officer in the United States Naval Reserve (including the Merchant Marine Reserve, United States Naval Reserve), the United States Coast Guard Reserve, or any other reserve unit of an armed force of the United States, for at least six years following the date of graduation from the State maritime academy of such individual. (46 U.S.C. 867, 1111, 1114, 1151, 1161, 1171, 1177, 1241; 50 U.S.C. App. 1744; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	69-1750-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Maritime education and training:				
00.01	Merchant Marine Academy.....	20,476	21,009	22,759
00.02	State marine schools.....	12,073	27,400	8,000
00.03	Additional training.....	1,291	1,259	1,262
00.10	National security support capability.....	7,752	10,972	12,299
Operating programs:				
00.20	Development of waterborne transportation systems.....	1,271	960	962
00.21	Use of waterborne transportation systems.....	7,329	7,781	8,709
00.22	General administration.....	19,140	19,323	20,109
00.91	Total direct program.....	69,332	88,704	74,100
01.01	Reimbursable program.....	26,535	22,000	24,000
10.00	Total obligations.....	95,867	110,704	98,100
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-26,535	-22,000	-24,000
17.00	Recovery of prior year obligations.....	-961		
21.40	Unobligated balance available, start of year.....	-17,553	-13,183	
24.40	Unobligated balance available, end of year.....	13,183		
40.00	<b>Budget authority (appropriation).....</b>	<b>64,000</b>	<b>75,521</b>	<b>74,100</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	69,331	88,704	74,100
72.40	Obligated balance, start of year.....	7,759	7,497	19,008
74.40	Obligated balance, end of year.....	-7,497	-19,008	-17,171
78.00	Adjustments in unexpired accounts.....	-961		
90.00	Outlays.....	68,632	77,193	75,937

The specific activities funded by the operations and training appropriation are as follows:

*Maritime education and training—*

*Merchant Marine Academy.*—This activity provides for operating the Merchant Marine Academy at Kings Point, NY. The objective of the Academy is to instruct and prepare selected personnel for service as officers in the merchant marine. Approximately 185 officers will graduate in 1989. Additional funds are provided in 1989 for facilities modernization and renovation.

*State marine schools.*—This activity provides assistance to States in the operation and maintenance of maritime academies or colleges for the training of merchant marine officers. Initiation in 1989 of a program for sharing training vessels by the five ocean-going schools is proposed as well as a requirement that all students at the State marine schools accept a Naval Reserve Commitment. An estimated 475 merchant marine officers will graduate from the State marine schools in 1989.

*Additional training.*—This activity provides for the costs of administration of the Merchant Marine Academy and State marine schools programs at the bureau level, and for the conduct of supplementary

training courses required for merchant marine personnel.

*National security support capability.*—This activity provides for maintaining U.S. merchant ships in the National Defense Reserve Fleet for service as naval and military transport auxiliaries in time of war and national emergency and for emergency preparedness activities. Funds are provided in 1989 to continue a multi-year program for capital investment needs including facility alterations and maintenance, and replacement of support craft.

*Operating programs—*

*Development of waterborne transportation systems.*—This activity provides for direct technical and administrative costs of programs for development and construction of cost-competitive U.S. merchant ships in sufficient quantity to meet national maritime objectives.

*Use of waterborne transportation systems.*—This activity provides for the direct technical and administrative costs of promoting the effective development and use of merchant ships and ship systems. Program objectives involve increasing U.S.-flag participation in U.S. foreign trade and reducing or eliminating operating subsidies when no longer required to sustain a viable shipping operation.

*General administration.*—This activity provides for overall executive direction and general administrative functions of the Maritime Administration.

Object Classification (in thousands of dollars)

Identification code	69-1750-0-1-403	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	23,578	23,970	24,447
11.3	Other than full-time permanent.....	1,889	2,420	2,468
11.5	Other personnel compensation.....	790	685	685
11.8	Special personal services payments.....	558	573	573
11.9	Total personnel compensation.....	26,815	27,648	28,173
12.1	Civilian personnel benefits.....	4,078	5,609	5,701
13.0	Benefits for former personnel.....	95	70	70
21.0	Travel and transportation of persons.....	847	941	941
22.0	Transportation of things.....	221	45	45
23.1	Rental payments to GSA.....	2,879	3,017	3,017
23.3	Communications, utilities, and miscellaneous charges.....	3,564	4,743	4,890
24.0	Printing and reproduction.....	325	349	349
25.0	Other services.....	19,557	38,322	23,376
26.0	Supplies and materials.....	3,718	3,534	3,662
31.0	Equipment.....	1,996	1,906	1,556
32.0	Land and structures.....	2,171		
41.0	Grants, subsidies, and contributions.....	3,053	2,500	2,300
42.0	Insurance claims and indemnities.....	13	20	20
99.0	Subtotal, direct obligations.....	69,332	88,704	74,100
99.0	Reimbursable obligations.....	26,535	22,000	24,000
99.9	Total obligations.....	95,867	110,704	98,100

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	691	675	665
Total compensable workyears:			
Full-time equivalent employment.....	706	728	713
Full-time equivalent of overtime and holiday hours.....	12	12	12
Reimbursable:			
Total number of full-time permanent positions.....	308	323	420
Total compensable workyears:			
Full-time equivalent employment.....	323	317	388
Full-time equivalent of overtime and holiday hours.....	6	6	6

**READY RESERVE FORCE**

For necessary expenses to acquire and maintain a surge shipping capability in the National Defense Reserve Fleet in an advanced state of readiness and related programs, \$110,751,000, to remain available until expended: Provided, That reimbursement may be made to the Operations and Training appropriation for expenses related to this program.

**Program and Financing (in thousands of dollars)**

Identification code 69-1710-0-1-054	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Fleet additions .....			35,400
00.02 Maintenance and operations .....			75,351
00.91 Total direct program .....			110,751
01.01 Reimbursable program .....			10,000
10.00 Total obligations .....			120,751
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....			-10,000
40.00 Budget authority (appropriation) .....			110,751
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			110,751
72.40 Obligated balance, start of year .....			
74.40 Obligated balance, end of year .....			-57,464
90.00 Outlays .....			53,287

Note.—Estimates for 1987 and 1988 for the Ready Reserve Force are reflected in the following Navy accounts: Operations and Maintenance and Ship Construction.

**Object Classification (in thousands of dollars)**

Identification code 69-1710-0-1-054	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
25.0 Other services .....			75,351
31.0 Equipment .....			35,400
99.0 Subtotal, direct obligations .....			110,751
99.0 Reimbursable obligations .....			10,000
99.9 Total obligations .....			120,751

This appropriation provides funding for the Ready Reserve Force (RRF), which is comprised of Government-owned, U.S.-flag merchant ships laid up in the National Defense Reserve Fleet (NDRF). The RRF is maintained in an advanced state of readiness to meet surge shipping requirements during a national emergency. The 1989 budget proposes to appropriate these funds to the Maritime Administration, which has historically managed the RRF and funded certain RRF base costs in its Operations and Training appropriation. In the past, the Navy has funded the incremental cost of advanced readiness requirements. The proposed 1989 consolidation will place the entire funding and program responsibility for RRF ships in one Federal agency, pursuant to the requirement in Public Law 100-202.

The specific activities funded by this appropriation are as follows:

**Fleet additions.**—This activity provides for expansion or selective replacement of RRF ships. Acquisitions will be made to provide the number and type of ships required for this program based on DOD planning.

**Maintenance and operations.**—This provides funds for RRF ship activations and deactivations required to test ship reactivation readiness and to support DOD/Navy exercises of a broader purpose. Costs of ship operations will be funded by the organization

requiring the ship activation. This activity also provides for maintaining RRF ships in an advanced state of reactivation readiness and associated costs of berthing ships at dispersed locations. Also included are special programs in support of the RRF and special training related to these ships such as that for radio officers and crane ship cargo handling crews.

**Public enterprise funds:**

**FEDERAL SHIP FINANCING FUND\***

\*See Part II for additional information.

During fiscal year 1989, no new commitments for guaranteed loans will be made.

**Program and Financing (in thousands of dollars)**

Identification code 69-4301-0-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operating expenses .....	27,805	49,600	44,600
00.02 Payments to Treasury: Interest .....	107,930	29,400	26,800
01.01 Capital investment .....	342,864	255,000	105,000
10.00 Total obligations .....	478,599	334,000	176,400
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
14.00 Insurance premiums and fees .....	-24,845	-27,000	-26,000
14.00 Repayment of loans .....	-5,244	-3,000	-3,000
14.00 Sale of assets .....	-56,959	-239,100	-126,000
14.00 Interest and other income .....	-16,760	-24,000	-37,000
21.98 Unobligated balance available, start of year: Fund balance: U.S. securities (par) .....	-4,340	-49,549	
24.98 Unobligated balance available, end of year: Fund balance: U.S. securities (par) .....	49,549		
31.00 Redemption of debt .....		8,649	15,600
39.00 Budget authority .....	420,000		
<b>Budget authority:</b>			
Current:			
40.00 Appropriation .....	1,375,000		
40.47 Portion applied to debt reduction .....	-1,375,000		
43.00 Appropriation (adjusted) .....			
Permanent:			
67.10 Authority to borrow (substantive law) .....	420,000		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	374,791	40,900	-15,600
72.98 Obligated balance, start of year: Fund balance .....	60,057	18,081	6,341
74.98 Obligated balance, end of year: Fund balance .....	-18,081	-6,341	-6,341
90.00 Outlays .....	416,766	52,640	-15,600

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	420,000		
Outlays .....	416,766	52,640	-15,600
Credit reform:			
Budget authority .....			
Outlays .....			-4,950
Total:			
Budget authority .....	420,000		
Outlays .....	416,766	52,640	-20,550

**Status of Direct Loans (in thousands of dollars)**

Identification code 69-4301-0-3-403	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....	681	5,000	5,000
1150 Total direct loan obligations .....	681	5,000	5,000

Public enterprise funds—Continued

FEDERAL SHIP FINANCING FUND—Continued

Status of Direct Loans (in thousands of dollars)—Continued

Identification code	69-4301-0-3-403	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	1,474,817	1,611,621	1,855,632
Disbursements:				
1231	Direct loan disbursements	681	5,000	5,000
1232	Disbursements for guarantee loan claims	342,183	250,000	100,000
Repayments:				
1251	Repayments and prepayments	-5,244	-3,000	-3,000
1252	Repayments of defaulted guaranteed loans	-7,104	-7,989	-6,289
Adjustments:				
1262	Write-offs for defaults	-195,625		
1264	Other adjustments, net	1,913		
1290	Outstanding, end of year	1,611,621	1,855,632	1,951,343
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent)	1.5	1.7	1.8
1330	Subsidy amount (in thousands of dollars)	10	85	90

Status of Guaranteed Loans (in thousands of dollars)

Identification code	69-4301-0-3-403	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year	4,995,362	4,278,971	3,815,022
2231	Disbursements: Disbursements of new guaranteed loans	26,010		
2251	Repayments: Repayments and prepayments	-400,218	-213,949	-190,751
2261	Adjustments: Terminations for default that result in direct loans	-342,183	-250,000	-100,000
2290	Outstanding, end of year	4,278,971	3,815,022	3,524,271

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	4,278,971	3,815,022	3,524,271
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The Merchant Marine Act of 1936, as amended, established the Federal ship financing fund to assist in the development of the U.S. merchant marine by guaranteeing construction loans and mortgages on U.S.-flag vessels built in the United States.

The budget proposes appropriations language to prohibit new loan guarantee commitments in 1988 and 1989 and thereafter. Legislation will also be proposed to terminate permanently the Secretary's authority to guarantee loans.

**Budget program.**—Administrative expenses incurred in the operation of the Federal ship financing fund are paid from income to the fund. Direct loans in the form of advances to operators to forestall possible defaults are estimated at \$5 million in 1989. In 1989 the estimate includes \$100 million as a contingency against possible defaults.

**Financing.**—The fund receives income from insurance premiums on construction loans and mortgages, fees, and interest on mortgages held directly.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue	126,476	315,767	227,994
Expense	-360,028	-129,128	-264,033
Net operating income or loss (—)	233,552	186,639	-36,039

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury	64,397	67,630	18,790	78,780
Accounts receivable (net)	3,052	4,319	7,722	432
Loans receivable (net)	411,337	561,992	601,428	564,195
Vessels	318,676	307,853	68,753	1,557
Other assets (net)	8,219			
Total assets	805,681	941,794	696,693	644,964
<b>Liabilities:</b>				
Selected liabilities: Accounts payable including funded accrued liabilities				
	10,416	760	762	762
Debt issued under borrowing authority: Borrowing from Treasury				
	52,420	11,740		
Other liabilities				
	1,375,000	420,000		
Total liabilities	1,437,836	432,500	762	762
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance	4,340	49,549	12,449	72,439
Undelivered orders	273	9,898	13,301	6,011
Invested capital	-636,768	449,847	670,181	565,752
Total Government equity	-632,155	509,294	695,931	644,202

Object Classification (in thousands of dollars)

Identification code	69-4301-0-3-403	1987 actual	1988 est.	1989 est.
25.0	Other services	27,805	49,600	44,600
33.0	Investments and loans	450,794	284,400	131,800
99.9	Total obligations	478,599	334,000	176,400

FEDERAL SHIP FINANCING LOAN SUBSIDIES

(Proposed for later transmission, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	69-4301-6-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33)			-5,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources			50
24.98	Unobligated balance available, end of year			4,950
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-4,950
90.00	Outlays			-4,950

Status of Direct Loans (in thousands of dollars)

Identification code	69-4301-6-3-403	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans			
1131	Direct loan obligations exempt from limitation			-5,000
1150	Total direct loan obligations			-5,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year			
1231	Disbursements: Direct loan disbursements			-5,000
1251	Repayments: Repayments and prepayments			50
1290	Outstanding, end of year			-4,950
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent)			-1.8
1330	Subsidy amount (in thousands of dollars)			-90



This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

VESSEL OPERATIONS REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code 69-4303-0-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	194,994	210,000	32,634
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-172,360	-210,000	-32,634
21.98 Unobligated balance available, start of year: Fund balance	-52,477	-29,843	-29,843
24.98 Unobligated balance available, end of year: Fund balance	29,843	29,843	29,843
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	22,634		
72.10 Receivables in excess of obligations, start of year		-24,801	-24,801
72.98 Obligated balance, start of year: Fund balance	67,796		
74.10 Receivables in excess of obligations, end of year	24,801	24,801	24,801
90.00 <b>Outlays</b>	115,231		

The Maritime Administration is authorized to reactivate, operate, deactivate, and charter merchant vessels. These operations are financed by the Vessel operations revolving fund. In addition, the fund is available to finance the necessary expenses to protect, maintain, preserve, acquire, and use vessels involved in mortgage foreclosure or forfeiture proceedings instituted by the United States; and to process advances received from Federal agencies.

**Budget program.**—The 1989 program level reflects the transfer of the appropriation for the Ready Reserve Force Program from Navy to MarAd. Funds will continue to be reimbursed to this fund for various DOD/Navy-sponsored activities, such as the operation of activated RRF vessels.

**Financing.**—Expenses are principally financed by reimbursements from Federal agencies.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income: Vessel operations:</b>			
Revenue	214,939	210,000	32,634
Expense	-200,534	-210,000	-32,634
Net income or loss (-)	14,405		

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury	120,273	5,042	5,042	5,042
Accounts receivable (net)	106,570	145,026	145,026	62,660
Other assets (net)	52,308	138,346	138,346	138,346
Total assets	279,151	288,414	288,414	206,048
<b>Liabilities:</b>				
Total liabilities: Accounts payable including funded accrued liabilities	12,569	7,427	7,427	7,427

Government equity:

	1987 actual	1988 est.	1989 est.
<b>Selected equities:</b>			
<b>Unexpended budget authority:</b>			
Unobligated balance	52,477	29,843	29,843
Undelivered orders	218,566	148,830	148,830
<b>Unfinanced budget authority:</b>			
Unfilled customer orders	-56,769	-36,033	-36,033
Invested capital	52,308	138,347	138,347
Total Government equity	266,582	280,987	198,621

WAR RISK INSURANCE REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code 69-4302-0-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Underwriting agents' fees	38	40	40
00.02 Appraisal contractors' fees	114	300	300
10.00 Total obligations (object class 25.0)	152	340	340
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-1,877	-1,517	-1,517
21.98 Unobligated balance available, start of year: Fund balance	-14,770	-16,495	-17,672
24.98 Unobligated balance available, end of year: Fund balance	16,495	17,672	18,849
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-1,725	-1,177	-1,177
72.10 Receivables in excess of obligations, start of year	-904	-1,740	-2,017
74.10 Receivables in excess of obligations, end of year	1,740	2,017	2,294
90.00 <b>Outlays</b>	-889	-900	-900

The Maritime Administration is authorized to insure against loss or damage from marine war risks until commercial insurance can be obtained on reasonable terms and conditions. This insurance includes war risk hull and disbursements interim insurance, war risk protection and indemnity interim insurance, second seamen's war risk interim insurance, and war risk cargo insurance standby program. Authority to underwrite insurance was extended to June 30, 1990, under Public Law 99-59.

**Budget program.**—It is estimated that during 1989 insurance coverage will be provided for approximately 340 U.S.-flag ships and 15 foreign-flag ships owned by U.S. citizens. The program also includes provision for second seamen's war risk insurance covering the crews of 10 vessels under contract with the Military Sealift Command.

**Financing.**—The war risk insurance revolving fund was established under 46 U.S.C. 1288. It receives income from binder fees, insurance premiums, interest from investments and claim reimbursements from other Federal agencies. Underwriting agents' fees and expenses, appraisal contractors' fees, and insurance claims are paid from this income.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss:</b>			
Revenue			
Expense	-152	-340	-340
Net operating loss	-152	-340	-340
Nonoperating income: Interest from U.S. securities	1,877	1,517	1,517
Net income for the year	1,725	1,177	1,177

**Public enterprise funds—Continued**  
**WAR RISK INSURANCE REVOLVING FUND—Continued**  
**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	136	35	150	150
U.S. securities (par) .....	13,730	14,720	16,345	17,522
Accounts receivable (net) .....	974	2,151	1,588	1,588
<b>Total assets .....</b>	<b>14,840</b>	<b>16,906</b>	<b>18,083</b>	<b>19,260</b>
<b>Liabilities:</b>				
Selected liabilities: Accounts payable including funded accrued liabilities .....				
	70	411	411	411
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance .....	14,770	16,495	17,672	18,849
<b>Total Government equity .....</b>	<b>14,770</b>	<b>16,495</b>	<b>17,672</b>	<b>18,849</b>

**Trust Funds**

**SPECIAL STUDIES, SERVICES AND PROJECTS**

**Program and Financing (in thousands of dollars)**

Identification code 69-8547-0-7-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	30	100	100
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-44	-44	-44
24.40 Unobligated balance available, end of year .....	44	44	44
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....	<b>30</b>	<b>100</b>	<b>100</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	30	100	100
72.40 Obligated balance, start of year .....	599	629	629
74.40 Obligated balance, end of year .....	-629	-629	-629
90.00 Outlays .....		100	100

This trust fund is maintained to finance joint projects with non-Federal organizations.

**GIFTS AND BEQUESTS**

**Program and Financing (in thousands of dollars)**

Identification code 69-8503-0-7-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	1	15	15
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance .....	-14	-15	-15
21.40 U.S. securities (par) .....	-35	-35	-35
Unobligated balance available, end of year:			
24.40 Treasury balance .....	15	15	15
24.40 U.S. securities (par) .....	35	35	35
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....	<b>2</b>	<b>15</b>	<b>15</b>
Relation of obligations to outlays:			
71.00 Obligation incurred, net .....	1	15	15
72.40 Obligated balance, start of year .....	1	1	1
74.40 Obligated balance, end of year .....	-1	-1	-1
90.00 Outlays .....	1	15	15

The Secretary of Transportation is authorized to accept, hold, administer, and utilize gifts and bequests

of property. Proceeds are used in accordance with the terms of the gift or bequest.

**ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION**

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**

**Federal Funds**

**Public enterprise funds:**

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year [except as hereinafter provided in the "Limitation on administrative expenses"]. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 69-4089-0-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Administrative expenses .....	1,795	2,016	2,130
00.02 Other operations and maintenance .....	9,646	9,590	10,170
10.00 Total obligations .....	11,441	11,606	12,300
<b>Financing:</b>			
Offsetting collections from:			
13.00 Trust funds .....	-4,000	-10,806	-11,500
14.00 Non-Federal sources: Revenue .....	-5,011	-800	-800
Unobligated balance available, start of year:			
21.47 Authority to borrow .....	-3,200	-3,200	-3,200
21.98 Fund balance .....	-9,564	-9,134	-9,134
Unobligated balance available, end of year:			
24.47 Authority to borrow .....	3,200	3,200	3,200
24.98 Fund balance .....	9,134	9,134	9,134
40.00 <b>Budget authority (appropriation)</b> .....	<b>2,000</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	2,430		
72.98 Obligated balance, start of year: Fund balance .....	1,155	1,935	935
74.98 Obligated balance, end of year: Fund balance .....	-1,935	-935	-935
90.00 Outlays .....	1,650	1,000	

The Saint Lawrence Seaway Development Corporation is a wholly owned Government Corporation responsible for the operation, maintenance and development of the United States portion of the St. Lawrence

Seaway between Montreal and Lake Erie. Major priorities are to control Seaway Corporation costs and to encourage increased use of the Seaway system. The Seaway Corporation is focusing on ways to promote and market the Seaway system. The Corporation's 1989 budget reflects the activities to accomplish these objectives as follows:

**Administrative expenses.**—This program provides for management and administration of the Corporation.

**Other operations and maintenance.**—The program provides for normal operations and maintenance of all facilities, trade and traffic development, as well as continuing improvements in lock operations and navigation systems, and replacing worn-out equipment, machinery and tools. Operations are conducted on a 24-hour day, 7-day week with maintenance functions being performed throughout the year.

For fiscal year 1989, the Corporation estimates it will collect income of \$12.3 million. The Water Resources Development Act of 1986 provides for the deposit of toll revenues in the Harbor Maintenance Trust Fund. Appropriations from the Fund are intended to finance the operation and maintenance of the portion of the Seaway for which the Corporation is responsible. This budget assumes passage of the Administration's proposal to restore the Corporation to direct toll financing.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income or loss:			
Operating program:			
Revenue:			
Shipping tolls .....	3,694		
Other .....	5,317	11,606	12,300
Total revenue .....	9,011	11,606	12,300
Expense:			
Administrative .....	1,795	2,016	2,130
Operations .....	6,045	8,590	7,670
Total expense .....	7,840	10,606	9,800
Net operating income .....	1,171	1,000	2,500
Nonoperating income or loss:			
Provision for depreciation and losses .....	2,069	2,075	2,100
Net nonoperating loss .....	-2,069	-2,075	-2,100
Net income or loss (-) for the year .....	-889	-1,075	400

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	10,720	11,070	11,470	11,470
Accounts receivable, net .....	552	814	814	814
Accrued tolls, receivable unbilled .....	305	470	470	470
Selected assets, supplies .....	606	698	698	698
Fixed assets, net .....	95,969	96,411	95,511	94,411
Total assets .....	108,152	109,463	108,963	107,863
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities .....	1,031	2,483	2,483	1,108
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance:				
Regular .....	12,765	12,334	11,489	11,489

Reserve .....				
Undelivered orders .....	981	737	737	737
Unfinanced budget authority:				
Borrowing authority .....	-3,200	-3,200	-3,200	-3,200
Invested capital .....	96,575	97,109	97,454	97,729
Total Government equity .....	107,121	106,980	106,480	106,755

**Object Classification (in thousands of dollars)**

Identification code 69-4089-0-3-403	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	3,419	3,955	4,874
11.3 Other than full-time permanent .....	197	272	328
11.5 Other personnel compensation .....	183	292	404
11.9 Total personnel compensation .....	3,799	4,519	5,606
12.1 Civilian personnel benefits .....	855	1,002	1,296
21.0 Travel and transportation of persons .....	132	140	271
23.1 Rental payments to GSA .....	65	64	139
23.2 Rental payments to others .....	6		
23.3 Communications, utilities, and miscellaneous charges .....	215	258	351
24.0 Printing and reproduction .....	41	62	135
25.0 Other services .....	2,224	1,454	822
26.0 Supplies and materials .....	708	1,091	1,180
31.0 Equipment .....	574	165	1,000
32.0 Lands and structures .....	1,027	835	1,500
93.0 Administrative expenses (see separate schedule) .....	1,795	2,016	
99.0 Subtotal obligations, revolving accounts .....	11,441	11,606	12,300
99.9 Total obligations .....	11,441	11,606	12,300

**Personnel Summary**

Total number of full-time permanent positions .....	155	155	184
Total compensable workyears:			
Full-time equivalent employment .....	140	157	186
Full-time equivalent of overtime and holiday hours .....	6	7	7

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 69-4089-2-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
Offsetting collections from:			
13.00 Trust funds .....			11,500
14.00 Non-Federal sources .....			-10,700
24.98 Unobligated balance available, end of year .....			-800
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			800
74.98 Obligated balance, end of year: Fund balance .....			-800
90.00 <b>Outlays</b> .....			

Legislation has been proposed to return the Corporation to direct revenue financing for 1988.

**Object Classification (in thousands of dollars)**

Identification code 69-4089-2-3-403	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....			-1,326
11.3 Other than full-time permanent .....			-26
11.9 Total personnel compensation .....			-1,352
12.1 Personnel benefits: Civilian .....			-233
21.0 Travel and transportation of persons .....			-121
23.1 Rental payments to GSA .....			-66
23.3 Communications, utilities, and miscellaneous charges .....			-86
24.0 Printing and reproduction .....			-37
25.0 Other services .....			-148
26.0 Supplies and materials .....			-87

Public enterprise funds—Continued

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
69-4089-2-3-403			
93.0 Limitation on expenses.....			2,130
99.0 Subtotal obligations, revolving accounts.....			

Personnel Summary

Total number of full-time permanent positions.....			-37
Total compensable workyears: Full-time equivalent employment.....			-39

【LIMITATION ON ADMINISTRATIVE EXPENSES】

【Not to exceed \$2,016,000 shall be available for administrative expenses, which shall be computed on an accrual basis, including not to exceed \$3,000 for official entertainment expenses to be expended upon the approval or authority of the Secretary of Transportation: Provided, That Corporation funds shall be available for the hire of passenger motor vehicles and aircraft, operation and maintenance of aircraft, uniforms or allowances therefor for operation and maintenance personnel, as authorized by law (5 U.S.C. 5901-5902), and \$15,000 shall be available for services as authorized by 5 U.S.C. 3109.】 (Department of Transportation and Related Agencies Appropriations Act, 1988.

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Administration (total obligations).....	1,795	2,016	
<b>Financing:</b>			
Unobligated balance lapsing.....	190		
<b>Limitation.....</b>	<b>1,985</b>	<b>2,016</b>	
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	1,795	2,016	
Obligated balance, start of year.....	55	4	
Obligated balance, end of year.....	-4	-6	
<b>Outlays from limitation.....</b>	<b>1,846</b>	<b>2,014</b>	

Under existing legislation, more than 90 percent of the Corporation's anticipated funding is dependent upon appropriation action. Accordingly, there is no need for a separate administrative expenses limitation.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-4089-0-3-403			
Personnel compensation:			
11.1 Full-time permanent.....	1,139	1,238	
11.3 Other than full-time permanent.....	21	13	
11.9 Total personnel compensation.....	1,160	1,251	
12.1 Civilian personnel benefits.....	152	230	
21.0 Travel and transportation of persons.....	101	114	
23.1 Rental payments to GSA.....	61	63	
23.3 Communications, utilities, and miscellaneous charges.....	87	82	
24.0 Printing and reproduction.....	13	36	
25.0 Other services.....	153	153	
26.0 Supplies and materials.....	68	87	
93.0 Administrative expenses included in schedule for fund as a whole.....	-1,795	-2,016	
99.0 Total obligations.....			

Personnel Summary

Total number of full-time permanent positions.....	37	37	
Total compensable workyears: Full-time equivalent employment.....	36	39	

LIMITATION ON ADMINISTRATIVE EXPENSES  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Administration (total obligations).....			2,130
<b>Financing:</b>			
Unobligated balance lapsing.....			
<b>Limitation.....</b>			<b>2,130</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....			2,130
Obligated balance, start of year.....			6
Obligated balance, end of year.....			-7
<b>Outlays from limitation.....</b>			<b>2,129</b>

A limitation on administrative expenses will be proposed with the legislation to return the Corporation to direct revenue financing.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-4089-2-3-403			
Personnel compensation:			
11.1 Full-time permanent.....			1,326
11.3 Other than full-time permanent.....			26
11.9 Total personnel compensation.....			1,352
12.1 Personnel benefits: Civilian.....			233
21.0 Travel and transportation of persons.....			121
23.1 Rental payments to GSA.....			66
23.3 Communications, utilities, and miscellaneous charges.....			86
24.0 Printing and reproduction.....			37
25.0 Other services.....			148
26.0 Supplies and materials.....			87
93.0 Administrative expenses included in schedule for fund as a whole.....			-2,130
99.0 Subtotal obligations, limitation account, reimbursable.....			
99.9 Total obligations.....			

Personnel Summary

Total number of full-time permanent positions.....			37
Total compensable workyears: Full-time equivalent employment.....			39

Trust Funds

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operation and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, 【\$10,806,000】 \$11,500,000, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-8003-0-7-403			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	4,000	10,806	11,500
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	4,000	10,806	11,500
<b>Relation obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,000	10,806	11,500
90.00 Outlays.....	4,000	10,806	11,500

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....	4,000	10,806	11,500
Outlays .....	4,000	10,806	11,500
Proposed for later transmittal under proposed legislation:			
Budget authority .....			- 11,500
Outlays .....			- 11,500
<b>Total:</b>			
Budget authority .....	4,000	10,806	
Outlays .....	4,000	10,806	

The Water Resources Development Act of 1986 authorizes use of the Harbor Maintenance Trust Fund as the source of funding for the Corporation's operations and maintenance activities.

**OPERATIONS AND MAINTENANCE**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 69-8003-2-7-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			- 11,500
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			- 11,500
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			- 11,500
90.00 Outlays .....			- 11,500

Legislation has been proposed to replace Harbor Maintenance Trust Fund financing of the Corporation's activities with direct financing from toll and other revenues for 1989.

**OFFICE OF THE INSPECTOR GENERAL**

*Federal Funds*

General and special funds:

**SALARIES AND EXPENSES**

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, **[\$27,898,000]** \$29,639,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 69-0130-0-1-407	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Total direct program .....	27,454	27,898	29,639
01.01 Reimbursable program .....	61	60	60
10.00 Total obligations .....	27,515	27,958	29,699
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	- 61	- 60	- 60
22.40 Unobligated balance transferred, net .....	- 754		
25.00 Unobligated balance lapsing .....	501		
40.00 Budget authority (appropriation) .....	27,200	27,898	29,639
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	27,454	27,898	29,639
72.40 Obligated balance, start of year .....	3,593	4,161	3,795
74.40 Obligated balance, end of year .....	- 4,161	- 3,795	- 4,031
77.00 Adjustments in expired accounts .....	- 925		
90.00 Outlays .....	25,962	28,264	29,403

This appropriation finances the cost of conducting and supervising audits and investigations relating to

the programs and operations of the Department to promote economy, efficiency and effectiveness and to prevent and detect fraud and abuse in such programs and operations. It covers Headquarters and field operations, general management and administration.

**Object Classification (in thousands of dollars)**

Identification code 69-0130-0-1-407	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	17,215	17,840	18,811
11.3 Other than full-time permanent .....	276	275	290
11.5 Other personnel compensation .....	222	355	355
11.9 Total personnel compensation .....	17,713	18,470	19,456
12.1 Civilian personnel benefits .....	2,400	2,865	2,700
13.0 Benefits for former personnel .....	4	20	20
21.0 Travel and transportation of persons .....	1,535	1,600	1,675
22.0 Transportation of things .....	20	17	50
23.1 Rental payments to GSA .....	1,544	1,588	1,955
23.2 Rental payments to others .....	71	77	40
23.3 Communications, utilities, and miscellaneous charges .....	460	563	590
24.0 Printing and reproduction .....	104	95	100
25.0 Other services .....	2,845	2,330	2,730
26.0 Supplies and materials .....	245	220	220
31.0 Equipment .....	512	50	100
42.0 Insurance claims and indemnities .....	1	3	3
99.0 Subtotal, direct obligations .....	27,454	27,898	29,639
99.0 Reimbursable obligations .....	61	60	60
99.9 Total obligations .....	27,515	27,958	29,699

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions .....	471	460	467
Total compensable workyears:			
Full-time equivalent employment .....	456	451	467
Full-time equivalent of overtime and holiday hours .....	2	3	3

**RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION**

*Federal Funds*

General and special funds:

**RESEARCH AND SPECIAL PROGRAMS**

For expenses necessary to discharge the functions of the Research and Special Programs Administration, and for expenses for conducting research and development, **[\$12,832,000]** \$15,559,000, of which **[\$1,939,000]** \$1,983,000 shall remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, and aviation information management. (Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed for \$9,824,000.)

**Program and Financing (in thousands of dollars)**

Identification code 69-0104-0-1-407	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Operations .....	13,535	11,430	13,575
00.02 Research and development .....	2,052	1,939	1,984
00.03 Grants .....	4,501		
00.91 Total direct program .....	20,088	13,369	15,559
01.01 Reimbursable program .....	53	1,000	1,150
10.00 Total obligations .....	20,141	14,369	16,709
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	- 53	- 800	- 800
14.00 Non-Federal sources .....		- 200	- 350
17.00 Recovery of prior year obligations .....	- 52		

General and special funds—Continued

RESEARCH AND SPECIAL PROGRAMS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.	
69-0104-0-1-407				
21.40	Unobligated balance available, start of year.....	-461	-537	
22.40	Unobligated balance transferred, net.....	-250		
24.40	Unobligated balance available, end of year.....	537		
25.00	Unobligated balance lapsing.....	87		
40.00	<b>Budget authority (appropriation).....</b>	<b>19,950</b>	<b>12,832</b>	<b>15,559</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	20,088	13,369	15,559
72.40	Obligated balance, start of year.....	6,276	6,141	4,362
74.40	Obligated balance, end of year.....	-6,141	-4,362	-5,289
77.00	Adjustments in expired accounts.....	-21		
78.00	Adjustments in unexpired accounts.....	-52		
90.00	Outlays.....	20,151	15,148	14,632

The Research and Special Programs Administration serves as a research, analytical, and technical development arm of the Department for multimodal research and development, as well as special programs. Particular emphasis is given to transportation of hazardous cargo by all modes of transportation. Responsibilities of the Administration are carried out under the following activities:

**Operations.**—Provides for salaries and expenses and for central supervisory and management functions, including a management information system necessary for overall planning and direction. Provides for management and execution of transportation programs involving aviation data management, national emergency plans/preparedness, and management of the Transportation Safety Institute and the Transportation Systems Center. Provides for hazardous materials regulatory and enforcement programs.

**Research and development.**—Provides for research to support the hazardous materials program and to complement research programs of other operating administrations.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
69-0104-0-1-407				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	6,322	5,174	6,123
11.3	Other than full-time permanent.....	413	400	400
11.5	Other personnel compensation.....	12	20	20
11.9	Total personnel compensation.....	6,747	5,594	6,543
12.1	Civilian personnel benefits.....	997	874	1,075
21.0	Travel and transportation of persons.....	559	204	242
22.0	Transportation of things.....	17	6	6
23.1	Rental payments to GSA.....	1,053	739	1,089
23.3	Communications, utilities, and miscellaneous charges... ..	397	291	168
24.0	Printing and reproduction.....	159	142	231
25.0	Other services.....	5,629	5,462	6,126
26.0	Supplies and materials.....	21	36	48
31.0	Equipment.....	3	21	31
41.0	Grants, subsidies, and contributions.....	4,506		
99.0	Subtotal, direct obligations.....	20,088	13,369	15,559
99.0	Reimbursable obligations.....	53	1,000	1,150
99.9	Total obligations.....	20,141	14,369	16,709

Personnel Summary

Total number of full-time permanent positions.....	173	139	156
Total compensable workyears:			
Full-time equivalent employment.....	167	154	168
Full-time equivalent of overtime and holiday hours.....	1	1	1

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

For expenses necessary to conduct the functions of the pipeline safety program and for grants-in-aid to carry out a pipeline safety program, as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, **[\$8,550,000]** \$9,723,000, to be derived from the Pipeline Safety Fund, of which **[\$4,892,000]** \$5,551,000 shall remain available until expended. (Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	7,848	17,060	17,060
Receipts.....	9,212	8,550	9,723
Total:			
Available for appropriation.....	17,060	25,610	26,783
Appropriation.....		-8,550	-9,723
Unappropriated balance, end of year.....	17,060	17,060	17,060

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-5172-0-2-407			
Program by activities:			
00.01	Operations.....	3,657	4,172
00.02	Research and development.....	618	801
00.03	Grants.....	4,275	4,750
10.00	Total obligations.....	8,550	9,723
Financing:			
40.00	Budget authority (appropriation).....	8,550	9,723
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	8,550	9,723
72.40	Obligated balance, start of year.....		61
74.40	Obligated balance, end of year.....	-61	-68
90.00	Outlays.....	8,489	9,716

The Research and Special Programs Administration is also responsible for the Department's pipeline safety program.

**Operations.**—Provides for salaries and expenses and for supervisory and management functions for pipeline safety regulatory and enforcement programs.

**Research and Development.**—Provides for research to support the pipeline safety program.

**Grants.**—Provides for grants-in-aid to State agencies that conduct a pipeline safety program.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-5172-0-2-407			
Personnel compensation:			
11.1	Full-time permanent.....	1,800	1,873
11.3	Other than full-time permanent.....	10	10
11.5	Other personnel compensation.....	5	5
11.9	Total personnel compensation.....	1,815	1,888
12.1	Civilian personnel benefits.....	342	348
21.0	Travel and transportation.....	201	328
22.0	Transportation of things.....	2	2
23.1	Rental payments to GSA.....	329	296

23.3	Communications, utilities, and miscellaneous charges .....	106	77
24.0	Printing and reproduction .....	15	35
25.0	Other services .....	1,452	1,978
26.0	Supplies and materials .....	8	13
31.0	Equipment .....	5	8
41.0	Grants, subsidies, and contributions .....	4,275	4,750
99.9	Total obligations .....	8,550	9,723

**Personnel Summary**

Total number of full-time permanent positions .....	47	48
Total compensable workyears: Full-time equivalent employment .....	47	48

**Intragovernmental funds:**

**WORKING CAPITAL FUND, TRANSPORTATION SYSTEMS CENTER**

**Program and Financing (in thousands of dollars)**

Identification code 69-4522-0-4-407	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	87,353	95,000	93,953
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-75,183	-73,402	-73,402
13.00 Trust funds .....	-22,122	-21,598	-20,551
17.00 Recovery of prior year obligations .....	-835		
21.98 Unobligated balance available, start of year: Fund balance .....	-8,823	-19,609	-19,609
24.98 Unobligated balance available, end of year: Fund balance .....	19,609	19,609	19,609
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-9,951		
72.98 Obligated balance, start of year: Fund balance .....	28,834	32,079	32,079
74.98 Obligated balance, end of year: Fund balance .....	-32,079	-32,079	-32,079
78.00 Adjustments in unexpired accounts .....	-835		
90.00 <b>Outlays</b> .....	-14,032		

The Working Capital Fund finances multidisciplinary research, evaluation, and analytical activities undertaken at the Transportation Systems Center (TSC) in Cambridge, MA. The fund is financed through negotiated agreements with the Office of the Secretary, Departmental operating administrations, and other governmental elements requiring the Center's capabilities. These agreements also define the activities undertaken at TSC. The Department has proposed legislation to authorize evaluation of options for defederalization of TSC.

**Object Classification (in thousands of dollars)**

Identification code 69-4522-0-4-407	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	20,378	20,990	20,868
11.3 Other than full-time permanent .....	525	541	541
11.5 Other personnel compensation .....	245	253	252
11.9 Total personnel compensation .....	21,149	21,784	21,661
12.1 Civilian personnel benefits .....	2,760	3,457	2,574
13.0 Benefits for former personnel .....	15	15	15
21.0 Travel and transportation of persons .....	1,155	1,375	1,590
22.0 Transportation of things .....	62	64	66
23.3 Communications, utilities, and miscellaneous charges .....	2,849	2,900	2,900
24.0 Printing and reproduction .....	163	177	183
25.0 Other services .....	51,304	55,799	54,828
26.0 Supplies and materials .....	1,816	1,880	1,945
31.0 Equipment .....	5,305	5,769	5,971
32.0 Lands and structures .....	773	1,780	2,220
42.0 Insurance claims and indemnities .....	2		
99.9 Total obligations .....	87,353	95,000	93,953

**Personnel Summary**

Total number of full-time permanent positions .....	527	527	520
Total compensable workyears:			
Full-time equivalent employment .....	531	525	522
Full-time equivalent of overtime and holiday hours .....	4	4	4

**OFFICE OF THE SECRETARY**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

**[(INCLUDING TRANSFER OF FUNDS)]**

For necessary expenses of the Office of the Secretary of Transportation, including not to exceed \$30,000 for allocation within the Department of official reception and representation expenses as the Secretary may determine; \$1,050,000 for the Immediate Office of the Secretary; \$451,000 for the Immediate Office of the Deputy Secretary; \$5,785,000 for the Office of the General Counsel; \$7,796,000 for the Office of the Assistant Secretary for Policy and International Affairs; \$2,105,000 for the Office of the Assistant Secretary for Budget and Programs; \$2,367,000 for the Office of the Assistant Secretary for Governmental Affairs; \$22,099,000, of which \$15,360,000 shall be derived from unobligated balances of "Payments to air carriers", for the Office of the Assistant Secretary for Administration; \$1,459,000 for the Office of the Assistant Secretary for Public Affairs; \$798,000 for the Executive Secretariat; \$430,000 for the Contract Appeals Board; \$1,244,000 for the Office of Civil Rights; \$384,000 for the Office of Commercial Space Transportation; \$1,700,000 for the Office of Essential Air Service; \$642,000 for Regional Representatives; and \$3,042,000 for the Office of Small and Disadvantaged Business Utilization, \$58,205,000, of which \$2,229,000 \$3,000,000 shall remain available until expended and shall be available for the purposes of the Minority Business Resource Center as authorized by 49 U.S.C. 332: *Provided*, That, notwithstanding any other provision of law, funds available for the purposes of the Minority Business Resource Center in this or any other Act may be used for business opportunities related to any mode of transportation: *Provided further*, That 5 per centum of each sum provided under this head for the Immediate Office of the Secretary, the Immediate Office of the Deputy Secretary, and the Office of the General Counsel shall not be available for obligation until on or after the date that final rules are issued by the Department of Transportation that: (1) expand existing requirements for installation and carriage of cockpit voice recorders and flight data recorders to smaller sizes of commuter air carrier aircraft and to require cockpit voice recorder and flight data recorder retrofits on certain types of existing commuter air carrier aircraft to be determined by the Federal Aviation Administration; and (2) require installation and carriage of operating altitude-encoding radar transponders for all aircraft operating in terminal airspace where air traffic control service is provided and in all controlled airspace above a minimum altitude to be determined by the Federal Aviation Administration. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 69-0102-0-1-407	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 General administration .....	48,205	49,123	55,205
00.02 Minority Business Resource Center .....	8,246	2,769	3,000
00.91 Total direct program .....	56,451	51,892	58,205
01.01 Reimbursable program .....	11,477	15,000	16,000
10.00 Total obligations .....	67,928	66,892	74,205
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-11,477	-15,000	-16,000
17.00 Recovery of prior year obligations .....	-4,745		
21.40 Unobligated balance available, start of year .....	-1,691	-540	
22.40 Unobligated balance transferred, net .....	-363	-15,360	
24.40 Unobligated balance available, end of year .....	540		

General and special funds—Continued

SALARIES AND EXPENSES—Continued

[(INCLUDING TRANSFER OF FUNDS)]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
69-0102-0-1-407			
25.00 Unobligated balance lapsing	807		
40.00 Budget authority (appropriation)	51,000	35,992	58,205
Relation of obligations to outlays:			
71.00 Obligations incurred, net	56,451	51,892	58,205
72.40 Obligated balance, start of year	9,160	14,999	8,674
74.40 Obligated balance, end of year	-14,999	-8,674	-6,359
77.00 Adjustments in expired accounts	-463		
78.00 Adjustments in unexpired accounts	-4,745		
90.00 Outlays	45,404	58,217	60,520

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-0102-0-1-407			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	11,002	11,002	11,002
1290 Outstanding, end of year	11,002	11,002	11,002

*General administration.*—This appropriation finances the costs of policy development and central supervisory and coordinating functions necessary for the overall planning and direction of the Department. It covers the immediate secretarial offices as well as those of the assistant secretaries and the general counsel. The Office of the Secretary provides services on a reimbursable basis for technical assistance to transportation projects, and participation in intergovernmental planning groups. Increases in funding are offset in 1989 by proposed reductions associated with the termination of the Essential Air Service program in 1988 and various administrative reductions.

*The Minority Business Resource Center.*—This activity provides contractual support for the Center, which now operates in the Office of the Secretary to assist minority business firms, entrepreneurs, and venture groups in securing contracts and subcontracts arising out of projects that involve Federal funding.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-0102-0-1-407			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	28,624	28,608	29,930
11.3 Other than full-time permanent	1,230	1,383	1,345
11.5 Other personnel compensation	624	558	578
11.8 Special personal services payments	125	97	138
11.9 Total personnel compensation	30,603	30,646	31,991
12.1 Civilian personnel benefits	3,525	4,573	4,973
13.0 Benefits for former personnel		177	
21.0 Travel and transportation of persons	510	480	540
22.0 Transportation of things	3	5	50
23.1 Rental payments to GSA	5,385	5,376	6,447
23.3 Communications, utilities, and miscellaneous charges	983	1,300	1,567
24.0 Printing and reproduction	946	980	1,305
25.0 Other services	12,340	8,161	10,750
26.0 Supplies and materials	211	271	283
31.0 Equipment	59	100	122
41.0 Grants, subsidies, and contributions	1,888		
99.0 Subtotal, direct obligations	56,451	51,892	58,205
99.0 Reimbursable obligations	11,477	15,000	16,000
99.9 Total obligations	67,928	66,892	74,205

Personnel Summary

Direct:			
Total number of full-time permanent positions	715	698	687
Total compensable workyears:			
Full-time equivalent employment	692	678	695
Full-time equivalent of overtime and holiday hours	5	5	5
Reimbursable:			
Total number of full-time permanent positions	4	17	19
Total compensable workyears: Full-time equivalent employment	23	48	52

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

[(INCLUDING TRANSFER OF FUNDS)]

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, and university research and internships, to remain available until expended, [\$4,987,000 of which \$4,750,000, shall be derived from "Payments to air carriers" and \$237,000 shall be derived from "Expressway gap closing demonstration project"] \$6,700,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
69-0142-0-1-407			
Program by activities:			
Direct program:			
00.01 Transportation policy and planning	3,533	4,110	3,360
00.02 University research and internships	230	265	265
00.03 Office of Commercial Space Transportation	713	1,425	3,075
00.91 Total direct program	4,476	5,800	6,700
01.01 Reimbursable program	393	500	500
10.00 Total obligations	4,869	6,300	7,200
Financing:			
11.00 Offsetting collections from: Federal funds	-393	-500	-500
17.00 Recovery of prior year obligations	-1,117		
21.40 Unobligated balance available, start of year	-173	-813	
22.40 Unobligated balance transferred, net	-650		
24.40 Unobligated balance available, end of year	813		
39.00 Budget authority	3,349	4,987	6,700
Budget authority:			
40.00 Appropriation	3,349		6,700
42.00 Transferred from other accounts		4,987	
43.00 Appropriation (adjusted)	3,349	4,987	6,700
Relation of obligations to outlays:			
71.00 Obligations incurred, net	4,476	5,800	6,700
72.40 Obligated balance, start of year	4,228	2,894	4,414
74.40 Obligated balance, end of year	-2,894	-4,414	-4,835
78.00 Adjustments in unexpired accounts	-1,117		
90.00 Outlays	4,694	4,280	6,279

This appropriation finances those research activities and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policies.

The program is carried out primarily through contracts with other Federal agencies, educational institutions, nonprofit research organizations, and private firms.

*Transportation policy and planning.*—This research provides the foundation for development of transportation policy, for coordination of national level transportation planning, and for dealing with such difficult issues as regulatory modernization, energy conservation, environmental and safety impacts of transportation.



Projects provide technical studies and other data in support of the Secretary's decisions involving State and local level planning, consumer affairs, technology sharing, and evaluation of departmental programs.

**University research and internships.**—This activity provides assistance to colleges, universities and their students to conduct research in the field of transportation. Special emphasis is placed on assisting historically Black colleges and universities in taking part in transportation research and aiding minority students in preparing for careers in transportation.

**Commercial space transportation.**—This activity supports the mission of licensing and promoting Expendable Launch Vehicles (ELVs).

**Object Classification (in thousands of dollars)**

Identification code 69-0142-0-1-407	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,688	1,671	1,809
11.3 Other than full-time permanent.....	349	240	240
11.5 Other personnel compensation.....	33	50	54
11.9 Total personnel compensation.....	2,070	1,961	2,103
12.1 Civilian personnel benefits.....	205	319	339
21.0 Travel and transportation of persons.....	72	28	70
23.3 Communications, utilities, and miscellaneous charges.....	13	35	60
24.0 Printing and reproduction.....	49	25	40
25.0 Other services.....	2,049	3,392	4,018
26.0 Supplies and materials.....	16	5	10
31.0 Equipment.....	2	35	60
99.0 Subtotal, direct obligations.....	4,476	5,800	6,700
99.0 Reimbursable obligations.....	393	500	500
99.9 Total obligations.....	4,869	6,300	7,200

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	25	34	35
Total compensable workyears: Full-time equivalent employment.....	36	39	39

**ACTIVITIES TRANSFERRED FROM SALARIES AND EXPENSES, INTERSTATE COMMERCE COMMISSION**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 69-0110-2-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			16,926
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			16,926
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			16,926
74.40 Obligated balance, end of year.....			-1,693
90.00 Outlays.....			15,233

Legislation will be proposed to sunset the Interstate Commerce Commission at the end of 1988 and transfer residual rail functions to the Department of Transportation including the Directed Rail Service Program. The Directed Rail Service Program reimburses railroads for the cost of services provided over the track of a railroad which ceased operations, at the direction of the Federal Government. It is anticipated that no funds will be needed for this purpose in 1989. Rail antitrust functions

will be administered by the Department of Justice, and handling consumer complaints regarding household goods movers would transfer to the Federal Trade Commission.

**Object Classification (in thousands of dollars)**

Identification code 69-0110-2-1-401	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			13,000
11.3 Other than full-time permanent.....			210
11.5 Other personnel compensation.....			180
11.9 Total personnel compensation.....			13,390
12.1 Civilian personnel benefits.....			1,451
13.0 Benefits for former personnel.....			230
21.0 Travel and transportation of persons.....			265
23.1 Rental payments to GSA.....			750
23.3 Communications, utilities, and miscellaneous charges.....			285
24.0 Printing and reproduction.....			90
25.0 Other services.....			325
26.0 Supplies and materials.....			65
31.0 Equipment.....			75
99.9 Total obligations.....			16,926

**Personnel Summary**

Total number of full-time permanent positions.....	248
Total compensable workyears: Full-time equivalent employment.....	248

**[PAYMENTS TO AIR CARRIERS]**

[For payments to air carriers of so much of the compensation fixed and determined under section 419 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1389), as is payable by the Department of Transportation, \$28,500,000, to remain available until expended.] (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 69-0150-0-1-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Section 419 subsidy (total obligations) (object class 41.0).....	26,679	28,388	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-13		
21.40 Unobligated balance available, start of year.....	-23,997	-19,998	
22.40 Unobligated balance transferred, net.....	7,332	15,360	
24.40 Unobligated balance available, end of year.....	19,998		
39.00 <b>Budget authority</b> .....	<b>30,000</b>	<b>23,750</b>	
<b>Budget authority:</b>			
40.00 Appropriation.....	30,000	28,500	
41.00 Transferred to other accounts.....		-4,750	
43.00 <b>Appropriation (adjusted)</b> .....	<b>30,000</b>	<b>23,750</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	26,679	28,388	
72.10 Receivables in excess of obligations, start of year.....	-411	-152	
72.40 Obligated balance, start of year.....			4,598
74.10 Receivables in excess of obligations, end of year.....	152		
74.40 Obligated balance, end of year.....			-4,598
78.00 Adjustments in unexpired accounts.....	-13		
90.00 Outlays.....	26,408	23,638	4,598

The Secretary of Transportation, through powers of delegation and review, now administers the section 419 subsidy program, which was added as part of the Airline Deregulation Act of 1978. Subsidies under this program are paid to airlines—primarily commuter carriers. No funds are requested for this program in 1989

General and special funds—Continued

[PAYMENTS TO AIR CARRIERS]—Continued

and legislation will be proposed to effect termination by October 1988.

Intragovernmental funds:

WORKING CAPITAL FUND

Necessary expenses for operating costs and capital outlays of the Department of Transportation Working Capital Fund not to exceed **[\$127,801,000]** \$135,000,000 shall be paid, in accordance with law, from appropriations made available by this Act and prior appropriation Acts to the Department of Transportation, together with advances and reimbursements received by the Department of Transportation; for necessary expenses associated with the development of the Departmentwide Accounting and Information System, **[\$1,601,000]** \$3,405,000 to remain available until expended; and for the Department of Transportation office space reduction initiative **[\$204,000]** \$300,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 69-4520-0-4-407	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
Publishing and graphics activities:			
00.01 Direct operating expenses.....	13,152	13,977	14,375
00.02 Overhead expenses.....	621	369	364
Support services activities:			
00.10 Direct operating expenses.....	13,891	75,323	80,403
00.11 Overhead expenses.....	656	1,908	1,883
Library services:			
00.20 Direct operating expenses.....	2,658	2,876	3,113
00.21 Overhead expenses.....	126	62	61
Transportation computer activities:			
00.30 Direct operating expenses.....	26,014	29,453	30,826
00.31 Overhead expenses.....	1,230	738	729
00.91 Total operating expenses.....	58,348	124,706	131,754
Capital investment: Purchase of equipment:			
01.01 Publishing and graphics activities.....	77	157	234
01.02 Support services activities.....	93	297	237
01.03 Library services.....	2	6	19
01.04 Transportation computer activities.....	644	2,635	2,756
01.91 Total capital investment.....	816	3,095	3,246
10.00 Total obligations.....	59,164	127,801	135,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-60,054	-125,296	-134,054
17.00 Recovery of prior year obligations.....	-2,570		
21.98 Unobligated balance available, start of year.....		-3,460	-2,760
24.98 Unobligated balance available, end of year.....	3,460	2,760	5,519
40.00 <b>Budget authority (appropriation)</b> .....		<b>1,805</b>	<b>3,705</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-890	2,505	946
72.10 Receivables in excess of obligations, start of year.....	-2,659		
72.40 Obligated balance, start of year.....		2,307	1,507
74.10 Receivables in excess of obligations, end of year.....			2,752
74.40 Obligated balance, end of year.....	-2,307	-1,507	
78.00 Adjustments in unexpired accounts.....	-2,570		
90.00 Outlays.....	-8,426	3,305	5,205

The working capital fund finances common administrative services that are centrally performed in the interest of economy and efficiency in the Department.

Services rendered are charged at rates that return in full all operating expenses, including a normal reserve for accrued annual leave and depreciation of equipment. The fund is reimbursed by the operating administrations and offices being served.

The activities of the working capital fund have been consolidated as follows:

*Publishing and graphics activities* include publishing and graphic programs; still photographic services; and visuals services.

*Support services activities* include imprest fund; central employment information; warehouse management; parking management; chauffeur services; mail and messenger service; management information center; facilities and space management; security service; DOT Headquarters rental payments; building maintenance services; DOT unemployment compensation payments; employee parking payments; and building alterations to support the DOT Headquarters space reduction initiative.

*Library services* include information retrieval.

*Transportation computer activities* include computer time-sharing services, the transportation computer center, and development of the department-wide accounting and financial information system.

Object Classification (in thousands of dollars)

Identification code 69-4520-0-4-407	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	8,644	9,411	9,666
11.3 Other than full-time permanent.....	323	629	643
11.5 Other personnel compensation.....	128	279	276
11.9 Total personnel compensation.....	9,095	10,319	10,585
12.1 Civilian personnel benefits.....	1,014	1,386	1,408
21.0 Travel and transportation of persons.....	171	180	180
22.0 Transportation of things.....		6	6
23.1 Rental payments to GSA.....	5,155	55,663	59,383
23.3 Communications, utilities, and miscellaneous charges.....	6,606	9,657	10,333
24.0 Printing and reproduction.....	75		
25.0 Other services.....	33,579	45,246	47,473
26.0 Supplies and materials.....	2,653	2,249	2,386
31.0 Equipment.....	816	3,095	3,246
99.9 Total obligations.....	59,164	127,801	135,000

Personnel Summary

Total number of full-time permanent positions.....	309	309	309
Total compensable workyears:			
Full-time equivalent employment.....	307	318	318
Full-time equivalent of overtime and holiday hours.....	2	2	2

Trust Funds

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code 69-8548-0-7-407	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	91		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance.....	-28	-29	-29
24.40 Unobligated balance available, end of year: Treasury balance.....	29	29	29
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....	<b>91</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	91		
72.40 Obligated balance, start of year: U.S. securities (par).....	4,196	383	
74.40 Obligated balance, end of year: U.S. securities (par).....	-383		
90.00 Outlays.....	3,904	383	

Donations received are available for transportation activities.

### TITLE III—GENERAL PROVISIONS

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 302. Funds [appropriated] for the Panama Canal Commission may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law that are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

SEC. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and (2) for transportation of said dependents between schools serving the area that they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

SEC. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18.

SEC. 305. None of the funds [appropriated] in this Act for the Panama Canal Commission may be expended unless in conformance with the Panama Canal Treaties of 1977 and any law implementing those treaties.

[SEC. 306. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.]

SEC. [307] 306. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year nor may any be transferred to other appropriations unless expressly so provided herein.

[SEC. 308. None of the funds in this or any previous or subsequent Act shall be available for the planning or implementation of any change in the current Federal status of the Transportation Systems Center, and none of the funds in this Act shall be available for the implementation of any change in the current Federal status of the Turner-Fairbank Highway Research Center.]

SEC. [309] 307. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. [310] 308. (a) For fiscal year [1988] 1989 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums are authorized to be appropriated for Federal-aid highways and highway safety construction that are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction that are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, [1987] 1988, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction that have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, [1988] 1989, revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, the Federal lands highway program, the strategic highway research program and amounts made available under sections 149(d), 158, 159, 164, 165, and 167 of Public Law 100-17.

(d) The limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year [1988] 1989 shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, and obligations under section 157 of title 23, United States Code, projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, subsections 131 (b) and (j) of Public Law 97-424, section 118 of the National Visitors Center Facilities Act of 1988, section 320 of title 23, United States Code, projects authorized by Public Law 99-500 and Public Law 99-591, or projects covered under subsections 149 (b) and (c) of Public Law 100-17.]

(e) On or after October 1, 1988 and prior to distribution, the Secretary shall adjust the obligation limitation by the amount of change in the estimated average annual net highway receipts for the 1987 through 1991 period, from the estimate in the President's Budget transmitted on February 18, 1988 to that estimated by the Secretary of the Treasury in the most recent mid-session review.

[ (e) Subject to paragraph (c)(2) of this General Provision, a State which after August 1 and on or before September 30 of fiscal year 1988 obligates the amount distributed to such State in that fiscal year under paragraphs (a) and (c) of this General Provision may obligate for Federal-aid highways and highway safety construction on or before September 30, 1988, an additional amount not to exceed 5 percent of the aggregate amount of funds apportioned or allocated to such State—

(1) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(2) for highway assistance projects under section 104(e)(4) of such title,

which are not obligated on the date such State completes obligation of the amount so distributed;]

[ (f) During the period August 2 through September 30, 1988, the aggregate amount which may be obligated by all States pursuant to paragraph (e) shall not exceed 2.5 percent of the aggregate amount of funds apportioned or allocated to all States—

(1) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(2) for highway assistance projects under section 104(e)(4) of such title,

which would not be obligated in fiscal year 1988 if the total amount of the obligation limitation provided for such fiscal year in this Act were utilized; and]

[ (g) Paragraph (e) shall not apply to any State which on or after August 1, 1988, has the amount distributed to such State under paragraph (a) for fiscal year 1988 reduced under paragraph (c)(2).]

(f) Notwithstanding any other provision of law, section 105(f) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 shall not apply in determining the maximum amount which may be obligated in fiscal year 1989 and in each fiscal year thereafter.

(g) Notwithstanding any other provision of law, funds available under 23 U.S.C. 103(e)(4) for highway interstate substitute projects shall also be available for mass transit interstate substitute projects.

SEC. 309. Notwithstanding any other provision of law, with the exception of section 125 of Title 23, U.S.C., effective October 1, 1988, the Federal share of the cost of any highway or bridge project author-

ized or funded under this or any other Act shall not exceed 80 percent of the cost of such project for those projects where, prior to October 1, 1988, the Federal share of such project would have been 100 percent.

SEC. 310. (a) Section 404(f) of the Surface Transportation Assistance Act of 1982, as amended, is further amended to read as follows:

“(f) On October 1 of each fiscal year the Secretary may deduct from funds made available for such fiscal year by subsection (a)(2), such sums as may be necessary, for administering section 402 of this title, including related research, in such fiscal year.”

(b) Section 12005 of the Commercial Motor Vehicle Safety Act of 1986 is amended by adding at the end thereof:

“(f) On October 1 of each fiscal year the Secretary may deduct, from funds made available for such fiscal year by subsection (d)(3)(B) such sums as may be necessary for administering this section, including related research.”

【SEC. 311. None of the funds in this Act shall be available for salaries and expenses of more than one hundred thirty-eight political and Presidential appointees in the Department of Transportation.】

【SEC. 312. Not to exceed \$665,000 of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.】

SEC. 【313.】 311. None of the funds in this or any other Act shall be made available for the proposed Woodward light rail line in the Detroit, Michigan, area until a source of operating funds has been approved in accordance with Michigan law: *Provided*, That this limitation shall not apply to alternatives analysis studies under section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended.

SEC. 【314.】 312. The limitation on obligations for the Discretionary Grants program of the Urban Mass Transportation Administration shall not apply to any authority under section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended, previously made available for obligation.

SEC. 【315.】 313. Notwithstanding any other provision of law, none of the funds in this Act shall be available for the construction of, or any other costs related to, the Central Automated Transit System (Downtown People Mover) in Detroit, Michigan.

SEC. 【316.】 314. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

【SEC. 317. (a) SAFETY ENFORCEMENT PROGRAM PERFORMANCE.—The Secretary of Transportation shall on or before January 1 of each year transmit to the Congress a comprehensive report on the Federal Aviation Administration's prior fiscal year safety enforcement activities. The report shall include:

(1) a comparison of end-of-year staffing levels by inspector category (operations, maintenance, avionics) to staffing goals and a statement as to how staffing standards were applied to make allocations between air carrier and general aviation operations, maintenance and avionics inspectors;

(2) schedules showing the range of inspector experience by various inspector work force categories, and the number of inspectors in each of the categories who are considered fully qualified;

(3) schedules showing the number and percentage of inspectors who have received mandatory training by individual course, and the number of inspectors, by work force categories, who have received all mandatory training;

(4) a description of the criteria used to set annual work programs, an explanation of how these criteria differ from criteria used in the prior fiscal year and how the annual work programs ensure compliance with appropriate Federal regulations and safe operating practices;

(5) a comparison of actual inspections performed during the fiscal year to the annual work programs disaggregated to the field locations and, for any field location completing less than 80 percent of its planned number of inspections, an explanation as to why annual work program plans were not met;

(6) a statement of the adequacy of Federal Aviation Administration internal management controls available to ensure that field managers are complying with Federal Aviation Administration policies and procedures including those regarding inspector priorities, district office coordination, minimum inspection standards, and inspection follow-up;

(7) the status of Federal Aviation Administration's efforts to update inspector guidance documents and Federal regulations to include technological, management, and structural changes taking place within the aviation industry, including a listing of the backlog of all proposed regulatory changes;

(8) a list of the specific operational measures of effectiveness—“best proxies” standing between the ultimate goal of accident prevention and ongoing program activities—that are being used to evaluate progress in meeting program objectives, the quality of program delivery, and the nature of emerging safety problems;

(9) a schedule showing the number of civil penalty cases closed during the two prior fiscal years, including total initial assessments, total final assessments, total dollar amount collected, range of dollar amount collected, average case processing time, and range of case processing time;

(10) a schedule showing the number of enforcement actions taken, excluding civil penalties, during the two prior fiscal years, including total number of violations cited, and the number of cited violation cases closed by certificate suspension, certification revocations, warnings, and no action taken; and

(11) schedules showing the aviation industry's safety record during the fiscal year for air carriers and general aviation, including the number of inspections performed where deficiencies were identified compared with inspections where no deficiencies were found and the frequency of safety deficiencies per carrier as well as an analysis based on the data of the general status of air carrier and general aviation compliance with Federal Aviation Regulations.】

【(b) LONG-RANGE NATIONAL TRANSPORTATION STRATEGIC PLANNING STUDY.—The Department of Transportation shall undertake a long-range, multi-modal national transportation strategic planning study. This study shall forecast long-term needs and costs for developing and maintaining facilities and services to achieve a desired national transportation program for moving people and goods in the year 2015. The study shall include detailed analyses of transportation needs within six to nine metropolitan areas that have diverse population, development, and demographic patterns, including at least one interstate metropolitan area. This study shall be submitted to Congress on or before October 1, 1989.】

【SEC. 318. Within seven calendar days of the obligation date, the Urban Mass Transportation Administration shall publish in the Federal Register an announcement of each grant obligated pursuant to sections 3 and 9 of the Urban Mass Transportation Act of 1964, as amended, including the grant number, the grant amount, and the transit property receiving each grant.】

【SEC. 319. None of the funds appropriated in this Act may be used to prescribe, implement, or enforce a national policy specifying that only a single type of visual glideslope indicator can be funded under the facilities and equipment account or through the airport improvement program: *Provided*, That this prohibition shall not apply in the case of airports that are certified under part 139 of the Federal Aviation Regulations.】

【SEC. 320. (a) The Federal Aviation Administration shall satisfy the following air traffic controller work force staffing requirements by September 30, 1988:

(1) total air traffic controller work force level of not less than 15,900;

(2) total full performance level air traffic controllers of not less than 10,450; and

(3) at least 70 percent of the air traffic controller work force, excluding common screen students, at each center and level 3 and above terminal shall have achieved operational controller status.

(b) The Secretary may waive any requirement of this section by certifying that such requirement would adversely affect aviation safety: *Provided*, That such a waiver shall become effective 30 days after the Committees on Appropriations of the Senate and the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirement.】

【SEC. 321. Notwithstanding any other provision of law, funds appropriated in this or any other Act intended for studies, reports, or research, and related costs thereof including necessary capital expenses, are available for such purposes to be conducted through contracts or financial assistance agreements with the educational institutions that are specified in such Acts or in any report accompanying such Acts.】

【SEC. 322. The Secretary of Transportation shall permit the obligation of not to exceed \$4,000,000, apportioned under title 23, United States Code, section 104(b)(5)(B) for the State of Florida for operating expenses of the Tri-County Commuter Rail Project in the area of Dade, Broward, and Palm Beach Counties, Florida, during each year that Interstate 95 is under reconstruction in such area.】

【Sec. 323. Notwithstanding any provision of this or any other law, none of the funds provided by this Act for appropriation shall be available for payment to the General Services Administration for rental space and services at rates per square foot in excess of 100 percent of the rates paid during fiscal year 1987; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1987 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act.】

【Sec. 324. Notwithstanding any other provision of law, section 144(g)(2) of title 23, United States Code, shall not apply to the Virginia Street Bridge in Charleston, West Virginia.】

【Sec. 325. The portion of Oklahoma State Route 99 between the United States Highway 377 and Interstate Route I-44 which portion is on the Federal-aid primary system shall hereafter be designated as "United States Highway 377". Any reference in a law, map, regulation, document, record or other paper of the United States to such highway shall be held to be a reference to "United States Highway 377".】

【Sec. 326. Within 12 months of enactment, the Federal Aviation Administration shall adopt regulations requiring the installation and carriage of operating automatic altitude reporting equipment for all aircraft operating in terminal airspace where air traffic control radar service is provided, and in all controlled airspace above a minimum altitude to be determined by the Federal Aviation Administration. This regulation shall be effective on the earliest feasible date.】

【Sec. 327. None of the funds appropriated or made available by this Act or any other Act shall be made available to the New York Metropolitan Transportation Authority unless, within 90 days after the enactment of this Act, such authority prohibits all smoking on the Long Island Railroad.】

【Sec. 328. (a) Section 404 of the Federal Aviation Act of 1958 (49 U.S.C. 1374) is amended by adding at the end thereof the following subsection:

"PROHIBITION AGAINST SMOKING ON SCHEDULED FLIGHTS AND  
TAMPERING WITH SMOKE ALARM DEVICES

"(d)(1)(A) On and after the date of expiration of the 4-month period following the date of the enactment of this subsection, it shall be unlawful to smoke in the passenger cabin or lavatory on any scheduled airline flight in intrastate, interstate, or overseas air transportation, if such flight is scheduled for 2 hours or less in duration.

"(B) The Secretary of Transportation shall issue such regulations as may be necessary to carry out the provisions of this subsection.

"(C) The provisions of paragraph (1) of this subsection are repealed effective on the expiration of the 28-month period following the date of enactment of this subsection.

"(2) Any passenger who tampers with, disables, or destroys any smoke alarm device located in any lavatory aboard an aircraft engaged in air transportation or intrastate air transportation shall be subject to a civil penalty in accordance with section 901, except that such civil penalty may be imposed in an amount up to \$2,000."

(b) That portion of the table of contents of the Federal Aviation Act of 1958 under the heading:

SEC. 404. Rates for carriage of persons and property; duty to provide service, rates, and divisions; foreign air transportation rates; discrimination;"

is amended by adding at the end thereof the following:

"(d) Prohibition against smoking on scheduled flights and tampering with smoke alarm devices".】

【DEMONSTRATION PROGRAM FOR SIXTY-FIVE MPH SPEED LIMIT】

【Sec. 329. (a) Any project approval under section 106 of title 23, United States Code, shall not be withheld under sections 154(a) and 141(a) of title 3, United States Code, in fiscal years 1988, 1989, 1990, and 1991 with respect to a highway located in a State eligible under subsection (b), having a maximum speed limit of not more than sixty-five miles per hour and located outside an urbanized area of fifty thousand population, which is—

(1) constructed to interstate standards in accordance with section 109(b) of title 23, United States Code and connected to an Interstate highway posted at sixty-five miles per hour;

(2) a divided four-lane fully controlled access highway designed or constructed to connect to an Interstate highway posted at sixty-five miles per hour and constructed to design and construc-

tion standards as determined by the Secretary of Transportation which provide a facility adequate for a speed limit of sixty-five miles per hour, or

(3) constructed to the geometric and construction standards adequate for current and probable future traffic demands and for the needs of the locality and is designated by the Secretary of Transportation as part of the Interstate System in accordance with section 139(c) of title 23, United States Code.

(b) Participation in the demonstration program authorized by this section is available only to the first twenty States that post maximum speed limits of sixty-five miles per hour before July 1, 1988, in accordance with the requirements of subsection (a).】

【Sec. 330. Sums authorized under section 17(f) of the Urban Mass Transportation Act, as amended, shall also be used to cover costs incurred since 1973 by such States, bodies, and agencies as a result of the discontinuation of Conrail commuter rail services under section 1136 of the Northeast Rail Services Act of 1981. Eligible cost shall include but not be limited to additional costs incurred as a result of the assumption of commuter rail service and all liabilities assumed by such States, bodies, and agencies as a result of agreements with Conrail. The Federal share of any cost covered under this provision shall be 100 percent.】

【Sec. 331. Section 149(b)(82) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended to read as follows: "(82) subsections (a)(82) and (a)(83) \$2,300,000;". Section 149(b)(83) of such Act is repealed, and succeeding paragraphs are renumbered accordingly.】

【Sec. 332. The portion of the Union Canal, also known as the Union Ship Canal, an appendage of the Buffalo Outer Harbor, located in the City of Buffalo, State of New York, is declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525, et seq.) from a point two hundred feet west of Fuhrmann Boulevard east to its terminus.】

【Sec. 333. The Secretary of Transportation is authorized to transfer appropriated funds under "Office of the Secretary, Salaries and expenses": *Provided*, That no appropriation shall be increased or decreased by more than 2½ per centum by all such transfers: *Provided further*, That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.】

【Sec. 334. (a) Notwithstanding any other provision of law, with regard to the Atlantic City Airport, at Pomona, New Jersey, the Federal Aviation Administration shall not transfer any property to any municipality or any other entity operating such airport, nor shall any funds made available by this Act be available to such municipality or entity for any planning, study, design, engineering, or construction of a runway extension, new runway, new passenger terminal, or improvements to or expansion of the existing passenger terminal at such Airport, until such time as—

(1) the Master Plan Update for Atlantic City Airport and Bader Field, prepared pursuant to Federal Aviation Administration Contract FA-EA-2656, is completed and released; and

(2) the Administrator of the Federal Aviation Administration finds that a public entity has been created to operate and manage the Atlantic City Airport, which entity has the following characteristics:

(A) the authority to enter into contracts and other agreements, including contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States;

(B) the standing to sue and be sued in its own name;

(C) the authority to hire and dismiss officers and employees;

(D) the power to adopt, amend and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised;

(E) the authority to acquire, in its own name, an interest in such real or personal property as is necessary or appropriate for the operation and maintenance of the airport;

(F) the power to acquire property by the exercise of the right of eminent domain;

(G) the power to borrow money by issuing marketable obligations, or such other means as is permissible for public authorities under the laws of the State of New Jersey;

(H) adequate existing capitalization to carry out all activities which are ordinarily necessary and appropriate to operate and maintain an airport;

(I) a governing board which includes voting representatives of the City of Atlantic City, the County of Atlantic, and the townships which are adjacent to or are directly impacted by the airport;

(J) a charter which includes (i) a requirement that members of the governing board have expertise in transportation, finance, law, public administration, aviation, or such other fields or disciplines as would be necessary or appropriate for the operation of an airport; and (ii) procedures which protect the Federal Aviation Technical Center at Pomona, New Jersey, and the defense functions of the Air National Guard; and

(K) the authority to carry out comprehensive transportation planning to minimize traffic congestion and facilitate access to and from the airport.】

【(b) The limitation on funds set forth in subsection (a) shall not apply to any expenditure which the Administrator of the Federal Aviation Administration determines is needed for safety purposes.】

【(c) Notwithstanding any other provision of law, the funds restricted under subsection (a) shall become available at such time as the conditions set forth in subsection (a) are satisfied.】

【SEC. 335. Notwithstanding section 127 of title 23, United States Code, the State of Wyoming may permit the use of the National System of Interstate and Defense Highways located in Wyoming by vehicles in excess of 80,000 pounds gross weight, but meeting axle and bridge formula specifications in section 127 of title 23, United States Code, through September 30, 1991. Additionally, the Secretary of Transportation shall report, by September 30, 1990, to the Senate and House Appropriations Committees, and to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environmental and Public Works of the United States Senate, on the productivity and economic benefits, the safety performance, and the effects of such vehicles on the condition of the highways over which they were operated.】

【SEC. 336. TRANSFER OF SECTION 9 FUNDS.—The Governor of Louisiana, after consultation with all urbanized areas within Louisiana, may transfer not to exceed \$5,000,000 of unused apportionments under section 9 of the Urban Mass Transportation Act of 1964 to any other urbanized area for use for urban mass transportation purposes. The authority to transfer these funds expires on October 1, 1988.】

【SEC. 337. Section 149(a)(89) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended by striking the language therein and inserting in lieu thereof:

“The Secretary is authorized to carry out a project to construct a full-diamond interchange to connect Louisiana Highway 354 to Interstate Route I-10 in East Lafayette, Louisiana.”.】

【SEC. 338. Notwithstanding any other provision of this joint resolution or of any other law, section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 181) is amended by adding after subsection (k) the following new subsection (1).

“(1) REQUEST FOR REALLOCATION.—If, in any fiscal year amounts allocated to the State of Nevada under subsections (b) and (d) to carry out subsection (a)(68), (a)(105), or (a)(106), are not sufficient to complete any project authorized by such subsections, such State may request the Secretary to reallocate all or any portion of such funds for another of such projects.】

【“(2) GRANTING OF REQUESTS.—The Secretary shall grant a request made under paragraph (1) if the respective local officials having jurisdiction over the area in which the concerned projects are located consent to such request.】

【“(3) ADJUSTMENT OF ALLOCATION.—If any funds allocated for a project are reallocated to another project pursuant to this subsection, the amount of funds allocated for such projects in succeeding fiscal years shall be adjusted so that the aggregate amount of funds allocated for each of such projects under this section for fiscal years 1987 through 1991 is equal to the aggregate amount of funds allocated for such projects for such fiscal years by subsections (b) and (d) of this section.”.】

Sec. 【339】 315. Notwithstanding any other provision of law, the Secretary shall make available \$250,000 per year for a national public information program to educate the public of the inherent hazard at railway-highway crossings. Such funds shall be made available out of funds authorized to be appropriated out of the Highway Trust Fund, pursuant to section 130 of title 23, United States Code.

【SEC. 340. Section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended (1) by striking in sub-

section (b)(111)(H) “\$80,000” and inserting in lieu thereof “\$100,000” and (2) in subsection (b)(111)(I) by striking “\$100,000” and inserting in lieu thereof “\$80,000”.】

【SEC. 341. Section 149(a) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended by striking subsections 111 (A) and (B) and inserting in lieu thereof the following:

“(A)(1) MORTON COUNTY.—The Secretary is authorized to carry out a project to obtain easements for and construct an access road in Morton County FAS, Route 3020 from 11 miles south of Sweet Briar Lake, 1½ miles south of Fish Creek Lake, then easterly 8 miles to Morton County FAS Route 3047.

“(2) MORTON COUNTY.—The Secretary is authorized to carry out a project to construct an access road in Morton County, FAS Route 3002 from 6 miles north of Crown Butte Road, then easterly 2 miles to North Dakota State Highway 1806.

“(3) MORTON COUNTY.—The Secretary is authorized to carry out a project to construct an access road in Morton County, FAS Route 3039 from Sweet Briar Lake, north 7 miles to Oliver County line.

“(B)(1) MERCER COUNTY.—The Secretary is authorized to carry out a project to construct an access road in Mercer County, FAS Route 2927 from 4 miles north of Hazen, North Dakota; north 8 miles to Hazen Bay, Lake Sakakawea or from 4 miles north of Hazen, North Dakota; then 3 miles north and 6 miles east to intersection of N.D. 200 and Mercer County, Route 37; then in a southeasterly direction approximately 10 miles to the north corporate limits of the City of Stanton, North Dakota.

“(2) MERCER COUNTY.—The Secretary is authorized to carry out a project to construct an access road in Mercer County, County FAS Route 2927 from 4 miles north of Hazen, North Dakota north 8 miles to Hazen Bay, Lake Sakakawea or from 4 miles north of Hazen, North Dakota then 8 miles north to the intersection of North Dakota 1806; then east to the intersection of North Dakota 200; then south 5 miles to Mercer County, Route 37; then in a southeasterly direction approximately 10 miles to the north corporate limits of the City of Stanton, North Dakota.

“(3) MERCER COUNTY.—The Secretary is authorized to carry out a project to construct an access road in Mercer County, County FAS Route 2927 from 4 miles north of Hazen, North Dakota, north 8 miles to Hazen Bay, Lake Sakakawea, or 7 miles north of the junction with North Dakota 200 and 200 A; then east 3 miles, south 2 miles, east 2 miles, and south 3 miles to the north corporate limits of the City of Stanton, North Dakota.

“(4) MERCER COUNTY.—The Secretary is authorized to carry out a project to construct an access road in Mercer County, County FAS Route 2927, from 4 miles north of Hazen, North Dakota, north 8 miles to Hazen Bay, Lake Sakakawea, or Knife River Indian Village Historic Site access road.”.】

【SEC. 342. The Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended by inserting at the end of section 149 a new subsection to read as follows:

“The State of North Dakota may elect to utilize the total amount of funds authorized for such State under section 149 (b) and (d) in any given year for any project or projects in the State of North Dakota as authorized under section 149. The total amount of Federal funds obligated for any project under section 149 shall not exceed the total 5 year authorization for such project.”.】

【SEC. 343. (a) Notwithstanding any other provision of law, the Secretary of Transportation shall provide not to exceed \$20,000,000 out of the emergency relief fund authorized under section 125 of title 23, United States Code, to pay the expenses incurred in the reconstruction or repair of the bridge over Schoharie Creek in the State of New York that is on Interstate Route 90, including any expenses incurred in conducting the investigation of the cause of the collapse of the bridge and the expenses incurred in detouring traffic around the site of the bridge until the reconstruction or repair is completed.】

【(b) No payment of an expense may be made by reason of subsection (a) if such expense is paid or reimbursed—

(1) under any Federal program other than section 125 of title 23, United States Code, or

(2) under any insurance policy covering the bridge described in subsection (a).】

【(c) The provisions of section 125 of title 23, United States Code, and any regulations prescribed under such section, regarding the expenditure of funds provided under such section shall apply to any funds provided by reason of subsection (a) to the extent such provi-

sions and regulations are consistent with the provisions and purposes of this joint resolution.]

**[SEC. 344.** Section 165 of the Federal-Aid Highway Act of 1987 (Public Law 100-17) relating to a cost effectiveness study of upgrading of Route 219 is amended as follows:

(1) Subparagraph (B) of subsection (a)(1) is amended to read as follows:

“(B) between Springville, New York, and its intersection with the New York-Pennsylvania State line;”

(2) Subsection (b) is amended by striking “1 year” and inserting “18 months”.]

**[SEC. 345.** Paragraph (72) of section 149(a) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 192) is amended to read as follows:

“(72) **DOUGLAS COUNTY, KANSAS**—The Secretary shall carry out a highway project in Douglas County, Kansas, to demonstrate methods of reducing traffic congestion and facilitating the usage by motorists on the Interstate System of recreational facilities by construction of a limited access road of approximately 14 miles in length which, at its western terminus, will provide access from an east-west Interstate highway route to a reservoir and a university research park, will proceed easterly around the southern portion of the City of Lawrence and, at its eastern terminus, will provide access to a business park and a limited access east-west State highway.”.]

**[SEC. 346.** Section 163(n) of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended by adding “except those railroad-highway crossings segments which are already engaged in or have completed the preparation of the plans, specifications and estimates (PS&E) for the construction of the segment involved shall retain the Federal share as specified in subsection 163(n) as amended by section 134 of the Surface Transportation Assistance Act of 1978.”]

#### **[TECHNICAL AMENDMENTS TO TITLE 23]**

**[SEC. 347.** (a) **SECTION 104.**—Section 104(g) of title 23, United States Code, is amended—

(1) in the first sentence by striking out “sections 144, 152, and 153 of this title, or section 203(d) of the Highway Safety Act of 1973,” and inserting in lieu thereof “sections 130, 144, and 152 of this title”; and

(2) by striking out the third sentence.

(b) **SECTION 119.**—Section 119(f)(2)(B) of such title is amended by striking out “equal to” and inserting in lieu thereof “not to exceed”.

(c) **SECTION 127.**—Section 127(a) of such title is amended by striking out “September 1, 1988” each place it appears and inserting in lieu thereof “September 1, 1989”.

(d) **SECTION 129.**—(1) Section 129(j)(1) of such title is amended by striking out “(7)” and inserting in lieu thereof “(8)”.

(2) Section 129(j)(3) of such title is amended—

(A) by striking out “(7)” and inserting in lieu thereof “(8)”;

(B) by striking out “State of Pennsylvania” and inserting in lieu thereof “States of Pennsylvania and West Virginia”;

(C) by inserting “State of Georgia,” after “State of Florida,”; and

(D) by adding at the end thereof the following new sentence: “The toll facility in Orange County, California, may be located in more than 1 highway corridor to relieve congestion on existing interstate routes in such County.”.]

#### **[TECHNICAL AMENDMENTS TO SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT]**

**[SEC. 348.** (a) **SECTION 134.**—Section 134 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (23 U.S.C. 202 note) is amended by striking out “and 1990,” and inserting in lieu thereof “1990, and 1991,”.

(b) **SECTION 149(a).**—(1) Section 149(a)(5)(B) of such Act is amended—

(A) by striking out “reconstructing 2” and inserting in lieu thereof “rehabilitating 3”; and

(B) by striking out “and Bagley” and inserting in lieu thereof “, Bagley, and Shevlin”.

(2) Section 149(a)(15) of such Act is amended by striking out “a highway project for construction of a grade separation on a route” and inserting in lieu thereof “highway projects for construction of grade separations on routes”.

(3) Section 149(a)(16) of such Act is amended by striking out “project to demonstrate” and all that follows through “the effectiveness” and inserting in lieu thereof “projects to demonstrate methods by which railroad relocation and construction of grade separations for railroad crossings of highways and streets enhances urban redevelopment”.

(4) Section 149(a)(46) of such Act is amended—

(A) by inserting “and Andover” after “in Lawrence”; and

(B) by striking out “under construction” and all that follows through the period at the end of such section and inserting in lieu thereof “by providing access between an interstate route and Merrimack Street.”.

(5) Section 149(a)(81) of such Act is amended by inserting “(A)” after “carry out” and by inserting “and (B) construction of such project,” after “Florida,”.

(6) Section 149(a)(102) of such Act is amended by striking out “for the design and site location”.

(7) Section 149(a)(121) of such Act is amended by striking out “Virginia” and inserting in lieu thereof “Virginia” and by striking out “Service” and inserting in lieu thereof “Service”.

(c) **SECTION 149(b).**—(1) Section 149(b)(57) of such Act is amended by striking out “land acquisition under”.

(2) Section 149(b)(64) of such Act is amended by striking out “preliminary engineering and design under”.

(3) Section 149(b)(70) of such Act is amended by striking out “preliminary engineering and design under”.

(d) **SECTION 149(i).**—

(1) **AMENDMENT.**—Section 149(i) of such Act is amended by adding at the end thereof the following new sentence: “50 percent of the funds allocated under subsections (b) and (d) to carry out subsection (a)(104) shall be allocated to the State of Nebraska, and the other 50 percent of such funds shall be allocated to the State of Iowa.”.

(2) **EFFECTIVE DATE.**—The amendment made by paragraph (1) shall take effect April 2, 1987.

(e) **SECTION 149(k).**—Section 149(k)(2) of such Act is amended by striking out “104(b)(5)(A)” and inserting in lieu thereof “subsection (b)(5)(A)”.

(f) **SECTION 167.**—Section 167(b) of such Act is amended by striking out “9 months” and inserting in lieu thereof “3 years”.

(g) **SECTION 202.**—Section 202(c) of such Act is amended by striking out “(a)(3)” and inserting in lieu thereof “(a)(1)”.

(h) **SECTION 208.**—Section 208(a) of such Act is amended by striking out “not later than 30 months after the date of the enactment of this Act, the” and inserting in lieu thereof “The”.]

#### **[CUMBERLAND GAP]**

**[SEC. 349.** Section 104(a)(8) of the Federal-Aid Highway Act of 1978 is amended by adding at the end thereof the following new sentence: “Funds may be appropriated under an authorization contained in this paragraph in the fiscal year authorized and any fiscal year thereafter.”.]

#### **[HIGHWAY FEASIBILITY STUDIES]**

**[SEC. 350.** (a) **ILLINOIS AND MISSOURI.**—The Secretary of Transportation, in cooperation with the States of Illinois and Missouri, shall study the feasibility and necessity of constructing a toll expressway between Chicago, Illinois, and Kansas City, Missouri.

(b) **ALABAMA.**—The Secretary of Transportation shall study the feasibility and necessity of completing a beltway around the city of Birmingham, Alabama.

(c) **FEDERAL SHARE.**—The Federal share of the cost of conducting each study under this section shall be 65 percent.

(d) **REPORTS.**—Not later than 1 year after the date of the enactment of this section, the Secretary of Transportation shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the studies conducted under this section.

(e) **AMENDMENTS TO NEW YORK FEASIBILITY STUDY.**—Section 168 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended—

(1) by inserting at the end of subsection (a) the following new sentence: “Such study shall include environmental assessment, economic analysis, economic impact, engineering, and rail rationalization studies.”; and

(2) in subsection (c) by striking out “one year” and inserting in lieu thereof “2 years”.]

#### **[EXEMPTION FROM CERTAIN PROCEDURAL REQUIREMENTS]**

**[SEC. 351.** Notwithstanding any other provision of law, the withdrawal of Interstate Route I-420 in the State of Georgia shall be exempt from the procedural requirements of section 103(e)(4) of title

23, United States Code, including the regulations issued under such section.】

**【HIGHWAY WIDENING DEMONSTRATION PROJECT】**

**【SEC. 352. (a) PROJECT DESCRIPTION.—**The Secretary of Transportation is authorized to carry out a demonstration project to improve United States Route 202 between I-76 and Pennsylvania State Route 252 in the vicinity of King of Prussia, Pennsylvania.

(b) **AUTHORIZATION OF APPROPRIATIONS.—**There is authorized to be appropriated \$19,000,000 to carry out this section. Any funds appropriated pursuant to this section shall remain available until expended and shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.

(c) **FEDERAL SHARE.—**The Federal share of the cost of the project authorized by this section shall not exceed 80 percent.】 *(Department of Transportation and Related Agencies Appropriations Act, 1988.)*



# DEPARTMENT OF THE TREASURY

## [OFFICE OF THE SECRETARY] DEPARTMENTAL OFFICES

### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses of the [Office of the Secretary] *Departmental Offices* including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; *maintenance, repairs and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed [\$22,000] \$95,000* for official reception and representation expenses; not to exceed \$200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed \$573,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex; [\$55,681,000] \$83,681,000. (*Treasury Department Appropriations Act, 1988.*)

#### [INTERNATIONAL AFFAIRS]

[For necessary expenses of the international affairs function of the Office of the Secretary, hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,000,000 for official travel expenses; and not to exceed \$73,000 for official reception and representation expenses; \$23,422,000.] (*Treasury Department Appropriations Act, 1988.*)

#### Program and Financing (in thousands of dollars)

Identification code 20-0101-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Secretarial policy and program development.....	20,657	21,812	22,193
00.02 Inspector General.....	5,003	5,659	5,673
00.03 International affairs.....	12,728	12,821	13,056
00.04 Departmental management and administration.....	24,300	25,286	25,528
00.05 Buildings maintenance and operations.....	11,687	12,952	16,658
00.06 Repairs and improvements.....	1,771	5,573	1,573
00.91 Total direct program.....	76,146	84,103	84,681
01.01 Reimbursable program.....	24,342	29,821	30,539
10.00 Total obligations.....	100,488	113,924	115,220
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-20,459	-25,033	-25,157
14.00 Non-Federal sources.....	-3,883	-4,788	-5,382
17.00 Recovery of prior year obligations.....	-254	.....	.....
21.40 Unobligated balance available, start of year.....	-3,919	-8,051	-3,051
24.40 Unobligated balance available, end of year.....	8,051	3,051	2,051
25.00 Unobligated balance lapsing.....	922	.....	.....
40.00 <b>Budget authority (appropriation).....</b>	<b>80,947</b>	<b>79,103</b>	<b>83,681</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	76,146	84,103	84,681
72.40 Obligated balance, start of year.....	16,628	17,479	10,679
74.40 Obligated balance, end of year.....	-17,479	-10,679	-11,297
77.00 Adjustments in expired accounts.....	-1,404	.....	.....
78.00 Adjustments in unexpired accounts.....	-254	.....	.....
90.00 Outlays.....	73,638	90,903	84,063
Distribution of budget authority by account:			
Departmental Offices—Salaries and expenses.....	58,505	55,564	83,681
International affairs.....	22,442	23,539	.....

#### Distribution of outlays by account:

Departmental Offices—Salaries and expenses.....	53,223	64,681	83,123
International affairs.....	20,415	26,222	940

The Departmental Offices function serves as the principal policy formulation and management arm of the Secretary of the Treasury.

*Secretarial policy and program development.*—The Secretary has primary responsibility for formulating and recommending domestic and international financial policy, economic policy, and tax policy; managing the public debt; and participating in the formulation of broad fiscal policies that have general significance for the economy.

*Inspector General.*—This activity is responsible for maintaining a comprehensive audit and internal investigation program. It is organizationally independent and reports directly to the Secretary and the Deputy Secretary.

*International affairs.*—The programs conducted within this activity are designed to analyze and implement international monetary and development financing policy. Additional staff support is provided in areas concerned with international investment, trade, and balance of payments issues.

*Departmental management and administration.*—This activity provides central administrative policies and guidance to the entire Department; the direct administrative support required for the Departmental Offices operations; oversight and management of departmental information technology development; and computer support and services.

*Buildings maintenance and operations.*—This activity provides for maintenance and operation of the main Treasury Building and the Annex, including utilities, and custodial and craftsmen services. In addition, this activity provides for all telecommunications facilities and services and the Federal buildings fund payment for all space occupied by the Departmental Offices outside of the Treasury Building and the Annex.

*Repairs and improvements.*—This activity provides the funding for major repairs and improvements to the Treasury Building and Annex.

#### Object Classification (in thousands of dollars)

Identification code 20-0101-0-1-803	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	43,520	46,549	48,053
11.3 Other than full-time permanent.....	882	928	958
11.5 Other personnel compensation.....	1,141	1,410	1,471
11.8 Special personal services payments.....	369	250	259
11.9 Total personnel compensation.....	45,912	49,137	50,741
12.1 Civilian personnel benefits.....	6,568	7,626	6,504
21.0 Travel and transportation of persons.....	1,005	1,192	1,233
22.0 Transportation of things.....	293	276	480
23.1 Rental payments to GSA.....	1,399	1,901	1,994
23.2 Rental payments to others.....	68	102	105

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 20-0101-0-1-803	1987 actual	1988 est.	1989 est.
23.3 Communications, utilities, and miscellaneous charges...	6,848	6,375	8,739
24.0 Printing and reproduction .....	1,061	1,022	1,066
25.0 Other services .....	7,790	8,412	8,813
26.0 Supplies and materials .....	1,347	1,215	1,261
31.0 Equipment .....	2,084	1,272	2,172
32.0 Land and structures .....	1,771	5,573	1,573
99.0 Subtotal, direct obligations .....	76,146	84,103	84,681
99.0 Reimbursable obligations .....	24,342	29,821	30,539
99.9 Total obligations .....	100,488	113,924	115,220

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	1,245	1,246	1,246
Total compensable workyears:			
Full-time equivalent employment .....	1,140	1,210	1,190
Full-time equivalent of overtime and holiday hours .....	28	30	30
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	130	153	153
Total compensable workyears: Full-time equivalent employment .....	133	153	153

SALARIES AND EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 20-0101-2-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			-2,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....			1,200
14.00 Non-Federal sources .....			800
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

Legislation will be proposed to finance the FFB's administrative expenses through a general fund appropriation to a new FFB administrative expenses account. Previously, the FFB reimbursed departmental offices for these expenses.

Object Classification (in thousands of dollars)

Identification code 20-0101-2-1-803	1987 actual	1988 est.	1989 est.
99.0 Reimbursable obligations .....			-2,000
99.9 Total obligations .....			-2,000

Personnel Summary

<b>Reimbursable:</b>			
Total number of full-time permanent positions .....			-19
Total compensable workyears: Full-time equivalent employment .....			-19

FFB ADMINISTRATIVE EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 20-0118-2-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			2,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			2,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			2,000
74.40 Obligated balance, end of year .....			-60
90.00 Outlays .....			1,940

The Federal Financing Bank (FFB) assures the coordination of Federal and federally assisted borrowing from the public and also assures that such borrowings are financed in a manner least disruptive of private financial markets and institutions. In prior years, the FFB was financed on a reimbursable basis. Legislation will be proposed to finance the FFB's administrative expenses through a general fund appropriation to a new FFB administrative and expenses account. Previously, the FFB reimbursed departmental offices for these expenses.

Object Classification (in thousands of dollars)

Identification code 20-0118-2-1-803	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent .....			798
21.0 Travel and transportation of persons .....			129
25.0 Other services .....			1,073
99.9 Total obligations .....			2,000

Personnel Summary

<b>Direct:</b>			
Total number of full-time positions .....			19
Total compensable workyears: Full-time equivalent employment .....			19

PRESIDENTIAL ELECTION CAMPAIGN FUND

Program and Financing (in thousands of dollars)

Identification code 20-5081-0-2-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Matching funds in primaries .....		57,191	7,231
00.02 Nominating conventions of parties .....	17,784	712	
00.03 Candidates for general elections .....		92,480	
10.00 Total obligations (object class 41.0) .....	17,784	150,383	7,231
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....		-400	
21.40 Unobligated balance available, start of year .....	-161,187	-176,983	-67,600
24.40 Unobligated balance available, end of year .....	176,983	67,600	100,369
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund) .....	33,179	41,000	40,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	17,784	150,383	7,231
78.00 Adjustments in unexpired accounts .....	-400		
90.00 Outlays .....	17,384	150,383	7,231

Matching funds in primaries.—Upon certification by the Federal Election Commission, every candidate eligible to receive payments is entitled to an amount equal

to the contributions each has received on or after the beginning of the calendar year immediately preceding the election year.

*Nominating conventions of parties.*—Upon certification by the Commission, payments may be made to the national committee of a major party or a minor party which elects to receive its entitlement. The total of such payments will be limited to the amount in the account at the time of payment. The national committee of each party may receive payments beginning on July 1 of the year immediately preceding the calendar year in which a presidential nominating convention of the political party is held. The two major parties will receive \$3 million each, plus a cost-of-living increase.

*Candidates for general elections.*—The eligible candidates of each major party in a presidential election will be entitled to equal payments in an amount which, in the aggregate, shall not exceed \$20 million each, plus a cost-of-living increase.

Also, provision is made for new parties, minor parties and candidates, who may receive in excess of 5 percent of the popular vote and, therefore, be entitled to reimbursement of qualified campaign expenditures.

**Public enterprise funds:**

**EXCHANGE STABILIZATION FUND**

**Program and Financing (in thousands of dollars)**

Identification code	20-4444-0-3-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	363,476		
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Interest on U.S. securities	-82,609	-175,704	-168,093
11.00	Interest on U.S. securities, prior year adjustment	-1,740		
Non-Federal sources:				
14.00	Special drawing rights holdings	-629,003		
14.00	Net gain on exchange transactions	-1,060,266		
Unobligated balance available, start of year:				
21.98	Special drawing rights	-8,294,826	-9,078,385	-9,078,385
21.98	Fund balance	-7,203,593	-5,700,355	-5,700,355
21.98	U.S. securities (par)	-481,094	-2,935,346	-3,111,050
Unobligated balance available, end of year:				
24.98	Special drawing rights	9,078,385	9,078,385	9,078,385
24.98	Fund balance	5,700,355	5,700,355	5,700,355
24.98	U.S. securities (par)	2,935,346	3,111,050	3,279,143
25.00	Unobligated balance lapsing: Net increase in SDR allocations	-324,431		
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-1,410,142	-175,704	-168,093
90.00	Outlays	-1,410,142	-175,704	-168,093

The Secretary of the Treasury is authorized to deal in gold and foreign exchange and other instruments of credit and securities as deemed necessary, consistent with U.S. obligations in the International Monetary Fund (IMF), regarding orderly exchange arrangements. An Exchange Stabilization Fund, with a capital of \$200 million, is authorized by law for this purpose (31 U.S.C. 5302). All earnings and interest accruing to this fund are available for the purposes thereof. Transactions in special drawing rights (SDR's) and U.S. holdings of

SDR's are administered by the fund. U.S. drawings from the IMF are also advanced to the fund.

The principal sources of the fund's income have been profits on foreign exchange transactions, interest on foreign exchange swap transactions, and on investments held by the fund, including interest earned on fund holdings of U.S. Government securities.

Due to the impracticability of forecasting fund transactions in foreign currency and foreign investment, projections are not provided for those items. However, as an offset to actual data and projections made in the budget for interest paid on U.S. Government securities, data for the interest income on fund holdings of U.S. Government securities is provided for 1987 and projected for 1988 and 1989. Holdings of U.S. Government securities amounted to \$2,935 million on September 30, 1987. The interest earnings on these securities is estimated to increase these holdings to \$3,111 million in 1988 and \$3,279 million in 1989. As required by Public Law 95-612, the fund no longer is used to meet administrative expenses.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue	1,410,142	175,704	168,093
Expense			
Net operating income or loss (-)	1,410,142	175,704	168,093

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury	7,203,593	5,700,355	5,700,355	5,700,355
U.S. securities (par)	481,094	2,935,346	3,111,050	3,279,143
Accounts receivable (net)	122,918	131,446	131,446	131,446
Special drawing rights	8,294,826	9,078,385	9,078,385	9,078,385
Total assets	16,102,431	17,845,532	18,021,236	18,189,329
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities	58,819	62,610	62,610	62,610
Advances from Treasury, drawings from IMF	1,067,000	1,067,000	1,067,000	1,067,000
Special drawing rights certificates	5,018,000	5,018,000	5,018,000	5,018,000
Special drawing rights allocations <sup>1</sup>	5,945,201	6,269,633	6,269,633	6,269,633
Total liabilities	12,089,020	12,417,243	12,417,243	12,417,243
<b>Government equity:</b>				
Selected equities:				
Retained income	3,813,411	5,228,289	5,403,993	5,572,086
Invested capital	200,000	200,000	200,000	200,000
Total Governmental equity	4,013,411	5,428,289	5,603,993	5,772,086

<sup>1</sup> Pursuant to the Special Drawing Rights Act of 1968, Special Drawing Rights (SDR) allocated to or otherwise acquired by the United States are resources of the Exchange Stabilization Fund (ESF). SDR, once allocated, are permanent resources unless cancelled (which requires an 85 percent majority decision of the total voting power of the Board of Governors of the International Monetary Fund), the Special Drawing Account is liquidated, the International Monetary Fund is liquidated, or the United States chooses to withdraw from the Fund or terminate its participation in the Special Drawing Account. Except for payment of interest and charges on SDR allocations to the United States, the payment of the Exchange Stabilization Fund liability related to SDR allocations is conditional on events listed above, in which the United States has a substantial or controlling voice. The Special Drawing Rights Act also authorizes the Secretary of the Treasury to issue Special Drawing Rights certificates to the Federal Reserve Banks in return for dollar deposits in amounts equal to the value of the SDR held. The certificates may be issued to finance the acquisition of SDR from other countries or to provide resources for financing ESF operations.

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-4501-0-4-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Printing and reproduction:			
00.01 Direct operating program.....	1,203	1,362	1,415
00.02 Administrative overhead.....	119	131	136
Telecommunications:			
00.10 Direct operating program.....	6,295	91,431	65,877
00.11 Administrative overhead.....	484	534	555
10.00 Total obligations.....	8,101	93,458	67,983
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-8,004	-93,458	-67,983
21.98 Unobligated balance available, start of year: Fund balance.....	-871	-774	-774
24.98 Unobligated balance available, end of year: Fund balance.....	774	774	774
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	98		
72.98 Obligated balance, start of year: Fund balance.....	3,054	35,489	4,000
74.98 Obligated balance, end of year: Fund balance.....	-35,489	-4,000	-4,000
90.00 Outlays.....	-32,337	31,489	

Certain central services in the Department of the Treasury, including telephone, telegraph, printing, reproduction, and printing procurement services, and the Treasury automated communications system are provided on a reimbursable basis. Transactions are entered into with other Treasury appropriation accounts at rates which will recover the fund's operating expenses, including accrual of annual leave and depreciation of equipment. This presentation reflects the inclusion of the Digital Telephone System: a Departmental initiative to modernize Treasury telecommunications through providing added voice communication capabilities and transmission networks for office automation and data communications; and the Consolidated Data Network: a Department-wide data communications system that will enhance security, offer lower cost data transmission and more reliable communication networks.

**Object Classification (in thousands of dollars)**

Identification code 20-4501-0-4-803	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,045	2,676	2,780
11.5 Other personnel compensation.....	158	178	185
11.8 Special personal services payments.....	68	118	123
11.9 Total personnel compensation.....	2,271	2,972	3,088
12.1 Civilian personnel benefits.....	260	317	329
21.0 Travel and transportation of persons.....	37	56	58
22.0 Transportation of things.....	9	19	20
23.1 Rental payments to GSA.....	43	37	38
23.2 Rental payments to others.....	3		
23.3 Communications, utilities, and miscellaneous charges.....	3,332	1,096	1,140
24.0 Printing and reproduction.....	44	116	121
25.0 Other services.....	1,789	88,358	62,683
26.0 Supplies and materials.....	207	354	368
31.0 Equipment.....	106	133	138
99.9 Total obligations.....	8,101	93,458	67,983

**Personnel Summary**

Total number of full-time permanent positions.....	74	90	90
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	70	90	90
Full-time equivalent of overtime and holiday hours.....	3	4	4

**Trust Funds**

**GIFTS AND BEQUESTS**

**Program and Financing (in thousands of dollars)**

Identification code 20-8790-0-7-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (unconditional gifts).....	851	300	300
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal funds.....	-1,490		
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-3		
21.40 U.S. Securities (par).....	-34	-884	-734
24.40 Unobligated balance available, end of year: U.S. securities (par).....	884	734	584
60.00 <b>Appropriation (permanent, indefinite)</b> .....	208	150	150
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-639	300	300
Obligated balance, start of year:			
72.40 Treasury balance.....	-2	482	457
72.40 U.S. Securities (par).....		275	
Obligated balance, end of year:			
74.40 Treasury balance.....	-482	-457	-307
74.40 U.S. Securities (par).....	-275		
90.00 Outlays.....	-1,398	600	450

The Secretary of the Treasury is authorized to accept, hold, administer and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department of the Treasury. Property and proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

**Object Classification (in thousands of dollars)**

Identification code 20-8790-0-7-803	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	7		
22.0 Transportation of things.....	5		
24.0 Printing and reproduction.....	6		
25.0 Other services.....	824	300	300
32.0 Land and structures.....	9		
99.9 Total obligations.....	851	300	300

**OFFICE OF REVENUE SHARING**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code 20-0107-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Legal and support services.....	969		
00.02 Operations and technical assistance.....	1,321		
00.03 Monitoring and enforcement.....	2,263		
10.00 Total obligations.....	4,553		
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	1,007		
40.00 <b>Budget authority (appropriation)</b> .....	5,560		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,553		
72.40 Obligated balance, start of year.....	718	1,733	
74.40 Obligated balance, end of year.....	-1,733		

77.00	Adjustments in expired accounts.....	271		
90.00	Outlays.....	3,809	1,733	

The Office of Revenue Sharing was established to implement the State and Local Fiscal Assistance Act of 1972, as amended. It is responsible for correctly computing and distributing revenue sharing payments and maintaining adequate controls to insure integrity of the trust funds; supplying adequate information, data, and technical assistance to all recipients to assure compliance with the Act; improving the quality of State and local audits to eliminate noncompliance with audit requirements; insuring compliance with the nondiscrimination and public participation provisions of the Act; and at regular intervals, reporting to Congress, recipient governments, and the general public.

The Revenue Sharing Act was not reauthorized upon its expiration at the end of 1986. This budget does not include any request for the salaries and expenses appropriation for 1989.

**Object Classification (in thousands of dollars)**

Identification code	20-0107-0-1-806	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent.....	2,510		
11.3	Other than full-time permanent.....	261		
11.5	Other personnel compensation.....	61		
11.9	Total personnel compensation.....	2,832		
12.1	Civilian personnel benefits.....	330		
21.0	Travel and transportation of persons.....	19		
23.1	Rental payments to GSA.....	396		
23.2	Rental payments to others.....	17		
23.3	Communications, utilities, and miscellaneous charges.....	102		
24.0	Printing and reproduction.....	11		
25.0	Other services.....	831		
26.0	Supplies and materials.....	12		
31.0	Equipment.....	3		
99.9	Total obligations.....	4,553		

**Personnel Summary**

Total number of full-time permanent positions.....	78
Total compensable workyears: Full-time equivalent employment.....	69

**Trust Funds**

**STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code	20-8111-0-7-806	1987 actual	1988 est.	1989 est.
	<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	77,029		
	<b>Financing:</b>			
17.00	Recovery of prior year obligations.....	-683		
21.40	Unobligated balance available, start of year.....	-259,234	-182,888	-182,888
24.40	Unobligated balance available, end of year.....	182,888	182,888	182,888
39.00	<b>Budget authority.....</b>			
	<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	77,029		
78.00	Adjustments in unexpired accounts.....	-683		
90.00	Outlays.....	76,346		

The Revenue Sharing Act was not reauthorized at the end of 1986.

**FEDERAL LAW ENFORCEMENT TRAINING CENTER**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed eight for police-type use); and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; not to exceed \$3,000,000 for major maintenance and facility improvements, and related equipment for the Federal Law Enforcement Training Center [facility] to remain available until expended; [not to exceed \$200,000 for the development of a Master Plan for future land and facility use at Glynco, Georgia, to remain available until expended;] not to exceed [\$5,000] \$3,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109: *Provided, That the Center may accept token gifts: Provided further, That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; [acceptance of gifts;] training of private sector security officials on a space available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center: [Provided further, That the Federal Law Enforcement Training Center shall hire and maintain an average of not less than 325 direct full-time equivalent positions; for fiscal year 1988: Provided further, That the new residential facility at the Federal Law Enforcement Training Center at Glynco, Georgia, shall be designated as the "Aubrey A. 'Tex' Gunnels Dormitory Complex"; \$28,672,000.] \$26,525,000. (Treasury Department Appropriations Act, 1988.)*

**Program and Financing (in thousands of dollars)**

Identification code	20-0104-0-1-751	1987 actual	1988 est.	1989 est.
	<b>Program by activities:</b>			
	Direct program:			
00.01	Law enforcement training.....	14,879	15,822	13,365
00.02	Plant operations.....	7,973	9,661	9,285
00.03	State and local training.....	1,208	850	875
00.04	Minor construction and maintenance.....	2,138	4,427	3,000
00.05	Dormitory construction.....	5,110	592	
00.91	Total direct program.....	31,308	31,352	26,525
01.01	Reimbursable program.....	12,626	14,000	13,465
10.00	Total obligations.....	43,934	45,352	39,990
	<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds.....	-12,626	-14,000	-13,465
21.40	Unobligated balance available, start of year.....	-6,225	-2,680	
24.40	Unobligated balance available, end of year.....	2,680		
25.00	Unobligated balance lapsing.....	1,903		
40.00	<b>Budget authority (appropriation).....</b>	<b>29,666</b>	<b>28,672</b>	<b>26,525</b>
	<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	31,308	31,352	26,525
72.40	Obligated balance, start of year.....	1,595	13,463	5,547
74.40	Obligated balance, end of year.....	-13,463	-5,547	-5,332
77.00	Adjustments in expired accounts.....	-330		
90.00	Outlays.....	19,110	39,268	26,740

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting recruit, advanced, specialized, and refresher training for Federal law enforcement personnel. Center personnel conduct the instructional programs for the basic recruit and some of the advanced training. This appropriation is for operating expenses of the Center, for research in law enforcement training

General and special funds—Continued

SALARIES AND EXPENSES—Continued

methods, and curriculum content. The 1989 estimate provides for law enforcement training; maintenance and facility improvements; planning and curricula development for the Center. In addition, the Center has a reimbursable program to accommodate the training requirements of various Federal agencies and for certain State and local law enforcement personnel.

Object Classification (in thousands of dollars)

Identification code 20-0104-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	7,615	9,848	10,366
11.3 Other than full-time permanent .....	174	132	133
11.5 Other personnel compensation .....	352	435	442
11.8 Special personal services payments .....	546	546	551
11.9 Total personnel compensation .....	8,687	10,961	11,492
12.1 Civilian personnel benefits .....	1,338	2,147	1,886
21.0 Travel and transportation of persons .....	673	1,245	1,019
22.0 Transportation of things .....	117	61	63
23.2 Rental payments to others .....	225	230	239
23.3 Communications, utilities, and miscellaneous charges .....	1,896	2,513	2,346
24.0 Printing and reproduction .....	215	90	66
25.0 Other services .....	3,776	4,522	3,253
26.0 Supplies and materials .....	2,818	3,004	2,267
31.0 Equipment .....	2,686	1,560	894
32.0 Land and structures .....	8,876	5,019	3,000
42.0 Insurance claims and indemnities .....	1		
99.0 Subtotal, direct obligations .....	31,308	31,352	26,525
99.0 Reimbursable obligations .....	12,626	14,000	13,465
99.9 Total obligations .....	43,934	45,352	39,990

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	317	317	317
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	283	325	325
Full-time equivalent of overtime and holiday hours .....	6	6	6
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	8	8	8
Total compensable workyears: Full time equivalent employment .....	8	8	8

CONSTRUCTION, FEDERAL LAW ENFORCEMENT TRAINING CENTER

Program and Financing (in thousands of dollars)

Identification code 20-0103-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0) .....	182	7	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-189	-7	
24.40 Unobligated balance available, end of year .....	7		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	182	7	
72.40 Obligated balance, start of year .....	33	214	
74.40 Obligated balance, end of year .....	-214		
90.00 Outlays .....	1	221	

This account provides for the costs of adapting the former Glynco Naval Air Station, near Brunswick, GA, for the permanent location of the Federal Law Enforcement Training Center. Because of the flexible nature of the facilities, the training center can accommodate in excess of 1,400 resident students.

FINANCIAL MANAGEMENT SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, **[\$265,000,000] \$280,461,000**, of which not to exceed **[\$7,213,000] \$11,737,000**, shall remain available until expended for systems modernization initiatives. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-1801-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Financial operations .....	156,015	176,735	183,291
00.02 Federal finance .....	17,584	19,287	23,378
00.03 Federal tax deposit fee payments .....	35,600	36,663	36,663
00.04 Information systems .....	31,076	36,990	37,129
00.91 Total direct program .....	240,275	269,675	280,461
01.01 Reimbursable program .....	4,630	5,174	6,420
10.00 Total obligations .....	244,905	274,849	286,881
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-2,345	-2,831	-3,513
13.00 Trust funds .....	-2,285	-2,343	-2,907
21.40 Unobligated balance available, start of year .....	-2,892	-4,675	
24.40 Unobligated balance available, end of year .....	4,675		
25.00 Unobligated balance lapsing .....	1,123		
40.00 Budget authority (appropriation) .....	243,181	265,000	280,461
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	240,275	269,675	280,461
72.40 Obligated balance, start of year .....	26,998	33,924	34,450
74.40 Obligated balance, end of year .....	-33,924	-34,450	-36,460
77.00 Adjustments in expired accounts .....	-2,463		
90.00 Outlays .....	230,886	269,149	278,451

**Financial operations—Field operations.**—Payments are made through 7 regional offices for Federal civilian agencies, except the U.S. Postal Service, the U.S. Marshals Service, and certain Government corporations. These disbursing services are provided through the timely issuance of checks, letters of credit, and electronic funds transfer (EFT) payments. Field Operations is also responsible for prescribing Federal Government payment policy, for processing EFT claims, and for providing full field representation for other functional areas of the Service.

The total checks, savings bonds, and electronic funds transfer payments, and productivity relating to this function carried out by Field Operations follow:

WORKLOAD AND PRODUCTIVITY

(In thousands)

	1987 actual	1988 est.	1989 est.
Payments .....	74,159	766,800	780,200
Payments per employee .....	900	901	901

Also under this activity, the Treasury Financial Communications System (TFCS) provides for the management and regulation of Federal funds movement resulting in savings to the Government as a whole as follows:

GOVERNMENT-WIDE USE AND SAVINGS

(In millions of dollars)

	1987 actual	1988 est.	1989 est.
Dollar value of messages processed over TFCS .....	623,704	661,126	698,793
Interest saved by using TFCS .....	562	593	626

**Headquarters operations.**—This activity is responsible for the control and financial integrity of the Federal payments and collections processes, which includes conducting reconciliation, accounting and claims activities. It adjudicates and settles claims against the United States resulting from instances in which Government checks have been forged, lost, stolen, destroyed, or mutilated, and collects monies from those parties having liability to the United States through fraudulent or otherwise improper negotiation of Government checks.

Claims inquiries and related productivity are as follows:

**WORKLOAD AND PRODUCTIVITY**

[In thousands]			
	1987 actual	1988 est.	1989 est.
Claims and related requests processed .....	1,907	1,950	1,950
Claims processed per employee.....	5.95	6.63	6.63

**General financial services.**—This activity provides financial services for numerous accounts, including the two Social Security Trust Funds, the two Medicare Trust Funds, the Unemployment Trust Fund, the D.C. Government loan account, the Highway Trust Fund, the Airport and Airway Trust Fund, and the St. Lawrence Seaway Toll Rebate Program. In addition, this activity provides for payment of domestic and international claims.

**Federal finance.**—This activity is involved in the efficient and effective management of the Government's cash flow, assets, and liabilities. Its responsibilities include implementation and enhancements to a number of collection mechanisms, improvements in the Government's forecast of receipts, outlays, and balances; and credit management and debt collection efforts throughout the Government. It proposes legislation and develops regulations for the implementation of cash and credit management initiatives and provides assistance to agencies.

**Federal tax deposit fee payments.**—This activity oversees fee payments made to commercial depositories for Federal Tax Deposits processed under the Tax and Loan Investment Program, and Treasury in turn earns interest on funds held on deposit.

**Information systems.**—This activity is responsible for overseeing the development, implementation, improvement, and operation of information and financial management systems which support and promote sound money management in the Federal Government. It is responsible for automated data processing (ADP) operations and the associated computer support and services necessary to maintain the Service's internal and Government-wide systems. Specific functions include operating and maintaining all central facility computer systems and data communications mechanisms, scheduling and processing development and production workloads, installing and tuning operating system software, planning and coordinating hardware installations, providing user support services, and acquiring ADP and telecommunications equipment, software, services and supplies. It also supports a large number of developmental efforts to enhance the collections, payments, accounting, reporting, and resource management functions of the Service.

This activity includes the check payment and reconciliation operation with volume and related productivity as follows:

**WORKLOAD AND PRODUCTIVITY**

[In thousands]			
	1987 actual	1988 est.	1989 est.
Checks paid and reconciled.....	588,526	568,600	568,600
Checks paid and reconciled per employee.....	2,188	2,230	2,230

**Object Classification (in thousands of dollars)**

Identification code 20-1801-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	57,874	62,133	65,242
11.3 Other than full-time permanent.....	1,259	863	867
11.5 Other personnel compensation.....	1,740	2,042	2,146
11.9 Total personnel compensation.....	60,873	65,038	68,255
12.1 Civilian personnel benefits .....	7,964	10,526	11,157
21.0 Travel and transportation of persons .....	737	1,227	1,376
22.0 Transportation of things.....	333	495	515
23.1 Rental payments to GSA.....	10,900	14,078	14,627
23.3 Communications, utilities, and miscellaneous charges...	92,481	95,403	96,873
24.0 Printing and reproduction .....	2,130	2,719	3,499
25.0 Other services.....	51,575	59,080	65,832
26.0 Supplies and materials.....	8,765	10,171	12,081
31.0 Equipment.....	4,517	10,938	6,246
99.0 Subtotal, direct obligations.....	240,275	269,675	280,461
99.0 Reimbursable obligations .....	4,630	5,174	6,420
99.9 Total obligations.....	244,905	274,849	286,881

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,161	2,272	2,289
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	2,235	2,306	2,323
Full-time equivalent of overtime and holiday hours.....	40	40	40
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	52	52	52
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	52	52	52
Full-time equivalent of overtime and holiday hours.....	2	2	2

**HUD PUBLIC HOUSING INTEREST SUBSIDY PAYMENTS**

**Program and Financing (in thousands of dollars)**

Identification code 20-1810-0-1-604	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-174,059		
21.40 Unobligated balance available, start of year.....		-174,059	
24.40 Unobligated balance available, end of year.....	174,059		
25.00 Unobligated balance lapsing .....		174,059	
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
72.40 Obligated balance available, start of year.....	174,059		
77.00 Adjustments in expired accounts.....			
78.00 Adjustments in unexpired accounts.....	-174,059		
90.00 <b>Outlays</b> .....			

In 1985, funds were appropriated to the Treasury to cover the additional interest expenses incurred on borrowings by the Secretary of Housing and Urban Development from the Treasury to extend direct loans to local public housing projects under section 5(c) of the United States Housing Act of 1937.

General and special funds—Continued

HUD PUBLIC HOUSING INTEREST SUBSIDY PAYMENTS—Continued

This appropriation was available only in connection with additional interest expenses incurred on Treasury borrowings prior to April 4, 1985.

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by Section 6.28(c) of the Farm Credit Act of 1971, as amended, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued in fiscal years 1988 and 1989, as authorized, \$175,000,000.

Program and Financing (in thousands of dollars)

Identification code 20-1850-0-1-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			175,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) (indefinite)			175,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			175,000
90.00 Outlays			175,000

The Agricultural Credit Act of 1987 (Public Law 100-233) authorized such sums as necessary to be appropriated to the Secretary of Treasury for payment to the Farm Credit System Assistance Corporation. These payments reimburse the Corporation for interest expenses on U.S. guaranteed debt issued by the Corporation. Assistance Corporation debt proceeds will be used to provide assistance to financially troubled System institutions. Beginning in fiscal 1989, Treasury will annually reimburse 100 percent of the Assistance Corporation interest expense incurred between now and January 1993. Between January 1993 and the ensuing five years, Treasury will reimburse 50 percent of the Assistance Corporation's interest expense, with System banks paying the balance. Thereafter all Assistance Corporation interest expense will be paid by System banks.

CLAIMS, JUDGMENTS, AND RELIEF ACTS

Program and Financing (in thousands of dollars)

Identification code 20-1895-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Claims adjudicated administratively:			
00.01 Claims for damages	6,532	7,000	7,000
00.02 Claims for firefighting service		20	20
00.03 Claims for contract disputes	22,576	10,000	10,000
00.91 Total claims adjudicated administratively	29,108	17,020	17,020
Judgments of the courts:			
01.01 Judgments, Court of Claims	126,461	60,000	45,000
01.02 Judgments, U.S. Courts	203,787	250,000	250,000
01.91 Total judgments of the courts	330,248	310,000	295,000
02.01 Relief granted by laws	1,468	1,000	1,000
10.00 Total obligations	360,824	328,020	313,020

<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite)	360,824	328,020	313,020
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	360,824	328,020	313,020
72.40 Obligated balance, start of year	19	101	
74.40 Obligated balance, end of year	-101		
90.00 Outlays	360,742	328,121	313,020

Appropriations are made for payment of claims and interest for damages not chargeable to appropriations of individual agencies and for payment of private and public relief acts. Public Law 95-26 authorized a permanent indefinite appropriation to pay certain judgments from the general funds of the Treasury.

Object Classification (in thousands of dollars)

Identification code 20-1895-0-1-808	1987 actual	1988 est.	1989 est.
42.0 Insurance claims and indemnities	352,223	320,201	305,559
43.0 Interest and dividends	8,601	7,819	7,461
99.9 Total obligations	360,824	328,020	313,020

INTEREST ON UNINVESTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 20-1860-0-1-908	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0)	20,969	17,757	17,907
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite)	20,969	17,757	17,907
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	20,969	17,757	17,907
72.40 Obligated balance, start of year	13,402	15,117	15,117
74.40 Obligated balance, end of year	-15,117	-15,117	-15,117
90.00 Outlays	19,254	17,757	17,907

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Enacted/requested:</b>			
Budget authority	20,969	17,757	17,907
Outlays	19,254	17,757	17,907
<b>Credit reform:</b>			
Budget authority			177,309
Outlays			177,309
<b>Total:</b>			
Budget authority	20,969	17,757	195,216
Outlays	19,254	17,757	195,216

Under conditions of the law creating each trust, interest accruing and payable from the general fund of the Treasury is appropriated for payment to the proper fund receipt accounts (31 U.S.C. 1321; 2 U.S.C. 158; 20 U.S.C. 74a and 101; 24 U.S.C. 46; and 69 Stat. 533).

The following schedule details the interest paid under this account:

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Bequest of Gertrude M. Hubbard, Library of Congress <sup>1</sup>	1	1	1
Library of Congress trust fund <sup>1</sup>	173	639	639
National Gallery of Art trust fund <sup>1</sup>	359	350	350
Education of the blind	10	10	10
Soldiers' Home permanent fund <sup>2</sup>	17,556	15,000	15,000
Immigration bonds deposit fund	1,155	1,750	1,900



Oliver Wendell Holmes devise fund *		7	7
Total outlays.....	19,254	17,757	17,907

\* Interest rates adjusted monthly.  
 † 11.123% on \$75 million; 10.875% on \$25 million.  
 ‡ Interest rate is a fluctuating market rate.

**INTEREST ON UNINVESTED FUNDS**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-1860-6-1-908			
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0).....			177,309
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			177,309
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			177,309
90.00 Outlays.....			177,309

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the net interest transactions between the Treasury and the new Federal Credit Revolving Funds created by the credit reform proposal. Interest will be paid to this account from the new Direct Loan Revolving Fund based on borrowings to finance new direct loan disbursements. Interest will be paid by this account to the new Federal Credit Guaranteed Revolving Fund on cash balances held in reserve.

**RESTITUTION OF FORGONE INTEREST**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-1875-0-1-908			
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0).....	43,883	11,328	
<b>Financing:</b>			
40.00 Budget authority (appropriation) (indefinite, P.L. 99-177).....	43,883	11,328	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	43,883	11,328	
72.40 Obligated balance, start of year.....	6,564		
90.00 Outlays.....	50,447	11,328	

Because of Federal debt limitation ceilings, several Federal accounts, including the Federal old age and survivors insurance trust fund and the Federal disability insurance trust fund, did not earn interest which they normally would have. This appropriation restored the interest income to the affected accounts for interest lost during that time.

**ENERGY SECURITY RESERVE**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-0112-0-1-271			
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	55,854	104,106	158,600
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,404,195	-1,552,899	-1,427,899
22.40 Unobligated balance transferred, net.....	198,500	20,894	

24.40 Unobligated balance available, end of year.....	1,552,899	1,427,899	1,269,299
40.00 Budget authority (appropriation rescinded, unobligated balances).....	-596,942		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	55,854	104,106	158,600
90.00 Outlays.....	55,854	104,106	158,600

The Energy Security Reserve was created principally to finance the activities of the U.S. Synthetic Fuels Corporation. Public Law 99-190, making continuing appropriations for 1986, rescinded the balance of unobligated funds available to the Corporation. The Act left \$10 million in the Reserve for the Corporation's liquidation and \$400 million for a Clean Coal Technology Demonstration program, which has been transferred to a new account in the Department of Energy. The Act also transferred responsibility for ongoing projects of the Corporation to the Secretary of the Treasury; these projects' activities and financing will continue to be displayed in this account.

**BIOMASS ENERGY DEVELOPMENT**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-0114-0-1-271			
<b>Program by activities:</b>			
00.01 Biomass and alcohol fuels (Department of Agriculture) ...	72	70	65
00.02 Alcohol fuels (Department of Energy).....	199,167	1,440	1,380
10.00 Total obligations (object class 25.0).....	199,239	1,510	1,445
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-244,200	-44,961	-43,451
24.40 Unobligated balance available, end of year.....	44,961	43,451	42,006
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	199,239	1,510	1,445
72.40 Obligated balance, start of year.....	1,413	2,564	2,564
74.40 Obligated balance, end of year.....	-2,564	-2,564	-2,564
90.00 Outlays.....	198,088	1,510	1,445

**Status of Guaranteed Loans** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-0114-0-1-271			
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	795,982	577,682	565,182
2251 Repayments: Repayments and prepayments.....	-22,300	-12,500	-10,000
<b>Adjustments:</b>			
2261 Terminations for default that result in direct loans.....	-126,000		
2262 Terminations for default that result in acquisition of property.....	-70,000		
2290 Outstanding, end of year.....	577,682	565,182	555,182

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	577,682	565,182	555,182
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This account finances programs to aid commercial production of alcohol and other fuels from crops and crop waste, timber, animal and timber waste, and other forms of biomass and urban waste activities, as authorized under Title II of the Energy Security Act.

New Administrative Provisions in Fiscal Year 1989 for the Department of Energy will allow the Department of Energy to retain in this account any funds brought into its Alcohol Fuels Loan Guarantee Pro-

General and special funds—Continued

BIOMASS ENERGY DEVELOPMENT—Continued

gram, either through sale of assets the Government has acquired through loan default and foreclosure, or repayments made on a loan for which the Department of Energy has become the direct lender by paying the guarantee on a defaulted loan. These retained funds will be held in a reserve against the possibility of further guaranteed loan defaults. The Department of Energy will also be able to use unobligated funds from its Alternative Fuels Production account to pay the guaranteed portion of defaults if the need arises, and if those funds are not needed by the Alternative Fuels Production program.

Public enterprise funds:

CHECK FORGERY INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code	20-4109-0-3-803	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: Fund balance.....	-1,832	-1,832	-1,832
24.40	Unobligated balance available, end of year: Fund balance.....	1,832	1,832	1,832
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

This fund is for use by the U.S. Treasury in making settlement with the payees or special endorsees in case of checks drawn on the U.S. Treasury which have been paid on forged endorsements.

To reduce hardships sustained by payees of Government checks that have been stolen and forged, settlement is made in advance of the receipt of funds from the endorers of the checks through reclamation procedure by this office. Benefits from these early settlements are shared by claimants and the Government in that the claimants are more quickly restored financially to their proper position and the Government is spared the necessity of much unproductive correspondence. If the U.S. Treasury is unable to recover funds, the revolving account sustains the loss.

Trust Funds

ST. LAWRENCE SEAWAY TOLL REBATE PROGRAM

For rebate of the United States' portion of tolls paid for use of the St. Lawrence Seaway, pursuant to Public Law 99-662, **[\$9,880,000]** \$10,800,000, to remain available until expended and to be derived from the Harbor Maintenance Trust Fund, of which not to exceed **[\$285,000]** \$400,000 shall be available for expenses of administering the rebates. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	20-8865-0-7-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	3,998	9,880	10,800
<b>Financing:</b>				
40.00	Budget authority (appropriation).....	3,998	9,880	10,800

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,998	9,880	10,800
72.40	Obligated balance, start of year.....			198
74.40	Obligated balance, end of year.....		-198	-414
90.00	Outlays.....	3,998	9,682	10,584

The Harbor Maintenance Revenue Act of 1986 (Public Law 99-662) requires the rebate of the U.S. portion of tolls paid by commercial vessels for use of the St. Lawrence Seaway. This appropriation would fund the rebates and the expenses necessary to administer them.

Object Classification (in thousands of dollars)

Identification code	20-8865-0-7-808	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....		124	128
11.5	Other personnel compensation.....		4	4
11.9	Total personnel compensation.....		128	132
12.1	Civilian personnel benefits.....		27	28
21.0	Travel and transportation of persons.....		5	5
23.1	Rental payments to GSA.....		73	76
23.3	Communications, utilities, and miscellaneous charges.....		1	1
24.0	Printing and reproduction.....		1	1
25.0	Other services.....	3,998	9,628	10,539
26.0	Supplies and materials.....		5	5
31.0	Equipment.....		12	13
99.9	Total obligations.....	3,998	9,880	10,800

Personnel Summary

Total number of full-time permanent positions.....	10	10
Total compensable work years: Full-time equivalent employment....	10	10

VACCINE INJURY COMPENSATION TRUST FUND

For payments from the Vaccine Injury Compensation Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death resolved during the current fiscal year with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act as amended by Public Law 100-203.

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....			66,750
Receipts.....		66,750	89,250
Appropriated balance, end of year.....		66,750	156,000

The Vaccine Injury Compensation fund was established pursuant to Public Law 100-203 and is available for the payment of compensation for vaccine-related injuries or deaths with respect to vaccines administered after September 30, 1988 and before October 1, 1992.

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	20-9971-0-7-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Esther Cattell Schmitt gift fund.....	44	73	64
00.03	Pershing Hall gift fund.....			66
10.00	Total obligations (object class 41.0).....	44	73	128
<b>Financing:</b>				
Unobligated balance, start of year:				
Available:				
21.40	Treasury balance.....	-124	-195	-202

21.40	U.S. securities (par).....	-625	-625	-625
21.40	Unavailable.....	-3	-3	-3
	Unobligated balance, end of year:			
	Available:			
24.40	Treasury balance.....	195	202	150
24.40	U.S. securities (par).....	625	625	625
24.40	Unavailable.....	3	3	3
25.00	Unobligated balance restored.....	-8		
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite).....	<b>107</b>	<b>80</b>	<b>78</b>
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	44	73	128
72.40	Obligated balance, start of year.....	26	52	29
74.40	Obligated balance, end of year.....	-52	-29	-54
77.00	Adjustments in expired accounts.....	-7		
90.00	Outlays.....	11	96	102
	Distribution of budget authority by account:			
	Esther Cattell Schmitt gift fund.....	44	18	16
	National defense conditional gift fund.....	67	48	48
	Pershing Hall memorial fund.....	-4	14	14
	Distribution of outlays by account:			
	Esther Cattell Schmitt gift fund.....	18	96	44
	Pershing Hall memorial fund.....	-7		58

*Esther Cattell Schmitt gift fund.*—Public Law 87-467 (76 Stat. 88) authorized the acceptance of the gift made to the United States by the will of Esther Cattell Schmitt. The income received from the gift to the United States is paid by the Secretary of the Treasury to beneficiaries named in provisions of the will.

*National defense conditional gift fund.*—The Secretary of the Treasury accepts on behalf of the United States, conditional gifts of money or other intangible property to be used for a particular defense purpose. Intangibles other than money are converted at the best terms available. The moneys held in trust are paid to those appropriation accounts which best implement the intent of the donors (68 Stat. 566).

*Pershing Hall gift fund.*—This fund is used for the maintenance of Pershing Hall in Paris, France, which honors veterans of World War I (36 U.S.C. 491).

**FEDERAL FINANCING BANK ACTIVITIES**

*Federal Funds*

**Intragovernmental funds:**

**FEDERAL FINANCING BANK**

**Program and Financing** (in thousands of dollars)

Identification code	20-4521-0-4-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Administrative expenses.....	1,134	1,830	2,000
00.02	Interest on borrowings from Treasury.....	15,252,657	15,127,271	14,397,000
00.03	Interest on borrowings from civil service and disability trust funds.....	1,753,257	1,695,855	1,170,569
10.00	Total operating expenses.....	17,007,048	16,824,956	15,569,569
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Interest.....	-13,734,198	-11,024,129	-10,565,855
14.00	Non-Federal sources: Interest.....	-3,467,078	-5,989,373	-5,178,116
21.98	Unobligated balance available, start of year:			
	Fund balance.....	-63,995	-63,995	-63,995
24.98	Unobligated balance available, end of year: Fund balance.....	63,995	63,995	63,995
27.00	Capital transfer to general fund of surplus income.....	194,229	188,546	174,402
39.00	<b>Budget authority</b> .....			

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-194,229	-188,546	-174,402
72.40	Obligated balance, start of year.....	224,046	441,362	391,457
74.40	Obligated balance, end of year.....	-441,362	-391,457	-389,845
77.00	Adjustments in expired accounts.....	-66,656		
90.00	Outlays.....	-478,199	-138,641	-172,790

The Federal Financing Bank (FFB) was created to assure the coordination of Federal and federally assisted borrowing from the public and to assure that such borrowings are financed in a manner least disruptive of private financial markets and institutions.

The Bank is the vehicle through which most Federal agencies finance their programs involving the sale or placement of credit market instruments, including agency securities, guaranteed obligations, participation agreements, and loan assets. The major exceptions are Title XI ship mortgage bonds and Government National Mortgage Association asset sales.

Transactions by the FFB on behalf of a Federal agency are treated as a means of financing the agency—i.e., lending by the FFB to the agency and borrowing by the agency from the FFB. These transactions are not reflected directly in the budget totals because borrowing and the repayment of borrowing between Federal agencies and the Treasury are not budgetary transactions. Rather, the budget authority and the outlays of the agency that are financed by such borrowing are reflected in particular agency accounts and, hence, in the budget totals.

Lending by the FFB to an agency may be accomplished in any of three forms (the form used depends on the authorizing statutes pertaining to a particular agency or program): (1) the FFB may purchase agency financial assets; (2) the FFB may originate direct loans on behalf of an agency; and (3) the FFB may acquire debt securities that the agency is otherwise authorized to issue to the public. In the case of FFB loan originations, the FFB actually disburses loans directly to private borrowers on behalf of the agency and receives repayments from the private borrower on behalf of the agency. However, consistent with the legal requirement that transactions by the FFB be treated as a means of financing agency obligations, the budget reflects the budgetary effect of those transactions, which, in succession, are a loan by the FFB to the agency, a loan by the agency to a private borrower, a repayment by a private borrower to the agency, and a repayment by the agency to the FFB. Conceptually, the budgetary treatment of interest on loans originated by the FFB should be consistent with the treatment of principal; that is, the budget would show collections of interest by the agency from loans to the public and payments of interest by the agency on its borrowing from the FFB (the amounts collected and paid would normally be equal and offsetting). However, data on collections by the FFB on behalf of agencies by agency are not available, so these interest collections are shown in the aggregate in the FFB fund.

The Omnibus Budget Reconciliation Act of 1986 authorized certain rural electric borrowers to prepay up to \$2 billion of their Rural Electrification Administration-guaranteed loans from the FFB, without premium or penalty, using REA-guaranteed private market financ-

Intragovernmental funds—Continued

FEDERAL FINANCING BANK—Continued

ings. Pursuant to this Act, FFB received prepayments of \$589 million in 1987. FFB suffered an associated loss of \$165 million. FFB charges its borrowers a fee on all lending. This fee produces a surplus, which is turned over to the Treasury General Fund. The \$165 million loss suffered by the FFB reduced the 1987 transfer to the General Fund by the same amount.

The Omnibus Budget Reconciliation Act of 1987 and the Continuing Appropriations Resolution for 1988 authorized further par prepayments for rural electric and foreign military sales borrowers, respectively. These authorizations will lead to further FFB losses. While the amounts that borrowers will choose to prepay under these authorities are subject to a variety of factors and cannot be estimated with precision, the associated FFB loss and subsequent reduction in General Fund receipts could total \$0.6 billion for the rural electric program and \$3.5 billion for the FMS program.

The following table shows by agency and program the net lending by the FFB during each year and the amount of loans outstanding at the end of the year.

	(In thousands of dollars)		
	1987 actual	1988 est.	1989 est.
Assets purchased from:			
A. Funds Appropriated to the President:			
1. Foreign military sales credit:			
Lending, net.....	366,962	-5,991,215	-2,739,875
Loans outstanding.....	19,163,978	13,172,763	10,432,888
2. Overseas Private Investment Corporation:			
Lending, net.....	-682	-650	
Loans outstanding.....	679	29	29
B. Department of Agriculture:			
1. Agricultural credit loans:			
Lending, net.....	-385,000	-385,000	-3,960,000
Loans outstanding.....	28,010,000	-27,625,000	23,665,000
2. Rural housing loans:			
Lending, net.....	-150,000	-2,980,000	-1,725,000
Loans outstanding.....	28,951,000	25,971,000	24,246,000
3. Rural Electrification Administration:			
Lending, net.....	170,000	-3,387,000	-200,000
Loans outstanding.....	8,048,000	4,661,000	4,461,000
C. Department of Defense:			
1. Defense Production Act guarantees:			
Lending, net.....	-9,057		
Loans outstanding.....			
2. Navy Ship Leases:			
Lending, net.....	39,789	-29,400	-38,300
Loans outstanding.....	1,788,264	1,758,864	1,720,564
D. Department of Education:			
1. Student Loan Marketing Association:			
Lending, net.....	-30,000	-30,000	
Loans outstanding.....	4,940,000	4,910,000	4,910,000
E. Department for Health and Human Services:			
1. Health maintenance organizations:			
Lending, net.....	-19,435	-49,495	-40,524
Loans outstanding.....	90,019	40,524	
2. Medical facility loans:			
Lending, net.....	-5,503	6,538	-95,703
Loans outstanding.....	102,242	95,704	
F. Department of Housing and Urban Development:			
1. Revolving fund (liquidating programs):			
Lending, net.....	-1,625	-30,575	
Loans outstanding.....	30,575		
2. Section 108 guaranteed loans:			
Lending, net.....	23,880		
Loans outstanding.....	324,249	324,249	324,249
3. Low-rent public housing:			
Lending, net.....	-37,036	-39,481	-41,638
Loans outstanding.....	2,074,371	2,034,890	1,993,252
G. Department of the Interior:			
1. Territories of Guam and the Virgin Islands:			
Lending, net.....	-1,554	-1,655	-1,760
Loans outstanding.....	60,339	58,684	56,924
H. Department of Transportation:			
1. R.R. and Revitalization Act:			
Lending, net.....	-5,513	-7,186	-8,955
Loans outstanding.....	55,357	48,171	39,216

2. Regional rail reorganization program:			
Lending, net.....	-73,794		
Loans outstanding.....			
I. General Services Administration:			
1. Federal building fund:			
Lending, net.....	-6,978	-8,013	-9,382
Loans outstanding.....	395,464	387,451	378,069
J. NASA:			
1. Space flight, control, and data communications:			
Lending, net.....	-78,977	-91,396	-105,200
Loans outstanding.....	808,606	717,210	612,012
K. Small Business Administration:			
1. Small business Investment Companies:			
Lending, net.....	-226,025	10,000	-380,000
Loans outstanding.....	740,605	750,605	370,605
2. Section 503 guaranteed loans:			
Lending, net.....	83,513	-6,700	-6,400
Loans outstanding.....	899,776	893,076	886,676
3. Development company loans:			
Lending, net.....	-6,957	-6,700	-6,400
Loans outstanding.....	21,880	15,180	8,780
L. Tennessee Valley Authority:			
1. TVA:			
Lending, net.....	1,309,000	1,074,900	693,800
Loans outstanding.....	16,386,000	17,460,900	18,154,700
2. TVA-Seven States Energy Corporation:			
Lending, net.....	-16,061	-800,000	168,800
Loans outstanding.....	1,823,675	1,743,675	1,912,475
M. Export-Import Bank:			
Lending, net.....	-1,804,933	-1,842,963	-1,406,778
Loans outstanding.....	12,463,465	10,620,502	9,213,724
N. Washington Metropolitan Area Transit Authority:			
Loans outstanding.....	177,000		
Q. National Credit Union Administration:			
Lending, net.....	7,344	25,000	25,000
Loans outstanding.....	111,394	136,394	161,394
R. Postal Service:			
Lending, net.....	1,499,200	1,238,800	1,379,800
Loans outstanding.....	4,353,400	5,592,200	6,972,000
Total lending:			
Lending, net.....	-392,360	-13,981,967	-10,414,845
Loans outstanding.....	157,258,469	143,276,502	132,858,267

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with the Treasury.....	288,041	505,357	455,452	453,840
Accounts receivable (net).....	4,924,721	4,584,834	4,363,562	3,891,799
Loans receivable (net).....	156,866,109	157,258,469	143,276,502	132,859,962
Total assets.....	162,078,871	162,348,660	148,095,526	137,205,601
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	4,858,601	4,974,221	4,706,316	4,237,559
Debt issued under borrowing authority:				
Borrowing from Treasury.....	156,870,533	157,252,235	143,276,502	132,859,962
Borrowing from the public.....	10	10	10	10
Total liabilities.....	161,956,134	162,957,021	147,982,828	137,097,531
<b>Government equity:</b>				
Unexpended budget authority: Unobligated balance.....	829	3,428	3,428	3,428
Invested capital.....	63,166	60,567	60,567	60,567
Total Government equity.....	73,575	63,995	63,995	63,995

Object Classification (in thousands of dollars)

Identification code	20-4521-0-4-803	1987 actual	1988 est.	1989 est.
24.0	Printing and reproduction.....	5	5	5
25.0	Other services.....	1,129	1,825	1,995
43.0	Interest and dividends.....	17,005,914	16,823,126	15,567,569
99.9	Total obligations.....	17,007,048	16,824,956	15,569,569

FEDERAL FINANCING BANK

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-4521-2-4-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)			-2,000
<b>Financing:</b>				
24.98	Unobligated balance available, end of year: Fund balance			2,000
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-2,000
90.00	Outlays			-2,000

In 1989, legislation will be proposed to finance the FFB's administrative expenses through a general fund appropriation to a new FFB administrative and expenses account. Previously, the FFB reimbursed departmental offices for these expenses.

CREDIT FINANCING SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-1100-6-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Accounting and management information			1,511
00.02	Subsidy measurement			1,440
00.03	Policy and oversight			1,375
10.00	Total obligations			4,326
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>			4,326
Relation of obligations to outlays:				
71.00	Obligations incurred, net			4,326
74.40	Obligated balance, end of year			-87
90.00	Outlays			4,239

Proposed credit reform legislation would create in Treasury a credit financing service whose functions would include accounting and management information, subsidy measurement, and policy and oversight.

Object Classification (in thousands of dollars)

Identification code	20-1100-6-1-803	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent			1,755
12.1	Civilian personnel benefits			245
25.0	Other services			1,026
31.0	Equipment			1,300
99.9	Total obligations			4,326

Personnel Summary

Total number of full-time permanent positions	46
Total compensable workyears:	
Full-time equivalent employment	44
Full-time equivalent of overtime and holiday hours	2

Public enterprise funds:

FEDERAL CREDIT DIRECT LOAN REVOLVING FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-4531-6-3-871	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Interest payments to Treasury			49,868
02.01	Capital investment: Loan obligations			5,030,965
10.00	Total obligations			5,080,833
<b>Financing:</b>				
Offsetting collections from:				
Federal funds: Direct loan subsidy from agencies				
11.00				-1,534,769
Non-Federal funds:				
14.00	Loan principal repayments			-23,921
14.00	Interest on loans			-48,560
14.00	Fees on premiums			-65,909
31.00	Redemption of debt			23,921
47.10	<b>Authority to borrow (substantive law)</b> (permanent, indefinite)			3,431,595
Relation of obligations to outlays:				
71.00	Obligations incurred, net			3,407,674
74.47	Obligated balance, end of year			-1,426,616
90.00	Outlays			1,981,058

A Federal Credit Direct Loan Revolving Fund would be created in the Department of the Treasury to finance the financial assets portion of direct loans made by agencies covered under the President's Credit Reform Proposal. A complete explanation of the President's proposal is included in Part 6b of the Budget.

The managers of this fund, in consultation with the Federal agencies, who continue to arrange and approve direct loans, would be responsible for estimating the subsidy associated with these loans. The subsidy amount proportionate to the level of new direct loans obligated would be paid by the agency into this Fund. The Fund would serve as central financing mechanism, providing the financial asset portion of new direct loans, and receiving the associated interest payments and repayments on these loans.

Object Classification (in thousands of dollars)

Identification code	20-4531-6-3-871	1987 actual	1988 est.	1989 est.
33.0	Investments and loans			5,030,965
43.0	Interest and dividends			49,868
99.9	Total obligations			5,080,833

FEDERAL CREDIT GUARANTEED LOAN REVOLVING FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-4532-6-3-871	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Default claims			96,654
00.02	Interest subsidy payments			550,784
10.00	Total obligations			647,438
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Guaranteed loan subsidy from agencies			-9,840,632
11.00	Interest earnings on Treasury balances			-227,177

Public enterprise funds—Continued

FEDERAL CREDIT GUARANTEED LOAN REVOLVING FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	20-4532-6-3-871	1987 actual	1988 est.	1989 est.
Non-Federal sources:				
14.00	Fees on premiums .....			-2,074,859
14.00	Collections and proceeds from defaulted loans .....			-41,648
14.00	Interest collected on defaulted loans .....			-1,000
24.98	Unobligated balance available, end of year: Fund balance .....			11,537,878
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			-11,537,878
74.10	Receivables in excess of obligations, end of year .....			3,275,167
90.00	Outlays .....			-8,262,711

A Federal Credit Guaranteed Loan Revolving Fund would be created in the Department of the Treasury to finance the guaranteed loan commitments and assume the contingent liability for guaranteed loan commitments by agencies covered under the President's Credit Reform Proposal. A complete explanation of the President's proposal is included in Part 6b of the Budget.

The managers of this fund, in consultation with the Federal agencies, who continue to arrange and approve loan guarantees, would be responsible for estimating the subsidy associated with these loans. The subsidy amount proportionate to the level of new guarantee commitments would be paid by the agency into this Fund. The Fund would serve as central financing mechanism; assuming the contingent liability for new guaranteed loans, receiving the associated fees and premiums collected on these loans, and making default payments when necessary.

Object Classification (in thousands of dollars)

Identification code	20-4532-6-3-871	1987 actual	1988 est.	1989 est.
32.0	Land and structures .....			42,942
33.0	Investments and loans .....			53,712
43.0	Interest and dividends .....			550,784
99.9	Total obligations .....			647,438

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed five hundred vehicles for police-type use for replacement only without regard to the general purchase price limitation for the current fiscal year; and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed \$5,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement; provision of laboratory assistance to State and local agencies, with or without reimbursement; **[\$217,531,000]** \$218,503,000, of which \$15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year **[1988]**, and of which not to exceed \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2);

Provided, That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further*, That none of the funds appropriated herein shall be available for explosive identification or detection tagging research, development, or implementation: *Provided further*, That not to exceed \$300,000 shall be available for research and development of an explosive identification and detection device: *Provided further*, That funds made available under this Act shall be used to maintain a base level of 3,451 full-time equivalent positions for fiscal year 1988] 1989. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	20-1000-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Compliance operations:				
00.01	Alcohol .....	42,468	49,565	52,408
00.02	Tobacco .....	1,672	1,676	1,772
00.03	Firearms .....	11,969	10,281	7,086
00.04	Explosives .....	4,662	3,037	3,210
00.91	Total, compliance operations .....	60,771	64,559	64,476
Law enforcement:				
01.01	Alcohol .....	3,931	4,556	4,871
01.02	Tobacco .....	3,783	762	
01.03	Firearms .....	68,677	86,772	83,990
01.04	Explosives .....	56,588	60,882	65,166
01.91	Total, law enforcement .....	132,979	152,972	154,027
01.92	Total direct program .....	193,750	217,531	218,503
02.01	Reimbursable program .....	1,023	2,505	1,570
10.00	Total obligations .....	194,773	220,036	220,073
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,023	-2,505	-1,570
25.00	Unobligated balance lapsing .....	4,713		
40.00	<b>Budget authority (appropriation)</b> .....	<b>198,463</b>	<b>217,531</b>	<b>218,503</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	193,750	217,531	218,503
72.40	Obligated balance, start of year .....	17,712	33,104	33,611
74.40	Obligated balance, end of year .....	-33,104	-33,611	-33,708
77.00	Adjustments in expired accounts .....	214		
90.00	Outlays .....	178,572	217,024	218,406

The Bureau of Alcohol, Tobacco and Firearms is responsible for the enforcement of the laws designed to eliminate certain illicit activities and to regulate lawful activities relating to distilled spirits, beer, wine and nonbeverage products, tobacco, firearms, and explosives.

**Compliance operations.**—This activity covers the regulation of: the alcohol and tobacco industries relating to revenue protection and product and market integrity; the legal firearms industry through a system of licensing and compliance inspections; and the explosives industry through a license and permit system for manufacturers, dealers, and users of explosives. Effective July 1, 1987, this activity became responsible for the deposit and accounting for alcohol and tobacco excise taxes.

**Law enforcement.**—This activity covers the enforcement of: Federal laws relating to the liquor industry; Federal firearms statutes and Federal laws to suppress

illegal use of explosives and illegal trafficking in explosives.

SELECTED WORKLOAD AND REVENUE DATA

[In millions of dollars]

	1987 actual	1988 est.	1989 est.
<b>Compliance operations:</b>			
<b>Alcohol:</b>			
Inspections.....	7,584	6,000	6,000
Revenue Collected.....	\$5,318.5	\$5,321.1	\$5,422.6
Number of Returns.....	355,000	1 689,200	377,200
<b>Tobacco:</b>			
Inspections.....	283	275	275
Revenue Collected.....	\$4,846.7	2 \$4,800.1	\$4,800.3
Number of Returns.....	3,100	2 3,500	3,500
<b>Firearms: Inspections.....</b>	10,240	11,000	9,000
<b>Explosives: Inspections.....</b>	3,482	2,800	2,800
<b>Law enforcement:</b>			
<b>Alcohol:</b>			
Cases initiated.....	20	51	51
Suspects recommended for prosecution.....	18	42	42
<b>Tobacco:</b>			
Cases initiated.....	16	5	.....
Suspects recommended for prosecution.....	1	1	.....
<b>Firearms:</b>			
Cases initiated.....	7,358	10,675	9,630
Suspects recommended for prosecution.....	4,151	5,415	4,886
Firearms traces.....	34,527	40,000	40,000
<b>Explosives:</b>			
Cases initiated.....	1,817	1,934	1,934
Suspects recommended for prosecution.....	778	1,062	1,062
Explosives traces.....	541	460	460

<sup>1</sup> Due to a mid-year tax increase, there will be a one-time 334,200 increase in the number of returns and an additional \$33.6 million in revenue collections.  
<sup>2</sup> Due to a mid-year tax increase, there will be an increase of 400 in the number of returns and an additional \$0.14 million in revenue collections. The increase in collections, however, is offset in fiscal years 1988 and 1989 by revenue decreases which are estimated to be larger than the tax increase.

Object Classification (in thousands of dollars)

Identification code 20-1000-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	92,366	102,370	102,166
11.3 Other than full-time permanent.....	2,023	2,151	2,151
11.5 Other personnel compensation.....	9,120	11,357	11,357
11.9 Total personnel compensation.....	103,509	115,878	115,674
12.1 Civilian personnel benefits.....	22,438	29,272	29,242
13.0 Benefits for former personnel.....	61	81	81
21.0 Travel and transportation of persons.....	5,992	8,074	8,074
22.0 Transportation of things.....	1,364	1,369	1,369
23.1 Rental payments to GSA.....	13,270	16,233	16,233
23.3 Communications, utilities, and miscellaneous charges...	10,036	11,616	11,616
24.0 Printing and reproduction.....	1,205	1,439	1,439
25.0 Other services.....	12,926	14,825	15,731
26.0 Supplies and materials.....	4,743	5,957	6,007
31.0 Equipment.....	18,162	12,746	12,996
42.0 Insurance claims and indemnities.....	44	41	41
99.0 Subtotal, direct obligations.....	193,750	217,531	218,503
99.0 Reimbursable obligations.....	1,023	2,505	1,570
99.9 Total obligations.....	194,773	220,036	220,073

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	3,459	3,700	3,445
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	2,925	3,451	3,235
Full-time equivalent of overtime and holiday hours.....	322	397	392
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	16	16	16
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	12	16	16
Full-time equivalent of overtime and holiday hours.....	1	23	8

INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO

Program and Financing (in thousands of dollars)

Identification code 20-5737-0-2-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	185,044	205,000	205,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund).....	185,044	205,000	205,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	185,044	205,000	205,000
72.40 Obligated balance, start of year.....	39,627	.....	.....
90.00 Outlays.....	224,671	205,000	205,000

Excise taxes collected under the Internal Revenue laws of the United States on articles produced in Puerto Rico and either transported to the United States or consumed on the island are paid to Puerto Rico (26 U.S.C. 7652).

UNITED STATES CUSTOMS SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to [seven hundred motor] one thousand motor vehicles for replacement only, including [six hundred eighty] nine hundred and ninety for police-type use and commercial operations; [for additional purchase of up to two hundred fifty new passenger motor vehicles for police-type use and commercial operations;] hire of passenger motor vehicles; not to exceed [\$10,000] \$110,000 for official reception and representation expenses, including \$100,000 for the Customs Cooperation Council meeting; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; [\$966,000,000] \$966,903,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed \$4,000,000, to remain available until expended, for research: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of \$25,000: *Provided further*, That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service: *Provided further*, That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to reduce the number of Customs Service regions below seven during fiscal year 1988: *Provided further*, That the United States Customs Service shall hire and maintain an average of not less than 16,099 full-time equivalent positions in fiscal year 1988: *Provided further*, That none of the funds made available in this or any other Act may be used to fund more than nine hundred positions in the Headquarters staff of the United States Customs Service in the fiscal year ending September 30, 1988: *Provided further*, That no funds appropriated by this Act may be used to reduce to single eight hour shifts at airports and that all current services as provided by the Customs Service shall continue through September 30, 1988: *Provided further*, That not less than \$300,000 shall be expended for additional part-time and temporary positions in the Honolulu Customs District: *Provided further*, That \$600,000 shall be available only for the purchase of 6 additional mobile X-Ray Systems for the United States Customs Service. (Treasury Department Appropriations Act, 1988.)

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code 20-0602-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	414,385	97,944	95,149
00.02	191,215		
00.03	134,853	137,011	137,336
00.04	171,916	147,503	148,124
00.05		674,011	682,394
00.91	912,369	1,056,469	1,063,003
01.01	59,965	93,282	94,949
10.00	972,334	1,149,751	1,157,952
<b>Financing:</b>			
Offsetting collections from:			
11.00	-24,089	-37,473	-38,143
14.00	-35,876	-55,809	-56,806
21.40	-1,887	-4,461	-2,492
24.40	4,461	2,492	2,492
25.00	4,643		
39.00	919,586	1,054,500	1,063,003
<b>Budget authority:</b>			
Current:			
40.00	840,186	966,000	267,903
40.00			699,000
Permanent:			
60.00	79,400	88,500	96,100
Relation of obligations to outlays:			
71.00	912,369	1,056,469	1,063,003
72.40	87,744	150,843	182,570
74.40	-150,843	-182,570	-190,591
77.00	2,927		
90.00	852,196	1,024,742	1,054,982

**Inspection and control.**—In enforcing the provisions of the Tariff Act of 1930, as amended, the Inspection and Control activity must: (1) stop the illegal entry of drugs and other prohibited items and enforce export laws while accommodating the law-abiding persons and cargo entering this country; and (2) improve selectivity of Customs inspectional enforcement programs through improved techniques and equipment.

**Tariff and trade.**—The primary goals of this program are: (1) to accommodate the demands of international trade; (2) to improve the efficiency of processing through better selectivity in document review and laboratory analysis and an increased reliance on modern business techniques such as regulatory audit; (3) to continue the development of automated systems; (4) to improve the administration of post-audit techniques; and (5) to provide Customs field personnel and the public with timely, uniform, predictable, and useful rulings and interpretations and final administrative decisions. Functions of this activity will be transferred to Commercial Activities beginning in 1989.

**Tactical interdiction.**—Operating under the authority of titles 19 and 26, U.S. Code, the tactical interdiction program is directed at combating smuggling activity along our national borders by maintaining a highly mobile interdiction force which is proficient in land, sea, and certain air tactical enforcement operations.

**Investigations.**—This program is the investigative arm of the Customs Service involved in conducting criminal, civil, and fact-finding investigations of customs and related laws, including currency, fraud, neu-

trality, smuggling, and illegal exports of critical technology.

**Commercial Activities.**—In 1989, all of the Customs Service commercial operations will be identified in this budget activity, including the commercial activities currently performed in the Inspection and Control, Tariff and Trade, and Investigations activities. Commercial operations must: (1) enforce the provisions of the Tariff Act of 1930, as amended; (2) accommodate the growth of persons and cargo entering this country; (3) open new ports of entry and expand service at existing ports to meet the needs of the traveling and importing public; (4) collect lost revenue by conducting investigations of commercial fraud; (5) improve the efficiency of processing through better selectivity in document review and laboratory analysis; (6) continue the development of automated systems; (7) improve the administration of post-audit techniques; (8) provide Customs field personnel and the public with timely, uniform, predictable, and useful rulings and interpretations and final administrative decisions; and (9) achieve maximum utilization of Customs resources with minimum disruption of international trade and travel.

**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
Carriers of persons and merchandise from foreign countries (in thousands).....	97,160	99,103	101,085
Persons arriving from foreign countries (in thousands).....	310,223	319,530	325,921
Formal entries (in thousands).....	8,023	8,264	8,347
Total revenue collected (in billions of dollars).....	15.7	16.5	17.8

**Object Classification (in thousands of dollars)**

Identification code 20-0602-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1	400,358	440,649	450,823
11.3	10,130	13,003	12,921
11.5	108,677	119,305	127,196
11.8	4,508	3,733	3,733
11.9	523,673	576,690	594,673
12.1	84,775	103,202	93,305
13.0	77	72	72
21.0	26,969	39,560	40,110
22.0	6,542	8,489	8,720
23.1	60,014	74,550	77,408
23.3	63,680	67,121	68,929
24.0	2,839	3,363	3,461
25.0	82,712	108,327	108,837
26.0	13,315	17,522	18,190
31.0	46,604	57,348	49,073
32.0	749		
42.0	328	200	200
44.0	92	25	25
99.0	912,369	1,056,469	1,063,003
99.0	59,965	93,282	94,949
99.9	972,334	1,149,751	1,157,952

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Total number of full-time permanent positions.....	15,610	16,627	16,627
Total compensable workyears:			
Full-time equivalent employment.....	13,971	16,099	16,099
Full-time equivalent of overtime and holiday hours.....	289	293	297
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	681	645	645



Total compensable workyears:			
Full-time equivalent employment.....	565	590	590
Full-time equivalent of overtime and holiday hours.....	72	74	76

**CUSTOMS IMPORT USER FEE**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....			
Receipts:			
Current law.....		662,000	699,000
Proposed legislation.....			—139,000
Total available for appropriation.....		662,000	560,000
Transfer to the general fund.....	—662,000		
Appropriation:			
Current law.....			—699,000
Proposed legislation.....			139,000
Unappropriated balance, end of year.....			

Note.—In 1987, \$539,000 thousand was collected from the Customs ad valorem user fee and credited to the general fund of the Treasury.

The Administration will propose legislation in 1988 to make the Customs ad valorem user fee consistent with provisions of the General Agreement on Tariffs and Trade.

**OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM**

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air Program; **[\$140,000,000] \$142,262,000**, to remain available until expended. [Of which \$2,000,000 shall be available for construction of a hangar and administrative complex for the Customs Aviation Branch located in Albuquerque, New Mexico: *Provided*, That no aircraft or other related equipment, shall be transferred on a permanent basis to any other Federal agency, Department, or office outside of the Department of the Treasury during fiscal year 1988.] (*Treasury Department Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 20-0604-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	117,105	194,388	142,262
01.01 Reimbursable program.....	44,738	51,693	
10.00 Total obligations.....	161,843	246,081	142,262
<b>Financing:</b>			
11.00 Offsetting collections from: Federal sources.....	—44,738	—51,693	
17.00 Recovery of prior year obligations.....	—1		
21.40 Unobligated balance available, start of year.....	—5,038	—54,395	
24.40 Unobligated balance available, end of year.....	54,395		
25.00 Unobligated balance lapsing.....	369	7	
39.00 <b>Budget authority</b> .....	<b>166,830</b>	<b>140,000</b>	<b>142,262</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	170,950	140,000	142,262
41.00 Transferred to other accounts.....	—4,120		
43.00 <b>Appropriation (adjusted)</b> .....	<b>166,830</b>	<b>140,000</b>	<b>142,262</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	117,105	194,388	142,262
72.40 Obligated balance available, start of year.....	107,217	153,093	219,426
74.40 Obligated balance available, end of year.....	—153,093	—219,426	—225,350
77.00 Adjustments in expired accounts.....	—3,971		
78.00 Adjustments in unexpired accounts.....	—1		
90.00 Outlays.....	67,256	128,055	136,338

The Customs Air Interdiction Program combats the illegal entry of narcotics and other goods into the

United States. This appropriation provides total operations and maintenance for the Customs air program.

**Object Classification (in thousands of dollars)**

Identification code 20-0604-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
21.0 Travel and transportation of persons.....	2,312	2,814	4,325
22.0 Transportation of things.....	223	924	1,205
23.3 Communications, utilities, and miscellaneous charges.....	1,667	2,377	3,658
25.0 Other services.....	54,122	101,701	77,814
26.0 Supplies and materials.....	19,914	25,162	36,937
31.0 Equipment.....	38,867	61,410	18,323
99.0 Subtotal, direct obligations.....	117,105	194,388	142,262
99.0 Reimbursable obligations.....	44,738	51,693	
99.9 Total obligations.....	161,843	246,081	142,262

**[PAYMENT TO THE GOVERNMENT OF PUERTO RICO]**

[For payment of a grant to the Government of Puerto Rico, \$7,800,000 to remain available until expended, for the purchase and installation of an aerostat radar drug interdiction surveillance system.] (*Treasury Department Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 20-0606-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	7,800	7,800	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	<b>7,800</b>	<b>7,800</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	7,800	7,800	
90.00 Outlays.....	7,800	7,800	

The Congress provided \$7,800,000 for a grant to the Government of Puerto Rico to assist in the interdiction of illegal narcotics into the Commonwealth of Puerto Rico.

**CUSTOMS FORFEITURE FUND**

**(LIMITATION ON AVAILABILITY OF DEPOSITS)**

For necessary expenses of the Customs Forfeiture Fund, not to exceed \$10,000,000, as authorized by [Public Law 98-473 and] Public Law 98-573; to be derived from deposits in the Fund. (*Treasury Department Appropriations Act, 1988.*)

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	40,225	20,000	20,000
Collections.....		49,837	51,830
Total available for appropriation.....	40,225	69,837	71,830
Appropriation.....		—10,000	—10,000
Unobligated balance returned to unappropriated offsetting receipts.....	20,000		
Transfers to general fund receipts.....	—40,225	—39,837	—41,830
Unappropriated balance, end of year.....	20,000	20,000	20,000

Note.—After 1987, collections will be reported as special fund receipts and budget authority when appropriated. In 1987, \$25,179 thousand was erroneously credited to the account as an offsetting collection, and budget authority of \$18,000 thousand was not shown.

**Program and Financing (in thousands of dollars)**

Identification code 20-5693-0-2-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	42,710	10,000	10,000

General and special funds—Continued

CUSTOMS FORFEITURE FUND—Continued  
(LIMITATION ON AVAILABILITY OF DEPOSITS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	20-5693-0-2-803	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-25,179		
21.40	Unobligated balance available, start of year	-37,531		
25.00	Unobligated balance lapsing	20,000		
40.00	<b>Budget authority (appropriation)</b>		<b>10,000</b>	<b>10,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	17,531	10,000	10,000
72.40	Obligated balance, start of year	5,944	8,730	8,730
74.40	Obligated balance, end of year	-8,730	-8,730	-8,730
77.00	Adjustments in expired accounts	-24,607		
90.00	Outlays	-9,861	10,000	10,000

Public Law 98-573 and Public Law 98-473 authorized Customs to establish a Customs Forfeiture Fund. Seized and forfeited currency and any proceeds beyond the expenses of seizure, and forfeiture of merchandise are deposited into this account. Use of these funds is limited to the following: (1) expenses, including investigative costs, related to seizures; (2) awards to informants; (3) payments of liens related to seizures; (4) equipping any vessels, vehicles, and aircraft for law enforcement purposes; (5) payment of claims of "parties of interest to property disposed"; (6) purchase of evidence; and (7) destruction of drugs; (8) reimbursement to citizens for expenses incurred in cooperating with Customs in investigative and undercover operations; and (9) costs of publicizing the availability of rewards.

Object Classification (in thousands of dollars)

Identification code	20-5693-0-2-803	1987 actual	1988 est.	1989 est.
11.8	Personnel compensation: Special personal services payments	3,166	1,480	1,480
21.0	Travel and transportation of persons		1	1
22.0	Transportation of things	10	1	1
23.1	Rental payments to GSA	-12	130	130
25.0	Other services	28,177	5,490	5,490
26.0	Supplies and materials	357	35	35
31.0	Equipment	11,012	2,863	2,863
99.9	Total obligations	42,710	10,000	10,000

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary, not to exceed **[\$486,000]** \$1,588,000, for expenses for the provision of Customs services at certain small airports designated by the Secretary of the Treasury, including expenditures for the salaries and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports, and to remain available until expended. (*Treasury Department Appropriations Act, 1988.*)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year			
Receipts		486	1,588
Total available for appropriation		486	1,588
Appropriation		486	1,588
Unappropriated balance, end of year			

Program and Financing (in thousands of dollars)

Identification code	20-5694-0-2-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations		486	1,588
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation) (special fund)</b>		<b>486</b>	<b>1,588</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		486	1,588
90.00	Outlays		486	1,588

Note.—\$365 thousand was appropriated in 1987 but the account was not activated. This program was financed in 1987 through the Salaries and expenses appropriation. An accounting adjustment will be made in 1988.

Customs charges user fees at certain small airports where the volume or value of business is insufficient to justify the availability of Customs services. The funds generated from these user fees are applied to expenditures incurred in providing Customs services at each of these designated small airports.

Object Classification (in thousands of dollars)

Identification code	20-5694-0-2-808	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		216	575
11.5	Other personnel compensation		35	106
11.9	Total personnel compensation		251	681
12.1	Civilian personnel benefits		114	480
23.2	Rental payments to others		44	116
25.0	Other services		56	203
31.0	Equipment		21	108
99.9	Total obligations		486	1,588

Personnel Summary

Total number of full-time permanent positions	8	22
Total compensable workyears:		
Full-time equivalent employment	8	22
Full-time equivalent of overtime and holiday hours	2	6

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	20-9922-0-2-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct obligations	111,491	105,000	108,000
01.01	Reimbursable obligations	398	400	400
10.00	Total obligations	111,889	105,400	108,400
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-398	-400	-400
17.00	Recovery of prior year obligations	-2,984		
21.40	Unobligated balance available, start of year	-8,725	-6,997	-6,997
24.40	Unobligated balance available, end of year	6,997	6,997	6,997
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund)</b>	<b>106,779</b>	<b>105,000</b>	<b>108,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	111,491	105,000	108,000
72.40	Obligated balance available, start of year	1,062	12,689	12,689
74.40	Obligated balance available, end of year	-12,689	-12,689	-12,689
78.00	Adjustments in unexpired accounts	-2,984		
90.00	Outlays	96,880	105,000	108,000

Customs duties, taxes, and fees collected in Puerto Rico are deposited in this account. After providing for the expenses of administering Customs activities in

Puerto Rico, the remaining amounts are transferred to the Treasurer of Puerto Rico (48 U.S.C. 740, 795).

**Object Classification** (in thousands of dollars)

Identification code 20-9922-0-2-806	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,228	7,728	7,976
11.3 Other than full-time permanent .....	352	790	814
11.5 Other personnel compensation .....	615	1,658	1,709
11.8 Special personal services payments .....	27	35	36
11.9 Total personnel compensation .....	7,222	10,211	10,535
12.1 Civilian personnel benefits .....	1,745	2,148	2,215
21.0 Travel and transportation of persons .....	461	769	793
22.0 Transportation of things .....	119	149	154
23.1 Rental payments to GSA .....	65	65	67
23.3 Communications, utilities, and miscellaneous charges .....	713	1,017	1,049
24.0 Printing and reproduction .....	8	8	8
25.0 Other services .....	1,813	1,823	3,820
26.0 Supplies and materials .....	361	417	430
31.0 Equipment .....	204	764	788
32.0 Land and structures .....	3	3	3
41.0 Grants, subsidies, and contributions: Payments to the Treasurer of Puerto Rico .....	98,584	86,205	86,673
42.0 Insurance claims and indemnities .....	1	1	1
44.0 Refunds .....	269	1,420	1,464
99.0 Subtotal, direct obligations .....	111,491	105,000	108,000
99.0 Reimbursable obligations .....	398	400	400
99.9 Total obligations .....	111,889	105,400	108,400

**Personnel Summary**

Total number of full-time permanent positions .....	296	298	298
Total compensable workyears:			
Full-time equivalent employment .....	275	294	294
Full-time equivalent of overtime and holiday hours .....	32	39	39

**Trust Funds**

**REFUNDS, TRANSFERS, AND EXPENSES; UNCLAIMED, ABANDONED, AND SEIZED GOODS**

**Program and Financing** (in thousands of dollars)

Identification code 20-8789-0-7-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	16,662	17,061	17,230
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-13,241	-12,796	-12,796
24.40 Unobligated balance available, end of year .....	12,796	12,796	12,796
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....	16,217	17,061	17,230
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	16,662	17,061	17,230
72.40 Obligated balance, start of year .....	1,903	1,903	1,903
74.40 Obligated balance, end of year .....	-1,903	-1,903	-1,903
90.00 Outlays .....	14,759	17,061	17,230

Unclaimed, abandoned, or seized goods are held in storage under Customs custody for one year from the date of importation or seizure. At the end of that period, all merchandise upon which duties, storage, and other charges have not been paid is appraised and sold at public auction. The proceeds of such sales are deposited in this account, salaries and expenses is reimbursed for expenses of such sales and the balance is transferred to the general fund. (19 U.S.C. 528, 1491, 1493, 1559, 1613, 1624).

**BUREAU OF ENGRAVING AND PRINTING**

*Federal Funds*

**Intragovernmental funds:**

**BUREAU OF ENGRAVING AND PRINTING FUND**

**Program and Financing** (in thousands of dollars)

Identification code 20-4502-0-4-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Engraving and printing .....	154,720	243,209	260,238
00.02 Space utilized by other agencies .....	3,462	3,720	3,880
00.03 Other miscellaneous services .....	63	278	292
00.91 Total operating expenses .....	158,245	247,207	264,410
<b>Capital investment:</b>			
01.01 Purchase of operating equipment .....	38,571	58,282	68,318
01.02 Plant alterations and experimental equipment .....	801	1,718	1,682
01.91 Total capital investment .....	39,372	60,000	70,000
10.00 Total obligations .....	197,617	307,207	334,410
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-4,982	-11,086	-7,000
14.00 Non-Federal sources .....	-236,911	-296,958	-327,823
21.98 Unobligated balance available, start of year: Fund balance .....	-104,993	-149,269	-150,106
24.98 Unobligated balance available, end of year: Fund balance .....	149,269	150,106	150,519
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-44,276	-837	-413
72.98 Obligated balance, start of year: Fund balance .....	20,164	16,417	30,894
74.98 Obligated balance, end of year: Fund balance .....	-16,417	-30,894	-48,331
90.00 Outlays .....	-40,529	-15,314	-17,850

The Bureau of Engraving and Printing designs, manufactures, and supplies most of the major evidences of a financial character issued by the United States. It is the sole source of Federal Reserve notes, various public debt instruments, as well as most of the minor evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

The anticipated work volume is based on estimates of requirements submitted by agencies served. The program comprises the following activities:

*Engraving and printing—*

*Currency.*—Total deliveries of currency for 1988 and 1989 are estimated to be 6.0 and 6.3 billion notes, respectively. During 1987 the Bureau delivered 6.2 billion Federal Reserve notes.

*Stamps.*—This category of work is comprised mainly of postal and internal revenue stamps. The projected requirements for 1988 and 1989 are 45.2 and 38.1 billion stamps, respectively. In 1987, the Bureau delivered 35.0 billion stamps.

*Securities.*—This program encompasses the production of a wide variety of bonds, notes, and debentures for the Bureau of Public Debt and certain other agencies of the Government.

*Commissions, certificates, etc.*—This program is comprised primarily of Presidential and Department of Defense commissions and certificates, White House invitations, and identification cards for various Gov-

Intragovernmental funds—Continued

BUREAU OF ENGRAVING AND PRINTING FUND—Continued

ernment agencies. It represents a small portion of the Bureau's total workload.

*Space utilized by other agencies.*—Other agencies are charged for services provided in the space occupied in the Bureau's buildings.

*Other miscellaneous services.*—A wide variety of miscellaneous services are performed by Bureau personnel for other agencies, which are charged on an actual cost basis.

*Purchase of operating equipment.*—This category consists of new purchases and replacement of printing equipment and other related printing items.

*Plant alterations and experimental equipment.*—This category encompasses alterations made on the Bureau's buildings and purchases of experimental equipment.

The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. Bureau operations during 1987 resulted in an increased retained earnings of \$50.2 million.

DELIVERIES, COSTS, AND PRODUCTIVITY

(Units and costs in thousands; workyears include overtime)

	1987 actual	1988 est.	1989 est.
Engraving and printing:			
Units .....	41,217.176	51,193.658	44,406.978
Cost of production.....	185,452	268,044	282,973
Manufacturing workyears.....	1,352	1,310	1,313
Engraving workyears.....	110	110	107
Administrative and general workyears.....	1,082	1,039	1,039
Total workyears.....	2,544	2,459	2,459
Space utilized by other agencies.....	3,462	3,720	3,880
Other miscellaneous services.....	63	278	292
Total.....	3,525	3,998	4,172
Total bureau cost.....	188,977	272,042	287,145

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-4502-0-4-803			
Personnel compensation:			
11.1 Full-time permanent.....	67,111	72,074	74,535
11.3 Other than full-time permanent.....	4,394	3,940	4,067
11.5 Other personnel compensation.....	15,300	18,058	18,091
Total personnel compensation.....	86,805	94,072	96,693
12.1 Civilian personnel benefits.....	11,121	14,253	14,741
13.0 Benefits for former personnel.....	81	200	200
21.0 Travel and transportation of persons.....	685	720	750
22.0 Transportation of things.....	133	197	268
23.1 Rental payments to GSA.....	823	1,089	1,182
23.3 Communications, utilities, and miscellaneous charges.....	9,733	12,552	13,725
24.0 Printing and reproduction.....	122	104	105
25.0 Other services.....	17,097	35,181	40,193
26.0 Supplies and materials.....	31,635	88,834	96,548
31.0 Equipment.....	39,372	60,000	70,000
42.0 Insurance claims and indemnities.....	10	5	5
99.9 Total obligations.....	197,617	307,207	334,410

Personnel Summary

Total number of full-time permanent positions.....	2,132	2,067	2,053
Total compensable workyears:			
Full-time equivalent employment.....	2,275	2,190	2,190
Full-time equivalent of overtime and holiday hours.....	269	269	269

UNITED STATES MINT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the United States Mint; [\$42,000,000] \$47,869,000, of which [\$965,000] \$665,000 shall remain available until expended for research and development projects [and of which \$75,000 may be used to host the International Mint Directors' Conference in the United States in 1988, including but not limited to reception and representation expenses: *Provided*, That such fees as are collected from participants at the International Mint Directors' Conference shall be merged with and credited to this account, notwithstanding the provisions of 31 U.S.C. 3302]. (*Treasury Department Appropriations Act, 1988; additional authorizing legislation has been proposed.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
20-1616-0-1-803			
Program by activities:			
Direct program:			
Operating expenses:			
00.01 Manufacture of coins (domestic).....	30,580	34,364	39,546
00.03 Protection of monetary metals and coins.....	5,132	5,073	5,314
00.04 Research and development.....	237	965	665
00.91 Total operating expenses.....	35,949	40,402	45,525
01.01 Capital investment.....	1,341	1,598	2,344
01.92 Total direct program.....	37,290	42,000	47,869
02.01 Reimbursable program.....	120,325	149,095	107,336
10.00 Total obligations.....	157,615	191,095	155,205
Financing:			
Offsetting collections from:			
11.00 Federal funds.....	—189	—197	—197
14.00 Non-Federal sources.....	—120,136	—148,898	—107,139
21.40 Unobligated balance available, start of year.....	—689	—6,529	—6,529
24.40 Unobligated balance available, end of year.....	6,529	6,529	6,529
25.00 Unobligated balance lapsing.....	—200	.....	.....
40.00 Budget authority (appropriation).....	42,930	42,000	47,869
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	37,290	42,000	47,869
72.40 Obligated balance, start of year.....	2,246	13,739	6,300
74.40 Obligated balance, end of year.....	—13,739	—6,300	—7,180
77.00 Adjustments in expired accounts.....	—6,405	.....	.....
90.00 Outlays.....	19,392	49,439	46,989

The United States Mint manufactures coins, receives deposits of gold and silver bullion, and safeguards the Government's holdings of monetary metals.

*Manufacture of coins (domestic).*—Production of coins is the major Mint activity. Funds requested for 1989 will permit production of approximately 16.7 billion coins. This activity also funds the deposits and issues of monetary metals and coins.

DOMESTIC COINAGE WORKLOAD

(In millions of pieces)

Denomination:	1986 actual	1987 actual	1988 est.	1989 est.
1 cent.....	9,430	9,355	9,676	11,884
5 cents.....	978	707	1,106	1,335
10 cents.....	1,122	1,277	1,655	1,855
25 cents.....	1,034	1,310	843	1,596

50 cents.....	29	1	20	30
Total.....	12,593	12,650	13,300	16,700

**UNIT COSTS—PER 1,000—BY DENOMINATION**

[Funded by appropriations]

Denomination:	1986 actual	1987 actual	1988 est.	1989 est.
1 cent.....	1.97	1.65	1.70	1.48
5 cent.....	5.28	4.75	4.90	4.26
10 cents.....	4.00	3.11	3.21	2.79
25 cents.....	6.36	5.42	5.59	4.86
50 cents.....	14.80	13.04	13.45	11.70

**Protection of monetary metals and coins.**—Protection of the Government's holdings of gold and silver bullion and coin is maintained by armed guards and modern protective devices.

**Research and development.**—Funds to explore the application of technological improvements to the coining process.

**Object Classification (in thousands of dollars)**

Identification code 20-1616-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	20,963	21,833	23,699
11.3 Other than full-time permanent.....	706	456	458
11.5 Other personnel compensation.....	690	795	1,713
11.9 Total personnel compensation.....	22,359	23,084	25,870
12.1 Civilian personnel benefits.....	3,600	5,647	6,067
13.0 Benefits for former personnel.....	37		
21.0 Travel and transportation of persons.....	212	225	233
22.0 Transportation of things.....	214	283	297
23.1 Rental payments to GSA.....	302	348	395
23.3 Communications, utilities, and miscellaneous charges.....	3,153	3,346	3,609
24.0 Printing and reproduction.....	40	40	43
25.0 Other services.....	2,359	3,679	4,678
26.0 Supplies and materials.....	3,211	3,058	3,316
31.0 Equipment.....	1,404	2,238	2,784
32.0 Land and structures.....	398	50	575
42.0 Insurance claims and indemnities.....	2	2	2
99.0 Subtotal, direct obligations.....	37,290	42,000	47,869
99.0 Reimbursable obligations.....	120,325	149,095	107,336
99.9 Total obligations.....	157,615	191,095	155,205

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,035	909	955
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	852	855	901
Full-time equivalent of overtime and holiday hours.....	65	20	43
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	686	1,177	1,177
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,074	1,405	1,300
Full-time equivalent of overtime and holiday hours.....	96	60	55

**EXPANSION AND IMPROVEMENTS**

**Program and Financing (in thousands of dollars)**

Identification code 20-9911-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	— 478	2,846	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	— 1,674	— 2,846	
24.40 Unobligated balance available, end of year.....	2,846		
40.00 <b>Budget authority (appropriation)</b> .....	<b>694</b>		

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	— 478	2,846	
72.40 Obligated balance, start of year.....	2,095	540	
74.40 Obligated balance, end of year.....	— 540		
90.00 Outlays.....	1,077	3,386	

<b>Distribution of outlays by account:</b>			
Expansion and improvements.....	385	1,119	
Construction of mint facilities.....	692	1,727	

This appropriation was used for the expansion of and improvements to existing Mint facilities in order to increase production capacity and alleviate production problems concerning health, noise, and congestion.

**COINAGE PROFIT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-5811-0-2-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Distribution of coins.....	2,880	3,532	4,042
00.02 Coinage wastage and recoinage losses.....		5	5
00.03 Statue of Liberty-Ellis Island.....	32,911	1,026	
00.04 Olympic coin program.....		49,594	13,742
10.00 Total obligations.....	35,791	54,157	17,789
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	— 1,229	— 414	— 414
24.40 Unobligated balance available, end of year.....	414	414	414
60.00 <b>Budget authority (appropriation) (permanent, indefinite) (special fund)</b> .....	<b>34,975</b>	<b>54,157</b>	<b>17,789</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	35,791	54,157	17,789
72.40 Obligated balance, start of year.....	20,867	6,510	6,510
74.40 Obligated balance, end of year.....	— 6,510	— 6,510	— 6,510
90.00 Outlays.....	50,148	54,157	17,789

Public Law 99-61 authorizes the use of the coinage profit fund for all activities relating to the Statue of Liberty-Ellis Island Commemorative Coin Act and will expire in 1988.

Public Law 100-141 authorizes the use of the Coinage Profit Fund for all activities relating to the Olympic Commemorative Coin Act.

A portion of the gains resulting from manufacturing coins is available to cover wastage and recoinage losses incurred in coinage, and the cost of distributing coins (31 U.S.C. 5111, 5112 and 5120).

**Object Classification (in thousands of dollars)**

Identification code 20-5811-0-2-803	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,667		
11.3 Other than full-time permanent.....	2,894	6,231	3,515
11.5 Other personnel compensation.....	986		
11.8 Special personal services payments.....	336		
11.9 Total personnel compensation.....	5,883	6,231	3,515
12.1 Civilian personnel benefits.....	549	585	324
21.0 Travel and transportation of persons.....	25	58	30
22.0 Transportation of things.....	4,485	6,988	7,498
23.3 Communications, utilities, and miscellaneous charges.....	478	1,637	389
24.0 Printing and reproduction.....	47	150	150
25.0 Other services.....	23,561	30,077	2,055
26.0 Supplies and materials.....	763	7,957	3,409
31.0 Equipment.....		469	414
42.0 Insurance claims and indemnities.....		5	5
99.9 Total obligations.....	35,791	54,157	17,789

General and special funds—Continued  
COINAGE PROFIT FUND—Continued

Personnel Summary

Total compensable workyears: Full-time equivalent employment .....	171	192	105
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BUREAU OF THE PUBLIC DEBT

Federal Funds

General and special funds:

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; **[\$215,000,000]** \$242,840,000, of which not to exceed \$700,000 for expenses of the National Economic Commission. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-0560-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Processing and accounting for:			
00.01 Savings and retirement securities .....	122,229	122,665	136,654
00.02 Marketable and special securities .....	59,301	72,535	86,606
00.03 National Economic Commission .....			700
00.10 Promoting the sale of savings bonds .....	17,425	19,800	18,880
00.91 Total direct program .....	198,955	215,000	242,840
01.01 Reimbursable program .....	604		
10.00 Total obligations .....	199,559	215,000	242,840
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-604		
25.00 Unobligated balance lapsing .....	667		
40.00 Budget authority (appropriation) .....	199,622	215,000	242,840
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	198,955	215,000	242,840
72.40 Obligated balance, start of year .....	39,415	43,483	46,440
74.40 Obligated balance, end of year .....	-43,483	-46,440	-52,453
90.00 Outlays .....	194,887	212,043	236,827

This appropriation provides funds for the conduct of all public debt operations and the promotion of the sale of U.S. savings-type securities.

Processing and accounting for:

**Savings securities.**—This activity is concerned with the issuance, servicing, and retirement of savings bonds and notes and retirement-type securities, including: (1) The maintenance and servicing of individual accounts of owners of series H and HH bonds and the authorization of interest payments, and (2) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. These functions are performed directly by the Bureau of the Public Debt, by the Federal Reserve Banks as fiscal agents of the United States, and by the 44,000 qualified agents which issue and redeem savings bonds and notes.

U.S. SAVINGS-TYPE SECURITIES

(Number of pieces, in thousands)

	1987 actual	1988 est.	1989 est.
<b>Issues:</b>			
Sales .....	96,907	101,000	107,000
Reissues and claims .....	4,314	7,200	7,200
Total .....	101,221	108,200	114,200
<b>Retirements:</b>			
Redemptions .....	55,211	60,000	62,000

Reissues, claims and spoils .....	7,278	7,000	7,000
Total .....	62,489	67,000	69,000

**Marketable and special securities.**—This activity is concerned with all securities of the United States, other than savings and retirement securities, including securities of Government corporations for which the Bureau of the Public Debt provides services. Functions performed relate to the issuance, servicing, and retirement of these securities, both directly by the Bureau and through the Federal Reserve Banks, as fiscal agents, including: (1) The maintenance and servicing of individual accounts of owners of registered securities and book-entry Treasury bills; (2) the authorization of interest and principal payments; and (3) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. Budget policy supports moving toward full reimbursement of Federal Reserve Banks for their fiscal agent services.

**National Economic Commission.**—The Commission will make specific recommendations regarding methods to reduce the Federal budget deficit while promoting economic growth and encouraging saving and capital formation. These methods shall ensure that the burden of achieving the budget deficit reduction goals will be equitably distributed among all economic, social, and geographic sectors.

**Promoting the sale of savings bonds.**—This activity consists of sales promotion efforts, using press, radio, other advertising media, and organized groups, augmented by concentrated sales campaigns emphasizing payroll savings plans. These functions are performed by the U.S. Savings Bonds Division, a separate organization within the Department of the Treasury.

Object Classification (in thousands of dollars)

Identification code 20-0560-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	50,403	53,051	51,810
11.3 Other than full-time permanent .....	1,087	1,157	1,156
11.5 Other personnel compensation .....	3,751	2,594	1,838
11.9 Total personnel compensation .....	55,241	56,802	54,804
12.1 Civilian personnel benefits .....	7,276	9,396	9,617
13.0 Benefits for former personnel .....	55	80	80
21.0 Travel and transportation of persons .....	1,042	1,204	1,236
22.0 Transportation of things .....	1,432	959	917
23.1 Rental payments to GSA .....	5,092	5,885	6,009
23.3 Communications, utilities, and miscellaneous charges .....	18,066	19,204	19,905
24.0 Printing and reproduction .....	6,461	7,225	7,265
25.0 Other services .....	98,684	108,690	137,441
26.0 Supplies and materials .....	2,017	2,103	2,180
31.0 Equipment .....	3,585	3,452	3,386
42.0 Insurance claims and indemnities .....	4		
99.0 Subtotal, direct obligations .....	198,955	215,000	242,840
99.0 Reimbursable obligations .....	604		
99.9 Total obligations .....	199,559	215,000	242,840

Personnel Summary

Total number of full-time permanent positions .....	2,245	2,266	2,221
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	2,206	2,186	2,141
Full-time equivalent of overtime and holiday hours .....	113	79	49

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

For payment of Government losses in shipment, in accordance with section 2 of the Act approved July 8, 1937 (40 U.S.C. 722) [ \$400,000 ], \$960,000, to remain available until expended. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-1710-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0)	98	390	960
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-51		
21.40 Unobligated balance available, start of year	-38		
30.00 Deficiency	-10		
40.00 <b>Budget authority (appropriation)</b>		<b>390</b>	<b>960</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	47	390	960
83.00 Prior year deficiencies, start of year		10	
85.00 Deficiency appropriation		-10	
90.00 Outlays	47	390	960

This account was created as self-insurance to cover losses in shipment of Government property such as coins, currency, securities, certain losses incurred by the Postal Service, and losses in connection with the redemption of savings bonds. Approximately, 150 claims are paid annually.

INTERNAL REVENUE SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, not otherwise provided; for executive direction and management services, and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [ \$87,165,000 ] \$94,547,000, of which not to exceed \$25,000 for official reception and representation expenses and of which not to exceed \$500,000 shall remain available until expended, for research. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-0911-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Executive direction	8,330	8,077	8,203
00.02 Management services	82,363	80,080	86,344
00.91 Total direct program	90,693	88,157	94,547
01.01 Reimbursable program	2,231	3,177	3,207
10.00 Total obligations	92,924	91,334	97,754
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-2,231	-3,177	-3,207
21.40 Unobligated balance available, start of year	-992	-992	
24.40 Unobligated balance available, end of year	992		
25.00 Unobligated balance lapsing	127		
39.00 <b>Budget authority</b>	<b>90,820</b>	<b>87,165</b>	<b>94,547</b>
<b>Budget authority:</b>			
40.00 Appropriation	95,147	87,165	94,547
41.00 Transferred to other accounts	-4,327		
43.00 <b>Appropriation (adjusted)</b>	<b>90,820</b>	<b>87,165</b>	<b>94,547</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	90,693	88,157	94,547
72.40 Obligated balance, start of year	21,434	30,852	19,176
74.40 Obligated balance, end of year	-30,852	-19,176	-20,800

77.00 Adjustments in expired accounts	-1,729		
90.00 Outlays	79,546	99,833	92,923

This appropriation provides for overall planning, direction and management of the Internal Revenue Service.

**Executive direction.**—This activity sets policies and goals, provides the research and planning necessary for sound and effective tax administration, and provides leadership and direction for the Service.

**Management services.**—This activity provides Servicewide policy guidance for managing the human, logistical, and financial resources needed to fulfill the Service's tax administration mission in a cost effective manner while complying with relevant public laws and administrative procedures.

Object Classification (in thousands of dollars)

Identification code 20-0911-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	41,346	41,770	50,376
11.3 Other than full-time permanent	4,385	430	431
11.5 Other personnel compensation	3,786	552	552
11.8 Special personal services payments	22	17	17
11.9 Total personnel compensation	49,539	42,771	51,376
12.1 Civilian personnel benefits	6,761	7,819	8,580
21.0 Travel and transportation of persons	2,919	3,244	3,326
22.0 Transportation of things	379	529	538
23.1 Rental payments to GSA	5,139	4,335	4,997
23.3 Communications, utilities, and miscellaneous charges	2,647	6,260	6,989
24.0 Printing and reproduction	1,887	1,350	1,254
25.0 Other services	15,884	14,785	12,069
26.0 Supplies and materials	757	2,136	2,260
31.0 Equipment	4,633	4,673	2,902
42.0 Insurance claims and indemnities	148	255	256
99.0 Subtotal, direct obligations	90,693	88,157	94,547
99.0 Reimbursable obligations	2,231	3,177	3,207
99.9 Total obligations	92,924	91,334	97,754

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	2,202	1,682	1,684
Total compensable workyears:			
Full-time equivalent employment	1,842	1,628	1,630
Full-time equivalent of overtime and holiday hours	94	41	41
<b>Reimbursable:</b>			
Total number of full-time permanent positions	30	30	30
Total compensable workyears: Full-time equivalent employment	44	41	42

PROCESSING TAX RETURNS

For necessary expenses of the Internal Revenue Service not otherwise provided for; including processing tax returns; revenue accounting; computer services; and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [ \$1,691,076,000 ] \$1,850,134,000, of which not to exceed \$80,000,000 shall remain available until expended for systems modernization initiatives [ Provided, That, of the total amount appropriated under this heading, \$17,800,000 shall be available for the Statistics of Income Program in fiscal year 1988 ]. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-0912-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Returns processing and revenue accounting	1,056,202	1,196,804	1,216,423

General and special funds—Continued

PROCESSING TAX RETURNS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 20-0912-0-1-803	1987 actual	1988 est.	1989 est.
00.02 Computer services.....	364,910	563,560	633,711
00.91 Total direct program .....	1,421,112	1,760,364	1,850,134
01.01 Reimbursable program.....	25,422	34,877	35,865
10.00 Total obligations.....	1,446,534	1,795,241	1,885,999
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-25,422	-34,877	-35,865
21.40 Unobligated balance available, start of year.....	-17,771	-37,059	
24.40 Unobligated balance available, end of year.....	37,059		
25.00 Unobligated balance lapsing.....	52,208		
39.00 Budget authority.....	1,492,608	1,723,305	1,850,134
<b>Budget authority:</b>			
40.00 Appropriation.....	1,469,956	1,691,076	1,850,134
42.00 Transferred from other accounts.....	22,652	32,229	
43.00 Appropriation (adjusted).....	1,492,608	1,723,305	1,850,134
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,421,112	1,760,364	1,850,134
72.40 Obligated balance, start of year.....	230,025	296,071	387,129
74.40 Obligated balance, end of year.....	-296,071	-387,129	-423,449
77.00 Adjustments in expired accounts.....	-10,737		
90.00 Outlays.....	1,344,329	1,669,306	1,813,814

This appropriation provides for processing tax returns and related documents, and maintaining accurate, current taxpayer accounts by means of an automated system.

**Returns processing and revenue accounting.**—This activity provides for all actions associated with the mailing of tax return forms and instructions, receipt of completed returns and payments, deposit of those payments, processing and accounting for revenue collections and Federal Tax Deposits and verification of the accuracy of information provided by the taxpayer through an automated master file system. It provides for payment of refunds, offset of refunds against delinquent accounts, issuance of notices that payments are overdue, identification of possible nonfilers for investigation, and assistance in the selection of tax returns for audit. This activity also prepares statistical information.

**Computer services.**—This activity provides information systems support to process tax returns, maintain account records, and aid tax enforcement and productivity management. It also provides for an integrated Automated Master File System which verifies the accuracy of information provided by the taxpayer as well as systems security measures to retain the integrity of the system.

SELECTED WORKLOAD DATA

(In millions)

	1987 actual	1988 est.	1989 est.
Tax returns filed.....	193.2	198.1	202.7
(a) Primary.....	182.9	187.0	190.9
(b) Supplemental documents <sup>1</sup> .....	10.3	11.1	11.8
Individual income tax returns:			
(a) To be filed.....	103.5	107.7	110.1
(b) Refunds scheduled.....	77.8	79.1	80.2

<sup>1</sup> Includes amended primary returns for individuals and corporations, extensions of time to file, and information returns for trust accumulation of charitable amounts.

SELECTED REVENUE DATA

(In millions of dollars)

	1987 actual <sup>1</sup>	1988 est.	1989 est.
Yield from math verification and validation of estimated payments:			
Underpayments.....	4,681.7	4,869.3	4,979.1
Overpayments.....	3,838.8	3,998.5	4,088.7
Offsets.....	1,682.8	1,777.6	1,908.1
Gross yield <sup>2</sup> .....	10,202.5	10,645.4	10,975.9
Net yield <sup>3</sup> .....	2,524.9	2,648.4	2,798.5

<sup>1</sup> Math verification data includes actual for Forms 1040, 1040A, and 1040EZ.

<sup>2</sup> Sum of underpayments, overpayments, and offsets.

<sup>3</sup> Underpayments less overpayments plus offsets.

Object Classification (in thousands of dollars)

Identification code 20-0912-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	443,943	553,993	604,787
11.3 Other than full-time permanent.....	167,892	192,299	180,664
11.5 Other personnel compensation.....	42,917	38,775	67,463
11.8 Special personal services payments.....	17		
11.9 Total personnel compensation.....	654,769	785,067	852,914
12.1 Civilian personnel benefits.....	112,947	158,185	128,469
13.0 Benefits to former personnel.....	12,977	19,897	19,897
21.0 Travel and transportation of persons.....	19,463	27,495	35,259
22.0 Transportation of things.....	25,905	25,229	26,211
23.1 Rental payments to GSA.....	81,713	111,887	116,879
23.3 Communications, utilities, and miscellaneous charges.....	178,852	203,871	226,754
24.0 Printing and reproduction.....	79,630	76,361	81,448
25.0 Other services.....	174,271	211,570	220,798
26.0 Supplies and materials.....	32,041	39,169	38,233
31.0 Equipment.....	48,433	101,517	103,132
42.0 Insurance claims and indemnities.....	111	116	140
99.0 Subtotal, direct obligations.....	1,421,112	1,760,364	1,850,134
99.0 Reimbursable obligations.....	25,422	34,877	35,865
99.9 Total obligations.....	1,446,534	1,795,241	1,885,999

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	23,214	26,332	27,093
Total compensable workyears:			
Full-time equivalent employment.....	31,926	35,160	36,175
Full-time equivalent of overtime and holiday hours.....	921	1,000	1,400
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	292	346	346
Total compensable workyears: Full-time equivalent employment.....	405	480	480

EXAMINATIONS AND APPEALS

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; employee plans and exempt organizations; tax litigation; hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; **[\$1,849,581,000]** \$1,864,819,000. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-0913-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Examination.....	1,304,178	1,375,113	1,461,944
00.02 Appeals and tax litigation.....	189,695	244,824	242,497
00.03 Employee plans and exempt organizations.....	104,980	121,669	121,781
00.04 International.....	33,137	33,992	38,597
00.91 Total direct program.....	1,631,990	1,775,598	1,864,819
01.01 Reimbursable program.....	6,020	8,222	8,484
10.00 Total obligations.....	1,638,010	1,783,820	1,873,303
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-6,020	-8,222	-8,484
25.00 Unobligated balance lapsing.....	3,917		
39.00 Budget authority.....	1,635,907	1,775,598	1,864,819



Budget authority:				
40.00	Appropriation	1,654,597	1,849,581	1,864,819
41.00	Transferred to other accounts	-18,690	-73,983	
43.00	<b>Appropriation (adjusted)</b>	<b>1,635,907</b>	<b>1,775,598</b>	<b>1,864,819</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,631,990	1,775,598	1,864,819
72.40	Obligated balance, start of year	112,427	162,703	142,048
74.40	Obligated balance, end of year	-162,703	-142,048	-149,186
77.00	Adjustments in expired accounts	-6,115		
90.00	<b>Outlays</b>	<b>1,575,599</b>	<b>1,796,253</b>	<b>1,857,681</b>

This appropriation provides for the examination of tax returns, both domestic and international, and the administrative settlement of taxpayer appeals of examination findings. Funds are requested to continue the Service's ability to assure evenhanded application and adequate enforcement of the tax laws and to maintain a satisfactory rate of voluntary compliance with the internal revenue laws. It also provides for monitoring employee pension plans, determining qualifications of organizations seeking tax-exempt status, and examining tax returns of exempt organizations.

**Examination.**—This activity encourages voluntary compliance with the internal revenue laws through the determination of correct tax liability by the selective examination of tax returns, the correction of errors, and explanation of these corrections to taxpayers.

**Appeals and tax litigation.**—The appeals portion of this authority provides for an independent administrative review of contested tax assessments and adjustments with the objective of settling tax controversies without litigation. When settlement is not possible, the tax litigation portion of the activity provides for the handling of Tax Court litigation and for the coordination of the Service's legal position in order to assure consistency.

**Employee plans and exempt organizations.**—This activity monitors private pension plans to ensure compliance with the Employee Retirement Income Security Act of 1974, as amended, determines whether organizations seeking tax-exempt status meet certain tests to qualify, and examines tax returns of those organizations to ensure compliance with such an exemption and to ensure payment of unrelated business income taxes. It also examines the returns of private foundations to ensure payment of proper excise taxes.

**International.**—This activity directs the full range of IRS enforcement and assistance programs related to U.S. taxpayers doing business or residing outside the United States as well as non-resident aliens with a U.S. tax obligation; provides technical tax training and administrative assistance to foreign governments; works with States on exchange of information and other programs of mutual benefit; provides compliance and taxpayer service support to Puerto Rico, the Virgin Islands and certain Pacific Island jurisdictions; and manages activities related to tax treaties between the United States and other governments. The International Counsel function identifies and resolves international tax issues; provides timely guidance to the field through both routine program assistance to the Assistant Commissioner (International) and to District Counsel and International Examiners with respect to specific cases and issues; and provides timely guidance to taxpayers

and tax practitioners through the rulings and regulations program.

**SELECTED WORKLOAD DATA**

	[In thousands]		
	1987 actual	1988 est.	1989 est.
Returns examined	1,296	1,455	1,594
Service center contacts	663	831	831
Non-docketed disposals	42	59	59
Tax court and refund case receipts (docketed)	45	59	65
Docketed disposals	45	50	52
International disposals	1	2	3
International ending inventory	2	1	1
Employee plans determinations, examinations, and technical activities	350	269	407
Exempt organizations determinations, examinations, and technical activities	83	88	88

**SELECTED REVENUE DATA**

	[In millions of dollars]		
	1987 actual	1988 est.	1989 est.
Assessments and penalties	14,863.3	14,806	15,716
Interest on assessments	4,916.5	4,873	5,245
Non-docketed assessments and penalties	1,434	2,014	2,016
Docketed assessments and penalties	1,020	1,207	1,247

**Object Classification (in thousands of dollars)**

Identification code 20-0913-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	1,057,058	1,125,918	1,191,115
11.3 Other than full-time permanent	44,329	31,512	31,312
11.5 Other personnel compensation	17,208	12,816	12,919
11.8 Special personal services payments	4,837	7,466	7,530
11.9 Total personnel compensation	1,123,432	1,177,712	1,242,876
12.1 Civilian personnel benefits	180,228	201,564	227,042
13.0 Benefits for former personnel	21		
21.0 Travel and transportation of persons	71,906	75,407	82,068
22.0 Transportation of things	4,810	6,345	6,468
23.1 Rental payments to GSA	102,440	120,815	123,621
23.3 Communications, utilities, and miscellaneous charges	58,419	59,674	63,935
24.0 Printing and reproduction	11,058	12,909	13,531
25.0 Other services	41,242	55,788	58,774
26.0 Supplies and materials	12,686	13,901	14,030
31.0 Equipment	25,681	51,377	32,334
42.0 Insurance claims and indemnities	67	106	140
99.0 Subtotal, direct obligations	1,631,990	1,775,598	1,864,819
99.0 Reimbursable obligations	6,020	8,222	8,484
99.9 Total obligations	1,638,010	1,783,820	1,873,303

**Personnel Summary**

<b>Direct program:</b>			
Total number of full-time permanent positions	40,902	43,868	44,414
<b>Total compensable workyears:</b>			
Full-time equivalent employment	38,597	41,892	42,412
Full-time equivalent of overtime and holiday hours	300	136	136
<b>Reimbursable program:</b>			
Total number of full-time permanent positions	30	27	27
Total compensable workyears: Full-time equivalent employment	52	46	46

**INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE**

For necessary expenses of the Internal Revenue Service for investigation and enforcement activities; including purchase (not to exceed four hundred and fifty-one for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); securing unfiled tax returns; collecting unpaid accounts; examining selected employment and excise tax returns; technical rulings; enforcement litigation; providing assistance to taxpayers; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner: *Provided*, That notwithstanding any other provision of the Act, none of the funds made available by this Act shall be used to reduce the number of positions allocated to taxpayer service activi-

General and special funds—Continued

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE—Continued

ties below fiscal year 1984 levels, or to reduce the number of positions allocated to any other direct taxpayer assistance functions below fiscal year 1984 levels, including, but not limited to Internal Revenue Service toll-free telephone tax law assistance and walk-in assistance available at Internal Revenue Service field offices: *Provided further*, That the Internal Revenue Service shall fund the Tax Counseling for the Elderly Program at \$2,650,000. The Internal Revenue Service shall absorb within existing funds the administrative costs of the program in order that the full \$2,650,000 can be devoted to program requirements; \$1,431,058,000; \$1,490,225,000. (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 20-0914-0-1-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Tax fraud investigations.....	245,370	243,749	257,565
00.02 Collection.....	660,659	852,256	846,310
00.03 Taxpayer service.....	249,605	302,650	309,926
00.04 Enforcement litigation and technical.....	66,388	74,157	76,424
00.91 Total direct program.....	1,222,022	1,472,812	1,490,225
01.01 Reimbursable program.....	5,624	7,601	8,146
10.00 Total obligations.....	1,227,646	1,480,413	1,498,371
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-5,624	-7,601	-8,146
25.00 Unobligated balance lapsing.....	3,325		
39.00 <b>Budget authority</b> .....	<b>1,225,347</b>	<b>1,472,812</b>	<b>1,490,225</b>
Budget authority:			
40.00 Appropriation.....	1,224,982	1,431,058	1,490,225
42.00 Transferred from other accounts.....	365	41,754	
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,225,347</b>	<b>1,472,812</b>	<b>1,490,225</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,222,022	1,472,812	1,490,225
72.40 Obligated balance, start of year.....	115,852	170,129	147,281
74.40 Obligated balance, end of year.....	-170,129	-147,281	-149,023
77.00 Adjustments in expired accounts.....	-5,366		
90.00 <b>Outlays</b> .....	<b>1,162,379</b>	<b>1,495,660</b>	<b>1,488,483</b>

This appropriation provides for enforcing statutes relating to detection and investigation of criminal violations of the Internal Revenue laws, collecting unpaid accounts, securing unfiled tax returns and payments, providing assistance to taxpayers and preparing technical rulings.

*Tax fraud investigations.*—This activity provides for enforcement of the criminal statutes relating to violations of Internal Revenue laws. It investigates cases of suspected intent to defraud, recommends prosecution as warranted, and assists in the preparation and trial of criminal tax cases.

*Collection.*—This activity has the responsibility for collecting unpaid accounts and securing delinquent returns; developing and implementing programs to prevent accounts from becoming delinquent and preventing nonfiling; and determining and analyzing the reasons for and the types of nonfiling.

*Taxpayer service.*—This activity aids voluntary compliance with Federal tax laws by informing taxpayers of their responsibilities and by providing services and information through various media which assist them in meeting their obligations. Inquiries concerning tax laws, IRS notices and procedures, and tax account problems are resolved.

*Enforcement litigation, and technical.*—This activity provides legal advice and assistance to field enforcement activities, furnishes non-tax legal services and provides legal expertise in the issuance of ruling letters; technical advice; publication of revenue rulings and revenue procedures; review of legislation; interpretation of statutes and drafting of regulations.

SELECTED WORKLOAD DATA

	[In thousands]		
	1987 actual	1988 est.	1989 est.
General enforcement program investigations.....	3	3	3
Special enforcement program investigations.....	3	3	3
Returns compliance leads disposed.....	16	21	22
Delinquent returns investigations disposed.....	1,055	1,096	1,143
Delinquent returns secured.....	4,097	3,920	4,033
Accounts receivable disposed.....	2,604	3,195	3,282
<b>Enforcement litigation and technical:</b>			
(1) Enforcement litigation case closings.....	39	43	43
(2) Technical case closings.....	28	32	32
Taxpayers assisted.....	59,496	65,419	63,684
(a) Directly by IRS.....	42,196	46,269	44,534
(b) Through taxpayer education.....	6,400	7,150	7,150
(c) Through automated responses.....	10,900	12,000	12,000

SELECTED REVENUE DATA

	[In millions of dollars]		
	1987 actual	1988 est.	1989 est.
Assessments on delinquent returns.....	8,091	8,884	9,104
Collections from delinquent accounts.....	6,615	8,349	8,554
Collections from notices.....	16,151	16,726	17,733
(a) First notices.....	9,832	10,182	10,795
(b) Second to fourth notices.....	6,319	6,544	6,938

Object Classification (in thousands of dollars)

Identification code 20-0914-0-1-803	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	676,011	794,397	800,574
11.3 Other than full-time permanent.....	75,621	55,002	54,777
11.5 Other personnel compensation.....	24,419	22,132	23,584
11.8 Special personal services payments.....	3,045	1,720	1,720
11.9 Total personnel compensation.....	779,096	873,251	880,655
12.1 Civilian personnel benefits.....	116,270	128,573	142,823
13.0 Benefits for former personnel.....	73		
21.0 Travel and transportation of persons.....	40,861	52,951	54,099
22.0 Transportation of things.....	4,650	4,468	4,547
23.1 Rental payments to GSA.....	56,049	96,884	101,404
23.3 Communications, utilities, and miscellaneous charges.....	103,326	136,584	150,006
24.0 Printing and reproduction.....	15,208	17,480	17,278
25.0 Other services.....	60,834	86,152	71,142
26.0 Supplies and materials.....	10,207	13,656	12,997
31.0 Equipment.....	32,787	60,027	52,452
41.0 Grants, subsidies, and contributions.....	2,399	2,650	2,650
42.0 Insurance claims and indemnities.....	262	136	172
99.0 Subtotal, direct obligations.....	1,222,022	1,472,812	1,490,225
99.0 Reimbursable obligations.....	5,624	7,601	8,146
99.9 Total obligations.....	1,227,646	1,480,413	1,498,371

Personnel Summary

	1987 actual	1988 est.	1989 est.
<b>Direct:</b>			
Total number of full-time permanent positions.....	29,561	31,685	31,792
Total compensable workyears:			
Full-time equivalent employment.....	29,824	33,481	33,594
Full-time equivalent of overtime and holiday hours.....	319	347	347
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	48	58	68
Total compensable workyears: Full-time equivalent employment.....	85	102	121

**PAYMENT WHERE EARNED INCOME CREDIT EXCEEDS LIABILITY FOR TAX**

**Program and Financing** (in thousands of dollars)

Identification code	20-0906-0-1-609	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 44.0)	1,409,932	2,893,000	3,897,000
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite)	1,409,932	2,893,000	3,897,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,409,932	2,893,000	3,897,000
90.00	Outlays	1,409,932	2,893,000	3,897,000

As provided by law, there will be instances wherein the earned income tax credit will exceed the amount of tax liability owed, resulting in an additional payment to the tax filer. The Earned Income Credit was originally authorized by the Tax Reduction Act of 1975 (Public Law 94-12) and made permanent by the Revenue Adjustment Act of 1978 (Public Law 95-600). The Tax Reform Act of 1986 increased the allowance for earned income credit.

**REFUNDING INTERNAL REVENUE COLLECTIONS, INTEREST**

**Program and Financing** (in thousands of dollars)

Identification code	20-0904-0-1-908	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 43.0)	1,941,323	1,756,000	1,793,000
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite)	1,941,323	1,756,000	1,793,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,941,323	1,756,000	1,793,000
90.00	Outlays	1,941,323	1,756,000	1,793,000

Under certain circumstances, as provided in 26 U.S.C. 6611, interest is paid on Internal Revenue collections that must be refunded. The Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248) provides for daily compounding of interest. Under the Tax Reform Act of 1986 (Public Law 99-514), interest paid on Internal Revenue collections will equal the Federal short-term rate plus two percentage points, such rate to be adjusted quarterly. A 10 percent rate will be in effect from January 1, 1988, through March 31, 1988.

**Public enterprise funds:**

**FEDERAL TAX LIEN REVOLVING FUND**

**Program and Financing** (in thousands of dollars)

Identification code	20-4413-0-3-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 32.0)	6,885	8,153	7,150
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-6,654	-8,300	-5,000
21.40	Unobligated balance available, start of year	-8,575	-8,344	-8,491
24.40	Unobligated balance available, end of year	8,344	8,491	6,341
39.00	Budget authority			

Relation of obligations to outlays:				
71.00	Obligations incurred, net	231	-147	2,150
90.00	Outlays	231	-147	2,150

This revolving fund was established pursuant to section 112(a) of the Federal Tax Lien Act of 1966, to serve as the source of financing the redemption of real property by the United States. In collecting delinquent taxes, situations arise where it is to the Government's advantage to buy property on which it has a lien when the property is sold at a foreclosure sale brought by the holder of a lien which is superior to the Government's. The advantage arises when the property is worth substantially more than the first lienholder's equity but is being sold for an amount that barely covers that equity, thereby leaving no proceeds to apply against delinquent taxes. Under these circumstances, if the Government buys the property and subsequently puts it up for sale under more advantageous conditions, it is possible to realize sufficient profit on the transaction to fully or partially collect the amount of taxes due. The revolving fund is reimbursed from the proceeds of the sale in an amount equal to the amount expended from the fund for the redemption. The balance of the proceeds are applied against the amount of the tax, interest, penalties, and additions thereto, and for the costs of sale. The remainder, if any, would revert to the parties legally entitled to it.

**ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE**

SEC. 1. Not to exceed 4 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation.

SEC. 2. Not to exceed 15 per centum, or \$15,000,000, whichever is greater, of any appropriation made available to the Internal Revenue Service for document matching for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation for document matching. (*Treasury Department Appropriations Act, 1988.*)

**UNITED STATES SECRET SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only *without regard to the general purchase limitation for current fiscal year*) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That [approval is obtained in advance from] *notice thereof is transmitted in advance to the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed \$12,500 for official reception and representation expenses; for*

General and special funds—Continued

SALARIES AND EXPENSES—Continued

payment in advance for commercial accommodations as may be necessary to perform protective functions [in fiscal year 1988]; and for uniforms without regard to the general purchase price limitation for the current fiscal year; [\$367,000,000] \$352,000,000, of which [\$5,000,000] \$2,000,000 shall remain available until expended for continued construction [at the James J. Rowley Secret Service Training Center], and of which [\$29,911,000] \$7,126,000 shall be available for Presidential candidate protective activities pursuant to 18 U.S.C. 3056(a)(7). (Treasury Department Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	20-1408-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Protection, investigations, and uniformed activities .....	318,816	332,089	342,874
00.02	Other security programs .....	6,660	5,704	2,000
00.03	Presidential candidate protective activities .....	5,852	29,911	7,126
00.91	Total direct program .....	331,328	367,704	352,000
01.01	Reimbursable program .....	1,367	160	160
10.00	Total obligations .....	332,695	367,864	352,160
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,367	-160	-160
21.40	Unobligated balance available, start of year .....	-3,916	-704	
22.40	Unobligated balance transferred, net .....	4,175		
24.40	Unobligated balance available, end of year .....	704		
25.00	Unobligated balance lapsing .....	1,819		
40.00	Budget authority (appropriation) .....	334,109	367,000	352,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	331,328	367,704	352,000
72.40	Obligated balance, start of year .....	67,569	108,454	86,764
74.40	Obligated balance, end of year .....	-108,454	-86,764	-88,421
77.00	Adjustments in expired accounts .....	2,122		
90.00	Outlays .....	292,565	389,394	350,343

The Secret Service is responsible for protection of the President and other officials, investigating counterfeiting of currency and check forgeries, protection of the White House and various other buildings within Washington, DC.

*Investigations, protection, and uniformed activities.*—The Service must provide for the protection of the President of the United States, immediate family members, the President-elect, the Vice President, or other officer next in the order of succession to the Office of the President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection; protection of the person of a visiting head and accompanying spouse of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of the person of a former President and spouse during the former President's lifetime, the protection of the person of the spouse of a former President until death or remarriage, and minor children of a former President until they reach 16 years of age, unless such protection is declined. The Service is also responsible for investigation of counterfeiting of currency, and securities; forgery and altering of Government checks and bonds; thefts and frauds relating to Treasury electronic

funds transfers; and other criminal and noncriminal cases.

The Secret Service Uniformed Division protects the Executive Residence and grounds in the District of Columbia; any building in which White House offices are located; the President and members of his immediate family; the official residence and grounds of the Vice President in the District of Columbia; the Vice President and members of his immediate family; foreign diplomatic missions located in the Washington metropolitan area; the Treasury Building, its Annex and grounds, and such other areas as the President may direct on a case-by-case basis.

*Presidential candidate protective activities.*—The Secret Service is authorized to protect major Presidential or Vice-Presidential candidates, as determined by the Secretary of the Treasury after consultation with an advisory committee. In addition, the Service is authorized to protect the spouses of major Presidential and Vice-Presidential candidates; however, such protection may not commence more than 120 days prior to the general Presidential election.

NUMBER OF CASES CLOSED

	1986 actual	1987 actual	1988 est.	1989 est.
Check cases .....	118,892	109,026	100,000	140,000
Bond cases .....	5,430	4,936	5,000	5,000
Counterfeiting .....	16,574	15,401	16,500	17,000
Protective research .....	9,159	8,882	12,000	12,000
Other criminal and noncriminal cases .....	64,432	60,846	65,000	80,000
Total .....	214,487	199,091	198,500	254,000

Object Classification (in thousands of dollars)

Identification code	20-1408-0-1-751	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	132,376	141,901	146,084
11.3	Other than full-time permanent .....	473	500	500
11.5	Other personnel compensation .....	30,974	36,338	31,381
11.9	Total personnel compensation .....	163,823	178,739	177,965
12.1	Civilian personnel benefits .....	26,386	28,665	29,929
13.0	Benefits for former personnel .....	8		
21.0	Travel and transportation of persons .....	29,768	50,442	34,559
22.0	Transportation of things .....	1,742	1,527	1,752
23.1	Rental payments to GSA .....	18,227	22,716	24,508
23.2	Rental payments to others .....	586	1,700	1,700
23.3	Communications, utilities, and miscellaneous charges .....	14,161	19,266	19,416
24.0	Printing and reproduction .....	557	617	674
25.0	Other services .....	28,229	27,686	27,969
26.0	Supplies and materials .....	7,708	7,674	7,678
31.0	Equipment .....	31,422	22,696	22,176
32.0	Land and structures .....	8,684	5,933	3,629
42.0	Insurance claims and indemnities .....	26	43	45
99.0	Subtotal, direct obligations .....	331,328	367,704	352,000
99.0	Reimbursable obligations .....	1,367	160	160
99.9	Total obligations .....	332,695	367,864	352,160

Personnel Summary

Total number of full-time permanent positions .....	4,355	4,397	4,514
Total compensable workyears:			
Full-time equivalent employment .....	4,150	4,351	4,468
Full-time equivalent of overtime and holiday hours .....	931	1,056	961

CONTRIBUTION FOR ANNUITY BENEFITS

Program and Financing (in thousands of dollars)

Identification code	20-1407-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 12.1)	19,750	15,000	18,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-2,791		
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite)	<b>16,959</b>	<b>15,000</b>	<b>18,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	19,750	15,000	18,000
90.00	Outlays	19,750	15,000	18,000

The District of Columbia is reimbursed for benefit payments made from the revenue of the District of Columbia to or for members of the Secret Service Uniformed Division and such members of the U.S. Secret Service entitled to benefits under the Policemen and Firemen's Retirement and Disability Act (4 D.C. Code 521).

COMPTROLLER OF THE CURRENCY

Trust Funds

ASSESSMENT FUNDS

Program and Financing (in thousands of dollars)

Identification code	20-8413-0-8-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	193,315	229,226	241,260
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Investment income	-7,585	-7,700	-8,470
14.00	Non-Federal sources	-199,703	-224,700	-238,182
21.98	Unobligated balance available, start of year: Fund balance	-48,743	-62,716	-65,890
24.98	Unobligated balance available, end of year: Fund balance	62,716	65,890	71,282
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-13,973	-3,174	-5,392
72.98	Obligated balance, start of year: Fund balance	63,515	72,471	75,121
74.98	Obligated balance, end of year: Fund balance	-72,471	-75,121	-75,378
90.00	Outlays	-22,929	-5,824	-5,649

The Office of the Comptroller of the Currency was created for the purpose of establishing and regulating a national banking system. The National Currency Act of 1863 (12 U.S.C. 1 et seq., 12 Stat. 665) provided for the chartering and supervising functions in this connection. The income of the bureau is derived principally from assessments paid by national banks and interest on investments in U.S. Government obligations.

The Administrator of National Banks charters new banking institutions only after investigation and due consideration of charter applications. Supervision of existing national banks is aided by the required submission of periodic reports and detailed onsite examinations, which are conducted by a staff of approximately 2,300 national bank examiners. At present, there are approximately 5,000 national banks with more than 26,600 operating branches and total assets of more than \$1.7 trillion.

In addition, the Comptroller considers applications for mergers in which the resulting bank will be a national bank and applications from banks to establish branches. The Comptroller of the Currency also promulgates rules and regulations for the guidance of national banks and bank directors.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue	199,703	224,700	238,182
Expense	-192,768	-227,370	-239,194
Net operating income or loss (-)	6,935	-2,670	-1,012
Nonoperating income: Investment income	7,585	7,700	8,470
Net income or loss (-) for the year	14,520	5,030	7,458

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Cash on hand on deposit	7,283	2,792	622	725
Investment in U.S. securities (at par)	104,975	132,395	140,389	145,935
Unamortized discount (net)	-1,399	-1,672	-2,809	-3,300
Advances	818	971	1,256	1,287
Accounts receivable	998	1,882	1,899	1,709
Accrued interest receivable	1,809	2,073	2,583	2,783
Prepaid expense	1,200	1,153	1,571	1,509
Fixed assets	6,736	7,141	7,009	7,590
Leasehold improvements	9,169	9,345	11,342	12,792
Computer software	643	609	600	635
Total assets	132,232	156,689	164,462	171,665
<b>Liabilities:</b>				
Selected liabilities:				
Current liabilities	13,571	20,791	20,114	15,222
Deferred revenue	44,871	46,588	49,511	53,606
Other liabilities	8,499	9,499	9,996	10,538
Total liabilities	66,941	76,878	79,621	79,366
<b>Trust equity:</b>				
Selected equities: Unobligated balance	48,743	62,716	65,890	71,282
Invested capital and earnings	16,548	17,095	18,951	21,017
Total trust equity	65,291	79,811	84,841	92,299

Object Classification (in thousands of dollars)

Identification code	20-8413-0-8-376	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	112,495	127,159	138,235
11.3	Other than full-time permanent	1,330	924	1,007
11.5	Other personnel compensation	443	623	679
11.8	Special personal services payments	1,000	497	542
11.9	Total personnel compensation	115,268	129,203	140,463
12.1	Civilian personnel benefits	21,019	26,350	26,811
13.0	Benefits for former personnel	125	106	112
21.0	Travel and transportation of persons	16,406	25,102	26,232
22.0	Transportation of things	663	1,145	989
23.1	Rental payments to GSA	60	64	58
23.2	Rental payments to others	12,707	16,399	18,568
23.3	Communications, utilities, and miscellaneous charges	6,653	6,121	7,630
24.0	Printing and reproduction	930	1,306	1,100
25.0	Other services	9,343	13,447	11,876
26.0	Supplies and materials	2,796	4,231	3,521
31.0	Equipment	6,582	3,755	2,450
32.0	Land and structures	763	1,997	1,450
99.9	Total obligations	193,315	229,226	241,260

ASSESSMENT FUNDS—Continued

Personnel Summary

Total number of full-time permanent positions.....	3,418	3,680	3,795
Total compensable workyears:			
Full-time equivalent employment .....	3,053	3,200	3,300
Full-time equivalent of overtime and holiday hours .....	3	5	5

INTEREST ON THE PUBLIC DEBT

Federal Funds

General and special funds:

INTEREST ON THE PUBLIC DEBT

Program and Financing (in thousands of dollars)

Identification code 20-0550-0-1-901	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0) .....	195,274,906	210,057,773	220,267,131
<b>Financing:</b>			
60.00 Budget authority (appropriation) (perma- nent, indefinite) .....	195,274,906	210,057,773	220,267,131
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	195,274,906	210,057,773	220,267,131
90.00 Outlays .....	195,274,906	210,057,773	220,267,131

Such amounts are appropriated as may be necessary to pay the interest each year on the public debt (31 U.S.C. 1305, 3123). Interest on Government account series securities is computed on a cash basis. Interest is computed on an accrual basis on all other types of securities.

DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

SEC. 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

SEC. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 103. Not to exceed 2 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than 1 per centum and notice of any such proposed transfers shall be [approved in advance by] transmitted in advance to the Committees on Appropriations of the House and Senate.

SEC. 104. None of the funds made available by this Act may be used to place the United States Secret Service, the United States Customs Service, or the Bureau of Alcohol, Tobacco and Firearms under the operation, oversight, or jurisdiction of the Inspector General of the Department of the Treasury.

[SEC. 105. The Department of the Treasury shall undertake a study analyzing the economic impact and administration complexity resulting from section 453C of the Internal Revenue Code, and recommending revenue-neutral alternatives to this section which would minimize that impact and complexity. The study shall also analyze the impact

of the effective date of section 453C on fiscal year taxpayers. The study shall be completed as soon as practicable but no later than August 15, 1988.]

[SEC. 106. Section 613b of the Tariff Act of 1930, as amended (19 U.S.C. 1613b) is amended by inserting the following between subsection (a)(5)(iv) and subsection (b):

“(v) the equipping for law enforcement functions of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Customs Service.

“(vi) the payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint operations with the Customs Service.”] (Treasury Department Appropriations Act, 1988.)

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans' Administration; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.

SEC. 502. No part of any appropriations contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 505. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

[SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided*, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.]

[SEC. 507. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messen-

gers, and custodians, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.]

【Sec. 508. No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds, is necessary to comply with a final order of the Federal court system.】

Sec. 【509】 506. None of the funds appropriated or made available by this Act shall be used to competitively procure electric utility service, except where such procurement is expressly authorized by the Federal Power Act or by State law or regulation.

【Sec. 510. None of the funds appropriated in this Act may be used for administrative expenses to close the Federal Information Center of the General Services Administration located in Sacramento, California.】

【Sec. 511. None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.】

【Sec. 512. None of the funds made available by this Act shall be available for any activity or for paying the salary of any government employee where funding an activity or paying a salary to a government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the 1930 Tariff Act.】

【Sec. 513. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, out of the Treasury Department.】

Sec. 【514】 507. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

【Sec. 515. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any member or committee of Congress as described in paragraph (1) of this subsection.】

Sec. 【516】 508. Except for vehicles provided to the President, Vice President and their families, or to the United States Secret Service, none of the funds provided in this Act to any Department or Agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than twenty-two miles per gallon. The requirements of this section may be waived by the Administrator of the General Services Administration for special purposes or special mission automobiles.

Sec. 【517】 509. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

Sec. 【518】 510. The provision of section 【517】 509 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

【Sec. 519. No later than October 1, 1989, the Administrator of General Services, or any Federal officer assuming the Administrator's responsibilities with respect to management of the stockpile, shall use all funds authorized and appropriated before January 1, 1985 from

the National Defense Stockpile Transaction Fund to evaluate, test, relocate, upgrade or purchase stockpile materials to meet National Defense Stockpile goals and specifications in effect on October 1, 1984.】

【SEC. 520. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.】

【SEC. 521. None of the funds appropriated by this Act may be used to establish on a permanent basis any test or program of the "port of arrival immediate release and enforcement determination."】

【SEC. 522. None of the funds appropriated by this Act may be used to solicit bids, lease space, or enter into any contract to close or consolidate executive seminar centers for the Office of Personnel Management.】

【SEC. 523. None of the funds appropriated by this Act or any other Act in any fiscal year may be obligated or expended in any way for the purpose of the sale, lease, rental, excessing, surplus, or disposal of any portion of land on which the Beltsville Agricultural Research Center is located at Beltsville, Maryland, without the specific approval of Congress: *Provided*, That such land may be sold, for fair market value, to the Washington Metropolitan Area Transit Authority and any proceeds from the sale of such land shall be placed in an escrow account to be available hereafter for use in the renovation and restoration of the Beltsville Agricultural Research Center, to be released as specified in advance in appropriations Acts.】

【SEC. 524. Not later than October 1, 1988, of the amounts made available pursuant to Section 519 of the Treasury, Postal Service and General Government Appropriations Act, 1987, as incorporated in Section 101(m) of Public Laws 99-500 and 99-591, not less than \$1,000,000 shall be obligated for a pilot project to upgrade technologically obsolete cobalt deposited in the National Defense Stockpile. The funds used in this section for upgrading shall not exceed \$2,000,000.】

【SEC. 525. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, lease, rental, excessing, surplus, or disposal of any portion of land on which the Phoenix Indian School is located at Phoenix, Arizona without the specific approval of Congress.】

【SEC. 526. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplus, or disposal of lands in the vicinity of Bull Shoals Lake, Arkansas administered by the Corps of Engineers, Department of the Army without the specific approval of Congress.】

【SEC. 527. The Administrator of General Services, under section 210(h) of the Federal Property and Administrative Services Act of 1949, as amended, shall acquire, by means of a lease of up to 30 years duration, space for the United States Courts in Tacoma, Washington, at the site of Union Station, Tacoma, Washington.】

【SEC. 528. Funds under this Act shall be available as authorized by sections 4501-4506 of title 5, United States Code, when the achievement involved is certified, or when an award for such achievement is otherwise payable, in accordance with such sections. Such funds may not be used for any purpose with respect to which the preceding sentence relates beyond fiscal year 1988.】

Sec. 【529】 511. (a) Notwithstanding any other provision of law, during fiscal year 【1988】 1989, the authority to establish higher rates of pay under section 5303 of title 5, United States Code, may—

(1) in addition to positions paid under any of the pay systems referred to in subsection (a) of section 5303 of title 5, U.S.C., be exercised with respect to positions paid under any other pay system established by or under Federal statute for positions within the executive branch of the Government; and

(2) in addition to the circumstance described in the first sentence of subsection (a) of section 5303 of title 5, U.S.C., be exercised based on—

(A) pay rates for the positions involved being generally less than the rates payable for similar positions held—

(i) by individuals outside the Government; or

## THIS ACT—Continued

(ii) by other individuals within the executive branch of the Government;

(B) the remoteness of the area or location involved;

(C) the undesirability of the working conditions or the nature of the work involved, including exposure to toxic substances or other occupational hazards; or

(D) any other circumstances which the President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, U.S.C., for purposes of this subparagraph) may identify.

Nothing in paragraph (2) shall be considered to permit the exercise of any authority based on any of the circumstances under such paragraph without an appropriate finding that such circumstances is significantly handicapping the Government's recruitment or retention efforts.

(b)(1) A rate of pay established during fiscal year [1988] 1989 through the exercise of any additional authority under subsection (a) of section 5303 of title 5, U.S.C.—

(A) shall be subject to revision or adjustment,

(B) shall be subject to reduction or termination (including pay retention), and

(C) shall otherwise be treated,

In the manner as generally applies with respect to any rate otherwise established under section 5303 of title 5, United States Code.

(2) The President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subsection) may prescribe any regulations necessary to carry out this subsection.

(c) Any additional authority under this section may, during fiscal year [1988] 1989, be exercised only to the extent that amounts otherwise appropriated under this Act for purposes of section 5303 of title 5, United States Code, are available.

[SEC. 530. The Director of the Office of Management and Budget shall include in the area designated as the St. Louis Metropolitan Statistical Area, the City of Sullivan, Missouri.] (*Treasury, Postal Service and General Government Appropriations Act, 1988.*)



# ENVIRONMENTAL PROTECTION AGENCY

## Federal Funds

### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$25,000 per project; and not to exceed \$3,000 for official reception and representation expenses; **[\$765,000,000] \$800,000,000**: *Provided, That of the total sums appropriated, the amount of program activities which can be financed by the Licensing and Other Services special fund shall be derived from that fund: Provided further, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913). (7 U.S.C. 136 et seq.; 15 U.S.C. 2601 et seq.; 33 U.S.C. 1251 et seq.; 33 U.S.C. 1401 et seq.; 42 U.S.C. 300f et seq.; 42 U.S.C. 6901 et seq.; 42 U.S.C. 7401 et seq.; Reorganization Plan No. 3 of 1970; Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed for \$289,303,100.)*

#### Program and Financing (in thousands of dollars)

Identification code	68-0200-0-1-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Air .....	84,701	88,608	90,311
00.02	Water quality .....	96,737	103,043	108,429
00.03	Drinking water .....	32,052	35,295	37,085
00.04	Hazardous waste .....	66,981	72,737	73,770
00.05	Pesticides .....	38,322	42,244	42,827
00.06	Radiation .....	9,878	10,839	11,189
00.07	Interdisciplinary .....	28,701	30,769	31,548
00.08	Toxic substances .....	40,254	44,022	45,433
00.09	Energy .....	5,500	5,368	5,278
00.10	Management and support .....	320,189	332,075	354,130
00.91	Total, direct program .....	723,315	765,000	800,000
01.01	Reimbursable program .....	25,508	20,000	20,000
10.00	Total obligations .....	748,823	785,000	820,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-24,352	-18,200	-18,200
14.00	Non-Federal sources .....	-1,156	-1,800	-1,800
25.00	Unobligated balance lapsing .....	3,792		
39.00	<b>Budget authority .....</b>	<b>727,107</b>	<b>765,000</b>	<b>800,000</b>
Budget authority:				
40.00	Appropriation (general fund) .....	710,107	765,000	781,400
40.00	Appropriation (special fund) .....			18,600
42.00	Transferred from other accounts .....	17,000		
43.00	<b>Appropriation (adjusted) .....</b>	<b>727,107</b>	<b>765,000</b>	<b>800,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	723,315	765,000	800,000
72.40	Obligated balance, start of year .....	91,785	135,188	151,329
74.40	Obligated balance, end of year .....	-135,188	-151,329	-159,829
77.00	Adjustments in expired accounts .....	-5,533		
90.00	Outlays .....	674,379	748,859	791,500

This appropriation finances salaries and related costs associated with administering the programs within the Environmental Protection Agency. It incorporates all

costs exclusive of grant programs, program-specific contractual agreements, and hazardous substance response actions.

#### Object Classification (in thousands of dollars)

Identification code	68-0200-0-1-304	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	378,586	389,587	390,803
11.3	Other than full-time permanent .....	25,660	27,152	27,233
11.5	Other personnel compensation .....	8,486	9,335	9,363
11.9	Total personnel compensation .....	412,732	426,074	427,399
12.1	Civilian personnel benefits .....	55,141	57,625	57,779
13.0	Benefits for former personnel .....	452	476	500
21.0	Travel and transportation of persons .....	19,059	21,691	23,218
22.0	Transportation of things .....	2,093	2,098	2,069
23.1	Rental payments to GSA .....	36,159	43,413	46,930
23.2	Rental payments to others .....	6,455	7,389	7,988
23.3	Communications, utilities, and miscellaneous charges .....	34,593	41,566	44,932
24.0	Printing and reproduction .....	5,078	6,011	6,129
25.0	Other services .....	78,772	105,917	126,747
26.0	Supplies and materials .....	14,848	16,933	18,204
31.0	Equipment .....	53,889	33,764	35,450
32.0	Land and structures .....	221		
41.0	Grants, subsidies, and contributions .....	3,749	2,042	2,655
42.0	Insurance claims and indemnities .....	74		
99.0	Subtotal, direct obligations .....	723,315	765,000	800,000
99.0	Reimbursable obligations .....	25,508	20,000	20,000
99.9	Total obligations .....	748,823	785,000	820,000

#### Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	10,821	10,947	10,949
Total compensable workyears:			
Full-time equivalent employment .....	11,156	11,644	11,648
Full-time equivalent of overtime and holiday hours .....	65	67	67
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	60	62	58
Total compensable workyears:			
Full-time equivalent employment .....	65	66	62
Full-time equivalent of overtime and holiday hours .....	2	2	2

#### RESEARCH AND DEVELOPMENT

For research and development activities, **[\$186,350,000] \$197,000,000**, to remain available until September 30, **[1989: Provided, That not more than \$2,000,000 of these funds shall be available for replacement of laboratory equipment] 1990: Provided, That of the total sums appropriated, the amount of program activities which can be financed by the Licensing and Other Services special fund shall be derived from that fund. (7 U.S.C. 136 et seq.; 15 U.S.C. 2601 et seq.; 33 U.S.C. 1251 et seq.; 42 U.S.C. 300f et seq.; 42 U.S.C. 6901 et seq.; 42 U.S.C. 7401 et seq.; Reorganization Plan No. 3 of 1970; Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)**

#### Program and Financing (in thousands of dollars)

Identification code	68-0107-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Air .....	37,639	39,063	45,769
00.02	Water quality .....	8,578	8,756	8,769
00.03	Drinking water .....	12,878	12,070	11,455
00.04	Hazardous waste .....	35,179	29,802	26,652
00.05	Pesticides .....	7,312	6,708	7,987

General and special funds—Continued

RESEARCH AND DEVELOPMENT—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	68-0107-0-1-999	1987 actual	1988 est.	1989 est.
00.06	Radiation .....	1,525	1,459	2,254
00.07	Interdisciplinary .....	21,160	21,149	28,343
00.08	Toxic substances .....	20,080	15,263	14,938
00.09	Energy .....	57,136	50,501	50,589
10.00	Total obligations .....	201,487	184,771	196,756
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-285		
21.40	Unobligated balance available, start of year .....	-6,797	-2,192	-3,771
24.40	Unobligated balance available, end of year .....	2,192	3,771	4,015
25.00	Unobligated balance lapsing .....	903		
39.00	Budget authority .....	197,500	186,350	197,000
<b>Budget authority:</b>				
40.00	Appropriation (general fund) .....	202,500	186,350	196,600
40.00	Appropriation (special fund) .....			400
41.00	Transferred to other accounts .....	-5,000		
43.00	Appropriation (adjusted) .....	197,500	186,350	197,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	201,487	184,771	196,756
72.40	Obligated balance, start of year .....	198,945	192,079	181,522
74.40	Obligated balance, end of year .....	-192,079	-181,522	-207,772
77.00	Adjustments in expired accounts .....	-1,829		
78.00	Adjustments in unexpired accounts .....	-285		
90.00	Outlays .....	206,239	195,328	170,506

This appropriation finances research and development contracts, grants, and intergovernmental agreements. These activities provide the scientific basis for EPA's regulatory actions.

**Air.**—Research will provide the data base needed to review the national ambient air quality standards, and establish new source performance standards and emission standards for hazardous air and mobile source pollutants. Research will also be performed to support the emerging indoor air, global warming, and stratospheric ozone depletion programs.

**Water quality.**—Research activities includes gathering scientific data pertaining to toxic pollutants, developing guidelines for establishing site-specific water quality standards, support to the National Pollution Discharge Elimination System, and assessing the impact of various wastes when dumped into the ocean. Research is also performed in the wastewater treatment technology area.

**Drinking water.**—Research includes evaluating the health effects of drinking water contaminants, methods to treat these contaminants in a cost-effective manner, and research to support the Agency's ground water protection program.

**Hazardous waste.**—Research activities include providing hazardous waste measurement methods and protocols, assessing the risk from exposure to hazardous wastes, and developing the necessary data to revise and implement treatment, storage and disposal standards and regulations.

**Pesticides.**—Activities provide scientific data to support the pesticides program by means of health and environmental exposure studies, the development of exposure protocols, and the quality assurance program. Biotechnology research is also included in these activities.

**Radiation.**—Activities include demonstrations of techniques to mitigate radon in a variety of housing structures; and radiological monitoring and surveillance services for the Department of Energy nuclear testing program at the Nevada Test Site.

**Interdisciplinary.**—Activities provide support for the long-term research program, risk assessment guidelines, technology transfer, quality assurance, and research to reduce uncertainties in risk assessments.

**Toxic substances.**—Activities support the development of scientific and technological methods to understand, predict and manage the entry and movement of chemicals into the environment and to determine the effects of these chemicals on both human health and the environment.

**Energy.**—Activities relate to understanding and assessing the causes and effects of acid precipitation.

Object Classification (in thousands of dollars)

Identification code	68-0107-0-1-999	1987 actual	1988 est.	1989 est.
25.0	Other services .....	130,681	109,060	115,133
31.0	Equipment .....		1,960	
41.0	Grants, subsidies, and contributions .....	70,806	73,751	81,623
99.9	Total obligations .....	201,487	184,771	196,756

ABATEMENT, CONTROL, AND COMPLIANCE

For abatement, control, and compliance activities, **[\$606,192,000]** **\$624,000,000**, of which **[\$40,000,000]** shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984, as amended, including not more than \$15,000,000 to defray the costs of school asbestos reinspections and management plans required by section 2 of the Asbestos Hazard Emergency Response Act of 1986 and not more than \$2,400,000 of administrative expenses, with all of such funds] **\$60,000,000** shall be available only for pesticide disposal related activities under section 19(a) of the Federal Insecticide, Fungicide, and Rodenticide Act, to remain available until September 30, **[1989: Provided, That school asbestos abatement loan and grant awards shall be made no later than March 1, 1988]** **1990: Provided, That of the total sums appropriated, the amount of program activities which can be financed by the Licensing and Other Services special fund shall be derived from that fund: Provided further, That none of the funds appropriated under this head shall be available to the National Oceanic and Atmospheric Administration pursuant to section 118(h)(3) of the Federal Water Pollution Control Act, as amended: Provided further, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913), or for support to State, regional, local and interstate agencies in accordance with subtitle D of the Solid Waste Disposal Act, as amended, other than section 4008(a)(2) or 4009 (42 U.S.C. 6948, 6949)]: Provided further, That not more than \$2,000,000 of these funds shall be available for replacement of laboratory equipment: Provided further, That section 320(a)(2)(B) of the Federal Water Pollution Control Act is amended by inserting "Santa Monica Bay, California," after "San Francisco Bay, California;". (7 U.S.C. 136 et seq.; 15 U.S.C. 2601 et seq.; 33 U.S.C. 1251 et seq.; 33 U.S.C. 1401 et seq.; 42 U.S.C. 300f et seq.; 42 U.S.C. 6901 et seq.; 42 U.S.C. 7401 et seq.; 20 U.S.C. 4011-4021; Public Law 99-519; Reorganization Plan No. 3 of 1970; Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed for \$385,151,000.)**

Program and Financing (in thousands of dollars)

Identification code	68-0108-0-1-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Air .....	124,182	115,728	119,239
00.02	Water quality .....	165,638	146,765	146,103
00.03	Drinking water .....	57,602	59,105	53,985

00.04	Hazardous waste.....	154,241	156,041	161,137
00.05	Pesticides.....	25,644	34,997	85,717
00.06	Radiation.....	4,010	7,949	7,164
00.07	Interdisciplinary.....	6,326	9,431	9,585
00.08	Toxic substances.....	75,186	77,541	41,262
10.00	<b>Total obligations.....</b>	<b>612,829</b>	<b>607,556</b>	<b>624,192</b>
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-5,729		
21.40	Unobligated balance available, start of year.....	-13,060	-13,784	-12,420
24.40	Unobligated balance available, end of year.....	13,784	12,420	12,228
25.00	Unobligated balance lapsing.....	1,860		
39.00	<b>Budget authority.....</b>	<b>609,685</b>	<b>606,192</b>	<b>624,000</b>
Budget authority:				
40.00	Appropriation (general fund).....	582,685	606,192	610,000
40.00	Appropriation (special fund).....			14,000
42.00	Transferred from other accounts.....	27,000		
43.00	<b>Appropriation (adjusted).....</b>	<b>609,685</b>	<b>606,192</b>	<b>624,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	612,829	607,556	624,192
72.40	Obligated balance, start of year.....	431,978	460,380	474,009
74.40	Obligated balance, end of year.....	-460,380	-474,009	-466,570
77.00	Adjustments in expired accounts.....	-2,280		
78.00	Adjustments in unexpired accounts.....	-5,729		
90.00	<b>Outlays.....</b>	<b>576,419</b>	<b>593,927</b>	<b>631,631</b>
Distribution of outlays by account:				
	Abatement, control and compliance.....	576,410	593,927	606,631
	Enforcement.....	9		

**Status of Direct Loans (in thousands of dollars)**

Identification code 68-0108-0-1-304		1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			
1131	Direct loan obligations exempt from limitations.....	28,325	16,950	
1150	<b>Total direct loan obligations.....</b>	<b>28,325</b>	<b>16,950</b>	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	23,891	27,475	73,938
1231	Disbursements: Direct loan disbursements.....	4,415	49,225	30,816
1251	Repayments: Repayments and prepayments.....	-831	-2,762	-4,803
1290	Outstanding, end of year.....	27,475	73,938	99,951

This appropriation includes funds for contracts, grants, and cooperative agreements for pollution abatement, control, and compliance activities.

**Air.**—The air program performs activities related to the achievement of air quality standards. These objectives are met by providing: (1) financial and technical assistance to State and local governments; and (2) direct Federal action where State or local governments are unable to meet the requirements of Federal law. Emphasis in 1989 will be directed primarily at the implementation of the air toxics strategy through National Emission Standards for Hazardous Air Pollutants, the attainment and maintenance of National Ambient Air Quality Standards (NAAQS), and increased State participation as a way of achieving air quality objectives.

**Water quality.**—The water quality regulatory program has as its goal the protection and restoration of the Nation's waters. The program relies on a partnership between EPA and the States to meet the goals of the Act. The program encompasses the following major activities: (1) managing the municipal wastewater facilities construction grants and State Revolving Fund programs; (2) issuing and enforcing requirements of National Pollutant Discharge Elimination System

(NPDES) permits for industrial and municipal sources; (3) developing guidelines for issuance of dredge and fill permits; (4) assuring compliance with regulations; (5) monitoring of water quality; (6) developing water quality standards; (7) establishing technology-based and water quality-based effluent limits for point-source discharges; and, (8) developing criteria for ocean disposal of industrial waste, municipal sludges and other dredged materials, and incineration at sea.

**Drinking water.**—The safe drinking water program protects the Nation's drinking water supplies from contaminants. This involves: (1) setting national drinking water standards that protect human health; (2) initiating enforcement actions for compliance with drinking water and underground injection control regulations; and, (3) assisting States and Indian tribes in implementing or directly implementing these regulatory programs.

**Hazardous waste.**—The hazardous waste program is designed to insure that hazardous wastes are managed in a manner that will protect public health and the environment. Continued emphasis will be placed on the development of regulations and standards to support areas such as leaking underground storage tanks, corrective action for prior releases at solid and hazardous waste facilities, land bans, hazardous waste identification, and solid waste management. Similarly, the program will emphasize delegation of authority to the States and accelerate permitting, enforcement of hazardous waste regulations, and corrective action. State assumption of hazardous waste authorities will be encouraged through Federal financial assistance, regulations, and guidance.

**Pesticides.**—EPA is responsible for protecting the public health and the environment from unreasonable pesticide risks, taking into account the economic, social, and environmental costs and benefits from pesticide use. Major activities include: (1) review and registration of pesticide products; (2) developing and processing registration standards; and, (3) enforcement of pesticide use rules, with emphasis on Federal/State cooperation.

**Radiation.**—The radiation program endeavors to eliminate adverse health and environmental effects by limiting exposure to radiation. Major activities include development and promulgation of standards, regulations and guidelines to reduce exposure from radiation sources. Also, the EPA will work with the Department of Energy in assessing risks associated with high levels of naturally occurring radon found in selected areas of the country.

**Interdisciplinary.**—The interdisciplinary program is composed of several activities which cut across media programs. This involves: (1) review of environmental impact statements (EIS) to insure that actions which taken by Federal agencies do not adversely affect the environment; (2) Federal agencies compliance with statutes and regulations for pollution control; and, (3) all legal aspects of the Agency's enforcement efforts.

**Toxic substances.**—The toxic substances program is responsible for protecting human health and the environment from unreasonable risks posed by chemicals. The program places a balanced emphasis on evaluation and control of new and existing chemicals. Nonregula-

General and special funds—Continued

ABATEMENT, CONTROL, AND COMPLIANCE—Continued

tory approaches to obtain compliance will be used where appropriate. It also disburses funding appropriated for grants and loans under the Asbestos School Hazard Abatement Act of 1984, and provides technical assistance to implement various requirements of Title III of the Superfund Amendments and Reauthorization Act of 1986 relating to chemical releases.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
68-0108-0-1-304			
21.0	306	260	258
22.0	9		
23.3	23		
24.0	136		
25.0	232,874	247,727	318,665
26.0	27		
31.0	132	1,960	
33.0	28,325	16,950	
41.0	350,998	340,659	305,269
99.9	612,829	607,556	624,192

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment for facilities of, or use by, the Environmental Protection Agency, **[\$23,500,000]** \$8,000,000, to remain available until expended: *Provided*, That the appropriating paragraph under this head in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as made effective by section 101(g) of Public Laws 99-500 and 99-591, is amended by repealing the following: “\$2,000,000 shall be for construction of a laboratory addition at the Environmental Research Center at the University of Nevada, Las Vegas, and”. (33 U.S.C. 1254; Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
68-0110-0-1-304			
<b>Program by activities:</b>			
10.00	13,262	26,218	8,364
<b>Financing:</b>			
21.40	-9,015	-3,253	-535
24.40	3,253	535	171
40.00	7,500	23,500	8,000
<b>Relation of obligations to outlays:</b>			
71.00	13,262	26,218	8,364
72.40	4,766	12,968	29,191
74.40	-12,968	-29,191	-19,445
90.00	5,060	9,995	18,110

This appropriation provides for the construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities that are owned or used by the Environmental Protection Agency.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
68-0110-0-1-304			
21.0	49	98	100
25.0	3,878	5,390	7,438
26.0	7		
31.0	19		
32.0	9,309	20,730	826
99.9	13,262	26,218	8,364

CONSTRUCTION GRANTS

For necessary expenses to carry out title II of the Federal Water Pollution Control Act, as amended, other than sections 201(m)(1-3), 201(n)(2), 206, 208, and 209, **[\$2,304,000,000]** \$750,000,000, to remain available until expended. *And in addition, for necessary expenses to carry out title VI of the Federal Water Pollution Control Act, as amended, \$750,000,000, to remain available until expended. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
68-0103-0-1-304			
<b>Program by activities:</b>			
10.00	2,168,797	2,604,000	2,100,000
<b>Financing:</b>			
17.00	-269,581		
21.40	-915,525	-1,377,310	-1,077,310
24.40	1,377,310	1,077,310	477,310
39.00	2,361,000	2,304,000	1,500,000
<b>Budget authority:</b>			
40.00	2,400,000	2,304,000	1,500,000
41.00	-39,000		
43.00	2,361,000	2,304,000	1,500,000
<b>Relation of obligations to outlays:</b>			
71.00	2,168,797	2,604,000	2,100,000
72.40	7,711,020	6,689,897	6,727,897
74.40	-6,689,897	-6,727,897	-6,450,397
78.00	-269,581		
90.00	2,920,339	2,566,000	2,377,500

Note.—Obligations include anticipated recoveries of prior year obligations of \$250 million for 1988 and \$230 million for 1989.

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
68-0103-0-1-304			
<b>Cumulative balance of direct loans outstanding:</b>			
1210	15,333	4,485	3,485
1231	1,387		
1251	-12,235	-1,000	-1,000
1290	4,485	3,485	2,485

This appropriation funds grants for local public agencies to construct municipal wastewater treatment facilities which contribute to the attainment and maintenance of water quality standards. Beginning in 1989, one-half of the authorized funds are for States to capitalize State Revolving Funds. Funding for this program is authorized through 1994. Additionally, this account also includes disbursements under a 1983 loan agreement with Puerto Rico to cover local funding shortfalls, pursuant to the 1983 Territorial Omnibus Act.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
68-0104-0-1-304			
<b>Program by activities:</b>			
10.00	25	1,007	
<b>Financing:</b>			
21.40	-3,210	-1,007	
24.40	1,007		
25.00	2,177		
39.00			

Relation of obligations to outlays:			
71.00	Obligations incurred, net	25	1,007
72.40	Obligated balance, start of year	733	595
74.40	Obligated balance, end of year	-595	-1,327
90.00	Outlays	163	275

Excess foreign currencies, derived from sale of surplus agricultural commodities and from other sources, are used to support research on the sources, effects, and control of pollution.

**OPERATIONS, RESEARCH, AND FACILITIES**

**Program and Financing (in thousands of dollars)**

Identification code	68-0100-0-1-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	948	151	
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-44		
21.40	Unobligated balance available, start of year	-1,062	-151	
24.40	Unobligated balance available, end of year	151		
25.00	Unobligated balance lapsing	7		
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	948	151	
72.40	Obligated balance, start of year	1,021	1,837	938
74.40	Obligated balance, end of year	-1,837	-938	-688
78.00	Adjustments in unexpired accounts	-44		
90.00	Outlays	89	1,050	250

Obligations are for special activities associated with administering agency-wide management support functions.

**PAYMENT TO THE HAZARDOUS SUBSTANCE SUPERFUND**

**Program and Financing (in thousands of dollars)**

Identification code	68-0250-0-1-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	535,955	239,100	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>	<b>535,955</b>	<b>239,100</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	535,955	239,100	
90.00	Outlays	535,955	239,100	

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, authorizes both appropriations and repayable advances from the general fund to finance activities conducted through the Hazardous Substance Superfund. Funding provided in 1987 was in the form of advances to be repaid when sufficient revenue becomes available but must be repaid no later than December 1991.

**LICENSING AND OTHER SERVICES**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year			9,000
Receipts:			
Pesticides		6,500	17,000

Toxics	1,500	4,000
Ocean dumping		1,000
Quality assurance and quality control	1,000	2,000
Total available for appropriation	9,000	33,000
Appropriations:		
Salaries and expenses		-18,600
Abatement, control, and compliance		-14,000
Research and development		-400
Total appropriations		-33,000
Unappropriated balance, end of year	9,000	

A special fund was established in 1988 for the deposit of fee receipts associated with environmental programs including the licensing of pesticides and chemicals, quality assurance and control activities, and for ocean dumping permits to non-Federal applicants.

These receipts will be appropriated to the Salaries and expenses; Abatement, control, and compliance; and Research and development accounts, for activities typically funded under these accounts.

**Public enterprise funds:**

**REVOLVING FUND FOR CERTIFICATION AND OTHER SERVICES**

**Program and Financing (in thousands of dollars)**

Identification code	68-4311-0-3-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	997	1,000	1,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-1,419	-1,500	-1,500
21.98	Unobligated balance available, start of year	-1,418	-1,840	-2,340
24.98	Unobligated balance available, end of year	1,840	2,340	2,840
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-422	-500	-500
90.00	Outlays	-422	-500	-500

Fees are paid by industry for Federal services in establishing tolerances for residues of pesticide chemicals in or on food and animal feed.

**Object Classification (in thousands of dollars)**

Identification code	68-4311-0-3-304	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	907	910	910
12.1	Civilian personnel benefits	90	90	90
99.9	Total obligations	997	1,000	1,000

**Personnel Summary**

Total number of full-time permanent positions	20	20	20
Total compensable workyears: Full-time equivalent employment	20	20	20

**Trust Funds**

**HAZARDOUS SUBSTANCE SUPERFUND**

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), **[\$1,128,000,000]** **\$1,600,000,000**, to be derived from the Hazardous Substance Superfund, **[consisting of \$888,900,000]** as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), **[and \$239,100,000 as a payment from general revenues to the Hazardous Substance Superfund as author-**

Public enterprise funds—Continued

HAZARDOUS SUBSTANCE SUPERFUND—Continued

ized by section 517(b) of SARA, with all of such funds] to remain available until expended: *Provided*, That funds appropriated under this account may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA, as amended: *Provided further*, That none of the funds appropriated under this heading shall be available for sections 111 (b), (c)(1), or (c)(2) of CERCLA, as amended: *Provided further*, That, notwithstanding section 111(m) of CERCLA, as amended, or any other provision of law, not to exceed \$43,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), 111(c)(14), and 118(f) of SARA: *Provided further*, That no more than \$182,400,000 of these funds shall be available for administrative expenses: *Provided further*, That title I of CERCLA, as amended by section 119 of SARA, is amended by adding the following subparagraph to section 119(e)(2)(A): "(iii) Recipients of grants (including sub-grantees) under section 126 for the training and education of workers who are or may be engaged in activities related to hazardous waste removal, containment, or emergency response under this Act; and": *Provided further*, That section 126(d)(3) of SARA is amended by adding a new sentence at the end thereof as follows: "The certification procedures shall be no less comprehensive than those adopted by the Environmental Protection Agency in its Model Accreditation Plan for Asbestos Abatement Training as required under the Asbestos Hazard Emergency Response Act of 1986." (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year	9,034		443,550
Receipts:			
Interest	16,856	72,400	92,000
Fines and recoveries	18,918	52,050	70,050
Transfers from the general fund, amounts equivalent to taxes	830,537	1,208,000	1,277,000
Payments and advances from the general fund	535,955	239,100	
Total:			
Available for appropriation	1,411,300	1,571,550	1,882,600
Appropriation	-1,411,300	-1,128,000	-1,600,000
Unappropriated balance, end of year		443,550	282,600

Program and Financing (in thousands of dollars)

Identification code 20-8145-0-7-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program	1,050,748	1,499,500	1,700,000
01.01 Reimbursable program	13,074	30,000	30,000
10.00 Total obligations	1,063,822	1,529,500	1,730,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-9,489	-25,000	-16,800
14.00 Non-Federal sources	-3,585	-5,000	-13,200
17.00 Recovery of prior year obligations	-14,882		
21.40 Unobligated balance available, start of year	-96,067	-471,500	-100,000
24.40 Unobligated balance available, end of year	471,500	100,000	
40.00 Budget authority (appropriation)	1,411,300	1,128,000	1,600,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net	1,050,748	1,499,500	1,700,000
72.40 Obligated balance, start of year	391,113	883,994	1,605,494
74.40 Obligated balance, end of year	-883,994	-1,605,494	-2,100,494
77.00 Adjustments in expired accounts	-1,680		
78.00 Adjustments in unexpired accounts	-14,882		
90.00 Outlays	541,305	778,000	1,205,000

This appropriation provides funds for the implementation of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended by the Superfund Amendments and Reauthorization Act of 1986. This Act provides authority for responding to and

cleaning up hazardous substance emergencies and abandoned uncontrolled waste sites.

There are four basic components to the Superfund program: Hazardous Substance Response Actions; Enforcement; Research and Development; and, Management and Support. These components will be integrated and coordinated to insure the wisest use of Fund money in order to achieve the greatest possible cleanup.

Financial responsibility for the program will be shared by the Federal and State governments as well as industry. EPA will allocate funds from its appropriation to other Federal agencies to carry out the Act.

Object Classification (in thousands of dollars)

Identification code 20-8145-0-7-304	1987 actual	1988 est.	1989 est.
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	65,573	74,436	72,546
11.3 Other than full-time permanent	4,630	5,277	6,017
11.5 Other civilian personnel compensation	2,243	2,545	2,904
11.7 Military personnel	1,347	1,523	1,738
11.9 Total personnel compensation	73,793	83,781	83,205
12.1 Civilian personnel benefits	11,212	12,609	12,148
13.0 Benefits for former personnel		9	11
21.0 Travel and transportation of persons	7,270	6,554	8,029
22.0 Transportation of things	547	526	710
23.1 Rental payments to GSA	7,484	9,762	14,432
23.2 Rental payments to others	1,411	1,847	2,732
23.3 Communications, utilities, and miscellaneous charges	5,447	6,936	9,883
24.0 Printing and reproduction	677	952	506
25.0 Other services	714,310	1,120,483	1,284,887
26.0 Supplies and materials	2,569	2,980	3,418
31.0 Equipment	19,530	14,563	17,840
32.0 Land and structures	1		
41.0 Grants, subsidies, and contributions	165,369	189,074	212,778
42.0 Insurance claims and indemnities	9	3	
99.0 Subtotal direct obligations, Environmental Protection Agency	1,009,629	1,450,079	1,650,579
99.0 Reimbursable obligations	13,074	30,000	30,000

ALLOCATION ACCOUNTS

11.1 Personnel compensation: Full-time permanent	6,118	11,776	12,395
12.1 Civilian personnel benefits	1,170	1,778	2,240
21.0 Travel and transportation of persons	1,227	2,628	1,971
22.0 Transportation of things	47	187	135
23.1 Rental payments to GSA		30	
23.3 Communications, utilities, and miscellaneous charges	169	192	371
24.0 Printing and reproduction	165	319	1,060
25.0 Other services	19,638	24,332	22,508
26.0 Supplies and materials	184	522	858
31.0 Equipment	1,650	2,935	1,483
32.0 Land and structures	1		
41.0 Grants, subsidies, and contributions	10,751	4,722	6,400
99.0 Subtotal obligations, allocation accounts	41,119	49,421	49,421
99.9 Total obligations	1,063,822	1,529,500	1,730,000

Obligations are distributed as follows:

Environmental Protection Agency	1,022,703	1,480,078	1,680,578
Department of Health and Human Services	32,429	43,000	43,000
National Oceanic and Atmospheric Administration	1,820	2,280	2,280
Department of the Interior	687	1,254	1,254
Federal Emergency Management Agency	5,902	1,880	1,880
Occupational Safety and Health Administration	281	1,008	1,008

Personnel Summary

<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
Total number of full-time permanent positions	2,078	2,156	2,219
Total compensable workyears:			
Full-time compensable employment	2,174	2,633	2,750
Full-time equivalent of overtime and holiday hours	31	38	39

ALLOCATION ACCOUNTS

Total number of full-time permanent positions.....	218	237	249
Total compensable workyears: Full-time compensable employment .	239	260	273

POST-CLOSURE LIABILITY TRUST FUND

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	18,928	18,982	
Receipts:			
Interest and profits on investments.....	1,326		
Refunds.....	-1,272	-18,982	
Total:			
Available for appropriation.....	18,982		
Unappropriated balance, end of year.....	18,982		

The Superfund Amendments and Reauthorization Act of 1986 backdated the termination of the tax supporting this trust fund to the date the tax took effect. These taxes are being refunded to claimants under standard Internal Revenue procedures.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, **[\$14,400,000]** \$50,000,000, to remain available until expended [ : Provided, That no more than \$4,800,000 shall be available for administrative expenses ]. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....		24,407	150,507
Receipts:			
Interest.....	1,407	10,500	17,700
Transfers from the general fund, amounts equivalent to taxes ..	73,000	130,000	131,000
Total:			
Available for appropriation.....	74,407	164,907	299,207
Appropriation.....	-50,000	-14,400	-50,000
Unappropriated balance, end of year.....	24,407	150,507	249,207

Program and Financing (in thousands of dollars)

Identification code 20-8153-0-7-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	20,324	44,076	50,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-29,676	
24.40 Unobligated balance available, end of year.....	29,676		
40.00 Budget authority (appropriation).....	50,000	14,400	50,000
<b>Relation obligations to outlays:</b>			
71.00 Obligations incurred, net.....	20,324	44,076	50,000
72.40 Obligated balance, start of year.....		18,994	39,740
74.40 Obligated balance, end of year.....	-18,994	-39,740	-57,920
90.00 Outlays.....	1,330	23,330	31,820

The Leaking Underground Storage Tank (LUST) Trust Fund, authorized by the Superfund Amendments and Reauthorization Act of 1986 (Public Law 99-499), provides funds for responding to releases from leaking underground petroleum tanks. The Trust Fund is financed by a 0.1 cent a gallon tax on motor fuels, that became effective January 1, 1987.

EPA will develop and oversee the cleanup program, which will be implemented by the States. Funds will be allocated to the States through cooperative agreements, to clean up those sites posing the greatest threat to human health and environment. The Trust Fund will also cover administrative expenses necessary to carry out the program.

Object Classification (in thousands of dollars)

Identification code 20-8153-0-7-304	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	877	2,911	2,864
11.3 Other than full-time permanent.....	60	174	171
11.5 Other civilian personnel compensation.....	4	86	85
11.8 Special personal services payments.....	1	1	1
11.9 Total personnel compensation.....	942	3,172	3,121
12.1 Civilian personnel benefits.....	154	385	379
21.0 Travel and transportation of persons.....	108	183	197
22.0 Transportation of things.....	18	17	14
23.1 Rental payments to GSA.....	1	273	356
23.2 Rental payments to others.....		64	83
23.3 Communications, utilities, and miscellaneous charges.....	7	225	293
24.0 Printing and reproduction.....	4	23	18
25.0 Other services.....	3,128	4,831	4,732
26.0 Supplies and materials.....	25	61	55
31.0 Equipment.....	214	266	252
41.0 Grants, subsidies and contributions.....	15,723	34,576	40,500
99.9 Total obligations.....	20,324	44,076	50,000

Personnel Summary

Total number of full-time permanent positions.....	46	80	85
Total compensable workyear: Full-time compensable employment...	27	85	90

ASBESTOS TRUST FUND

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....		831	3,619
Receipts:			
Asbestos loan repayments.....	831	2,762	4,803
Earnings on investments.....		26	61
Total:			
Available for appropriation.....	831	3,619	8,483
Unappropriated balance, end of year.....	831	3,619	8,483

The Asbestos Hazard Emergency Response Act of 1986 (Public Law 99-519) provides for the creation of the "Asbestos Trust Fund." This fund consists of loan repayments made under section 505 of the Asbestos School Hazard Abatement Act of 1984 (Public Law 98-377; 20 U.S.C. 4011 et seq.) for abatement of asbestos in schools.

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 68-8741-0-7-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	4	45	30
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-47	-62	-27

**Public enterprise funds—Continued**

**MISCELLANEOUS CONTRIBUTED FUNDS—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 68-8741-0-7-304	1987 actual	1988 est.	1989 est.
24.40 Unobligated balance available, end of year.....	62	27	7
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b> .....	<b>19</b>	<b>10</b>	<b>10</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	4	45	30
72.40 Obligated balance, start of year .....	27	8	3
74.40 Obligated balance, end of year .....	-8	-3	-23
90.00 Outlays.....	23	50	10

Includes gifts for pollution control programs which are, for the most part, designated for a specific use by the donor; and deposits from pesticide registrants to cover the costs of petition hearings when such hearings result in unfavorable decisions to the petitioner.

**Object Classification (in thousands of dollars)**

Identification code 68-8741-0-7-304	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	4	10	5
25.0 Other services .....		35	15
31.0 Equipment .....			10
99.9 Total obligations.....	4	45	30

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
 Funds Appropriated to the President: "Appalachian regional development programs."  
 Commerce: "Economic development administration."

**ADMINISTRATIVE PROVISION**

None of the funds in this Act shall be available for any indemnity payment under section 15 of the Federal Insecticide, Fungicide, and Rodenticide Act.

Not to exceed \$25,000,000 \$30,000,000 in fees and charges is authorized to be assessed and collected by the Administrator in fiscal

year [1988] 1989 for services and activities carried out pursuant to the statutes which are administered by the Environmental Protection Agency for deposit in a special fund in the U.S. Treasury for *Licensing and Other Services* which shall be available for appropriation, to remain available until expended, to carry out the Agency's activities in the programs for which the fees or charges are made.

No restriction or prohibition on construction, permitting, or funding under sections 110(a)(2)(I), 173(4), 176(a), 176(b), or 316 of the Clean Air Act shall be imposed or take effect during the period prior to August 31, 1988, by reason of (1) the failure of any nonattainment area to attain the national primary ambient air quality standard under the Clean Air Act for photochemical oxidants (ozone) or carbon monoxide (or both) by December 31, 1987, (2) the failure of any State to adopt and submit to the Administrator of the Environmental Protection Agency an implementation plan that meets the requirements of part D of title I of such Act and provides for attainment of such standards by December 31, 1987, (3) the failure of any State or designated local government to implement the applicable implementation plan, or (4) any combination of the foregoing. During such period and consistent with the preceding sentence, the issuance of a permit (including required offsets) under section 173 of such Act for the construction or modification of a source in a nonattainment area shall not be denied solely or partially by reason of the reference contained in section 171(l) of such Act to the applicable date established in section 172(a). This subsection shall not apply to any restriction or prohibition in effect under sections 110(a)(2)(I), 173(4), 176(a), 176(b), or 316 of such Act prior to the enactment of this section. Prior to August 31, 1988, the Administrator of the Environmental Protection Agency shall evaluate air quality data and make determinations with respect to which areas throughout the nation have attained, or failed to attain, either or both of the national primary ambient air quality standards referred to in subsection (a) and shall take appropriate steps to designate those areas failing to attain either or both of such standards as nonattainment areas within the meaning of part D of title I of the Clean Air Act.

Notwithstanding any other provision of law, none of the funds made available by this or any other appropriations Act shall be available to the Environmental Protection Agency prior to September 15, 1988, for the purpose of cancellation or suspension of any pesticide registration for failure of any manufacturer, formulator, registrant or user to comply with PR Notices 87-4 and 87-5 relating to labeling of such substances, nor for the purpose of enforcement actions against any user of any pesticide whose use is substantially in conformance with label instructions in existence as of August 1, 1987, related to endangered species, as cited in PR Notices 87-4 and 87-5, nor to propose or order any other revision in such labeling for the reasons cited in PR Notices 87-4 and 87-5, except that the Agency may propose revision where there is no disagreement between the Agency and the state departments relevant to implementation in that state. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)



# GENERAL SERVICES ADMINISTRATION

## REAL PROPERTY ACTIVITIES

### Federal Funds

#### Intragovernmental funds:

##### FEDERAL BUILDINGS FUND

###### LIMITATIONS ON AVAILABILITY OF REVENUE

The revenues and collections deposited into the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract, in the aggregate amount of **[\$2,854,052,000]** *\$3,182,681,000*, of which (1) not to exceed **[\$115,036,000]** *\$233,839,000* shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

#### New Construction:

##### Arizona:

Tucson, Federal Law Enforcement Building, Site acquisition only, \$1,500,000

##### District of Columbia:

International Cultural and Trade Center, Design, \$3,700,000 (to be transferred to the Pennsylvania Avenue Development Corporation for reimbursement)

##### Louisiana:

Baton Rouge, Federal Building and Courthouse, Design, \$3,000,000

##### Michigan:

Detroit Ambassador Bridge Cargo Inspection Facility, Site, \$3,800,000

##### New Jersey:

Camden, Federal Building, Courthouse Annex, Site and Design, \$1,486,000

##### Virgin Islands:

St. Croix, Federal Building, Courthouse, Site, \$550,000  
Construction Project, less than \$500,000, \$1,000,000.

Other Selected Purchases including options to purchase, \$100,000,000: ]

##### California:

Oakland, Federal Building, \$141,700,000,

##### Connecticut:

Bridgeport, Federal Building, Courthouse Annex, \$4,138,000  
Hartford, Federal Building, Courthouse Annex, \$6,612,000

##### Illinois:

Champaign-Urbana, Federal Building, Courthouse, \$8,316,000

##### Michigan:

Detroit, Ambassador Bridge Cargo Inspection Facility, \$10,197,000

##### Minnesota:

International Falls, Border Station, Site, \$260,000

##### New Jersey:

Camden, U.S. Post Office, Courthouse Annex, \$18,728,000  
Paterson, Federal Building, \$6,552,000  
Trenton, Federal Building, Courthouse, Annex, \$25,939,000

##### South Carolina:

Columbia, Federal Building and Courthouse, Claim, \$100,000

##### Virgin Islands:

St. Croix, Federal Building, Courthouse, \$8,827,000

Construction Projects, less than \$500,000, \$2,470,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further*, That all funds for direct construction projects shall expire on September 30, [1989] 1990, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That claims against the Government of less than **[\$50,000]** *\$100,000* arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed **[\$472,945,000]** *\$538,251,000* which shall remain available until expended, for repairs and alterations: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance *notice therefore has been given to [approval is obtained from]* the Committees on Appropriations of the House and Senate for a greater amount:

#### Repairs and Alterations:

##### Alabama:

Birmingham, Federal Building, Courthouse, \$3,899,000

##### California:

Fresno, Sisk Federal Building, Courthouse, \$2,879,000

Los Angeles, Federal Building, \$10,422,000

San Francisco, Federal Building, Courthouse, \$16,962,000

##### District of Columbia:

Central Heating Plant, \$15,500,000

West Heating Plant, \$9,201,000

Elevator Replacement, \$26,700,000

Forrestal Building, \$2,578,000

GSA Regional Office Building, \$1,036,000

Agriculture Administration Building, \$530,000

Agriculture South Building, \$3,360,000

Courthouse, \$1,887,000

Perkins Federal Building, \$1,644,000

GSA Headquarters, \$929,000

Hoover Federal Building, \$1,627,000

Department of the Interior, \$1,858,000

New Post Office, \$1,006,000

Veterans Administration, \$1,355,000

##### Florida:

Miami, Federal Building, \$11,481,000

West Palm Beach, Post Office, \$2,900,000

##### Georgia:

Atlanta, Federal Annex, \$2,400,000

East Point, Federal Archives and Records Center, \$1,102,000

##### Illinois:

Chicago, Dirksen Federal Building, Courthouse, \$7,334,000

East St. Louis, Post Office, Courthouse, \$3,762,000

##### Iowa:

Des Moines, Federal Building, \$1,300,000

##### Louisiana:

New Orleans, F. Edward Hébert Federal Building, \$12,525,000

##### Maryland:

Baltimore, Appraisers Stores, \$2,668,000

Bethesda, Federal Building, \$700,000

##### Massachusetts:

Boston, McCormack Post Office, Courthouse, \$2,200,000

## Intragovernmental funds—Continued

## FEDERAL BUILDINGS FUND—Continued

## LIMITATIONS ON AVAILABILITY OF REVENUE—Continued

Missouri:		Santa Teresa, NM, \$663,000: ]
St. Louis, Mart Federal Building, \$28,964,000		Alaska:
St. Louis, Federal Center # 104, \$8,983,000		Juneau, Federal Building, Post Office, Courthouse,
New Jersey:		\$24,700,000
Trenton, Post Office, Courthouse, \$2,823,000		Alabama:
New York:		Montgomery, Federal Building, Courthouse, \$515,000
Brooklyn, Federal Building No. 2, \$11,472,000		Arkansas:
New York, Foley Square Courthouse, \$4,655,000		Pine Bluff, Federal Building, Post Office, Courthouse,
New York, 201 Varick Street, \$14,475,000		\$2,084,000
North Carolina:		California:
Raleigh, Federal Building, Post Office, Courthouse,		San Francisco, 450 Golden Gate Avenue, Federal Building,
\$9,640,000		Courthouse, \$20,000,000
Pennsylvania:		Santa Ana, Federal Building, \$1,406,000
Philadelphia, Byrne Courthouse, \$6,875,000		San Diego, Federal Building, \$1,742,000
Pittsburgh, Post Office, Courthouse, \$16,572,000		District of Columbia:
Texas:		Mary Switzer Federal Building, \$502,000
San Antonio, Post Office, Courthouse, \$8,154,000		Commerce Building, \$2,457,000
Virginia:		Interstate Commerce Building, \$526,000
Arlington, Federal Building No. 2, \$4,080,000		Health and Human Services, \$1,395,000
Arlington, Pentagon, \$8,080,000		U.S. Customs Building, \$754,000
Capital Improvements of United States-Mexico Border Facilities:		Internal Revenue Service, \$2,179,000
Nogales, AZ		Housing and Urban Development, \$1,221,000
Mariposa, \$174,330		Hubert H. Humphrey Federal Building, \$606,000
Grand Ave., \$375,310		Ariel Rios Federal Building, New Post Office, \$29,000,000
Morley Gate, \$64,000		General Accounting Office, \$12,000,000
Calexico, CA		GSA Headquarters, \$23,000,000
New Station, \$1,000,000		James V. Forrestal Building, \$19,970,000
New Dock/Office, \$411,320		Florida:
R&A, \$274,430		Jacksonville, Federal Building, \$6,889,000
El Paso, TX		Miami, Federal Building, \$1,415,000
Ysleta, \$2,651,320		Hawaii:
Bridge of the Americas, \$442,200		Honolulu, Kalaniano'le Federal Building, \$5,680,000
Paso del Norte, \$2,850,000		Kentucky:
Laredo, TX		Louisville, Post Office, Courthouse, Customhouse, \$9,435,000
Juarez-Lincoln Bridge, \$5,745,000		Louisiana:
Replace RR Bldg., \$118,000		New Orleans, Boggs Federal Building, Courthouse,
Convent St., \$151,710		\$10,245,000
Brownsville, TX		New Orleans, Customhouse, \$1,672,000
Gateway:		Baton Rouge, Federal Building, Courthouse, \$1,156,000
Security, \$14,661		Massachusetts:
Expand Lanes, \$46,135		Boston, John F Kennedy Federal Building, \$10,000,000
R&A, \$67,204		Boston, McCormack Federal Building, Courthouse,
B&M Bridge, \$1,173,000		\$3,000,000
Los Indios Bridge, \$510,000		Maryland:
San Ysidro/Otay Mesa, CA		Woodlawn, SSA Complex, \$7,030,000
Virginia St, \$75,000		Baltimore, Garmatz Federal Building, Courthouse, \$800,000
Safety Work, \$1,601,000		Suitland, Federal Building, #3, \$1,926,000
R&A, \$612,000		Suitland, Federal Building, #4, \$817,000
Improve Commercial Lot, \$456,950		Baltimore, Fallon Federal Building, \$6,901,000
Firearms Range, \$350,000		Missouri:
Reconfigure Lanes, \$310,000		Overland, Federal Archives and Records Center, \$3,059,000
Signs/Security, \$517,000		Mississippi:
Andrade, CA, \$143,000		Jackson, Eastland Post Office, Courthouse, \$2,143,000
Antelope Wells, NM, \$14,000		North Carolina:
Columbus, NM, \$100,000		Asheville, Grove Arcade Federal Building, \$2,900,000
Fabens, TX, \$100,000		New Jersey:
Fort Hancock, TX, \$100,000		Newark, Rodino Federal Building, \$5,201,000
Lukeville, AZ, \$148,000		Trenton, Federal Building, Courthouse \$1,417,000
Marathon, TX, \$50,000		New Mexico:
Naco, AZ, \$65,000		Albuquerque, Chavez Federal Building, Courthouse,
Presidio, TX, \$100,000		\$3,207,000
Progreso, TX, \$100,000		Albuquerque, Federal Building, \$1,967,000
Roma, TX, \$100,000		New York:
San Luis, AZ, \$79,000		Brooklyn, Cellar Federal Building, \$16,000,000
Del Rio, TX		Rochester, Keating Federal Building, \$6,800,000
Expand Lanes, \$270,000		New York, U.S. Mission to the United Nations, \$4,300,000
Security, \$250,000		Ohio:
Replace Station, \$3,640,000		Cleveland, Celebreeze Federal Building, \$5,836,000
Los Ebanos, TX, \$520,000		Pennsylvania:
Douglas, AZ, \$228,000		Philadelphia, Green Federal Building, \$1,200,000
Eagle Pass, TX, \$480,000		Philadelphia, SSA Computer Center, \$950,000
Rio Grande City, TX, \$510,000		South Carolina:
Tecate, CA, \$338,000		Charleston, Rivers Federal Building, \$1,275,000
Hildago, TX, \$289,510		Tennessee:
Falcon Dam, TX, \$400,000		Memphis, Davis Federal Building, \$9,466,000
		Texas:
		Houston, Casey Federal Building, Courthouse, \$8,008,000

Austin, Federal Building, \$3,241,000  
Lubbock, Federal Building, Courthouse, \$3,674,000  
Austin, Internal Revenue Service Center, \$3,282,000  
Austin, Post Office, Courthouse, \$7,995,000

Utah:

Salt Lake City, Post Office, Courthouse, \$2,543,000

Virginia:

McLean, Central Intelligence Agency, Headquarters, \$2,336,000

McLean, Central Intelligence Agency Printing Plant, \$746,000

Reston, J.W. Powell Federal Building, \$1,336,000

Arlington, Heating Plant, \$593,000

Richmond, Annex, \$3,287,000

Vermont:

Burlington, Federal Building Post Office, Courthouse, \$4,100,000

Wisconsin:

Milwaukee, Federal Building, Courthouse, \$7,586,000

Minor Repairs and Alterations, [\$167,427,000] \$212,780,000.

Provided, That [by no later than July 30, 1988, the Administrator of General Services shall assess the level of unobligated balances, if any, in the Federal Buildings Fund and request reprogramming of such balances, not to exceed \$12,000,000, to provide additional funding for the United States-Mexico Border Facility projects in this Act: *Provided further, That*] additional projects for which prospectuses have been fully approved may be funded under this category only if advance [approval is obtained from] *notice therefore has been given* to the Committees on Appropriations of the House and Senate: *Provided further, That* all funds for repairs and alterations prospectus projects shall expire on September 30, [1989] 1990, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed [\$133,105,000] \$142,450,000 for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed [\$1,169,532,000] \$1,200,000,000 for rental of space; (5) not to exceed [\$805,384,000] \$881,703,000 for real property operations; (6) not to exceed [\$48,014,000] \$49,740,000 for program direction and centralized services; and (7) not to exceed [\$110,036,000] \$136,698,000 for design and construction services which shall remain available until expended: *Provided further, That* the Administrator of General Services is hereby directed to enter into a contract for construction of a building in Oakland, California, on a site donated by the city of Oakland. The contract shall provide, by lease or installment payments over a period not to exceed 30 years, for the payment of the purchase price, which shall not exceed \$141,700,000, and reasonable interest thereon. The contract shall further provide that title to the building shall vest in the United States at or before the expiration of the contract term upon fulfillment of the terms and conditions of the contract: *Provided further, That* the Administrator of the GSA is hereby directed to enter into an agreement, pursuant to a competitive selection process, for the lease-purchase of a building in San Francisco, California, during fiscal year 1988 of approximately 430,000 office occupiable square feet on a site donated by the city: *Provided further, That* the agreement shall provide for annual lease or installment payments from funds available for the rental of space in the Federal Buildings Fund over a period not to exceed 30 years for the payment of the purchase price of such building, and shall provide for title to the building to vest in the United States on or before the expiration of the contract term upon fulfillment of the terms and conditions of the agreement: *Provided further, That* additional space may be acquired if the Administrator finds such space to be in the public interest and will not reduce the occupiable Federal space to be available in the Oakland Federal Building. The Oakland Building shall, when completed be fully occupied by Federal agencies and continued full occupancy shall have the highest priority consistent with the Federal interest: *Provided further, That* for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490), and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further, That* none of the funds available to the General Services Administration [with the exception of those for Capital Improvements for United

States-Mexico Border Facilities; Other Approved Border Facility projects; and the San Francisco, California Federal building project.] shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further, That* notwithstanding any other provision of law, the Administrator of General Services is authorized, under section 210(h) of the Federal Property and Administrative Services Act of 1949, to acquire the building in Chicago, Illinois, approved under this heading in fiscal year 1987, from any commercial or private entity, through a lease to ownership transaction. Said lease shall not exceed 30 years, on such terms and conditions as he deems appropriate. These terms and conditions may include an option to permit the Federal Government, if the Administrator deems that it is in the best interest of the Federal Government, to execute a succeeding lease: *Provided further, That* funds available in the Federal Buildings Fund may be expended for emergency repairs when advance [approval is obtained from] *notice thereof has been given* to the Committees on Appropriations of the House and Senate: *Provided further, That* not later than 60 days after the date of the enactment of this Act, the Administrator of General Services shall submit under the Public Buildings Act of 1959, a prospectus for acquiring by purchase or lease-purchase (1) a building which is not to exceed 1,400,000 occupiable square feet for the Environmental Protection Agency in the Washington metropolitan area, and (2) a building which is not to exceed 1,800,000 occupiable square feet for the Department of Transportation. The lease-purchase shall provide for annual lease or installment payments from funds available for the rental of space in the Federal Buildings Fund over a period not to exceed 30 years for the payment of the purchase price of such building and reasonable interest thereon and shall provide for title to the building to vest in the United States on or before the last day of the term of the lease-purchase transaction. If a lease-purchase prospectus for a building described in this paragraph is approved under the Public Building Act of 1959, the Administrator of General Services may enter into a transaction for the lease-purchase of such building in accordance with the terms specified in such approved prospectus and applicable provisions of law and may make annual lease or installment payments from funds available for the rental of space in such fund: *Provided further, That* amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further, That* revenues and collections and any other sums accruing to this fund during fiscal year [1988] 1989 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of [\$2,854,052,000] \$3,182,681,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriation Acts. (*Independent Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	47-4542-0-4-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Construction and acquisition of facilities.....	254,337	350,791	228,078
00.02	Repairs and alterations.....	268,474	492,707	567,043
00.03	Purchase contract payments.....	123,840	125,092	133,068
00.04	Rental of space.....	973,574	1,111,600	1,200,000
00.05	Real property operations.....	744,444	805,384	881,703
00.06	Program direction.....	56,467	48,014	49,740
00.07	Design and construction services.....	90,476	120,709	143,102
00.08	Other programs.....	345,284	394,739	384,899
10.00	Total obligations.....	2,856,896	3,449,036	3,587,633
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-2,700,827	-3,146,100	-3,262,760
13.00	Trust funds.....	-134,155	-156,973	-158,511
14.00	Non-Federal sources.....	-6,978	-8,013	-9,382
17.00	Recovery of prior year obligations.....	-26,899		

**Intragovernmental funds—Continued**

**FEDERAL BUILDINGS FUND—Continued**

**LIMITATIONS ON AVAILABILITY OF REVENUE—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	47-4542-0-4-804	1987 actual	1988 est.	1989 est.
Unobligated balance, start of year: Fund balance:				
21.98	Available	-709,429	-612,041	-341,351
21.98	Unavailable	10,554	-88,649	-208,876
22.98	Unobligated balance transferred, net		4,500	
Unobligated balance, end of year: Fund balance:				
24.98	Available	612,041	341,351	311,916
24.98	Unavailable	88,649	208,876	71,949
31.00	Redemption of debt	10,148	8,013	9,382
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	14,936	137,950	156,980
72.98	Obligated balance, start of year: Fund balance	648,643	720,395	991,157
74.98	Obligated balance, end of year: Fund balance	-720,395	-991,157	-1,203,096
78.00	Adjustments in unexpired accounts	-26,899		
90.00	Outlays	-83,714	-132,812	-54,959

**Status of Direct Loans (in thousands of dollars)**

Identification code	47-4542-0-4-804	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	402,442	395,464	387,451
1251	Repayments: Repayments and prepayments	-6,978	-8,013	-9,382
1290	Outstanding, end of year	395,464	387,451	378,069

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code	47-4542-0-4-804	1987 actual	1988 est.	1989 est.
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	579,281	564,775	550,579
2251	Repayments: Repayments and prepayments	-14,506	-14,196	-25,725
2290	Outstanding, end of year	564,775	550,579	524,854

**MEMORANDUM**

2299	U.S. contingent liability for loans outstanding, end of year	564,775	550,579	524,854
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The Federal Buildings Fund finances the activities of the Public Buildings Service which provides space and services for Federal agencies in a relationship similar to that of landlord and tenant.

The Fund, established in 1975, replaces direct appropriations by using income derived from rent assessments which approximate commercial rates for comparable space and services. Rent and other income to the fund is as follows:

	(In thousands of dollars)		
	1987 actual	1988 est.	1989 est.
Rental charges	2,471,688	2,910,347	3,039,754
Collections for:			
(a) Special services and improvements	363,977	394,739	384,899
(c) Miscellaneous income	3,125	6,000	6,000
Total receipts and reimbursements	2,838,790	3,311,086	3,430,653

The following table details the financing for the Federal Buildings Fund in 1988 and 1989.

(In thousands of dollars)

Obligational authority

	Obligations	End-of-year unobligated balance	Total	New	From prior year
1988 basic program:					
1. Construction and acquisition of facilities	350,791	115,127	465,918	115,036	350,882
2. Repairs and alterations	492,707	126,305	619,012	472,945	146,067
3. Purchase contract payments	125,092	8,013	133,105	133,105	
4. Rental of space	1,111,600	57,932	1,169,532	1,169,532	
5. Real property operations	805,384		805,384	805,384	
6. Program direction	48,014		48,014	48,014	
7. Design and construction services	120,709	26,466	147,175	110,036	37,139
Total basic program	3,054,297	333,843	3,388,140	2,854,052	534,088
Other programs:					
Special services and improvements	394,739		394,739	394,739	
Total Federal Buildings Fund	3,449,036	333,843	3,782,879	3,248,791	534,088
1989 basic program:					
1. Construction and acquisition of facilities	228,078	120,888	348,966	233,839	115,127
2. Repairs and alterations	567,043	97,513	664,556	538,251	126,305
3. Purchase contract payments	133,068	9,382	142,450	142,450	
4. Rental of space	1,200,000		1,200,000	1,200,000	
5. Real property operations	881,703		881,703	881,703	
6. Program direction	49,740		49,740	49,740	
7. Design and construction services	143,102	20,062	163,164	136,698	26,466
Total basic program	3,202,734	247,845	3,450,579	3,182,681	267,898
Other programs:					
Special services and improvements	384,899		384,899	384,899	
Total Federal Buildings Fund	3,587,633	247,845	3,835,478	3,567,580	267,898

The Federal Buildings Fund program consists of the following activities financed from rent charges:

**Construction and acquisition of facilities.**—Space is acquired through direct federally financed construction of facilities, extensions to existing buildings costing over \$500,000 and direct purchase of facilities. All costs directly attributable to Federal Buildings Fund construction projects for site acquisition and construction are also financed under this activity. The total cost of new commitments for direct federally financed construction and acquisition of facilities is estimated at \$115.0 million in 1988 and \$233.8 million in 1989. Consistent with the Independent Agencies Appropriations Act, 1988, \$141,700,000 is included for the Oakland Federal Building project.

**Repairs and alterations.**—Repairs and alterations of public buildings are funded under this activity. Protection of the Government's investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Primary consideration is given to repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment. This activity also provides for conversion of existing facilities and extensions estimated to cost less than \$500,000.

**Design and construction services.**—This activity consolidates funding for the full range of design and construction services including preparation of drawings and specifications, management and inspection of construction and repairs and alterations projects, other construction related costs and non-project related technical services. In the case of new construction projects and repairs and alterations projects over \$500,000, design work will be restricted to those projects reflected in the budget justifications for this activity or other projects which have been specifically approved.

**Purchase contract payments.**—Payments are made for liabilities incurred under purchase contract authority. Purchase contract authority, which provided for private investment capital financing of public buildings, expired at the end of 1975. The periodic payments cover principal, interest, taxes, and other requirements.

**Rental of space.**—Space is acquired through the leasing of buildings including space occupied by Federal agencies in U.S. Postal Service facilities. This program will provide an estimated 91.7 million square feet in 1988 and 92.6 million square feet in 1989.

**Real property operations.**—Services are provided for Government-owned and leased facilities, including cleaning, utilities and fuel, protection, maintenance, and miscellaneous services (such as moving, evaluation of new materials and equipment, and field supervision). The 1989 direct program compares with the 1988 program as follows (estimated square feet and expenses in thousands):

	1988		1989	
	Square feet	Expenses	Square feet	Expenses
Cleaning.....	148,571	152,255	150,369	161,600
Utilities.....	178,935	164,298	181,119	175,697
Maintenance.....	146,845	114,580	147,440	129,858
Other building services.....	216,198	86,607	208,680	100,841
Protection.....	262,369	63,510	260,869	72,897
Other staff support.....		60,810		61,506
Delegated buildings.....	37,447	146,531	46,304	179,304
ADP Support.....		16,793		
<b>Total.....</b>		<b>805,384</b>		<b>881,703</b>

**Program direction.**—Overall general management, including office automation, financial management, policy development, planning, program evaluation and administration, is funded under this activity.

**Other programs.**—When requested by Federal agencies, the Public Buildings Service provides building services such as tenant alterations, cleaning and other operations, and protection services which are in excess of those services provided under the commercial rental charge.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
GENERAL SERVICES ADMINISTRATION			
Personnel compensation:			
11.1 Full-time permanent.....	297,777	281,261	252,577
11.3 Other than full-time permanent.....	9,576	4,572	4,456
11.5 Other personnel compensation.....	5,120	8,812	8,417
11.9 Total personnel compensation.....	312,473	294,645	265,450
12.1 Civilian personnel benefits.....	44,692	57,469	62,341
13.0 Benefits for former personnel.....	1,332	2,125	1,762
21.0 Travel and transportation of persons.....	4,438	4,552	5,610
21.0 Motor pool travel.....	2,794	3,524	3,632
22.0 Transportation of things.....	2,596	4,626	4,775
23.2 Rental payments to others.....	939,982	1,023,770	1,107,016
23.3 Communications, utilities, and miscellaneous charges.....	226,665	184,983	191,012
24.0 Printing and reproduction.....	4,463	4,378	4,524
25.0 Other services.....	976,240	1,171,679	1,384,976
26.0 Supplies and materials.....	71,964	119,352	125,983
31.0 Equipment.....	5,461	4,232	4,191
32.0 Land and structures.....	159,334	217,075	33,349
41.0 Grants, subsidies, and contributions.....	16,910	19,867	19,658
42.0 Insurance claims and indemnities.....	63		
43.0 Interest and dividends.....	87,489	85,099	81,829
99.0 Subtotal obligations, General Services Administration.....	2,856,896	3,197,376	3,296,108

ALLOCATION TO OTHER AGENCIES			
11.1 Full-time permanent.....	40,348	49,616	
12.1 Civilian personnel benefits.....	4,842	5,954	
23.2 Rental payments to others.....	87,830	92,984	
23.3 Communications, utilities, and miscellaneous charges.....	58,326	60,658	
25.0 Other services.....	53,536	73,978	
26.0 Supplies and materials.....	6,778	8,335	
99.0 Subtotal, allocation accounts.....	251,660	291,525	
99.9 Total obligations.....	2,856,896	3,449,036	3,587,633

Obligations are distributed as follows:

General Services Administration.....	3,197,376	3,298,171
Department of Agriculture.....	1,588	1,643
Agency for International Development.....	32	33
Administrative Office of the U.S. Courts.....	659	682
Department of Commerce.....	40,714	50,921
Department of Defense.....	83,421	84,982
Department of Energy.....	9,855	10,200
Environmental Protection Agency.....	12,922	13,069
GSA, Federal Property Resources Service.....	3,111	6,325
Federal Trade Commission.....	1,261	1,305
Department of Health and Human Services.....	35,485	36,727
Department of the Interior.....	10,231	10,589
Department of Justice.....	1,753	19,526
Library of Congress.....	334	345
Department of Labor.....	6,621	6,853
Nuclear Regulatory Commission.....	1,588	1,643
Office of Personnel Management.....	3,008	3,113
Railroad Retirement Board.....	1,532	1,585
Small Business Administration.....	637	660
Department of State.....	6,425	6,650
Department of Transportation.....	3,505	4,708
Department of Treasury.....	24,394	25,229
United States Information Agency.....	90	93
Veterans Administration.....	2,494	2,581

**Personnel Summary**

Total number of full-time permanent positions.....	10,150	9,821	9,243
Total compensable workyears:			
Full-time equivalent employment.....	11,143	10,624	9,878
Full-time equivalent of overtime and holiday hours.....	450	425	395

**ALLOCATIONS RECEIVED FROM OTHER APPROPRIATION ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

- Health and Human Services:
  - Social Security Administration: "Limitation on salaries and expenses."
  - Justice: Federal Prison System: "Buildings and facilities."
- Treasury:
  - Bureau of the Mint: "Construction of Mint facilities."
- Smithsonian Institution:
  - "Construction."

**PERSONAL PROPERTY ACTIVITIES**

*Federal Funds*

**General and special funds:**

**FEDERAL SUPPLY SERVICE**

**OPERATING EXPENSES**

For expenses authorized by law, not otherwise provided for, necessary for property management activities, utilization of excess and disposal of surplus personal property, rehabilitation of personal property, transportation management activities, transportation audits by in-house personnel, procurement, and other related supply management activities [through September 30, 1988, and supply distribution (including contractual service incident to receiving, handling and shipping supply items), procurement (including royalty payments), inspection, standardization, and related supply operations activities not later than March 31, 1987], including services as authorized by 5 U.S.C. 3109; [\$69,600,000: Provided, That notwithstanding any other provisions of law, costs incurred during the period October 1, 1987, through March 31, 1987, directly related to supply operations activities, not covered by this appropriation, shall be recorded as costs in

General and special funds—Continued

FEDERAL SUPPLY SERVICE—Continued  
OPERATING EXPENSES—Continued

the General Supply Fund, General Services Administration: *Provided further*, That the annual limitation of \$5,200,000 through September 30, 1989, in the Supplemental Appropriations Act, 1985, Public Law 99-88, payable from overcharges collected, for expenses of transportation audit contracts and contract administration, is hereby superseded by Public Law 99-627 establishing permanent authority for these expenses at not to exceed 40 percent of the overpayments collected annually] \$47,829,000. (*Independent Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 47-0116-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Supply.....	135,062	40,250	18,245
00.02 Transportation.....	13,405	13,625	13,643
00.03 Property management.....	14,961	15,725	15,941
00.91 Total direct program.....	163,428	69,600	47,829
01.01 Reimbursable program.....	23,112	10,205	4,866
10.00 Total obligations.....	186,540	79,805	52,695
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-23,112	-10,205	-4,866
25.00 Unobligated balance lapsing.....	1,058		
39.00 Budget authority.....	164,485	69,600	47,829
Budget authority:			
40.00 Appropriation.....	162,555	69,600	47,829
42.00 Transferred from other accounts.....	1,930		
43.00 Appropriation (adjusted).....	164,485	69,600	47,829
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	163,428	69,600	47,829
72.40 Obligated balance, start of year.....	9,732	14,690	13,892
74.40 Obligated balance, end of year.....	-14,690	-13,892	-13,239
77.00 Adjustments in expired accounts.....	-581		
90.00 Outlays.....	157,889	70,398	48,482

This appropriation provides for Government-wide management of transportation and travel management; transportation audits; property management activities for utilization, rehabilitation, donation and sale of Federal property; legislative/regulatory activities; and, the Schedules program. The major objectives of these programs are to provide excellent support and services to customers while maximizing operational efficiency and continuing to reduce the cost of Government.

Supply operations, which include the wholesale, retail, direct delivery, and special orders programs, are now funded through full cost recovery. The price charged to a customer for an item or service in these programs includes the costs for procurement, storage and handling, transportation, contract administration, quality assurance, as well as program direction related to the cost or service. These costs are now reflected in the General Supply Fund as authorized in fiscal year 1988. This method of pricing allows the customer to make a true cost comparison with other sources of supply.

*Supply.*—The purpose of this activity is to provide a Government-wide program to contract for commercial-type items required by Federal agencies and other authorized users of the Federal supply system. The program allows Government agencies the option of ordering standard commercial items directly from the con-

tractor at prices which reflect the discounts associated with volume buying. This budget proposes \$18,245,000 to support this program.

*Transportation.*—The purpose of this activity is to provide a comprehensive and effective Government-wide program for transportation and travel management, transportation audits, and development and execution of the automotive procurement functions of the Government. This budget proposes \$13,643,000 to support the transportation programs.

The GSA/FSS transportation and travel management programs continue to provide support and dollar savings for Government agencies through negotiated airline city-pair contracts, Travel Management Centers (TMC), hotel/motel discounts, charge card/travelers check program, automated rate and routing processes, the small package express delivery program, audits of transportation claims by and against the U.S. Government, and the long-term vehicle lease contracts program.

*Property management.*—This activity manages and operates a Government-wide excess personal property program including the utilization, donation, and sale of property. It encompasses all Government agencies, and provides for utilization of excess property; donation of surplus personal property for public benefit purposes; sale of surplus and exchange/sale of personal property (except DOD property); and rehabilitation and reclamation of Government personal property to extend its useful life. The budget proposes \$15,941,000 in 1989 to support surplus property processed at an estimated value of \$1.2 billion.

*Reimbursable operations.*—This activity provides supply support services to other Government agencies on a reimbursable basis, principally involving (1) the provision of technical support services to the Government of Saudi Arabia for a joint U.S./Saudi Arabian project, (2) the printing of the Federal Travel Directory through a reimbursable agreement with the Military Traffic Management Command, and (3) the Department of Energy Methanol Fuel Testing Program. The budget proposes a level of reimbursable services of \$4,866,000 in 1989.

Object Classification (in thousands of dollars)

Identification code 47-0116-0-1-804	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	83,870	37,394	26,377
11.3 Other than full-time permanent.....	5,117	1,022	136
11.5 Other personnel compensation.....	2,866	563	355
11.9 Total personnel compensation.....	91,853	38,979	26,868
12.1 Civilian personnel benefits.....	12,780	7,015	4,835
13.0 Benefits for former personnel.....	405	264	236
21.0 Travel and transportation of persons.....	1,150	714	522
21.0 Motor pool travel.....	608	281	123
22.0 Transportation of things.....	223	92	48
23.1 Rental payments to GSA.....	19,152	7,399	4,009
23.3 Communications, utilities, and miscellaneous charges.....	8,711	3,694	2,024
24.0 Printing and reproduction.....	2,794	1,668	1,285
25.0 Other services.....	20,174	8,354	7,310
26.0 Supplies and materials.....	2,663	603	303
31.0 Equipment.....	2,914	537	266
42.0 Insurance claims and indemnities.....	1		
99.0 Subtotal, direct obligations.....	163,428	69,600	47,829

99.0	Reimbursable obligations.....	23,112	10,205	4,866
99.9	Total obligations.....	186,540	79,805	52,695

**Personnel Summary**

<b>Direct program:</b>				
	Total number of full-time permanent positions.....	3,115	871	871
	Total compensable workyears:			
	Full-time equivalent employment.....	3,292	1,292	889
	Full-time equivalent of overtime and holiday hours.....	50	6	1
<b>Reimbursable program:</b>				
	Total number of full-time permanent positions.....	307	80	36
	Total compensable workyears:			
	Full-time equivalent employment.....	351	86	38
	Full-time equivalent of overtime and holiday hours.....	15	2	0

**EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION**

**Amounts Available for Appropriation (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	34,414	46,163	25,000
Receipts.....	47,227	55,000	57,000
Transfers to Treasury.....	-19,000	-63,123	-42,000
Refunds to agencies.....	-6,103		
Total available for appropriation.....	56,538	38,040	40,000
Appropriation: Expenses of Transportation Audit Contracts and Contract Administration.....	-10,375	-13,040	-15,000
Unappropriated balance, end of year.....	46,163	25,000	25,000

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
47-5246-0-2-804				
<b>Program by activities:</b>				
00.01	Audit contracts.....	10,008	12,200	14,094
00.02	Contract administration.....	367	840	906
10.00	Total obligations.....	10,375	13,040	15,000
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	131		
60.00	Budget authority (appropriation) (permanent, special fund).....	10,506	13,040	15,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	10,375	13,040	15,000
72.40	Obligated balance, start of year.....	4,788	7,586	7,586
74.40	Obligated balance, end of year.....	-7,586	-7,586	-7,586
77.00	Adjustments in expired accounts.....	20		
90.00	Outlays.....	7,597	13,040	15,000

Public Law 99-88 provided that expenses of Transportation Audit Contracts and Contract Administration activities shall be financed from overcharges collected from carriers on transportation bills paid by the Government and other similar type refunds. Public Law 99-627 further provided prepayment audit authority for selected transportation bills, permanent authority to pay transportation audit contractors from carrier overpayments collected, and authority to transfer net overpayments collected to the Treasury. For 1989, contract audit and contract administration expenses are estimated at \$15 million. Total collections are estimated at \$57 million.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
47-5246-0-2-804				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	253	443	441
11.3	Other than full-time permanent.....	105	294	294
11.5	Other personnel compensation.....	5		
11.9	Total personnel compensation.....	363	737	735
12.1	Civilian personnel benefits.....	46	147	159
21.0	Travel and transportation of persons.....	1	14	15
25.0	Other services.....	9,965	12,142	14,091
99.9	Total obligations.....	10,375	13,040	15,000

**Personnel Summary**

Total number of full-time permanent positions.....	17	30	30
Total compensable workyears: Full-time equivalent employment.....	21	30	30

**Intragovernmental funds:**

**GENERAL SUPPLY FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
47-4530-0-4-804				
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
<b>Supply operations:</b>				
00.01	Stores, regular.....	953,794	1,089,829	1,100,300
00.02	Stores, direct delivery.....	67,789	66,896	69,100
00.03	Special order.....	1,035,836	1,032,643	1,033,000
00.04	Export, miscellaneous.....	24,138	35,076	35,000
00.05	Fleet management.....	158,013	165,900	155,300
00.91	Total operating expenses.....	2,239,570	2,390,344	2,392,700
<b>Capital investment:</b>				
01.01	Stores items: Purchase of equipment.....	7,729	2,517	7,500
01.02	Fleet management: Purchase of equipment.....	271,115	210,000	272,500
01.91	Total capital investment.....	278,844	212,517	280,000
10.00	Total obligations.....	2,518,414	2,602,861	2,672,700
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-2,295,543	-2,534,572	-2,577,800
13.00	Trust funds.....	-16,920	-19,172	-20,000
14.00	Non-Federal sources.....	-50,637	-91,100	-70,700
21.98	Unobligated balance available, start of year.....	-350,915	-193,186	-235,169
24.98	Unobligated balance available, end of year.....	193,186	235,169	230,969
27.00	Capital transfer to general fund.....	2,416		
39.00	Budget authority.....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	155,314	-41,983	4,200
72.98	Obligated balance, start of year.....	-199,310	-12,002	-53,986
74.98	Obligated balance, end of year.....	12,002	53,986	49,786
90.00	Outlays.....	-31,993		

This fund finances, on a reimbursable basis, a national supply distribution system, a system of ordering supplies for direct delivery to agencies, and a system of interagency Federal Fleet Management Centers. Legislation was enacted in fiscal year 1988 to authorize full cost recovery for all supply management, operating, and overhead expenses related to providing goods and services to other agencies through the General Supply Fund. These expenses were previously funded through the Operating expenses, Federal Supply Service appropriation. The full cost of all supply activities financed through this account will be recovered through charges for goods and services. A corresponding reduction is

Intragovernmental funds—Continued

GENERAL SUPPLY FUND—Continued

reflected in the Operating Expenses, Federal Supply Service appropriation. Full cost recovery pricing results in the true cost of supplies and services being reflected in charges to agencies.

*Supply operations.—*

*Stores, regular.—*Stock of common-use commodities is purchased in volume, stocked, and issued through supply facilities to Government agencies. Sales were \$866.1 million in 1987, and are estimated to be \$1,085.2 million in 1988 and \$1,108.4 million in 1989.

*Stores, direct delivery.—*Orders for store-type items, if sufficiently large and delivery time is not a factor, are placed with the commercial source of supply for delivery directly to the customer. Sales were \$68.1 million in 1987, and are estimated to be \$66.9 million in 1988, and \$69.1 million in 1989.

*Special order.—*Definite quantity requirements of commodities which are not susceptible to economical stocking in supply facilities are purchased for direct shipment to using agencies. Sales were \$935.2 million in 1987, and are estimated to be \$1,032.6 million in 1988, and \$1,033.0 million in 1989.

*Export operations.—*Stores and special order items are shipped to overseas customers. Receipts to the fund cover packing, transportation costs, and other reimbursable services. Sales were \$24.2 million in 1987, and are estimated to be \$35.0 million in 1988 and 1989.

*Federal Fleet Management Centers.—*Services are provided through a system of Fleet Management Centers. Sales were \$349.9 million in 1987, and are estimated to be \$419.9 million in 1988, and \$423.0 million in 1989.

*Other revenue and expense.—*Gains or losses on equipment disposals, adjustments between fiscal years, inventory writeoffs, and discounts are applied against operating costs.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
47-4530-0-4-804			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	22,747	78,106	89,356
11.3 Other than full-time permanent.....	1,038	5,415	6,828
11.5 Other personnel compensation.....	160	3,252	3,470
11.9 Total personnel compensation.....	23,945	86,773	99,654
12.1 Civilian personnel benefits.....	3,241	15,839	18,043
13.0 Benefits for former personnel.....	43	233	246
21.0 Travel and transportation of persons.....	581	1,931	2,459
22.0 Transportation of things.....	69,303	75,211	78,144
23.1 Rental payments to GSA.....	3,158	26,516	32,115
23.3 Communications, utilities, and miscellaneous charges.....	5,954	12,343	15,310
24.0 Printing and reproduction.....	198	1,532	2,224
25.0 Other services.....	60,930	75,676	88,627
26.0 Supplies and materials.....	2,072,217	2,094,290	2,055,878
31.0 Equipment.....	278,844	212,517	280,000
99.9 Total obligations.....	2,518,414	2,602,861	2,672,700

Personnel Summary

Total number of full-time permanent positions.....	920	3,404	3,404
Total compensable workyears:			
Full-time equivalent employment.....	915	3,215	3,553
Full-time equivalent of overtime and holiday hours.....	4	48	50

INFORMATION RESOURCES MANAGEMENT SERVICE

Federal Funds

General and special funds:

INFORMATION RESOURCES MANAGEMENT SERVICE

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C. 3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; **[\$31,193,000] \$36,835,000. (Independent Agencies Appropriation Act, 1988.)**

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
47-0900-0-1-804			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Federal information resources management.....	6,634	7,226	7,345
00.02 Central information services.....	10,072	11,183	16,067
00.03 Information resources procurement.....	3,508	4,226	4,282
00.04 Telecommunications services.....	6,190	7,349	7,404
00.05 Information security oversight office.....	688	918	1,037
00.06 National security emergency preparedness.....		291	700
00.91 Total direct program.....	27,092	31,193	36,835
01.01 Reimbursable program.....	23,241	28,560	30,323
10.00 Total obligations.....	50,333	59,753	67,158
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-23,241	-28,560	-30,323
25.00 Unobligated balance lapsing.....	2,036		
39.00 <b>Budget authority.....</b>	<b>29,128</b>	<b>31,193</b>	<b>36,835</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	29,328	31,193	36,835
41.00 Transferred to other accounts.....	-200		
43.00 <b>Appropriation (adjusted).....</b>	<b>29,128</b>	<b>31,193</b>	<b>36,835</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	27,092	31,193	36,835
72.40 Obligated balance, start of year.....	6,270	12,790	13,149
74.40 Obligated balance, end of year.....	-12,790	-13,149	-13,995
77.00 Adjustments in expired accounts.....	-290		
90.00 <b>Outlays.....</b>	<b>20,282</b>	<b>30,834</b>	<b>35,989</b>

This appropriation provides for the overall direction and coordination of comprehensive Government-wide programs for the management, procurement, and utilization of automatic data processing, telecommunications, and office information equipment and services. It provides for the development and coordination of Government-wide policies, procedures and regulations pertaining to ADP, telecommunications, and office information systems acquisition, management and utilization; provides for establishment of Government-wide automated data processing standards; provides information services to the public; and provides for the overall management of operations financed through the Information Technology (IT) Fund.

*Federal information resources management.—*This activity develops, plans and directs Government-wide programs governing the management and acquisition of Federal information resources. It also develops and monitors Government-wide policies and regulations, reviews Federal agencies' implementing programs, and conducts long-range planning and research relating to



future Government-wide information resources management needs.

**Central information services.**—This activity manages and directs GSA's Government-wide information resources assistance programs, the GSA-wide ADP and office automation programs, and the provision of automated information resources within the Information Resources Management Service (IRMS), including the operation and maintenance of the Federal Domestic Assistance Program. It also develops and implements Government-wide information resources assistance policies related to software, hardware, data communications, office automation, records management, planning, and agencywide policies related to managing ADP and office automation resources.

**Information resources procurement.**—This activity directs, administers, and manages the Government-wide acquisition program for ADP and telecommunications equipment, software, services, and related items; procures circuit facilities, services, and terminal and special purpose equipment competitively; directs the development of and implements new acquisition techniques and programs for ADP and telecommunications; maintains liaison with industry associations and State, local and foreign governments in ADP and telecommunications matters; conducts specific economic analyses required by IRMS to achieve its program objectives; represents the Government before State telephone rate commissions when proposed rate changes are determined to have a large impact on Government costs; and manages reimbursable ADP and telecommunications procurement programs financed through the Information Technology Fund.

**Telecommunications services.**—This activity manages and directs activities of IRMS that relate to reimbursable telecommunications and regional ADP programs including the Federal Telecommunications System (FTS), Washington Interagency Telecommunications System (WITS), the acquisition of telecommunications services, and telecommunications marketing and user services programs. It also develops overall telecommunications and regional ADP objectives, long-range plans, comprehensive programs, and organization and operating methods needed to accomplish program objectives. It is also responsible for operation of the Federal Information Center Program.

**Information security oversight office.**—This activity provides oversight for the information security program established by Executive Order 12356. This involves monitoring the information security programs of approximately 80 executive branch agencies. Major responsibilities include the conduct of on-site reviews and the development and promulgation of directives necessary for the implementation of the order. The Oversight Office establishes requirements for reports from agencies, analyzes data received together with data collected from on-site reviews, and advises agencies about any deficiencies or violations.

**National security emergency preparedness.**—This activity provides a flowthrough funding mechanism for GSA's share of payments to the Department of Defense (DOD) in support of the National Communications Systems (NCS).

Object Classification (in thousands of dollars)

Identification code	47-0900-0-1-804	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	13,730	16,153	16,361
11.3	Other than full-time permanent .....	99	107	169
11.5	Other personnel compensation .....	265	276	337
11.9	Total personnel compensation .....	14,094	16,536	16,867
12.1	Civilian personnel benefits .....	1,769	2,866	3,251
13.0	Benefits for former personnel .....	10	10	11
21.0	Travel and transportation of persons .....	155	191	206
21.0	Motor pool travel .....	6	6	6
22.0	Transportation of things .....	18	18	18
23.1	Rental payments to GSA .....	1,808	2,060	2,121
23.3	Communications, utilities, and miscellaneous charges .....	1,105	1,160	1,160
24.0	Printing and reproduction .....	363	392	392
25.0	Other services .....	5,653	5,982	5,681
26.0	Supplies and materials .....	197	210	210
31.0	Equipment .....	1,914	1,762	6,912
99.0	Subtotal, direct obligations .....	27,092	31,193	36,835
99.0	Reimbursable obligations .....	23,241	28,560	30,323
99.9	Total obligations .....	50,333	59,753	67,158

Personnel Summary

<b>Direct program:</b>			
Total number of full-time permanent positions .....	484	436	436
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	393	434	434
Full-time equivalent of overtime and holiday hours .....	5		
<b>Reimbursable program:</b>			
Total number of full-time permanent positions .....	241	292	274
Total compensable workyears: Full-time equivalent employment .....	222	254	272

Intragovernmental funds:

INFORMATION TECHNOLOGY FUND

Program and Financing (in thousands of dollars)

Identification code	47-4548-0-4-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Network services program .....	496,622	455,000	469,000
00.02	Regional telecommunications programs .....	191,174	219,257	226,363
00.03	Electronic services programs .....	30,002	31,889	32,164
00.04	Multiple awards schedules program .....	37,327	75,500	85,134
00.05	Federal data processing centers .....	41,217	85,300	74,364
00.06	Contract services program .....	234,658	276,568	317,723
00.07	Equipment lease/purchase program .....	44	200,000	400,000
00.08	Excess ADP equipment program .....	275	248	253
00.91	Total operating expenses .....	1,031,319	1,343,762	1,605,001
01.01	Capital investment .....	13,906	10,465	10,465
10.00	Total obligations .....	1,045,225	1,354,227	1,615,466
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal Funds .....	-967,738	-1,315,195	-1,568,368
13.00	Trust funds .....	-30,719	-40,627	-48,665
14.00	Non-Federal sources .....	-2,489	-4,063	-5,137
17.00	Recovery of prior year obligations .....	-31,083		
21.98	Unobligated balance available, start of year: Fund balance .....	-220,605	-207,409	-213,067
24.98	Unobligated balance available end of year: Fund balance .....	207,409	213,067	219,771
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	44,279	-5,658	-6,704
72.98	Obligated balance, start of year: Fund balance .....	-125,383	-35,660	-45,813
74.98	Obligated balance, end of year: Fund balance .....	35,660	45,813	52,517
78.00	Adjustments in unexpired accounts .....	-31,083		
90.00	Outlays .....	-76,526	4,495	

## Intragovernmental funds—Continued

## INFORMATION TECHNOLOGY FUND—Continued

The Information Technology Fund was authorized by the Paperwork Reduction Reauthorization Act of 1986, as included in Public Laws 99-500 and 99-591, section 821(a)(1). The Fund was established as of January 1, 1987, and consists of the assets, liabilities and capital of the Federal Telecommunications Fund and the Automatic Data Processing Fund. The purpose of the fund is to help ensure that automatic data processing, telecommunications, and other information technologies are acquired and used by the Federal Government in a manner which improves service delivery and program management, increases productivity, improves the quality of decisionmaking, reduces waste and fraud, and wherever practicable and appropriate, reduces the information processing burden for the Federal Government and for persons who provide information to and for the Federal Government.

The fund is available for expenses and for procurement for efficiently providing information technology resources to Federal agencies and for the efficient management, coordination, operation and utilization of such resources.

Levels of funding for capital investments and for operating capital are determined through the submission and approval process of planned cost and capital requirements to OMB by GSA pursuant to section 110(a)(1), Federal Property and Administrative Services Act of 1949, as amended by Public Law 99-591.

The Information Technology Fund finances, on a reimbursable basis, the following Government-wide information resources management assistance programs:

*Network services program.*—This program provides for a telecommunications system which enables personnel in each Federal agency to communicate directly with any other agency or commercial entity in the nation. The system provides day-to-day services and incorporates features which would be necessary in emergency situations. This links 1.1 million Federal telephones with each other and with the public's direct dialing network. Specific activities include updating services through network reconfigurations, switch upgrades, and conversion to digital facilities.

*Regional telecommunications programs.*—Included in these programs is the provision of local telecommunications services to executive agencies. Their objective is to operate consolidated telephone systems that provide effective and economical local service and, through competitive processes, procure cost advantageous telephone equipment. This includes the program areas of commercial tolls, telecommunications technical services contracts, and the Purchase of Telephones and Services (POTS) contracts. Also of critical importance is the Aggregated Switch Procurement (ASP) Program that will procure over 400 systems and provide the framework for a modern telecommunications network. In addition, these programs provide for the Washington Interagency Telecommunications System (WITS) that will replace a selected portion of the Federal community telephone systems in long-term leased and federally owned buildings in the Washington, D.C., metropolitan area with one integrated voice and data transmission facility.

*Electronic services programs.*—Provides for an effec-

tive communications security program for civil agencies in keeping with the objectives of the U.S. communications security plan. Two major activities in this area include Federal Secure Telephone Services (FSTS—funded by the Nationally Funded Support Services) and the Communications Security (COMSEC) program. These programs provide secure voice communications for the President, Members of Congress, and selected Government agencies. In addition, this program provides telecommunications support to the Federal Emergency Management Agency in the emergency and major disaster programs.

*Multiple award schedules program.*—This program provides the contractual vehicle for Federal agencies to acquire services and equipment from private sector vendors participating in certain GSA multiple award schedule contracts. This program is designed to simplify and expedite the procurement process for services by allowing agencies to purchase against existing GSA multiple award schedule contracts.

*Federal Data Processing Centers (FDPC).*—The Centers provide GSA's Government-wide information resources assistance programs in the areas of software, hardware, data communications, office automation, records management, and planning services; and in the collection and dissemination of Government-wide data. They provide technical assistance in the efficient and effective management and use of information resources and serve as sources of expertise for information resources management and technology for the Government. Additionally, they provide tools, techniques, handbooks, and assistance to facilitate the exchange of experience and knowledge throughout the Government.

*Contract services program (CSP).*—CSP provides ADP services to Federal agencies through regional contracts with private sector vendors. Services provided include systems analysis and programming; systems design and definition of equipment and systems requirements; computer output microfiche production; data conversion services; and office automation systems analysis and microcomputer support. Contracts are tailored to local market conditions and needs of specific Federal agencies. Overall contract administration, central guidance, and policy direction are provided by GSA.

*Equipment lease program.*—This program finances the multiyear lease of ADP equipment by the IT Fund for subsequent leaseback to Federal agencies and administers the leaseback of ADP equipment purchased by the Fund as a result of the Opportunity Buy Program.

*Excess ADP equipment program.*—This program finances the screening of excess Government-owned ADP equipment and, where there is a known user or high potential for reutilization, reassigns and relocates the equipment with a new user.

*Capital investment.*—Provides for the purchase of information technology equipment where an initial capital outlay will result in the most efficient and cost-effective operation of the Federal Telecommunications System and the least cost provision of services and facilities to Federal user agencies. It also provides for the purchase of other information technology equipment for the fund's programs when purchase yields the maximum cost avoidance and is clearly in the best economic

interest of the Government. The purchase of personal computers and augmentations to existing operating equipment is funded as appropriate.

Object Classification (in thousands of dollars)

Identification code 47-4548-0-4-804	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	49,698	54,741	54,839
11.3 Other than full-time permanent.....	1,123	1,317	1,343
11.5 Other personnel compensation.....	1,484	1,649	1,763
11.8 Special personal services payments.....	12		
11.9 Total personnel compensation.....	52,317	57,707	57,945
12.1 Civilian personnel benefits.....	8,837	11,575	11,964
13.0 Benefits for former personnel.....	506	570	570
21.0 Travel and transportation of persons.....	3,241	3,933	4,500
21.0 Motor pool travel.....	247	198	225
22.0 Transportation of things.....	668	1,032	1,032
23.1 Rental payments to GSA.....	7,114	8,732	8,779
23.2 Rental payments to others.....	12	500	500
23.3 Communications, utilities, and miscellaneous charges.....	4,203	8,050	8,090
24.0 Printing and reproduction.....	1,168	1,180	1,221
25.0 Other services.....	943,390	1,243,023	1,502,799
26.0 Supplies and materials.....	2,277	3,262	3,376
31.0 Equipment.....	15,602	10,465	10,465
32.0 Land and structures.....	1		
43.0 Interest and dividends.....	5,642	4,000	4,000
99.9 Total obligations.....	1,045,225	1,354,227	1,615,466

Personnel Summary

Total number of full-time permanent positions.....	1,692	1,692	1,692
Total compensable workyears:			
Full-time equivalent employment.....	1,640	1,789	1,753
Full-time equivalent of overtime and holiday hours.....	17	17	17

FEDERAL PROPERTY RESOURCES ACTIVITIES

Federal Funds

General and special funds:

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property, the utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; [the National Defense Stockpile established by the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.) including services as authorized by 5 U.S.C. 3109 and reimbursement for recurring security guard service; \$12,000,000] \$12,109,000 to be derived from proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-5) [ , and in addition, \$30,080,000 for the transportation, processing, refining, storage, security, maintenance, rotation, and disposal of materials contained in or acquired for the stockpile by reimbursement from the National Defense Stockpile Transaction Fund]. (Independent Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 47-0533-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 National defense stockpile.....	9,108		
00.02 Real estate policy and sales.....		12,000	12,109
00.91 Total direct program.....	9,108	12,000	12,109

01.01 Reimbursable program.....	163	500	500
10.00 Total obligations.....	9,271	12,500	12,609
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-163	-500	-500
25.00 Unobligated balance lapsing.....	324		
39.00 <b>Budget authority</b> .....	<b>9,432</b>	<b>12,000</b>	<b>12,109</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation (special fund)</b> .....	<b>7,574</b>	<b>12,000</b>	<b>12,109</b>
50.00 <b>Reappropriation</b> .....	<b>1,858</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	9,108	12,000	12,109
72.40 Obligated balance, start of year.....	2,869	2,616	4,384
74.40 Obligated balance, end of year.....	-2,616	-4,384	-4,420
77.00 Adjustments in expired accounts.....	-200		
90.00 Outlays.....	9,161	10,232	12,073

This appropriation funds the utilization and disposal of excess and surplus real property. The estimate for 1989 is for activities related to the Real Estate Policy and Sales program, the appraisal of real property, and continuing emphasis on reuse of existing real property to extend its useful life.

*Real estate policy and sales.*—This activity promotes maximum utilization of real property by Federal agencies and the transfer among agencies of excess real property. It provides for the disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property pending its disposition. It also provides for the appraisal of excess and surplus property, necessary environmental and cultural analyses, disposition and predisposition reuse planning, and real property utilization surveys.

The management of the National Defense Stockpile will be transferred to the Department of Defense, and is reflected in the Defense Chapter of the Budget.

Object Classification (in thousands of dollars)

Identification code 47-0533-0-1-804	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	5,135	6,913	6,964
11.3 Other than full-time permanent.....	141		
11.5 Other personnel compensation.....	86		
11.9 Total personnel compensation.....	5,362	6,913	6,964
12.1 Civilian personnel benefits.....	669	1,026	1,073
13.0 Benefits for former personnel.....	46		
21.0 Travel and transportation of persons.....	334	433	461
21.0 Motor pool travel.....	6	83	85
22.0 Transportation of things.....	3		
23.1 Rental payments to GSA.....	644	629	656
23.2 Rental payments to others.....	1		
23.3 Communications, utilities, and miscellaneous charges.....	342	367	372
24.0 Printing and reproduction.....	84	98	100
25.0 Other services.....	1,312	2,351	2,294
26.0 Supplies and materials.....	37	72	74
31.0 Equipment.....	267	28	30
43.0 Interest and dividends.....	1		
99.0 Subtotal, direct obligations.....	9,108	12,000	12,109
99.0 Reimbursable obligations.....	163	500	500
99.9 Total obligations.....	9,271	12,500	12,609

Personnel Summary

Total number of full-time permanent positions.....	142	193	193
Total compensable workyears: Full-time equivalent employment.....	137	193	193

General and special funds—Continued

REAL PROPERTY RELOCATION

For expenses not otherwise provided for, **[\$5,000,000]** \$50,000,000, to remain available until expended, necessary for carrying out the functions of the Administrator with respect to relocation of Federal agencies from property which has been determined by the Administrator to be other than optimally utilized under the provisions of section 210(e) of the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That such relocations shall only be undertaken when the estimated proceeds from the disposition of the original facilities approximate the appraised fair market value of such new facilities and exceed the estimated costs of relocation. Relocation costs include expenses for and associated with acquisition of sites and facilities, and expenses of moving or repurchasing equipment and personal property. These funds may be used for payments to other Federal entities to accomplish the relocation functions: *Provided further*, That nothing in this paragraph shall be construed as relieving the Administrator of General Services or the head of any other Federal agency from any obligation or restriction under the Public Buildings Act of 1959 (including any obligation concerning submission and approval of a prospectus), the Federal Property and Administrative Services Act of 1949, as amended, or any other Federal law, or as authorizing the Administrator of General Services or the head of any other Federal agency to take actions inconsistent with statutory obligations or restrictions placed upon the Administrator of General Services or such agency head with respect to authority to acquire or dispose of real property. (*Independent Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 47-0535-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations		5,000	50,000
<b>Financing:</b>			
40.00 Budget authority (appropriation)		5,000	50,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net		5,000	50,000
72.40 Obligated balance, start of year			2,500
74.40 Obligated balance, end of year		-2,500	-25,000
90.00 Outlays		2,500	27,500

This appropriation covers relocation costs involved in moving agencies from valuable underutilized property, targeted for public sale, to facilities determined to be more economically suitable to their needs. The sale of these valuable underutilized properties would provide significant revenue to the Treasury and would far outweigh the relocation costs involved.

Object Classification (in thousands of dollars)

Identification code 47-0535-0-1-804	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons		300	400
22.0 Transportation of things		400	4,000
25.0 Other services		500	5,300
26.0 Supplies and materials		100	1,700
31.0 Equipment		300	3,600
32.0 Land and structures		3,400	35,000
99.9 Total obligations		5,000	50,000

DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year	21,852	44,440	30,000
Receipts	67,781	230,000	230,000
Monetary credits under statutory authority (non-add)	(21,685)	(30,000)	(30,000)
Cash from sales for other agencies (non-add)	(47,826)		
Transferred to land and water conservation fund	-32,319	-228,772	-209,223
Total available for appropriation	57,314	45,668	50,777
<b>Appropriation:</b>			
Disposal of surplus real and related personal property, operating expenses	-11,000	-12,000	-12,109
Expenses, disposal of surplus real and related personal property	-1,874	-3,668	-3,668
Unappropriated balance, end of year	44,440	30,000	35,000

EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

Program and Financing (in thousands of dollars)

Identification code 47-5254-0-2-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Disposal-real property:			
00.01 Appraisers' fees	564	1,000	1,000
00.02 Auctioneers and brokers fees and surveying	53	268	268
00.03 Advertising	1,224	1,900	1,900
Outleasing government-owned space:			
00.04 Appraisers' fees		200	200
00.05 Auctioneers and brokers fees and surveying		185	185
00.06 Advertising	33	115	115
10.00 Total obligations	1,874	3,668	3,668
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund)	1,874	3,668	3,668
Relation of obligations to outlays:			
71.00 Obligations incurred, net	1,874	3,668	3,668
72.40 Obligated balance, start of year	1,002	1,154	1,154
74.40 Obligated balance, end of year	-1,154	-1,154	-1,154
90.00 Outlays	1,722	3,668	3,668

Auctioneers and brokers familiar with local markets may be used to accelerate the disposal of surplus real and related personal property including the outleasing of Government-owned buildings and space. Fees of auctioneers, brokers, appraisers, and environmental consultants, surveying costs, and costs of advertising are paid out of receipts from disposals within each year in accordance with 40 U.S.C.A. 485(b).

Object Classification (in thousands of dollars)

Identification code 47-5254-0-2-804	1987 actual	1988 est.	1989 est.
24.0 Printing and reproduction	197	200	200
25.0 Other services	1,677	3,468	3,468
99.9 Total obligations	1,874	3,668	3,668

**GENERAL ACTIVITIES**

*Federal Funds*

**General and special funds:**

**GENERAL MANAGEMENT AND ADMINISTRATION**

**SALARIES AND EXPENSES**

For necessary expenses of agency management of activities under the control of the General Services Administration, and general administrative and staff support services not otherwise provided for; for providing accounting, records management, and other support incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109; **[\$122,500,000, of which \$800,000 shall be available only for, and is hereby specifically earmarked for personnel and associated costs in support of Congressional District and Senate State offices] \$122,774,000: Provided,** That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code. (*Independent Agencies Appropriation Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 47-0110-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Policy direction .....	22,639	25,040	24,528
00.02 Comptroller .....	56,613	57,209	57,163
00.03 Administration.....	36,037	37,418	37,418
00.04 Board of contract appeals.....	2,529	2,833	3,665
00.91 Total direct program .....	117,818	122,500	122,774
01.01 Reimbursable program.....	14,938	17,981	18,286
10.00 Total obligations.....	132,756	140,481	141,060
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-15,986	-17,981	-18,286
25.00 Unobligated balance lapsing .....	2,803		
39.00 <b>Budget authority</b> .....	<b>119,573</b>	<b>122,500</b>	<b>122,774</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	121,503	122,500	122,774
41.00 Transferred to other accounts .....	-1,930		
43.00 <b>Appropriation (adjusted)</b> .....	<b>119,573</b>	<b>122,500</b>	<b>122,774</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	116,770	122,500	122,774
72.40 Obligated balance, start of year .....	21,744	32,732	33,560
74.40 Obligated balance, end of year .....	-32,732	-33,560	-33,639
77.00 Adjustments in expired accounts.....	-1,706		
90.00 <b>Outlays</b> .....	<b>104,075</b>	<b>121,672</b>	<b>122,695</b>

This appropriation provides for policy direction and coordination of all GSA programs by the Administrator, Deputy Administrator, and Regional Administrators. It also provides for congressional and public affairs activities; agencywide acquisition policy, planning and coordination; and agencywide administrative, financial, and management support services on a centralized and integrated basis.

**Policy direction.**—This activity provides for the formulation and execution of agency policy, legal advice and services, equal employment opportunity, oversight of the acquisition process and for all functions assigned GSA by the Federal Property and Administrative Services Act of 1949 as amended. Provides liaison with the Small Business Administration on national minority business proposals and contracts to assure that minority and small businesses receive a fair share of the agency's business.

**Comptroller.**—The Comptroller provides budgetary policy and liaison activities with Congress and OMB; accounting services; and management, review and oversight of financial management systems to GSA's services and staff offices. In addition, provides accounting services to Department of Justice in defense of Indian tribal claims against the U.S. Government and to other Federal agencies and commissions.

**Administration.**—This activity is responsible for the planning, implementation, and coordination of all activities of GSA related to personnel management, including labor management relations, training, organization improvement, cost reduction, productivity measurement and the procurement of management consulting services by contract. Ensures implementation of audit reports from the Office of Inspector General and the GAO, and physical security surveys to prevent misuse and theft of GSA assets. Responsible for Government-wide initiatives assigned to the GSA Administrator (e.g., Reform 88, A-76, the President's Council on Management Improvement (PCMI) and the Grace Commission). Administers the Congressional Furnishings program for the U.S. Senate and the House of Representatives. This activity also includes the Regulatory Information Service Center which compiles and analyzes the data on both Government-wide and agency-specific regulatory activities. Coordinates all activities of GSA related to administrative management, and the management of the GSA printing and distribution program.

**Board of Contract Appeals.**—In accordance with the Contract Disputes Act of 1978, the Board has jurisdiction over any dispute relating to a contract for the provision of goods and services to the Government, inclusive of, but not limited to, disputes clause cases concerning contract performance; appeals of disappointed bidders; and proposed debarment or suspension actions. In addition, the Board serves as an administrative trial court for resolution of ADP bid protests under the Competition in Contracting Act, Title VII of the Deficit Reduction Act (Public Law 98-369).

**Object Classification (in thousands of dollars)**

Identification code 47-0110-0-1-804	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	59,720	64,498	65,175
11.3 Other than full-time permanent.....	1,821	647	660
11.5 Other personnel compensation .....	2,419	1,859	1,859
11.8 Special personal services payments.....	29		
11.9 Total personnel compensation .....	63,989	67,004	67,694
12.1 Civilian personnel benefits .....	8,664	9,779	10,164
13.0 Benefits for former personnel .....	202	80	83
21.0 Travel and transportation of persons .....	963	1,468	1,525
21.0 Motor pool travel .....	41	42	44
22.0 Transportation of things.....	64	66	69
23.1 Rental payments to GSA .....	7,737	9,106	9,543
23.3 Communications, utilities, and miscellaneous charges...	3,979	4,118	4,279
24.0 Printing and reproduction .....	1,273	1,317	1,368
25.0 Other services.....	24,918	23,384	21,688
26.0 Supplies and materials.....	1,192	1,234	1,282
31.0 Equipment.....	4,796	4,902	5,035
99.0 Subtotal, direct obligations.....	117,818	122,500	122,774
99.0 Reimbursable obligations.....	14,938	17,981	18,286
99.9 Total obligations.....	132,756	140,481	141,060

General and special funds—Continued

GENERAL MANAGEMENT AND ADMINISTRATION—Continued  
SALARIES AND EXPENSES—Continued

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	1,945	2,074	2,041
Total compensable workyears:			
Full-time equivalent employment .....	1,990	2,122	2,083
Full-time equivalent of overtime and holiday hours .....	42	42	42
Reimbursable:			
Total number of permanent positions .....	222	238	238
Total compensable workyears: Full-time equivalent employment .....	219	248	248

ECONOMIC OPPORTUNITY ACT CLOSE-OUT ACTIVITIES

Program and Financing (in thousands of dollars)

Identification code 47-0115-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 13.0) .....	6	8	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-925	-919	
24.40 Unobligated balance available, end of year .....	919		
25.00 Unobligated balance lapsing .....		911	
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	6	8	
72.40 Obligated balance, start of year .....	5	2	1
74.40 Obligated balance, end of year .....	-2	-1	-1
90.00 Outlays .....	8	9	

Public Law 98-151, section 130 reappropriated \$1 million of the unobligated balance funded as of September 30, 1983, from the appropriation for closeout activities of the Community Services Administration (CSA) to remain available through September 30, 1988, to complete settlement of CSA complaints and related overhead costs.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General; **[\$24,334,000] \$25,400,000: Provided,** That not to exceed \$10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property. (*Independent Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 47-0108-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program .....	21,137	24,334	25,400
01.01 Reimbursable program .....	5	110	110
10.00 Total obligations .....	21,142	24,444	25,510
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-5	-110	-110
25.00 Unobligated balance lapsing .....	544		
39.00 <b>Budget authority</b> .....	21,681	24,334	25,400
<b>Budget authority:</b>			
40.00 Appropriation .....	21,481	24,334	25,400
42.00 Transferred from other accounts .....	200		
43.00 <b>Appropriation (adjusted)</b> .....	21,681	24,334	25,400

Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	21,137	24,334	25,400
72.40 Obligated balance, start of year .....	1,734	2,953	3,225
74.40 Obligated balance, end of year .....	-2,953	-3,225	-3,321
77.00 Adjustments in expired accounts .....	-171		
90.00 Outlays .....	19,747	24,062	25,304

This appropriation provides agencywide audit and investigative functions to identify and correct management and administrative deficiencies within GSA which create conditions for existing or potential instances of fraud, waste and mismanagement. The audits function provides internal audit, contract audit, and inspections services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of GSA operations. Inspections services provide detailed technical evaluations of GSA operations. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations.

Object Classification (in thousands of dollars)

Identification code 47-0108-0-1-804	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	13,697	16,132	16,513
11.3 Other than full-time permanent .....	13	20	20
11.5 Other personnel compensation .....	277		
11.9 Total personnel compensation .....	13,987	16,152	16,533
12.1 Civilian personnel benefits .....	2,047	2,698	2,805
21.0 Travel and transportation of persons .....	988	1,195	1,600
21.0 Motor pool travel .....	88	83	95
22.0 Transportation of things .....	38	90	93
23.1 Rental payments to GSA .....	1,193	1,439	1,501
23.3 Communications, utilities, and miscellaneous charges .....	431	477	494
24.0 Printing and reproduction .....	124	99	110
25.0 Other services .....	1,861	977	933
26.0 Supplies and materials .....	81	78	81
31.0 Equipment .....	299	1,046	1,155
99.0 Subtotal, direct obligations .....	21,137	24,334	25,400
99.0 Reimbursable obligations .....	5	110	110
99.9 Total obligations .....	21,142	24,444	25,510

Personnel Summary

Total number of full-time permanent positions .....	426	450	450
Total compensable workyears: Full-time equivalent employment .....	364	452	452

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; **[\$1,198,000] \$1,431,000: Provided,** That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts. (*Independent Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 47-0105-0-1-802	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Allowances and pensions .....	304	319	388
00.02 Office staff .....	751	879	1,043
10.00 Total obligations .....	1,055	1,198	1,431

<b>Financing:</b>			
25.00	Unobligated balance lapsing.....	122	
40.00	<b>Budget authority (appropriation).....</b>	<b>1,177</b>	<b>1,198 1,431</b>
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	1,055	1,198 1,431
72.40	Obligated balance, start of year.....	78	130 133
74.40	Obligated balance, end of year.....	-130	-133 -156
77.00	Adjustments in expired accounts.....	2	
90.00	<b>Outlays.....</b>	<b>1,005</b>	<b>1,195 1,408</b>

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Richard M. Nixon, Gerald R. Ford, Jimmy Carter, and Ronald Reagan and for a pension and postal franking privileges for the widow of former President Lyndon B. Johnson.

**Object Classification (in thousands of dollars)**

Identification code 47-0105-0-1-802			
		1987 actual	1988 est. 1989 est.
11.5	Personnel compensation: Other personnel compensation....	238	285 315
12.1	Civilian personnel benefits.....	41	62 77
13.0	Benefits for former personnel.....	304	319 388
21.0	Travel and transportation of persons.....	36	84 84
21.0	Motor pool travel.....	4	8 10
22.0	Transportation of things.....	1	5 8
23.1	Rental payments to GSA.....	286	270 300
23.3	Communications, utilities, and miscellaneous charges.....	107	101 164
24.0	Printing and reproduction.....	6	9 11
25.0	Other services.....	11	12 23
26.0	Supplies and materials.....	12	28 35
31.0	Equipment.....	9	15 16
99.9	<b>Total obligations.....</b>	<b>1,055</b>	<b>1,198 1,431</b>

**EXPENSES, PRESIDENTIAL TRANSITION**

For expenses necessary to carry out the provisions of the Presidential Transition Act of 1963, as amended (3 U.S.C. 102, note), \$3,000,000. Provided, That the availability of these funds shall be in accordance with sections 3(b) and 4 of the Act.

**Program and Financing (in thousands of dollars)**

Identification code 47-0107-0-1-802			
		1987 actual	1988 est. 1989 est.
<b>Program by activities:</b>			
10.00	Office staff, services and facilities (total obligations) (object class 92.0).....		3,000
<b>Financing:</b>			
40.00	<b>Budget authority (appropriation).....</b>		<b>3,000</b>
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....		3,000
90.00	<b>Outlays.....</b>		<b>3,000</b>

**CONSUMER INFORMATION CENTER FUND**

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, [\$1,279,000] \$1,354,000, to be deposited into the Consumer Information Center Fund: Provided, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of [\$5,140,000] \$5,200,000. Administrative expenses of the Consumer Information Center in fiscal year [1988] 1989 shall not exceed [\$1,652,000] \$1,736,000. Appropriations, revenues and collections accruing to this fund during fiscal year [1988] 1989 in excess of [\$5,140,000] \$5,200,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 47-4549-0-3-376			
		1987 actual	1988 est. 1989 est.
<b>Program by activities:</b>			
00.01	Administrative expenses.....	1,645	1,652 1,736
00.02	Publications distribution.....	2,474	2,590 2,812
00.03	Special programs.....	78	100 100
10.00	<b>Total obligations.....</b>	<b>4,197</b>	<b>4,342 4,648</b>
<b>Financing:</b>			
Offsetting collections from:			
11.00	Federal funds.....	-2,557	-2,534 -2,654
14.00	Non-Federal sources.....	-412	-411 -513
17.00	Recovery of prior year obligations.....	-83	
21.98	Unobligated balance available, start of year: Fund balance.....	-793	-934 -816
24.98	Unobligated balance available, end of year: Fund balance.....	934	816 689
40.00	<b>Budget authority (appropriation).....</b>	<b>1,286</b>	<b>1,279 1,354</b>
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	1,228	1,397 1,481
72.98	Obligated balance, start of year: Fund balance.....	1,770	1,706 2,670
74.98	Obligated balance, end of year: Fund balance.....	-1,706	-2,670 -2,674
78.00	Adjustments in unexpired accounts.....	-83	
90.00	<b>Outlays.....</b>	<b>1,209</b>	<b>433 1,477</b>

The Consumer Information Center Fund, a revolving fund established by Public Law 98-63 on July 30, 1983, provides for an efficient operation of the Consumer Information Center's activities. Previously, these activities were funded from a direct appropriation with the cost of distributing agency publications funded by reimbursements from the participating agencies. The revolving fund assumed all of the liabilities, obligations and commitments of the Consumer Information Center account. Under the revolving fund, the Consumer Information Center's activities are financed from moneys deposited to the fund, consisting of annual appropriations from the general funds of the Treasury, reimbursements from agencies, fees collected from the public and other income incident to Consumer Information Center activities.

**Administrative expenses.**—The Consumer Information Center helps Federal departments and agencies release consumer information collected as a by-product of the Government's program activities. The Consumer Information Center maintains close working relationships with more than 30 Federal agencies in order to identify, develop, promote and make accessible to the public Federal consumer information. In addition, the Consumer Information Center promotes public awareness of this information through publication of the quarterly *Consumer Information Catalog*, and through various media services.

**Publications distribution.**—The Consumer Information Center bills agencies and in turn reimburses the Government Printing Office for the costs of distributing free publications to the public.

**Special programs.**—The Consumer Information Center carries out special projects supporting the program's mission. The projects are funded by fees collected from the public and by other revenue and income in the Fund.

**General and special funds—Continued**  
**CONSUMER INFORMATION CENTER FUND—Continued**

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (—):</b>			
Administrative expenses:			
Revenue .....	1,643	1,629	1,704
Expense .....	1,600	1,652	1,736
Net income or loss (—), administrative expenses .....	43	—23	—32
Publications distribution:			
Revenue .....	2,495	2,529	2,654
Expense .....	2,210	2,529	2,654
Net income or loss (—), publications distribution .....	285		
<b>Special programs:</b>			
Revenue .....	118	66	163
Expense .....	14	161	258
Net income or loss (—), special programs .....	104	—95	—95
Net income or loss (—), for the year .....	432	—118	—127

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Treasury balance .....	2,563	2,641	1,673	1,673
Accounts receivable .....	121	34	121	121
Operating equipment .....	19	19	19	19
Total assets .....	2,703	2,694	1,813	1,813
<b>Liabilities:</b>				
Accounts payable .....	144	669	144	144
Annual leave liability .....	18	51	18	18
Total liabilities .....	162	720	162	162
<b>Government equity:</b>				
Unexpended program authority:				
Unobligated balance .....	793	934	816	689
Undelivered orders .....	1,747	1,072	834	961
Unfunded leave liability .....	—18	—51	—18	—18
Invested capital .....	19	19	19	19
Total Government equity .....	2,541	1,974	1,651	1,651

**Object Classification (in thousands of dollars)**

Identification code 47-4549-0-3-376	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	616	541	593
11.3 Other than full-time permanent .....	18	97	60
11.5 Other personnel compensation .....	11	10	10
11.9 Total personnel compensation .....	645	648	663
12.1 Civilian personnel benefits .....	79	123	74
21.0 Travel and transportation of persons .....	28	29	29
22.0 Transportation of things .....	39	36	42
23.1 Rental payments to GSA .....	69	80	76
23.3 Communications, utilities, and miscellaneous charges .....	60	66	66
24.0 Printing and reproduction .....	507	443	533
25.0 Other services .....	2,754	2,903	3,149
26.0 Supplies and materials .....	6	4	6
31.0 Equipment .....	10	10	10
99.9 Total obligations .....	4,197	4,342	4,648

**Personnel Summary**

Total number of full-time permanent positions .....	19	19	19
Total compensable workyears: Full-time equivalent employment .....	20	20	20

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 47-4540-0-4-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Operating expenses .....	20,345	21,860	22,255
00.02 Capital investment: Purchase of equipment .....	635	75	75
10.00 Total obligations .....	20,980	21,935	22,330
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	—21,291	—21,277	—21,660
17.00 Recovery of prior year obligations .....	—869		
21.98 Unobligated balance available, start of year: Fund balance .....	—2,582	—3,050	—2,392
24.98 Unobligated balance available, end of year: Fund balance .....	3,050	2,392	1,722
27.00 Capital transfer to general fund .....	712		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	—311	658	670
72.98 Obligated balance, start of year: Fund balance .....	794	426	1,084
74.98 Obligated balance, end of year: Fund balance .....	—426	—1,084	—1,754
78.00 Adjustments in unexpired accounts .....	—869		
90.00 Outlays .....	—812		

Central blueprinting, duplicating, and distribution services are financed by a working capital fund (40 U.S.C. 293). As authorized by the Joint Committee on Printing, U.S. Congress, GSA has established and operates 11 printing plants to meet the needs of GSA and other Government agencies. These activities are under continuous review to assure that the method of printing is the least costly alternative to the Government.

**Object Classification (in thousands of dollars)**

Identification code 47-4540-0-4-804	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,349	7,597	7,751
11.3 Other than full-time permanent .....	191	203	206
11.5 Other personnel compensation .....	329	300	299
11.9 Total personnel compensation .....	6,869	8,100	8,256
12.1 Civilian personnel benefits .....	1,063	1,528	1,654
13.0 Benefits for former personnel .....	26	20	20
21.0 Travel and transportation of persons .....	47	25	25
22.0 Transportation of things .....	73		
23.1 Rental payments to GSA .....	1,535	2,145	2,030
23.3 Communications, utilities, and miscellaneous charges .....	4,832	4,897	5,030
24.0 Printing and reproduction .....	757	595	620
25.0 Other services .....	1,453	895	930
26.0 Supplies and materials .....	3,690	3,655	3,690
31.0 Equipment .....	635	75	75
99.9 Total obligations .....	20,980	21,935	22,330

**Personnel Summary**

Total number of full-time permanent positions .....	264	306	306
Total compensable workyears:			
Full-time equivalent employment .....	272	312	312
Full-time equivalent of overtime and holiday hours .....	7	7	7

**Trust Funds**

**UNCONDITIONAL GIFTS OF REAL, PERSONAL, OR OTHER PROPERTY**

**Program and Financing (in thousands of dollars)**

Identification code 47-8198-0-7-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....			1



Financing:				
21.40	Unobligated balance available, start of year.....	-1	-1	-1
24.40	Unobligated balance available, end of year.....	1	1	
39.00	Budget authority .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			1
90.00	Outlays .....			1

An unconditional gift was received for use in the area of arts in Federal buildings.

**GENERAL SERVICES ADMINISTRATION—  
GENERAL PROVISIONS**

SECTION 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Not to exceed 1 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate [for approval].

SEC. 4. Funds in the Federal Buildings Fund made available for fiscal year [1988] 1989 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate [for approval].

[SEC. 5. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected on land owned by the United States.]

[SEC. 6. The Bureau of Mines should completely vacate all space at the Columbia Plaza building no later than September 30, 1988. In the event that it becomes necessary to acquire leased space for the Bureau of Mines, the Administrator of General Services shall competitively acquire space for the Bureau of Mines and select quality space at the lowest possible cost in the Washington Metropolitan Area. If such space is acquired by GSA, the Bureau of Mines shall immediately relocate to the space acquired by the GSA.]

[SEC. 7. (a) The General Accounting Office shall, within 60 days after the date of enactment of this Act, submit an estimate of the fair market value of the main post office in Denver, Colorado, located at 1823 Stout Street to the General Services Administration, the Congress of the United States, the United States Postal Service, and the Administrative Office of the United States Courts.]

[(b) Within 30 days after obtaining the estimate made pursuant to subsection (a) the United States Postal Service shall transfer the use and benefit of the lot on which the main post office in Denver is located along with such post office building, improvements and any other structures on such lot to the General Services Administration, and from such date such lot and structures shall be considered to be held for the use and benefit of the United States Courts for the Tenth Circuit.]

[(c) In making the transfer pursuant to subsection (b), the General Services Administration and the United States Postal Service shall use, as the market value of such property, the estimate submitted by the General Accounting Office pursuant to this section and the United States Postal Service shall receive as compensation therefor, the fair market value of such lot, buildings and improvements, as determined by the General Accounting Office.]

[(d) The United States Postal Service shall surrender possession of the second, third and fourth floors of such post office building to the

General Services Administration not later than 1 year after the date of the transfer thereof as provided in this section and, except as provided in subsection (e), shall surrender possession of the balance of such post office building not later than 2 years after such date.]

[(e) The General Services Administration shall permit the United States Postal Service to continue to occupy such area on the first floor of such main post office building not in excess of 18,000 square feet as shall be determined by the General Services Administration after consultation with the Administrative Office of the United States Courts and the United States Postal Service.]

[(f) Pursuant to section 210(f) of the Federal Property and Administrative Service Act of 1949, the Administrator of General Services is authorized to charge the United States Postal Service for all space and services furnished to the United States Postal Service in such main post office building after the date of the conveyance provided in this section.]

[(g) Notwithstanding any other provision of law, the General Services Administration is hereby authorized to sell, at competitive bid, block 11, located at 20th and Curtis Streets in Denver, Colorado, and to deposit such sale proceeds into the Federal Buildings Fund.]

[(h) There are authorized to be appropriated such sums as are necessary to cover the costs of obtaining such post office building for the courts for the Tenth Circuit. Such costs shall include—

- (1) amounts necessary to transfer the lot, main post office building, improvements and any other structures on such lot pursuant to subsection (b);
- (2) appropriate renovations of such post office building for the Tenth Circuit to use such building as the principal office of such courts; and
- (3) the transfer of such courts from their current building to such post office building.]

[(i) There are hereby appropriated, out of the Federal Buildings Fund, such sums as may be necessary to carry out the purposes of subsection (h).]

SEC. 8. The Administrator of General Services is hereby directed to submit a prospectus to the Congress within 60 days to enable the Administrator to contract for construction of two buildings not to exceed a total of 1,600,000 gross square feet of office space, plus additional parking and retail space, in New York City on sites to be acquired from the city of New York. The contracts shall provide, by lease or installment payments over a period not to exceed 30 years, from funds available for the rental of space in the Federal Buildings Fund for the payment of the purchase price, and reasonable interest thereon. The contracts shall further provide that title to the buildings shall vest in the United States at or before expiration of the contract term upon fulfillment of the terms and conditions of the contracts. If a lease-purchase prospectus for a building described in this paragraph is approved under the Public Buildings Act of 1959, the Administrator of General Services may enter into a transaction for the lease-purchase of such building in accordance with the terms specified in such approved prospectus and applicable provisions of law and may make annual lease or installment payments from the funds available for the rental of space in such Fund. The General Services Administration shall lease up to 400,000 square feet of office space and associated parking to the city of New York at rates that reflect an appropriate portion of the construction and related costs of the projects, adjusted for the value of the land acquired from the city. In addition, income accrued by the General Services Administration from the outlease of office space to the city as well as retail and related space to private organizations shall be used to offset GSA's installment payments for the cost of the facilities. Obligations of funds under these transactions shall be limited to the current fiscal year for which payments are due without regard to 31 U.S.C. 1341(a)(1)(B).]

SEC. 9. The Administrator of General Services shall proceed with the site selection and design for construction of a facility of not less than 182,000 usable square feet for the Social Security Administration in Wilkes-Barre, Pennsylvania, pursuant to section 115 of the joint resolution entitled, "A Joint Resolution making continuing appropriations for the fiscal year 1987 and for other purposes", approved October 30, 1986 (100 Stat. 3341-49; Public Law 99-591).] (*Independent Agencies Appropriation Act, 1988.*)



# NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

## Federal Funds

### General and special funds:

#### RESEARCH AND DEVELOPMENT

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; **[\$3,374,200,000]** \$4,446,700,000, to remain available until September 30, [1989, of which \$100,000,000 shall be derived by transfer from funds appropriated in section 101(g) of Public Law 99-591 for orbiter production: *Provided*, That of the funds made available by this Act, \$225,000,000 is for space station only, which amount shall not become available for obligation until June 1, 1988, and pursuant to section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change.] 1990, of which \$967,400,000 is for space station only.

Further, for the space station only, \$2,130,200,000 to be available for obligation on October 1, 1989 and to remain available until September 30, 1991; and further, for the space station only, \$2,912,500,000 to be available for obligation on October 1, 1990 and to remain available until September 30, 1992. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

#### Program and Financing (in thousands of dollars)

Identification code 80-0108-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Space transportation systems:			
00.01	461,787	641,461	624,460
00.02	309,461	502,020	938,645
Scientific investigations in space:			
00.10	545,552	678,345	782,265
00.11	346,179	350,277	400,260
00.13	71,299	70,742	100,090
Space and terrestrial applications:			
00.20	554,397	730,764	562,250
00.21	31,887	88,286	58,690
00.30	168,874	285,773	382,420
00.31	42,864	52,017	82,805
00.32	382,378	358,243	409,860
00.33	10,742	17,148	21,985
00.34	17,905	18,295	18,755
00.91	2,943,325	3,793,371	4,382,485
01.01	806,086	567,700	826,915
10.00	3,749,411	4,361,071	5,209,400
<b>Financing:</b>			
Offsetting collections from:			
11.00	-756,230	-561,919	-818,490
14.00	-14,463	-5,781	-8,425
21.40	-582,182	-753,958	-59,987
22.40	2,900	100,000	.....
24.40	753,958	59,987	124,202
25.00	306	.....	.....
39.00	3,153,700	3,199,400	4,446,700
<b>Budget authority:</b>			
40.00	3,115,700	3,274,200	4,446,700
41.00	.....	-144,800	.....
42.00	38,000	70,000	.....
43.00	3,153,700	3,199,400	4,446,700

Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	2,978,718	3,793,371
72.40	Obligated balance, start of year.....	853,545	1,390,672
74.40	Obligated balance, end of year.....	-1,390,672	-2,145,568
77.00	Adjustments in expired accounts.....	-5,369	.....
90.00	Outlays.....	2,436,222	3,038,475

This appropriation provides for research and development activities of the National Aeronautics and Space Administration. The elements of the program and the work to be performed during 1989 are described below:

**Space Transportation Systems Capability Development.**—The principal activities include efforts related to the Spacelab, the upper stages that will place satellites in high altitude orbits not attainable by the Shuttle, the engineering and technical base support at NASA centers, payload operations and support equipment, development of the joint U.S./Italy Tethered Satellite System, building of the orbital maneuvering vehicle, and advanced programs study and evaluation efforts.

The Spacelab is being prepared to resume flight activity.

For Space Transportation System upper stages, the two stage Inertial Upper Stages will be modified to accommodate planetary spacecraft, and additional upper stages will be procured for Tracking and Data Satellite missions and several NASA scientific missions.

Development of the Tethered Satellite System will continue in 1989, for first flight in 1991. The development of the Orbital Maneuvering Vehicle (OMV) will also continue in 1989, with the first flight planned for early 1993. The OMV will retrieve spacecraft and provide remote satellite servicing and other operations beyond the reach of the Space Shuttle or the Space Station.

Definition and preliminary design activities on the Crew Emergency Return Vehicle for the Space Station will be continued. Technology development and advanced launch system study activities will continue along with the initiation of definition studies on critical propulsion systems. A focused effort on Advanced Operation Effectiveness will also be initiated in 1989, directed toward development and demonstration of new concepts, techniques and procedures to enhance the operational efficiency and safety for future launch systems and the present National Space Transportation System.

**Space Station.**—The space station will provide permanently manned, “space-based” facilities for the Nation’s science and applications programs, and for commercial exploitation of space, while exploring advanced technologies potentially useful to the economy.

In 1989, development efforts will continue. Definition work on the flight telerobotic system and planning for operations, utilization and transition will also continue.

**Scientific Investigations in Space.**—Space Science and Applications programs perform basic research to expand our knowledge of the Earth and its space environment, to explore the far reaches of the universe, and

## General and special funds—Continued

## RESEARCH AND DEVELOPMENT—Continued

to conduct research and experiments to encourage the application of space technology to needs on Earth.

*Physics and Astronomy.*—Research is being conducted to investigate the environment of planets, the interplanetary medium, and distant space. Preparations will continue for launch of the Hubble Space Telescope in fiscal year 1989. Planning activities will continue in 1989 for future Spacelab missions which were rephased due to the Challenger accident. Development of the Gamma Ray Observatory will continue for planned launch in 1990 along with design activities for the Global Geospace Science mission towards a 1992 launch. Development of several ongoing Explorer class satellites will be continued as well as initiation of a series of small, Scout-class free-flyer spacecraft designed to respond rapidly to scientific opportunities. Design and development activities will begin on the Advanced X-Ray Astrophysics Facility (AXAF), which will allow astronomers to view the universe in the x-ray region of the spectrum with an unprecedented degree of sensitivity.

*Planetary Exploration.*—This program encompasses the scientific exploration of the planets, comets, asteroids, and the interplanetary medium to provide increased knowledge of the origin and evolution of the solar system. Development will continue in 1989 on major flight projects initiated in prior years. The Galileo and Ulysses missions continue to be reconfigured to accommodate a Space Shuttle launch with Inertial Upper Stages. Integration and testing of the Magellan spacecraft will start in preparation for launch in 1989. The design and development of the Mars Observer will continue.

*Life Sciences.*—This program provides for the research and technology required to meet the goals of ensuring human health, safety, and productivity in space. In 1989, emphasis will be placed on research on the effects of long-term exposure to weightlessness and development of flight experiments for use on the Space Shuttle and ultimately the Space Station.

*Space and Terrestrial Applications:*

*Space Applications.*—The major programs in space applications are concerned with observations of the Earth and its environment, materials processing, space communications and information systems. Major activities in 1989 include research to better understand mechanisms that affect Earth processes, continued development of Space Shuttle and Space Station payloads, and ground-based research in areas well suited to take advantage of microgravity conditions.

Development will continue on major flight projects initiated in prior years. The Upper Atmospheric Research Satellite is scheduled for launch in 1991. The Ocean Topography Experiment (TOPEX) is scheduled for a 1991 launch as part of a collaborative mission with France.

Research activities and flight experiment development in materials processing will continue. Work will be initiated in defining and developing the facilities to be used on the Space Station through the evolution of

experiment technology using Space Shuttle flight opportunities.

In space communications, research and analysis will continue to support development of advanced component and device technology for communications satellite systems. Development work will be terminated on the Advanced Communications Technology Satellite demonstration flight.

Information systems activities in 1989 will provide analysis and technology to address concerns of the science community for improved access to and manipulation of data from space science and applications missions.

*Commercial Programs.*—These programs include technology utilization and commercial use of space.

The technology utilization program is designed to transfer aerospace technology from NASA's research and development base to nonaerospace sectors of the U.S. economy. During 1989, NASA will continue its efforts to help foster the dissemination of new technology developed by the Agency's programs.

The commercial use of space is designed to increase private sector awareness of the opportunities in space. Private industry will be encouraged to invest and participate in high technology research and development using the unique characteristics of space.

*Space Research and Technology.*—In 1989, work directed toward providing the broad base of technology underlying the conduct of future space missions will continue. Project Pathfinder, which will be initiated in 1989, continues the advancement of technological capabilities and extends the foundation established under the Civil Space Technology Initiative (CSTI) started in 1988. Pathfinder is oriented towards technology activities underlying potential future space missions beyond the Earth's orbit and will provide the advanced technologies to continue U.S. leadership in space.

*Transatmospheric Research and Technology.*—A joint NASA/DOD program will explore new approaches for cost-effective hypersonic flight in the atmosphere with the capability to accelerate to orbit. The program will pursue research and advanced technology development in the area of hypersonic flight, cooperatively with DOD, and is expected to lead to a transatmospheric flight research vehicle in the early 1990's.

*Aeronautical Research and Technology.*—This program conducts research and develops technology for future U.S. military and civil aircraft.

Major thrusts of 1989 activities include: continuing advancement in both basic aeronautical disciplines and systems research; maintaining and operating specialized facilities essential to aeronautical research; and pursuing technological advances in critical areas of high risk and potentially high payoff to the Nation. These activities will continue to provide a strong research and technology base in the aeronautical disciplines of fluid and thermal physics, applied aerodynamics, materials and structures, controls and guidance, human factors, information sciences, propulsion and power, flight systems, and systems analysis and studies. Some 1989 key activities in the research and technology base will be augmented where the technology is ready for a major step forward, such as advanced propulsion

concepts and aviation safety/automation. Systems technology efforts will continue in a variety of areas including materials and structures, which will be augmented in advanced composite materials, high-performance aircraft, advanced propulsion systems, and numerical aerodynamic simulation.

**Safety, Reliability, and Quality Assurance.**—This activity will continue to enhance the safety and technical execution of NASA programs through an agency-wide problem reporting, trend analysis, and corrective action system, in-depth safety reviews, independent assessments, and the expansion of the nondestructive evaluation (NDE) program.

**Supporting Activity: Tracking and Data Advanced Systems.**—This program provides advanced studies to ensure capability for tracking, data acquisition, communications, and data processing support required by all NASA flight projects in accomplishing their mission objectives. Research and development activities will provide tracking and data acquisition support systems for future flight programs.

**Object Classification (in thousands of dollars)**

Identification code	80-0108-0-1-999	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
22.0	Transportation of things.....	3,764	4,806	5,604
23.1	Rental payments to GSA.....	160	204	238
23.2	Rental payments to others.....	32,251	41,180	48,020
23.3	Communications, utilities, and miscellaneous charges...	6,722	8,583	10,009
24.0	Printing and reproduction.....	2,623	3,349	3,906
25.0	Other services.....	2,674,583	3,450,223	3,982,339
26.0	Supplies and materials.....	123,902	158,207	184,485
31.0	Equipment.....	95,648	122,130	142,416
32.0	Land and structures.....	689	880	1,026
41.0	Grants, subsidies, and contributions.....	2,983	3,809	4,442
99.0	Subtotal, direct obligations.....	2,943,325	3,793,371	4,382,485
99.0	Reimbursable obligations.....	806,086	567,700	826,915
99.9	Total obligations.....	3,749,411	4,361,071	5,209,400

**SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS**

For necessary expenses, not otherwise provided for; in support of space flight, spacecraft control and communications activities of the National Aeronautics and Space Administration, including operations, production, services, minor construction, maintenance, repair, rehabilitation, and modification of real and personal property; tracking and data relay satellite services as authorized by law; purchase, hire, maintenance and operation of other than administrative aircraft; **[\$3,908,309,000] \$4,841,200,000**, to remain available until September 30, **[1989, including not to exceed \$28,000,000 for expendable launch vehicles which shall be available only for the purchase of two Delta II vehicles for the launch of the Roentgen satellite (ROSAT) and the Extreme Ultraviolet Explorer (EUVE)] 1990.** (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	80-0105-0-1-250	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Space transportation systems:</b>				
00.01	Shuttle production and capability development.....	1,643,519	1,888,241	2,113,125
00.02	Operations.....	1,672,642	1,927,608	2,366,795
00.10	Supporting activity: Tracking and data acquisition.....	755,094	942,220	1,027,505
00.91	Total direct program.....	4,071,255	4,758,069	5,507,425

01.01	Reimbursable program.....	378,102	243,800	253,082
10.00	Total obligations.....	4,449,357	5,001,869	5,760,507
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds.....	-195,529	-243,800	-253,082
14.00	Non-Federal sources.....	-78,977	-91,396	-105,200
21.40	Unobligated balance available, start of year.....	-609,039	-2,445,760	-1,598,391
22.40	Unobligated balance transferred, net.....	8,420	-100,000	.....
24.40	Unobligated balance available, end of year.....	2,445,760	1,598,391	932,166
25.00	Unobligated balance lapsing.....	531	.....	.....
31.00	Redemption of debt.....	78,977	91,396	105,200
39.00	<b>Budget authority.....</b>	<b>6,099,500</b>	<b>3,810,700</b>	<b>4,841,200</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	6,099,500	3,908,309	4,841,200
41.00	Transferred to other accounts.....	.....	-97,609	.....
43.00	<b>Appropriation (adjusted).....</b>	<b>6,099,500</b>	<b>3,810,700</b>	<b>4,841,200</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	4,174,851	4,666,673	5,402,225
72.40	Obligated balance, start of year.....	517,145	1,094,243	1,490,639
74.40	Obligated balance, end of year.....	-1,094,243	-1,490,639	-1,783,561
77.00	Adjustments in expired accounts.....	-455	.....	.....
90.00	Outlays.....	3,597,298	4,270,277	5,109,303

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	887,583	808,606	717,210
1251	Repayments: Repayments and prepayments.....	-78,977	-91,396	-105,200
1290	Outstanding, end of year.....	808,606	717,210	612,010

This appropriation provides for production and operational activities for the Space Transportation System; and for tracking, telemetry, command, and data acquisition support of all NASA flight projects. The elements of the program and the work to be performed during 1989 are described below.

**Space Transportation Systems:**

**Shuttle production and capability development.**—The Space Shuttle provides a unique capability which meets a wide variety of scientific and governmental requirements and obligations.

In 1989, the principal activities are focused on completion of the certification and testing of the modifications and changes identified in the post-Challenger accident review process. This process addresses all elements of the Space Transportation System including boosters, orbiters, main engines, external tank, and launch and flight operations projects. The recommendations of the Rogers Commission will be implemented to enhance the safe and effective operation of the Shuttle fleet. The orbiter logistics program will continue to provide hardware to support the flight rate build-up when Shuttle flights resume. Work on the replacement orbiter will continue, with delivery scheduled for 1991. Design and development activities will begin in 1989 on the Advanced Solid Rocket Motor (ASRM). The ASRM will enhance the flight safety and reliability of the Space Shuttle fleet and achieve increased payload capability. Development of the hardware necessary to extend the on-orbit stay time of the Space Shuttle to 14-16 days will be initiated. Modification of Space Shuttle with this extended duration capability is expected by 1992.

General and special funds—Continued

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS—Continued

**Operations.**—This activity provides the standard operational services for the Space Shuttle. Space Shuttle flights are planned to resume in 1988, and procurement of ELV services are planned to satisfy the launch requirements of scientific and operational payloads. In 1989, the Shuttle operations program will support flight preparation, training, mission planning, and hardware and payload processing activities for flights planned in 1989 and 1990. Implementation of NASA's mixed fleet plan will be continued and expanded with support provided for additional procurements of expendable launch vehicle services on a competitive basis for a specified number of missions requiring small, medium and large launch systems.

**Supporting Activity: Tracking and Data Acquisition.**—This program, using ground-based and satellite (tracking and data relay satellite system) components, provides vital tracking, telemetry, command, and data acquisition support to meet the requirements of all NASA flight projects. In addition to NASA flight projects, support is provided on a reimbursable basis for projects of the Department of Defense and other Government agencies, commercial firms, and other countries and international organizations engaged in space research endeavors. In 1989, work will continue on the replacement tracking and data relay satellite spacecraft for the one lost in the Challenger accident.

Object Classification (in thousands of dollars)

Identification code	80-0105-0-1-250	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
22.0	Transportation of things.....	3,971	4,641	5,372
23.2	Rental payments to others.....	6,767	7,909	9,154
23.3	Communications, utilities, and miscellaneous charges...	83,214	97,252	112,568
24.0	Printing and reproduction.....	1,384	1,617	1,872
25.0	Other services.....	3,820,348	4,464,834	5,168,008
26.0	Supplies and materials.....	83,579	97,679	113,062
31.0	Equipment.....	66,520	77,742	89,985
32.0	Land and structures.....	5,322	6,220	7,199
41.0	Grants, subsidies, and contributions.....	150	175	203
99.0	Subtotal, direct obligations.....	4,071,255	4,758,069	5,507,425
99.0	Reimbursable obligations.....	378,102	243,800	253,082
99.9	Total obligations.....	4,449,357	5,001,869	5,760,507

CONSTRUCTION OF FACILITIES

For construction, repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and for facility planning and design not otherwise provided, for the National Aeronautics and Space Administration, and for the acquisition or condemnation of real property, as authorized by law, **[\$178,272,000] \$285,100,000**, to remain available until September 30, **[1990] 1991: Provided**, That, notwithstanding the limitation on the availability of funds appropriated under this heading by this appropriations Act, when any activity has been initiated by the incurrence of obligations therefor, the amount available for such activity shall remain available until expended, except that this provision shall not apply to the amounts appropriated pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design: *Provided further*, That no amount appropriated pursuant to this or any other Act may be used for the lease or construction of a new contractor-funded facility for exclusive use in support of a contract or contracts with the National Aeronautics and Space Administration under which the Administration would be re-

quired to substantially amortize through payment or reimbursement such contractor investment, unless an appropriations Act specifies the lease or contract pursuant to which such facilities are to be constructed or leased or such facility is otherwise identified in such Act: *Provided further*, That the Administrator may authorize such facility lease or construction, if he determines, in consultation with the Committees on Appropriations, that deferral of such action until the enactment of the next appropriations Act would be inconsistent with the interest of the Nation in aeronautical and space activities. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code	80-0107-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Space transportation systems.....	18,438	20,530	44,140
00.02	Scientific investigations in space.....	8,618	5,326	22,820
00.04	Space research and technology.....	7,357	1,879	.....
00.05	Aeronautical research and technology.....	18,515	41,865	55,400
00.07	Supporting activity.....	91,582	127,097	120,009
00.91	Total direct program.....	144,510	196,697	242,369
01.01	Reimbursable program.....	3,369	6,000	6,000
10.00	Total obligations.....	147,879	202,697	248,369
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	- 692	- 6,000	- 6,000
21.40	Unobligated balance available, start of year.....	-64,944	-98,380	-79,955
22.40	Unobligated balance transferred, net.....	-11,320	.....	.....
24.40	Unobligated balance available, end of year.....	98,380	79,955	122,686
25.00	Unobligated balance lapsing.....	48,054	.....	.....
39.00	Budget authority.....	217,358	178,272	285,100
<b>Budget authority:</b>				
40.00	Appropriation.....	169,300	178,272	285,100
50.00	Reappropriation.....	48,058	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	147,187	196,697	242,369
72.40	Obligated balance, start of year.....	143,448	141,664	184,881
74.40	Obligated balance, end of year.....	-141,664	-184,881	-254,308
90.00	Outlays.....	148,971	153,480	172,942

This appropriation provides for contractual services for the design, repair, rehabilitation, and modification of facilities; the construction of new facilities; the purchase of land and equipment related to construction and modification; environmental compliance activities agencywide; and advanced design related to facilities planned for future authorization. The principal projects in the 1989 program are described below:

**Space transportation systems.**—This activity includes funds for space flight and Space Station facilities at various locations.

**Scientific investigations in space.**—This activity provides for modernization of the Space Environment Simulator at the Goddard Space Flight Center, Greenbelt, MD; refurbishment of the 25-foot Space Simulator at the Jet Propulsion Laboratory, Pasadena, CA; and modifications to the X-Ray Calibration Facility at the Marshall Space Flight Center, Huntsville, AL.

**Space Research and Technology.**—This activity provides for the refurbishment of an Electric Power Laboratory of the Lewis Research Center, Cleveland, OH.

**Aeronautical Research and Technology.**—This activity provides for a structured, multi-year effort to restore and modernize NASA's aeronautical research and development facilities at various NASA installations. These aging facilities, which have been the key to estab-

ishment of current U.S. preeminence in aeronautics, will be modernized and their productivity increased to support the aeronautical research and development needed to maintain U.S. competitiveness in this key high technology sector.

**Supporting activity.**—The estimates for this activity include construction of an auxiliary chiller facility at the Johnson Space Center, Houston, TX; modifications for utility reliability at the Goddard Space Flight Center, Greenbelt, MD; repair, rehabilitation and modification of facilities, not in excess of \$750 thousand per project, minor construction of new facilities and additions to existing facilities, not in excess of \$500 thousand per project at various NASA installations and at Government-owned plants operated by contractors; environmental compliance activities agencywide; and for facility planning and design.

**Object Classification (in thousands of dollars)**

Identification code 80-0107-0-1-999	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
22.0 Transportation of things.....	11	15	18
24.0 Printing and reproduction.....	43	59	72
25.0 Other services.....	8,154	11,099	13,676
26.0 Supplies and materials.....	357	486	599
31.0 Equipment.....	280	381	470
32.0 Land and structures.....	135,665	184,658	227,534
99.0 Subtotal, direct obligations.....	144,510	196,697	242,369
99.0 Reimbursable obligations.....	3,369	6,000	6,000
99.9 Total obligations.....	147,879	202,697	248,369

**RESEARCH AND PROGRAM MANAGEMENT**

For necessary expenses of research in Government laboratories, management of programs and other activities of the National Aeronautics and Space Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); awards; lease, hire, purchase of one aircraft for replacement only (for which partial payment may be made by exchange of at least one existing administrative aircraft and such other existing aircraft as may be considered appropriate), maintenance and operation of administrative aircraft; purchase (not to exceed thirty-three for replacement only) and hire of passenger motor vehicles; and maintenance and repair of real and personal property, and not in excess of \$100,000 per project for construction of new facilities and additions to existing facilities, repairs, and rehabilitation and modification of facilities; **[\$1,495,680,000] \$1,915,000,000: Provided,** That contracts may be entered into under this appropriation for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: **Provided further,** That not to exceed \$35,000 of the foregoing amount shall be available for scientific consultations or extraordinary expense, to be expended upon the approval or authority of the Administrator and his determination shall be final and conclusive: **Provided further,** That apportionments granted pursuant to this Act for the appropriations to the National Aeronautics and Space Administration shall reflect the moving of up to \$245,000,000 (on an annual basis) in institutional costs from the "Research and development" and "Space flight, control and data communications" accounts to the "Research and program management" account. (Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 80-0103-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Space transportation systems.....	682,525	832,007	892,358
00.02 Scientific investigations in space.....	197,038	226,073	252,990
00.03 Space and terrestrial applications.....	134,238	160,258	174,273

00.04 Space research and technology.....	107,744	121,220	149,534
00.05 Transatmospheric vehicle research and technology.....	7,253	12,542	14,962
00.06 Aeronautical research and technology.....	257,638	313,298	344,309
00.07 Supporting activity.....	56,356	64,545	77,886
00.08 Safety, reliability and quality assurance.....	8,720	8,146	8,688
00.91 Total direct program.....	1,451,512	1,738,089	1,915,000
01.01 Reimbursable program.....	42,518	40,000	40,000
10.00 Total obligations.....	1,494,030	1,778,089	1,955,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-39,411	-37,117	-37,117
14.00 Non-Federal sources.....	-3,107	-2,883	-2,883
25.00 Unobligated balance lapsing.....	988		
39.00 Budget authority.....	1,452,500	1,738,089	1,915,000
<b>Budget authority:</b>			
40.00 Appropriation.....	1,452,500	1,495,680	1,915,000
42.00 Transferred from other accounts.....		242,409	
43.00 Appropriation (adjusted).....	1,452,500	1,738,089	1,915,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,451,512	1,738,089	1,915,000
72.40 Obligated balance, start of year.....	126,117	168,586	257,018
74.40 Obligated balance, end of year.....	-168,586	-257,018	-275,620
77.00 Adjustments in expired accounts.....	-92		
90.00 Outlays.....	1,408,950	1,649,657	1,896,398

This appropriation provides for research in Government laboratories, management of programs, and other expenses for the operation of eight NASA field installations.

Programwide support and management are provided by NASA headquarters, Washington, DC.

The budget levels proposed in this account reflect management reform efforts now underway or planned.

In 1989, funding is included to provide 525 additional full-time equivalent people to meet the challenges faced in the Shuttle program; strengthen the in-house technical capability; the safety, reliability and quality assurance program; internal auditing; and NASA headquarters management oversight.

**Object Classification (in thousands of dollars)**

Identification code 80-0103-0-1-999	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	839,426	885,259	914,732
11.3 Other than full-time permanent.....	15,173	16,632	16,917
11.5 Other personnel compensation.....	14,796	17,715	18,664
11.8 Special personal services payments.....	6,341	6,409	6,817
11.9 Total personnel compensation.....	875,736	926,015	957,130
12.1 Civilian personnel benefits.....	115,962	135,098	152,095
13.0 Benefits for former personnel.....	639	329	335
21.0 Travel and transportation of persons.....	36,410	42,800	51,000
21.0 Payments to interagency motor pools.....	1,471	1,514	2,376
22.0 Transportation of things.....	4,845	6,250	6,317
23.1 Rental payments to GSA.....	11,191	17,146	18,926
23.2 Rental payments to others.....	503	608	632
23.3 Communications, utilities, and miscellaneous charges.....	99,026	148,333	145,092
24.0 Printing and reproduction.....	3,120	15,429	18,079
25.0 Other services.....	267,074	372,582	478,604
26.0 Supplies and materials.....	22,404	40,810	42,750
31.0 Equipment.....	10,537	30,745	41,212
32.0 Land and structures.....	1,780		
41.0 Grants, subsidies, and contributions.....	814	430	452
99.0 Subtotal, direct obligations.....	1,451,512	1,738,089	1,915,000
99.0 Reimbursable obligations.....	42,518	40,000	40,000
99.9 Total obligations.....	1,494,030	1,778,089	1,955,000

**General and special funds—Continued**

**RESEARCH AND PROGRAM MANAGEMENT—Continued**

**Personnel Summary**

Total number of full-time permanent positions.....	21,823	22,000	22,525
Total compensable workyears:			
Full-time equivalent employment .....	22,001	22,425	22,950
Full-time equivalent of overtime and holiday hours .....	189	238	245

**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	80-9971-0-7-255	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-148	-176	-176
24.40	Unobligated balance available, end of year.....	176	176	176
60.00	<b>Budget authority</b> (permanent, indefinite).....	<b>28</b>		

Relation of obligations to outlays:

71.00	Obligations incurred, net .....	1	
72.40	Obligated balance, start of year .....		
90.00	Outlays.....	1	

Foreign governments advance funds to allow the National Aeronautics and Space Administration to procure, in the United States, nonmilitary space-oriented materials and services on their behalf. Authority for this action is granted by the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.).

**GENERAL PROVISIONS**

*SEC. 1. Not to exceed 5 per centum of any appropriation made available for the current year for National Aeronautics and Space Administration activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any proposed transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.*



# OFFICE OF PERSONNEL MANAGEMENT

## Federal Funds

### General and special funds:

#### SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, not to exceed \$2,500 for official reception and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; **[\$101,834,000] \$107,477,000, of which \$170,000 shall be for the salaries, administrative support and for other expenses of the Commission on Executive, Legislative and Judicial Salaries; in addition to [\$67,746,000] \$77,017,000 for administrative expenses, including direct procurement of health benefits printing, for the retirement and insurance programs, of which \$7,000,000 shall be for costs incurred in implementing the recordkeeping system of the Federal Employees Retirement System, to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes: Provided, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C.: Provided further, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: Provided further, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during the fiscal year ending September 30, [1988] 1989, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission. (Independent Agencies Appropriations Act, 1988.)**

#### Program and Financing (in thousands of dollars)

Identification code	24-0100-0-1-805	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Career entry.....	36,646	35,846	39,392
00.02	Training and investigations.....	5,466	5,406	6,514
00.03	Personnel systems and oversight.....	16,321	17,113	17,427
00.04	Administrative services.....	8,099	5,794	6,665
00.05	ADP services.....	8,062	8,183	7,377
00.06	Executive services.....	5,280	4,923	4,733
00.07	Office of Government Ethics.....	1,303	1,578	1,784
00.08	Other programs.....	2,012	3,176	3,333
00.09	Mandatory payments.....	16,595	19,815	20,252
00.91	Total direct program.....	99,784	101,834	107,477
01.01	Reimbursable program.....	75,054	82,046	90,681
10.00	Total obligations.....	174,838	183,880	198,158
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-12,307	-14,300	-13,664
13.00	Trust funds.....	-62,747	-67,746	-77,017
25.00	Unobligated balance lapsing.....	345		
40.00	Budget authority (appropriation).....	100,129	101,834	107,477
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	99,784	101,834	107,477
72.40	Obligated balance, start of year.....	14,697	829	5,092

74.40	Obligated balance, end of year.....	-829	-5,092	-5,374
77.00	Adjustments in expired accounts.....	9,112		
90.00	Outlays.....	122,764	97,571	107,195

The Office of Personnel Management is responsible for personnel management functions which include the following activities:

**Career entry.**—This activity consists of: (a) recruiting; (b) examining; (c) developing qualification standards; and (d) administering the affirmative employment program.

Workloads are reflected in the following table:

	1987 actual	1988 est.	1989 est.
Production count:			
Applications processed for Federal employment.....	731,725	735,000	735,000
Employment inquiries answered.....	2,784,845	2,800,000	2,800,000

**Training and investigations.**—This activity includes: (a) training leadership; and (b) assuring applicant and appointee fitness and suitability.

	1987 actual	1988 est.	1989 est.
Production count:			
National agency check and inquiry cases.....	208,265	212,800	260,000

**Personnel system and oversight.**—This activity includes: (a) managing human resource systems innovation and simplification; (b) developing pay and leave administration policy; (c) managing employee health programs; (d) conducting personnel management evaluations; (e) managing employee and labor relations; (f) developing classification standards; and (g) providing work-force information.

	1987 actual	1988 est.	1989 est.
Production count:			
Personnel management evaluations.....	600	600	600

**Administrative services.**—This activity includes: (a) personnel and equal employment opportunity; (b) budget; (c) finance; (d) facilities, publishing and acquisitions management; and (e) library and health services in support of all OPM programs.

**ADP services.**—This activity consists of the central computing facility and related functions in support of program requirements.

**Executive services.**—This activity includes: (a) executive direction; (b) policy development; (c) legal advice and representation; (d) public affairs; (e) legislative activities; (f) the Inspector General function; and (g) administration of the Senior Executive Service system.

**Office of Government Ethics.**—This activity carries out the provisions of the Ethics in Government Act of 1978 and subsequent amendments. Funding is increased in 1989 to \$1,784 thousand for additional workloads and is estimated to remain at that level for each year through 1993.

**Other programs.**—This activity includes: (a) administering the Voting Rights Act of 1965; and (b) operating expenses of the President's Commissions on Executive Exchange and White House Fellows.

Workloads are reflected in the following table:

	1987 actual	1988 est.	1989 est.
Production count:			
Voting rights observers.....	505	1,250	700

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

White House Fellowship applications .....	805	1,000	1,000
Executive Exchange nominees accepted for placement .....	22	35	45

**Mandatory payments.**—This activity finances certain mandatory overhead expenses including: (a) reimbursements to GSA for space rental and for Federal telecommunications services (FTS); (b) reimbursements to the U.S. Postal Service for penalty mail and parcel post; (c) reimbursements to the Department of Labor for workers compensation and unemployment benefits paid; and (d) other miscellaneous services.

**Reimbursable programs.**—The OPM performs reimbursable work at the request of other agencies and administers retirement and insurance programs for the Federal employees and retired Federal employees. These programs include the Civil service retirement and disability fund, the Employees life insurance fund, the Employees health benefits fund, and the Retired employees health benefits fund. Administrative expenses are financed through the transfer of funds from the appropriate trust funds.

Object Classification (in thousands of dollars)

Identification code 24-0100-0-1-805	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	53,459	54,129	56,110
11.3 Other than full-time permanent .....	4,164	4,231	4,378
11.5 Other personnel compensation .....	1,129	1,232	1,172
11.9 Total personnel compensation .....	58,752	59,592	61,660
12.1 Civilian personnel benefits .....	8,273	9,994	10,719
13.0 Benefits for former personnel .....	117	108	108
21.0 Travel and transportation of persons .....	1,211	1,575	1,736
22.0 Transportation of things .....	191	195	195
23.1 Rental payments to GSA .....	11,784	14,511	14,474
23.3 Communications, utilities, and miscellaneous charges .....	5,865	6,467	6,654
24.0 Printing and reproduction .....	1,731	1,588	2,112
25.0 Other services .....	5,570	4,826	5,991
26.0 Supplies and materials .....	1,370	1,287	1,478
31.0 Equipment .....	4,920	1,691	2,350
99.0 Subtotal, direct obligations .....	99,784	101,834	107,477
99.0 Reimbursable obligations .....	75,054	82,046	90,681
99.9 Total obligations .....	174,838	183,880	198,158

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	1,867	1,826	1,859
Total compensable workyears:			
Full-time equivalent employment .....	2,049	1,994	2,033
Full-time equivalent of overtime and holiday hours .....	29	32	30
Reimbursable:			
Total number of full-time permanent positions .....	1,604	1,796	1,735
Total compensable workyears:			
Full-time equivalent employment .....	1,630	1,827	1,765
Full-time equivalent of overtime and holiday hours .....	29	24	24

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, **[\$1,788,931,000] \$2,374,414,000**, to remain available until expended. (*Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 24-0206-0-1-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Government contribution for annuitants benefits (1959 law) .....	1,701,741	2,160,807	2,472,149
00.02 Government contribution for annuitants benefits (1960 act) .....	9,533	11,146	11,397
00.03 Administrative expenses (1960 act) .....	115	125	130
10.00 Total obligations .....	1,711,389	2,172,078	2,483,676
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-879,059	-626,670	-243,523
24.40 Unobligated balance available, end of year .....	626,670	243,523	134,261
40.00 <b>Budget authority (appropriation) .....</b>	<b>1,459,000</b>	<b>1,788,931</b>	<b>2,374,414</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,711,389	2,172,078	2,483,676
72.40 Obligated balance, start of year .....	23,681	143,363	218,549
74.40 Obligated balance, end of year .....	-143,363	-218,549	-275,705
90.00 Outlays .....	1,591,707	2,096,892	2,426,520

This appropriation covers: (1) the Government's share of the cost of health insurance for 1,554,000 annuitants as defined in sections 8901 and 8906 of title 5, United States Code; (2) the Government's share of the cost-of-health insurance for 31,131 annuitants (who were retired when the Federal employees health benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and, (3) the Government's contribution for payment of administrative expenses incurred by the Office of Personnel Management in administration of the act. In accordance with the provisions of Public Law 100-203, the United States Postal Service will make contributions to the Employees health benefits fund in the amount of \$160 million and \$270 million in fiscal years 1988 and 1989, respectively. The budget authority requested for this account has been adjusted to reflect these payments.

The use of these funds is reflected in the schedules for the Employees health benefits fund and the Retired employees health benefits fund.

Object Classification (in thousands of dollars)

Identification code 24-0206-0-1-551	1987 actual	1988 est.	1989 est.
13.0 Benefits for former personnel .....	1,711,274	2,171,953	2,483,546
25.0 Other services .....	115	125	130
99.9 Total obligations .....	1,711,389	2,172,078	2,483,676

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, **[\$4,720,913,000] \$4,858,668,000**. *Provided*, That annuities authorized by the Act of May 29, 1944, as amended (22 U.S.C. 3682(e)), August 19, 1950, as amended (33 U.S.C. 771-75), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (*Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 24-0200-0-1-805	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Payment of annuities under special acts .....	1,052	808	566
00.02 Payment of Government share of retirement costs .....	4,555,948	4,720,105	4,858,102

00.03	Transfers for interest on unfunded liability and payment of military service annuities.....	11,031,000	11,050,670	11,350,895
00.04	Payments for contribution deficiency.....	207,600		
00.05	Spouse equity payment.....	7,800	7,800	7,800
00.06	Transfer for payment of FERS supplemental liability.....			668,000
10.00	Total obligations.....	15,803,400	15,779,383	16,885,363
<b>Financing:</b>				
39.00	Budget authority.....	15,803,400	15,779,383	16,885,363
<b>Budget authority:</b>				
40.00	Appropriation (current).....	4,557,000	4,720,913	4,858,668
60.00	Appropriation (permanent, indefinite).....	11,246,400	11,058,470	12,026,695
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	15,803,400	15,779,383	16,885,363
90.00	Outlays.....	15,803,400	15,779,383	16,885,363

*Payment of annuities under special acts.*—These annuities are paid to persons who were employed on the construction of the Panama Canal or their widows and widows of former employees of the Lighthouse Service. Numbers of recipients are as follows:

	Sept. 30, 1987	Sept. 30, 1988	Sept. 30, 1989
Panama Canal annuitants.....	30	27	24
Lighthouse Service widows.....	185	166	150

*Payment of Government share of retirement costs.*—The Civil Service Retirement Amendments of 1969 provide for financing of the current year's costs of the unfunded liability created since its enactment on October 20, 1969. Any statute which authorizes (1) new or liberalized benefits, (2) extension of retirement coverage, or (3) pay increases, is deemed to authorize appropriations to the fund to finance the unfunded liability created.

*Transfers for interest on unfunded liability and payment of military service annuities.*—The Secretary of the Treasury is required to make annual payments from general revenues into the Retirement fund of an amount equivalent to: (1) interest on the unfunded liability, and (2) annuity disbursements attributable to military service. The Office of Personnel Management, at the end of each year, notifies the Secretary of the Treasury of the amount of payment to be made to the Retirement fund and reports such sums to the President and Congress.

*Payments for spouse equity.*—The Civil Service Retirement Spouse Equity Act of 1985, Public Law 98-615, provides for the payment of survivor annuities to eligible former spouses of annuitants who died between September 1978 and May 1986 and who did not elect survivor coverage. The law authorizes the Office of Personnel Management to notify the Secretary of the Treasury of the amount of such annuities paid each fiscal year and directs the Secretary to credit this amount to the Civil Service Retirement and Disability Fund.

*Transfers for payment of FERS supplemental liability.*—Under provisions of the Federal Employees' Retirement System (FERS) Act of 1986, Public Law 99-335, the Secretary of Treasury is required to make annual payments to finance the supplemental liability as calculated for the new FERS. The supplemental liability will be financed by 30 annual payments beginning in fiscal year 1989. Since covered populations are tentative, the estimated amount will be recalculated during fiscal year 1989.

Object Classification (in thousands of dollars)				
Identification code	24-0200-0-1-805	1987 actual	1988 est.	1989 est.
12.1	Civilian personnel benefits.....	4,763,548	4,720,913	4,858,668
13.0	Benefits for former personnel.....	11,039,852	11,058,470	12,026,695
99.9	Total obligations.....	15,803,400	15,779,383	16,885,363

**Intragovernmental funds:**

**REVOLVING FUND**

Pursuant to section 4109(d)(1) of title 5, United States Code, costs for entertainment expenses of the President's Commission on Executive Exchange shall not exceed \$12,000. (*Independent Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code	24-4571-0-4-805	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	DOD testing.....	7,638	7,468	7,619
00.02	Investigations.....	43,626	49,573	49,357
00.03	Training.....	85,365	89,411	91,030
00.04	Other programs.....	1,142	827	974
00.91	Total operating expenses.....	137,771	147,279	148,980
Capital investment:				
01.01	DOD testing.....	42		
01.02	Investigations.....	603	246	242
01.03	Training.....	1,534	884	900
01.04	Other programs.....	22	5	2
01.91	Total capital investment.....	2,201	1,135	1,144
10.00	Total obligations.....	139,972	148,414	150,124
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-141,201	-145,380	-156,545
14.00	Non-Federal sources.....	-527	-671	-851
21.98	Unobligated balance available, start of year: Fund balance.....	-35,273	-37,029	-34,666
24.98	Unobligated balance available, end of year: Fund balance.....	37,029	34,666	41,938
39.00	Budget authority.....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	-1,756	2,363	-7,272
72.98	Obligated balance, start of year: Fund balance.....	-29,297	-12,335	-14,216
74.98	Obligated balance, end of year: Fund balance.....	12,335	14,216	6,590
90.00	Outlays.....	-18,719	4,244	-14,898

The Office of Personnel Management tests inductee candidates for the Department of Defense (DOD), performs training activities and miscellaneous services for Federal agencies, and conducts background security investigations for Federal agencies on a reimbursable basis.

Fees collected by the President's Commission on Executive Exchange are also credited to the revolving fund and are available for the Commission's use.

*Budget program.*—The 1989 training activities will emphasize greater use of private sector training sources by Federal agencies to strengthen their training programs.

**WORKLOAD COUNT**

	1987 actual	1988 est.	1989 est.
Background security investigations processed.....	33,341	42,340	42,340
Test sessions for DOD.....	85,630	80,000	80,000
Participant training days.....	575,600	550,039	570,039

**Intragovernmental funds—Continued**

**REVOLVING FUND—Continued**

*Operating results and financing condition.*—The appropriated capital of the fund consists of \$6.8 million, which along with total Government equity ensures a sound financial condition and an adequate cash balance for the fund.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Department of Defense testing program:			
Revenue.....	7,482	7,200	7,600
Expense.....	7,634	7,529	7,639
Net operating income or loss (—), DOD testing program.....	—152	—329	—39
Investigations program:			
Revenue.....	38,245	53,741	60,315
Expense.....	43,397	52,388	50,920
Net operating income or loss (—), investigations program.....	—5,152	1,353	9,395
Training program:			
Revenue.....	84,511	86,121	89,390
Expense.....	81,347	87,144	89,765
Net operating income or loss (—), training program.....	3,164	—1,023	—375
Other programs:			
Revenue.....	6,539	859	1,091
Expense.....	1,154	1,025	981
Net operating income or loss (—), other programs.....	5,385	—166	110
Net operating income or loss (—), total.....	3,245	—165	9,091
Non-operating income or loss (—):			
Net gain or loss (—) from sale of equipment.....	4		
Net non-operating income or loss (—).....	4		
Net income or loss (—) for the year.....	3,249	—165	9,091

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	5,976	24,694	20,450	35,348
Accounts receivable.....	33,834	55,971	43,719	51,554
Advances made.....	474	505	1,000	1,000
Work in process.....	12,327	13,163	11,563	11,063
Real property and equipment (net).....	5,952	6,022	5,394	4,723
Total assets.....	58,563	100,355	82,126	103,688
<b>Liabilities:</b>				
Accounts payable and funded accrued liabilities..	12,760	31,748	21,515	24,381
Advances received.....	42,167	61,737	53,906	63,511
Total liabilities.....	54,927	93,485	75,421	87,892
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance.....	35,273	37,029	34,666	41,938
Undelivered orders.....	14,241	19,830	22,224	24,199
Invested capital (net).....	2,777	2,781	2,315	1,659
Unfilled customer orders.....	—48,655	—52,770	—52,500	—52,000
Total Government equity.....	3,636	6,870	6,705	15,796

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
24-4571-0-4-805			
Personnel compensation:			
11.1 Full-time permanent.....	32,639	34,999	32,107
11.3 Other than full-time permanent.....	13,957	13,843	17,621
11.5 Other personnel compensation.....	1,767	1,762	1,763

11.8	Special personal services payments.....	108	108	108
11.9	Total personnel compensation.....	48,471	50,712	51,599
12.1	Civilian personnel benefits.....	5,807	7,376	7,141
13.0	Benefits to former personnel.....	201	201	198
21.0	Travel and transportation of persons.....	5,016	5,296	5,516
22.0	Transportation of things.....	257	263	263
23.1	Rental payments to GSA.....	7,471	8,671	8,474
23.3	Communications, utilities, and miscellaneous charges.....	6,217	7,202	8,889
24.0	Printing and reproduction.....	2,134	2,233	2,216
25.0	Other services.....	59,173	61,918	61,196
26.0	Supplies and materials.....	3,005	3,000	3,101
31.0	Equipment.....	2,063	1,427	1,416
32.0	Land and structures.....	138	100	100
42.0	Insurance claims and indemnities.....	19	15	15
99.9	Total obligations.....	139,972	148,414	150,124

**Personnel Summary**

Total number of permanent positions.....	1,151	1,249	1,178
Total compensable workyears:			
Full-time equivalent employment.....	1,429	1,551	1,463
Full-time equivalent of overtime and holiday hours.....	50	50	50

**Trust Funds**

**CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
24-8135-0-7-602			
<b>Program by activities:</b>			
00.01 Annuities.....	24,251,287	25,898,521	27,537,173
00.02 Refunds and death claims.....	1,466,310	1,486,000	1,806,000
00.03 Annuities under special acts.....	808	727	655
00.04 Administration.....	53,994	57,675	66,787
10.00 Total obligations.....	25,772,399	27,442,923	29,410,615
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	—2,631,273		
21.40 U.S. securities (par).....	—154,219,688	—174,327,388	—192,706,463
24.40 Unobligated balance available, end of year:			
U.S. securities (par).....	174,327,388	192,706,463	211,300,604
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....	43,248,827	45,821,997	48,004,756
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	25,772,399	27,442,923	29,410,615
Obligated balance, start of year:			
72.40 Treasury balance.....	2,628,414	6,643	6,643
72.40 U.S. securities (par).....		2,595,859	2,726,855
Obligated balance, end of year:			
74.40 Treasury balance.....	—6,643	—6,643	—6,643
74.40 U.S. securities (par).....	—2,595,859	—2,726,855	—2,865,517
90.00 Outlays.....	25,798,311	27,311,927	29,271,953

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	43,248,827	45,821,997	48,004,756
Outlays.....	25,798,311	27,311,927	29,271,953
Proposed for later transmittal under proposed legislation:			
Budget authority.....			4,100
Outlays.....			
Total:			
Budget authority.....	43,248,827	45,821,997	48,008,856
Outlays.....	25,798,311	27,311,927	29,271,953

This fund is used to pay annuities to retired employees or their survivors; to make refunds to former employees for amounts withheld and to beneficiaries of employees who died before retirement or before the annuities equaled the amount withheld; and, to pay administrative expenses of the Office of Personnel Man-

agement and the Merit Systems Protection Board in administering the program. On June 6, 1986, the President signed the Federal Employees' Retirement System Act of 1986, Public Law 99-335, which established the Federal Employees' Retirement System (FERS). FERS is a three-tiered pension program designed along the lines of the best private sector plans. Using Social Security as a base, it provides an additional Basic Benefit based upon the length of Federal service (generally one percent of average salary per year) as well as a savings plan. The basic benefit element of this new plan was effective January 1, 1987, and is included within the Civil service retirement and disability fund. Generally, the Plan covers all employees hired after December 31, 1983, and former CSRS-covered employees who elected to join FERS during the July 1, 1987, to December 31, 1987, Open Season. Pertinent statistics as of the end of the year are shown below:

	1987 actual	1988 est.	1989 est.
Active employees .....	2,813,500	2,813,500	2,813,500
Annuitants:			
Employees .....	1,526,300	1,561,300	1,596,300
Survivors .....	529,600	541,600	553,600
<b>Total, annuitants .....</b>	<b>2,055,900</b>	<b>2,102,900</b>	<b>2,149,900</b>

**STATUS OF TRUST FUND**

(In thousands of dollars)

Unexpended balance, start of year:	1987 actual	1988 est.	1989 est.
U.S. securities (par) .....	154,219,688	176,923,247	195,433,317
Cash .....	5,259,687	6,643	6,643
<b>Balance of trust fund, start of year .....</b>	<b>159,479,375</b>	<b>176,929,890</b>	<b>195,439,960</b>
Cash income for the year:			
Governmental receipts:			
Deductions from Federal employees <sup>1</sup> salaries:			
Appropriated .....	4,437,933	4,440,383	4,394,676
Voluntary contributions .....	124,028	139,000	162,000
For D.C. government employees: <sup>2</sup>			
Existing law .....	101,685	98,630	96,431
Proposed legislation .....			4,100
<b>Total, governmental receipts .....</b>	<b>4,663,646</b>	<b>4,678,013</b>	<b>4,657,207</b>
Intragovernmental receipts:			
Federal agency employer contributions:			
Appropriated .....	4,404,720	4,701,102	5,006,820
Postal Service contributions:			
Existing law .....	1,434,724	1,691,884	1,820,307
Contributions for past pay raises .....	1,353,056	1,605,000	1,601,000
Public Law 100-202 contributions .....		350,000	
Employing agency payments for salaries of re-employed annuitants .....	32,642	34,000	35,000
Panama Canal Commission contributions for past pay raises .....	19,560	19,560	19,560
General fund contribution:			
Existing law, current pay rates .....	15,803,400	15,779,383	16,885,363
Interest and profit on investments:			
Existing law .....	14,001,139	15,267,200	16,812,599
Interest on Federal Financing Bank obligations .....	1,535,940	1,695,855	1,171,000
<b>Total, intragovernmental receipts .....</b>	<b>38,585,181</b>	<b>41,143,984</b>	<b>43,351,649</b>
<b>Total net income .....</b>	<b>43,248,827</b>	<b>45,821,997</b>	<b>48,008,856</b>
Cash outgo during year:			
Payment of claims to retired employees .....	20,782,798	22,079,585	23,424,130
Payment to employees engaged in construction of Panama Canal .....	11	10	9
Payment to widows of former employees of the Light-house Service .....	797	717	646
Payment of claims to survivor annuitants .....	3,476,854	3,687,940	3,974,381
Lump sum payments to estates or beneficiaries of deceased annuitants and employees .....	48,844	51,000	54,000
Refunds to living separated employees .....	526,962	610,000	548,000
Refunds to annuitants .....	908,052	825,000	1,204,000
Administration .....	53,994	57,675	66,787
<b>Total outgo .....</b>	<b>25,798,311</b>	<b>27,311,927</b>	<b>29,271,953</b>

Unexpended balance, end of year:			
U.S. securities (par):			
Existing law .....	176,923,247	195,433,317	214,166,120
Proposed legislation .....			4,100
Cash .....	6,643	6,643	6,643
<b>Balance of trust fund, end of year .....</b>	<b>176,929,890</b>	<b>195,439,960</b>	<b>214,176,863</b>

<sup>1</sup> Includes employees of the Postal Service.

<sup>2</sup> Includes both employer and employee payments for District of Columbia government employees.

**Object Classification (in thousands of dollars)**

Identification code	24-8135-0-7-602	1987 actual	1988 est.	1989 est.
25.0	Other services .....	53,994	57,675	66,787
42.0	Insurance claims and indemnities .....	24,252,095	25,899,248	27,537,828
44.0	Refunds and death claims .....	1,466,310	1,486,000	1,806,000
99.9	<b>Total obligations .....</b>	<b>25,772,399</b>	<b>27,442,923</b>	<b>29,410,615</b>

**CIVIL SERVICE RETIREMENT AND DISABILITY FUND**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	24-8135-2-7-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....			
<b>Financing:</b>				
24.40	Unobligated balance available, end of year: U.S. securities (par) .....			4,100
40.00	<b>Budget authority (appropriation) (indefinite) .....</b>			<b>4,100</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
90.00	Outlays .....			

This schedule reflects the effect of a proposal to increase Postal Service and D.C. Government employer contributions to cover the additional cost of COLAs granted to Postal and D.C. Government annuitants. The above figure reflects the D.C. Government's additional cost in 1989. The Postal Service will also be liable for COLA costs beginning in 1989, but its initial payment will be deferred until 1990, when it will make a payment for 1989 and 1990.

**EMPLOYEES HEALTH BENEFITS FUND**

**Program and Financing (in thousands of dollars)**

Identification code	24-8440-0-8-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Premium payments to carriers .....	7,150,457	8,366,854	10,930,050
00.02	Payments from OPM contingency reserve .....	554,868	425,000	300,000
00.03	Administration .....	8,936	10,255	10,650
10.00	<b>Total obligations (object class 25.0) .....</b>	<b>7,714,261</b>	<b>8,802,109</b>	<b>11,240,700</b>
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Agency contributions .....	-2,961,670	-3,926,329	-4,740,639
11.00	Government contribution for annuitants .....	-1,652,766	-2,160,807	-2,472,149
11.00	Interest revenue .....	-118,214	-162,484	-198,029
11.00	Postal service contribution for annuitants (P.L. 100-203) .....		-160,000	-270,000
Non-Federal sources:				
14.00	Employees salary withholding .....	-1,235,261	-1,550,103	-1,884,786
14.00	Annuity withholdings .....	-1,120,608	-1,547,828	-2,034,113
14.00	Contribution from D.C. government .....	-36,792	-51,200	-61,100
21.98	Unobligated balance available, start of year: U.S. securities (par) .....	-1,171,290	-582,340	-1,338,982

**Intragovernmental funds—Continued**

**EMPLOYEES HEALTH BENEFITS FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	24-8440-0-8-551	1987 actual	1988 est.	1989 est.
24.98	Unobligated balance available, end of year: U.S. securities (par) .....	582,340	1,338,982	1,759,098
39.00	<b>Budget authority</b> .....			
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	588,950	-756,642	-420,116
	Obligated balance, start of year:			
72.98	Treasury balance.....	-24	5,072	1,000
72.98	U.S. securities (par).....	245,838	625,249	135,492
	Obligated balance, end of year:			
74.98	Treasury balance.....	-5,072	-1,000	-1,000
74.98	U.S. securities (par).....	-625,249	-135,492	-228,743
90.00	Outlays.....	204,443	-262,813	-513,367

The fund provides for the cost of health benefits for: (1) active employees; (2) employees who retired after June 1960, or their survivors; (3) those annuitants transferred from the Retired Federal employees health benefits program as authorized by Public Law 93-246; and (4) the related expenses of the Office of Personnel Management in administering the program.

**Budget program.**—The balance of the fund is available for payments without fiscal year limitation. Numbers of participants at the end of each fiscal year are as follows:

	1987 actual	1988 est.	1989 est.
Active employees .....	2,388,000	2,405,000	2,415,000
Annuitants.....	1,520,600	1,562,000	1,602,000
Total .....	3,908,600	3,967,000	4,017,000

In determining a biweekly subscription rate to cover program costs, one percent is added for administrative expense, and three percent is added for a contingency reserve held by the Office of Personnel Management (OPM) for each carrier. The OPM is authorized to transfer unused administrative reserve funds to the contingency reserve.

For Postal Service employees, the Government's contribution to the health benefits premiums is 75 percent of the current unweighted average of the high option premiums of six large plans. For general schedule and wage-board employees, the Government's contribution is 60 percent.

**STATUS OF TRUST FUND**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unobligated balance of trust fund, start of year (U.S. securities (par)) .....	1,171,290	582,340	1,338,982
Income:			
Employee contributions:			
Active employees .....	1,235,261	1,550,103	1,884,786
Annuitants .....	1,120,608	1,547,828	2,034,113
Total, employee contributions .....	2,355,869	3,097,931	3,918,899
Government contributions:			
Agency contributions.....	1,904,038	2,508,130	2,992,113
Postal Service .....	1,057,631	1,418,199	1,748,526
Postal Service contribution for annuitants (P.L. 100-203) ..		160,000	270,000
Government payment for annuitant health benefits.....	1,652,766	2,160,807	2,472,149
Total, Government contributions .....	4,614,435	6,247,136	7,482,788
Contribution from D.C. Government .....	36,792	51,200	61,100

Interest earned.....	118,214	162,484	198,029
Total, income.....	7,125,310	9,558,751	11,660,816
Expenses:			
Payments to carriers for health benefit premiums.....	7,150,457	8,366,854	10,930,050
Payments to carriers from OPM-held contingency reserve.....	554,868	425,000	300,000
Administration .....	8,936	10,255	10,650
Total, expenses.....	7,714,261	8,802,109	11,240,700
Change in fund balance .....	-588,950	756,642	420,116
Unobligated balance of trust fund, end of year (U.S. securities (par)) .....	582,340	1,338,982	1,759,098

**CARRIER POSITION**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Beginning reserve balance.....	230,693	-501,137	-477,358
Income:			
Payments received from OPM.....	7,178,325	9,318,854	11,230,050
Interest received on reserve balances .....	45,387	27,384	75,371
Total, income.....	7,223,712	9,346,238	11,305,421
Expenses:			
Employee health benefits .....	7,223,632	8,464,789	9,725,522
Other .....	731,910	857,670	985,405
Total, expenses.....	7,955,542	9,322,459	10,710,927
Change in reserve position .....	-731,830	23,779	594,494
Ending reserve position .....	-501,137	-477,358	117,136

**Financing.**—The fund is financed by: (1) withholdings from active employees and annuitants; (2) agency contributions for active employees, appropriated to agencies; (3) Government contributions for annuitants appropriated to the Office of Personnel Management; and (4) contributions made by the United States Postal Service in accordance with the provisions of Public Law 100-203.

**Operating results.**—Funds advanced to carriers but not used to pay claims in the current period are carried forward as special reserves for use in subsequent periods.

The Office of Personnel Management maintains a contingency reserve, funded by employee and Government contributions, that may be used to defray future cost increases or provide increased benefits. OPM makes payments to carriers from this reserve whenever carrier-held reserves fall below levels prescribed by OPM regulations.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue <sup>1</sup> .....	7,170,697	9,586,135	11,736,187
Expense .....	7,964,359	9,332,715	10,721,577
Net income or loss (-) for the year .....	-793,662	253,420	1,014,610

<sup>1</sup> Includes interest earned by carriers on reserve balances.

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Treasury balance.....	-24	5,072	1,000	1,000
U.S. securities (par) .....	1,417,129	1,207,590	1,474,474	1,987,841
Accounts receivable, net.....	355,661	521,060	688,235	847,823
Selected assets:				
Equipment .....	267	384	384	384
Reserves held by carrier.....	230,693	25,863	-477,358	117,136
Total assets.....	2,003,726	1,759,969	1,686,735	2,954,184

<b>Liabilities:</b>				
Accounts payable.....	601,476	1,151,381	824,726	1,077,566
<b>Trust equity:</b>				
Unobligated balance.....	1,171,290	582,340	1,338,982	1,759,098
Invested capital and earnings.....	230,960	26,248	-476,974	117,520
Total trust equity.....	1,402,250	608,588	862,008	1,876,618

Life insurance in force (in billions of dollars):			
On active employees <sup>1</sup> .....	1987 actual	1988 est.	1989 est.
On retired employees.....	216	227	239
	25	28	32
Total.....	241	255	271
Number of participants (in thousands):			
Active employees.....	2,610	2,610	2,610
Annuitants.....	1,423	1,463	1,503
Total.....	4,033	4,073	4,113

<sup>1</sup> Excludes amount of accidental death and dismemberment insurance.

**EMPLOYEES LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 24-8424-0-8-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Gross premium payments:			
00.01 Regular program.....	715,194	725,922	750,331
00.02 Optional program.....	307,047	311,746	322,120
00.03 Beneficial program.....	4,845	4,845	4,845
00.91 Total gross payments.....	1,027,086	1,042,513	1,077,296
02.01 Administration.....	970	1,012	1,050
10.00 Total obligations (object class 25.0).....	1,028,056	1,043,525	1,078,346
<b>Financing:</b>			
Offsetting collections from:			
Federal funds:			
11.00 Agency contributions.....	-274,575	-284,405	-291,599
11.00 Interest revenue.....	-750,346	-782,082	-826,649
Non-Federal sources:			
Employee salary withholdings:			
14.00 Regular program.....	-328,486	-341,418	-356,766
14.00 Optional program.....	-338,125	-351,044	-362,468
14.00 Beneficial association premiums.....	-1,035	-1,035	-1,035
Unobligated balance available, start of year:			
21.98 Treasury balance.....	36	-25,399	-399
21.98 U.S. securities (par).....	-7,517,276	-8,156,352	-8,897,811
Unobligated balance available, end of year:			
24.98 Treasury balance.....	25,399	399	399
24.98 U.S. securities (par).....	8,156,352	8,897,811	9,657,982
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-664,511	-716,459	-760,171
72.10 Receivables in excess of obligations, start of year.....	-116,600	-78,800	-73,250
74.10 Receivables in excess of obligations, end of year.....	78,800	73,250	64,018
90.00 Outlays.....	-702,311	-722,009	-769,402

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....			
Outlays.....	-702,311	-722,009	-769,402
Proposed for later transmittal under proposed legislation:			
Budget authority.....			
Outlays.....			18,000
Total:			
Budget authority.....			
Outlays.....	-702,311	-722,009	-751,402

This fund finances insurance premiums paid to private insurance companies for Federal employees group life insurance and expenses of the Office of Personnel Management in administering the program. Separate cost data is maintained for employees regular group life insurance and insurance for members of former beneficial associations. The Federal Employees' Group Life Insurance Act of 1980 increases basic coverage for participants under age 45 and offers additional option coverages.

**Budget program.**—The status of the basic (regular and optional) life insurance program on September 30 is as follows:

**Financing.**—For non-Postal Service employees, premium costs for the regular program are met by withholding 18 cents biweekly from the salaries of employees for each \$1 thousand of life insurance and a 50 percent matching contribution by employer-agencies. The optional program is financed by withholding from employees' salaries or retirees' annuities. The beneficial association program is financed by direct collection from members. Most of the difference between receipt and benefit payments under the policy is held in reserve for paying future life insurance claims. The status of reserves at the end of the year is as follows (in millions of dollars):

Held in reserve:	1987 actual	1988 est.	1989 est.
Contingency reserve.....	50	50	50
Beneficial association program reserve.....	1	1	1
U.S. Treasury reserve.....	8,078	8,825	9,594
Total reserves.....	8,129	8,876	9,645

The contingency reserve for the basic program was reduced to \$50 million as of June 30, 1976, and it is expected to remain at this level. Excess income from the program over benefit payments and other expenses is deposited in the U.S. Treasury to the credit of the Employees life insurance fund. The operations of the insurer for the regular and optional life insurance program is as follows (in millions of dollars):

Contingency reserve, beginning of year.....	1987 actual	1988 est.	1989 est.
	50	50	50
<b>Income:</b>			
Premiums received.....	1,025	1,038	1,072
Interest.....	6	6	6
Total income.....	1,031	1,044	1,078
<b>Outgo:</b>			
Claims paid.....	1,027	1,040	1,074
Expenses.....	4	4	4
Total outgo.....	1,031	1,044	1,078
Contingency reserve, end of year.....	50	50	50

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue.....	1,692,567	1,759,984	1,838,517
Expense.....	1,028,056	1,043,525	1,078,346
Net income or loss (-) for year.....	664,511	716,459	760,171

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Treasury balance.....	-36	25,399	399	399
U.S. securities (par).....	7,400,676	8,077,552	8,824,561	9,575,964
Accounts receivable, net.....	199,119	230,144	235,979	247,400
Reserves held by carriers.....	50,917	51,180	51,100	51,100
Total assets.....	7,650,676	8,384,275	9,112,039	9,874,863

**Intragovernmental funds—Continued**

**EMPLOYEES LIFE INSURANCE FUND—Continued**

**Financial Condition (in thousands of dollars)—Continued**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Liabilities:</b>				
Current .....	82,519	151,344	162,729	183,381
Deferred-funded .....	7,568,157	8,232,931	8,949,310	9,691,481
<b>Total liabilities .....</b>	<b>7,650,676</b>	<b>8,384,275</b>	<b>9,112,039</b>	<b>9,874,862</b>

**EMPLOYEE LIFE INSURANCE FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 24-8424-2-8-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Long-term care (total obligations) (object class 25.0) .....			53,100
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
Employee salary withholdings:			
14.00 Regular program .....			12,000
14.00 Long-term care program .....			-47,000
24.98 Unobligated balance available, end of year:			
Treasury balance .....			-18,000
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			18,000
90.00 <b>Outlays</b> .....			18,000

This schedule reflects implementation of the President's proposal for making long-term care insurance available to Federal employees. Under this plan, contracts would be awarded to several carriers offering varying levels of benefits for long-term care with premiums based on age at enrollment and coverage elected.

**RETIRED EMPLOYEES HEALTH BENEFITS FUND**

**Program and Financing (in thousands of dollars)**

Identification code 24-8445-0-8-551	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Subscription charge payments to uniform plan carrier .....	2,373	2,668	2,768
00.02 Payment from contingency reserve .....	1,630	750	500
00.03 Government contribution to annuitants with private plans .....	7,497	8,874	9,101
00.04 Administration .....	115	125	130
10.00 <b>Total obligations</b> .....	<b>11,615</b>	<b>12,417</b>	<b>12,499</b>
<b>Financing:</b>			
Offsetting collections from:			
Federal funds:			
11.00 Government contribution for annuitants .....	-9,642	-11,271	-11,527
11.00 Interest revenue .....	-206	-164	-130
14.00 Non-Federal sources .....	-343	-396	-472
21.98 Unobligated balance available, start of year: Fund balance .....	-3,871	-2,447	-1,861
24.98 Unobligated balance available, end of year: Fund balance .....	2,447	1,861	1,491
39.00 <b>Budget authority</b> .....			

Relation of obligations to outlays:

71.00 Obligations incurred, net .....	1,424	586	370
72.10 Receivables in excess of obligations, start of year .....		-77	-286
72.98 Obligated balance, start of year: Fund balance .....	891		
74.10 Receivables in excess of obligations, end of year .....	77	286	292
90.00 <b>Outlays</b> .....	<b>2,392</b>	<b>795</b>	<b>377</b>

This fund, created by the Retired Federal Employees Health Benefits Act, provides for: (1) the cost of health benefits for retired employees and survivors who enroll in the Government-sponsored uniform health benefits plan; (2) the contribution to retired employees and survivors who retain or purchase private health insurance; and, (3) expenses of the Office of Personnel Management in administering the program.

**Budget program.**—The fund is available without fiscal year limitation. Amounts contributed by the Government shall be paid into the fund from annual appropriations. Numbers of participants at the end of the fiscal year are as follows:

	1987 actual	1988 est.	1989 est.
Uniform plan .....	8,103	7,096	6,238
Private plans .....	31,343	27,928	24,893
<b>Total</b> .....	<b>39,446</b>	<b>35,024</b>	<b>31,131</b>

**Financing.**—The fund is financed by contributions from those participants enrolled in the Government-sponsored plan and by Government contributions.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue .....	10,419	11,917	12,199
Expense .....	11,590	12,871	12,547
<b>Net income or loss (-) for the year</b> .....	<b>-1,171</b>	<b>-954</b>	<b>-348</b>

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Treasury balance .....	58	96	60	60
U.S. securities (par) .....	4,704	2,274	1,515	1,139
Accounts receivable (net) .....	316	223	338	346
Selected assets: Reserves held by carrier .....	250	503	135	157
<b>Total assets</b> .....	<b>5,328</b>	<b>3,096</b>	<b>2,048</b>	<b>1,702</b>
<b>Liabilities:</b>				
Accounts payable .....	1,206	146	52	54
<b>Trust equity:</b>				
Unobligated balance .....	3,872	2,447	1,861	1,491
Invested capital and earnings .....	250	503	135	157
<b>Total trust equity</b> .....	<b>4,122</b>	<b>2,950</b>	<b>1,996</b>	<b>1,648</b>

**Object Classification (in thousands of dollars)**

Identification code 24-8445-0-8-551	1987 actual	1988 est.	1989 est.
25.0 Other services .....	109	145	147
42.0 Insurance claims and indemnities .....	11,506	12,272	12,352
99.9 <b>Total obligations</b> .....	<b>11,615</b>	<b>12,417</b>	<b>12,499</b>





General and special funds—Continued

SALARIES AND EXPENSES—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

**Special Programs.**—The Associate Deputy Administrator for this function will exercise direction over Business Development, Veterans' Affairs, Women's Business Ownership, Private Sector Initiatives, International Trade and the National Advisory Council. These offices focus their responsibilities towards the effective management and operational efficiency in assuring that specialized attention and proper emphasis to the emergent need of the small business community are represented. In addition, the International Trade function will increase its focus on trade promotion activities. This budget proposes the consolidation of the office of Private Sector Initiatives into the office of Business Development. In addition, it proposes reducing the statutory limitation on Small Business Development Centers (SBDC's) from \$65 million to \$45 million. A gradual phase-out of Federal funding for SBDC's will begin in fiscal year 1989. The budget also proposes administratively increasing user fees for several programs to make these programs more self sufficient.

**Advocacy.**—This office is responsible for the development and implementation of a Small Business Administration Advocacy program, including the representation of small business interests, the analysis of the effects of federal laws, regulation and activity on small business, the development and utilization of a small business data base to aid in this analysis and liaison with small business and small business organizations and the public. We are proposing the charging of a fee to the public for publications including State of Small Business and special data run.

Consistent with the Administration's government-wide initiative on user fees and as part of the effort to make many of the Small Business Administration's programs self-sustaining we are proposing increases in revenues through additional guaranty fees on the credit programs and user fees for non-credit programs. Under the user fee proposals, beneficiaries of SBA programs, rather than the taxpayers, will share the cost of the services provided.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-0100-0-1-376			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	125,398	130,694	144,168
11.3 Other than full-time permanent	22,213	7,146	7,438
11.5 Other personnel compensation	4,450	3,889	3,958
11.9 Total personnel compensation	152,061	141,729	155,564
12.1 Civilian personnel benefits	21,507	22,688	25,125
13.0 Benefits for former personnel	300		
21.0 Travel and transportation of persons	10,188	6,360	6,741
22.0 Transportation of things	266	300	361
23.1 Rental payments to GSA	16,428	18,800	21,735
23.2 Rental payments to others	6,825	6,785	7,449
23.3 Communications, utilities, and miscellaneous charges	11,955	14,015	16,720
24.0 Printing and reproduction	1,491	1,500	1,660
25.0 Other services	22,540	26,471	26,433
26.0 Supplies and materials	1,944	1,805	1,841
31.0 Equipment	8,612	2,082	2,111
41.0 Grants, subsidies, and contributions	40,212	42,925	50,865
42.0 Insurance claims and indemnities	25		
43.0 Interest and dividends	11		

92.0 Undistributed (disaster assistance)	19,000	26,000	
99.0 Subtotal, direct obligations	294,365	304,460	342,605
99.0 Reimbursable obligations	647	100	100
99.9 Total obligations	295,012	304,560	342,705

Personnel Summary

Total number of full-time permanent positions	3,955	3,795	3,736
Total compensable workyears:			
Full-time equivalent employment	4,826	4,622	5,043
Full-time equivalent of overtime and holiday hours	69	70	75

Note.—The personnel summary includes 569 and 739 full-time equivalents (FTEs) in 1988 and 1989 respectively, above the assigned FTE ceilings for purposes of disaster assistance and summer and disadvantaged youth employment.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-0104-0-1-376			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	249		
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-62		
21.40 Unobligated balance available, start of year	-871	-684	-684
24.40 Unobligated balance available, end of year	684	684	684
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	187		
72.40 Obligated balance, start of year	589	113	
74.40 Obligated balance, end of year	-113		
90.00 Outlays	663	113	

Public Law 98-276 established a National White House Conference on Small Business. The Conference was held in August, 1986, and activities under this account were completed in the first quarter, 1987.

BUSINESS LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-1154-6-1-376			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			327,252
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b>			<b>327,252</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			327,252
74.40 Obligated balance, end of year			-163,626
90.00 Outlays			163,626

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

For business guarantees, \$327,500,000 is requested for this account to pay the Federal Credit Revolving Fund for loan guarantee subsidies. In 1989, the limit on loans to be guaranteed shall not exceed \$3,596,300,000.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	73-1154-6-1-376	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders			3,596,300
2150	Total guaranteed loan commitments			3,596,300
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year			
2231	Disbursements of new guaranteed loans			1,600,000
2251	Repayments and prepayments			-200,000
2261	Terminations for default that result in direct loans			-55,000
2264	Other adjustments, net			
2290	Outstanding, end of year			1,345,000
<b>MEMORANDUM</b>				
2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year			1,140,000
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent)			9.1
2330	Subsidy amount (in thousands of dollars)			327,252

DISASTER LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	73-1153-6-1-453	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			37,736
<b>Financing:</b>				
40.00	Budget authority (appropriation)			37,736
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			37,736
74.40	Obligated balance, end of year			-18,868
90.00	Outlays			18,868

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made by this program. An explanation of the proposal is included in Part 6b of the Budget.

For disaster loans, \$37,736,000 will be requested for this account to pay the Federal Credit Revolving Fund for direct loan subsidies. In 1989, the limit on direct loans is \$265,000,000.

Status of Direct Loans (in thousands of dollars)

Identification code	73-1153-6-1-453	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans			265,000
1150	Total direct loan obligations			265,000
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Disbursements: Direct loan disbursements			119,000
1251	Repayments: Repayments and prepayments			-7,000
1290	Outstanding, end of year			112,000
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent)			14.2
1330	Subsidy amount (in thousands of dollars)			37,736

Public enterprise funds:

REVOLVING FUNDS

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster Loan Fund", the "Business Loan and Investment Fund", the "Lease Guarantees Revolving Fund", the "Pollution Control Equipment Contract Guarantees Revolving Fund", and the "Surety Bond Guarantees Revolving Fund".

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business Loan and Investment Fund", **[\$91,000,000] \$130,000,000**, to remain available without fiscal year limitation. **];** and for additional capital for new direct loan obligations to be incurred by the "Business Loan and Investment Fund", \$85,000,000, to remain available without fiscal year limitation. **].** During fiscal year 1989, commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$3,596,300,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	73-4154-0-3-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Capital expenses:</b>				
00.01	Capital investment loan programs	559,116	509,000	474,054
00.04	Section 503 development obligations	114,905	60,000	
00.91	Total capital expenses	674,021	569,000	474,054
<b>Operating expenses:</b>				
01.01	Interest expense to Treasury	129,803	138,000	131,000
01.02	Interest expense on participation certificates	5,364	2,000	
01.03	Business development expense	9,030	17,000	
01.04	Other expenses	231,601	207,000	192,000
01.91	Total operating expenses	375,798	364,000	323,000
10.00	Total obligations	1,049,819	933,000	797,054
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds: Investment income from participation sales fund	-13,532	-5,000	
<b>Non-Federal sources:</b>				
<b>Financial assistance program:</b>				
14.00	Loan repayments: Financing programs	-310,250	-302,000	-283,000
14.00	Loan repayments: Investment programs	-63,768	-36,700	-36,400
14.00	Loan repayments: SBIC obligations	-111,771	-70,000	-60,000
14.00	Loan repayments: Section 503 development obligations	-22,395	-30,000	-25,000
14.00	Interest income: Financing programs	-324,216	-256,000	-237,000
14.00	Interest income: Investment programs	-20,950	-20,000	-20,000
14.00	Other income	-146,818	-149,000	-143,000
14.00	Loan asset sales/business loans			-140,000
14.00	Loan asset sales/development company loans			-249,000
<b>Unobligated balance available, start of year: Fund balance:</b>				
21.98	Committed	-27,369	-29,054	-29,054
21.98	Uncommitted	-76,515	-117,740	-97,631
22.98	Unobligated balance transferred, net	-38,767	-50,879	
<b>Unobligated balance available, end of year: Fund balance:</b>				
24.98	Committed	29,054	29,054	
24.98	Uncommitted	117,740	97,631	237,631
31.00	Redemption of debt	337,930	242,688	415,400
39.00	Budget authority	371,105	236,000	130,000
<b>Budget authority:</b>				
40.00	Appropriation	256,200	176,000	130,000
47.00	Authority to borrow	7,087		
67.10	Authority to borrow (substantive law)	114,905	60,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	36,119	64,300	-396,346
72.98	Obligated balance, start of year: Fund balance	208,182	246,956	218,551

**Public enterprise funds—Continued**  
**REVOLVING FUNDS—Continued**  
**BUSINESS LOAN AND INVESTMENT FUND—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code 73-4154-0-3-376	1987 actual	1988 est.	1989 est.
74.98 Obligated balance, end of year: Fund balance .....	-246,956	-218,551	-131,569
90.00 Outlays .....	-2,655	92,705	-309,364

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	378,192	236,000	130,000
Outlays .....	-2,655	92,705	-309,364
Proposed for later transmittal under proposed legislation:			
Budget authority .....			14,000
Outlays .....			14,700
Credit reform:			
Budget authority .....			9,000
Outlays .....			9,000
Total:			
Budget authority .....	378,192	236,000	153,000
Outlays .....	-2,655	92,705	-285,664

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4154-0-3-376	1987 actual	1988 est.	1989 est.
<b>BUSINESS LOAN AND INVESTMENT FUND, DIRECT LOANS</b>			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....	85,782	85,000	
1150 Total direct loan obligations .....	85,782	85,000	
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	3,032,740	2,873,674	2,715,974
Disbursements:			
1231 Direct loan disbursements .....	85,440	95,000	26,000
1232 Disbursements for guaranteed loan claims .....	584,098	513,000	520,000
Repayments:			
1251 Repayments and prepayments .....	-355,087	-338,700	-319,400
1253 Proceeds from loan asset sales to the public .....			-140,000
Adjustments:			
1262 Write-offs for default .....	-410,709	-377,000	-364,000
1264 Other adjustments, net <sup>1</sup> .....	-62,808	-50,000	-100,000
1290 Outstanding, end of year .....	2,873,674	2,715,974	2,338,574
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....	18.5	18.5	
1330 Subsidy amount (in thousands of dollars) .....	15,861	15,717	

**SMALL BUSINESS INVESTMENT COMPANY, DIRECT LOANS**

	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	966,630	740,605	610,605
Repayments:			
1251 Repayments and prepayments .....	-111,771	-70,000	-60,000
1252 Repayments and prepayments .....	-114,254	-60,000	-50,000
1290 Outstanding, end of year .....	740,605	610,605	500,605

**SECTION 503 DEVELOPMENT COMPANY, DIRECT LOANS**

	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	816,262	899,776	909,776
1231 Disbursements: Direct loan disbursements .....	114,905	60,000	
Repayments:			
1251 Defaulted loans <sup>2</sup> .....	-22,394	-30,000	-25,000
1252 Repayments of defaulted guaranteed loans <sup>2</sup> ..	-8,997	-20,000	-25,000
1253 Proceeds from loan asset sales to the public .....			-249,000
1264 Adjustments: Other adjustments, net .....			-81,000
1290 Outstanding, end of year .....	899,776	909,776	529,776

	1987 actual	1988 est.	1989 est.
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....	4.5	2.9	
1330 Subsidy amount (in thousands of dollars) .....	5,182	1,728	

<sup>1</sup> Represents non-cash adjustments including: CPC judgements, notes receivable, the discount from face value of loan assets sold, etc.  
<sup>2</sup> Represents loans disbursed by the FFB and guaranteed by SBA that have been repurchased from the FFB as a result of defaults.  
<sup>3</sup> Represents discount from face value of loan assets sold.

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4154-0-3-376	1987 actual	1988 est.	1989 est.
<b>BUSINESS LOAN AND INVESTMENT FUND, LOAN GUARANTEES</b>			
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			3,596,300
2131 Guaranteed loan commitments exempt from limitation .....	3,383,393	3,740,800	
2150 Total guaranteed loan commitments .....	3,383,393	3,740,800	3,596,300
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	8,429,429	9,013,810	9,453,810
2231 Disbursements: Disbursements of new guaranteed loans .....	3,255,226	3,200,000	3,200,000
2251 Repayments: Repayments and prepayments .....	-2,105,400	-2,200,000	-2,300,000
Adjustments:			
2261 Terminations for default that result in direct loans .....	-547,743	-540,000	-555,000
2264 Other adjustments, net .....	-17,702	-20,000	-20,000
2290 Outstanding, end of year .....	9,013,810	9,453,810	9,778,810

**MEMORANDUM**

2299 Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year .....	7,663,300	8,036,000	8,312,000
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent) .....	9.0	10.7	10.7
2330 Subsidy amount (in thousands of dollars) .....	302,814	399,517	384,085

**SMALL BUSINESS ADMINISTRATION'S SHARE OF DIRECT LOAN LEVELS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Handicapped loans .....	9,493	13,000	
Economic opportunity loans .....	18,567	19,000	
Veterans loans .....	18,997	17,000	
Minority Enterprise Small Business Investment Company loans .....	38,725	36,000	
Total direct loans .....	85,782	85,000	

**SMALL BUSINESS ADMINISTRATION'S SHARE OF GUARANTEED LOAN LEVELS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
General business loans .....	2,231,570	2,421,000	2,392,000
Handicapped loans .....	319	5,000	
Economic opportunity loans .....	23,922	40,000	
Energy loans .....	421	5,000	
Development company loans financed through private markets .....	392,462	450,000	450,000
Investment company loans financed through private markets .....	151,350	233,000	186,000
Total guaranteed loans .....	2,800,044	3,154,000	3,028,000

**General Business Assistance.**—The Small Business Administration (SBA) guarantees loans to small businesses that are unable to obtain private financing. These loans must be of such value or so secured as to reasonably assure repayment. No loan may be made unless the financial assistance is not otherwise available on reasonable terms. Under the guaranty plan, the SBA agrees to purchase the guaranteed portion of the loan only upon default. In addition to providing finan-

cial assistance to the general business community, particular emphasis is given to the following groups:

Businesses owned by socially and economically disadvantaged individuals;

Businesses that employ or are owned by handicapped individuals;

Small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals; and

Small business concerns owned and operated by veterans, especially Vietnam-era veterans.

**Investment Company Assistance.**—A primary function of small business investment companies is to provide a source of equity capital or long-term loans to new or expanding small businesses. The Small Business Investment Act, as amended, authorizes the SBA to purchase or to guarantee the timely payment of all principal and interest, as scheduled, on debentures issued by such companies. The 1989 request proposes the elimination of SBA's ability to purchase the preferred stock from small business investment companies, under authority of Section 301(d) of the Small Business Investment Act. Additional guarantee authority is requested for the purchase of debentures under section 301(d) of the Small Business Investment Act.

**Development Company Assistance.**—Utilizing its authority under the Small Business Investment Act, the SBA makes loans through State and local development companies to small businesses. Through these programs, the SBA promotes economic development and job creation or maintenance by stimulating the flow of long-term financing to small business concerns for projects that involve fixed assets. These projects are designed to create or retain a meaningful number of jobs in the communities affected, with a special emphasis on distressed areas.

**FY 1989 Proposal.**—This request proposes the elimination of all direct lending. In addition, it proposes the establishment of only three types of guaranty lending: (1) General Business Assistance, (2) Development Company Assistance, and (3) Investment Company Assistance. The program will, however, still emphasize lending to businesses owned by socially and economically disadvantaged individuals and other borrowers requiring special emphasis.

This request also proposes administratively increasing guarantee fees in the development company and investment company programs. The charging of guarantee fees is consistent with the Administration's government-wide user fee initiative under which the direct beneficiaries of federally-provided services, rather than taxpayers, share the cost of the programs. Increased guarantee fees, together with improved credit management and debt collection policies, will help reduce the cost of these programs and contribute towards eventual self-sufficiency.

This request proposes the sale of Business Loan and Investment Fund direct loans and FFB-503 loans in fiscal year 1989. The sales are to be made without recourse to the federal government.

**Revenue and Expense (in thousands of dollars) <sup>1</sup>**

	1987 actual	1988 est.	1989 est.
<b>Financial assistance program:</b>			
Revenue.....	384,268	390,000	53,000
Expense.....	-636,603	-712,237	-808,000
Net loss, financial assistance program.....	-252,335	-322,237	-278,000
<b>Investment company assistance program:</b>			
Revenue.....	27,724	30,000	32,000
Expense.....	-61,341	-20,000	-20,000
Net income, investment company assistance program.....	-33,617	10,000	12,000
Net loss for the period.....	-285,952	-312,237	-266,000

**Financial Condition (in thousands of dollars) <sup>1</sup>**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	312,066	393,750	352,641	458,641
Accounts receivable, net.....	303,291	311,635	311,635	311,635
Advances made.....	33,978	38,185	38,185	38,185
Loans receivable, net.....	1,884,074	1,745,133	1,653,896	1,404,896
Acquired security and collateral.....	149,110	151,532	151,532	151,532
Other assets.....	383,218	413,941	413,941	413,941
Total assets.....	3,065,737	3,054,176	2,921,830	2,778,830
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	184,025	217,342	226,342	219,342
Advances received.....	53,673	66,882	66,882	66,882
Debt issued under borrowing authority:				
Participation certificates outstanding.....	130,177	55,988	55,988	.....
Principal payments to be applied to redemption of participation certificates.....	-89,646	-50,879	-55,988	.....
SBIC and Development Company participation certificates outstanding.....	67,190	74,277	74,277	74,277
Total liabilities.....	345,419	363,610	367,501	360,501
<b>Government equity:</b>				
Unexpended budget authority:				
Unobligated balance:				
Committed.....	27,369	29,054	29,054	.....
Uncommitted.....	76,515	117,740	97,631	237,631
Undelivered orders:				
Undisbursed direct loan obligations.....	7,397	4,425	4,425	.....
Undisbursed guaranteed loan obligations.....	300,356	308,128	308,128	308,128
Invested capital.....	2,308,681	2,231,219	2,115,091	1,872,570
Total Government equity.....	2,720,318	2,690,566	2,554,329	2,418,329

<sup>1</sup> Excludes FFB transactions included in the program and financing schedules.  
 Note.—Unfunded contingent liability for outstanding guaranteed loans is as follows: Sept. 30, 1987, \$7,663,300; Sept. 30, 1988, \$8,036,000; Sept. 30, 1989, \$8,312,000, exclusive of FFB loans.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
73-4154-0-3-376			
25.0 Other services.....	240,631	224,000	192,000
33.0 Investments and loans.....	674,021	569,000	474,054
43.0 Interest and dividends.....	135,167	140,000	131,000
99.9 Total obligations.....	1,049,819	933,000	797,054

**BUSINESS LOAN AND INVESTMENT FUND**  
 (Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
73-4154-2-3-376			
<b>Program by activities:</b>			
10.00 Total obligations.....			15,800
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			-1,200
22.98 Unobligated balance transferred, net: Fund balance.....			-17,634
24.98 Unobligated balance available, end of year: Fund balance.....			17,034
40.00 Budget authority (appropriation).....			14,000

Public enterprise funds—Continued

REVOLVING FUNDS—Continued

BUSINESS LOAN AND INVESTMENT FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	73-4154-2-3-376	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net			14,600
73.98	Obligated balance transferred, net: Fund balance			383
74.98	Obligated balance available, end of year: Fund balance			-283
90.00	Outlays			14,700

Status of Guaranteed Loans (in thousands of dollars)

Identification code	73-4154-2-3-376	1987 actual	1988 est.	1989 est.
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year			272,400
2231	Disbursements: Disbursements for new guaranteed loans			
2251	Repayments: Repayments and prepayments			-10,000
2263	Adjustments: Terminations for default that result in claim payments			-5,000
2290	Outstanding, end of year			257,400

MEMORANDUM

2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year			257,400
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Activities conducted under the Lease guarantees and Pollution control equipment contract guarantee revolving funds are proposed to be consolidated into this account. Since no new activity is projected for either account other than liquidating existing obligations, the consolidation would simplify SBA's accounting requirements and improve its internal controls.

Object Classification (in thousands of dollars)

Identification code	73-4154-2-3-376	1987 actual	1988 est.	1989 est.
25.0	Other services			15,200
43.0	Interests and dividends			600
99.9	Total obligations			15,800

BUSINESS LOAN AND INVESTMENT FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	73-4154-6-3-376	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Capital investment loan programs			-46,000
00.91	Total capital expenses			-46,000
01.01	Interest expense to Treasury			-1,000
01.04	Other expenses			-1,000
01.91	Total operating expenses			-2,000
10.00	Total obligations			-48,000
Financing:				
Offsetting collections from:				
Non-Federal sources:				
14.00	Loan repayments: Financing programs			3,000
14.00	Interest income: Financing programs			2,000
14.00	Other income			52,000
40.00	Budget authority (appropriation)			9,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net			9,000
90.00	Outlays			9,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Status of Direct Loans (in thousands of dollars)

Identification code	73-4154-6-3-376	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
1232	Disbursements: Disbursements for guaranteed loan claims			-46,000
1251	Repayments: Repayments and prepayments			3,000
1290	Outstanding, end of year			-43,000

Status of Guaranteed Loans (in thousands of dollars)

Identification code	73-4154-6-3-376	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans by private lenders			-3,596,000
2150	Total guaranteed loan commitments			-3,596,000
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursements of new guaranteed loans			-1,600,000
2251	Repayments: Repayments and prepayments			200,000
2261	Adjustments: Terminations for default that result in direct loans			55,000
2290	Outstanding, end of year			-1,345,000
2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year			-1,140,000

DISASTER LOAN FUND

Program and Financing (in thousands of dollars)

Identification code	73-4153-0-3-453	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Capital investment: loan program	168,522	315,000	238,000
Operating expenses:				
01.01	Interest expense to Treasury	127,186	120,000	108,000
01.02	Interest expense on participation certificates	752		
01.03	Other expenses	41,101	45,000	45,000
01.91	Total operating expenses	169,039	165,000	153,000
10.00	Total obligations	337,561	480,000	391,000
Financing:				
Offsetting collections from:				
Federal funds: Investment income from participation sales fund				
		-1,401		
Non-Federal sources:				
14.00	Loan repayments	-533,727	-469,000	-424,000
14.00	Interest income	-193,694	-176,000	-164,000
14.00	Other income	-14,855	-12,000	-11,000
14.00	Sale of assets			-321,000
Unobligated balance available, start of year: Fund balance:				
21.98	Committed	-98,639	-43,177	-43,177
21.98	Uncommitted	-225,906	-571,935	-660,707
22.98	Unobligated balance transferred, net: Fund balance	89,762	88,228	88,228
Unobligated balance available, end of year: Fund balance:				
24.98	Committed	43,177	43,177	43,177
24.98	Uncommitted	571,935	660,707	1,101,479

31.00	Redemption of debt.....	25,787		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-406,116	-177,000	-529,000
72.98	Obligated balance, start of year: Fund balance.....	127,190	83,062	56,386
74.98	Obligated balance, end of year: Fund balance.....	-83,062	-56,386	-11,386
90.00	<b>Outlays</b> .....	-361,988	-150,324	-484,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....			
Outlays.....	-361,988	-150,324	-484,000
<b>Credit reform:</b>			
Budget authority.....			
Outlays.....			-109,000
<b>Total:</b>			
Budget authority.....			
Outlays.....	-361,988	-150,324	-593,000

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4153-0-3-453	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			265,000
1131 Direct loan obligations exempt from limitation....	207,743	350,000	
1150 Total direct loan obligations.....	207,743	350,000	265,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	4,222,483	3,719,271	3,325,271
1231 Disbursements: Direct loan disbursements.....	208,738	224,000	277,000
<b>Repayments:</b>			
1251 Repayments and prepayments.....	-521,823	-469,000	-424,000
1253 Proceeds from loan asset sales to the public..	-3,403		-321,000
<b>Adjustments:</b>			
1262 Write-offs for default.....	-181,071	-144,000	-128,000
1264 Other adjustments, net <sup>1</sup> .....	-5,653	-5,000	-3,736
1290 Outstanding, end of year.....	3,719,271	3,325,271	2,495,271
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	27.0	14.2	14.2
1330 Subsidy amount (in thousands of dollars).....	56,153	49,840	37,736

<sup>1</sup> Represents noncash adjustments, including CPC advances, judgments, notes receivable, discount from face value of loan assets sold, etc.

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4153-0-3-453	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	3,247	1,810	1,410
2251 Repayments: Repayments and prepayments.....	-1,437	-400	-400
2290 Outstanding, end of year.....	1,810	1,410	1,010

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	1,573	1,225	880
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This fund finances disaster loans made pursuant to section 7(b) of the Small Business Act, as amended.

**Physical Disaster Loans.**—Under this program, loans are made to individuals and businesses at favorable terms and conditions for uninsured losses of property, both real and personal, damaged by natural disasters such as tornadoes, floods, hurricanes, etc.

The budget proposes that starting in fiscal year 1989, the SBA will no longer make loans to those borrowers who can demonstrate that credit is available elsewhere.

In addition, this budget proposes that the interest rate on disaster loans be raised to the Treasury rate for loans with similar maturity plus one percent.

This budget also proposes the sale of loan assets beginning in fiscal year 1989. Sales of assets would be made across SBA's portfolio, and would be without recourse to the government.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue.....	196,303	188,000	175,000
Expense.....	-316,218	-321,906	-334,000
Net loss for the year.....	-119,915	-133,906	-159,000

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	451,735	698,173	870,945	1,266,717
Accounts receivable (net).....	91,362	76,164	76,164	76,164
Loans receivable (net).....	4,064,405	3,576,906	3,175,000	2,345,000
Acquired security and collateral.....	30,931	27,607	27,607	27,607
Other assets.....	68,546	73,145	73,145	73,145
Total assets.....	4,706,979	4,451,995	4,222,861	3,788,633
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	150,797	129,777	122,777	110,777
Advances received.....	3,115	4,616	4,616	4,616
<b>Debt issued under borrowing authority:</b>				
Participation certificates outstanding.....	25,787	25,787		
Principal payments to be applied to redemption of participation certificates.....	-12,237	-25,787		
Total liabilities.....	167,462	134,393	127,393	115,393
<b>Government equity:</b>				
Unexpended budget authority: Unobligated balance:				
Committed.....	98,639	43,177	43,177	43,177
Uncommitted.....	225,906	571,935	660,707	1,101,479
<b>Undelivered orders:</b>				
Undisbursed loan obligations.....	64,640	24,832	115,832	82,832
Invested capital.....	4,150,332	3,677,658	3,275,752	2,050,752
Total Government equity.....	4,539,517	4,317,602	4,095,468	3,278,240

**Object Classification (in thousands of dollars)**

Identification code 73-4153-0-3-453	1987 actual	1988 est.	1989 est.
25.0 Other services.....	41,101	45,000	45,000
33.0 Investments and loans.....	168,522	315,000	238,000
43.0 Interest and dividends.....	127,938	120,000	108,000
99.9 Total obligations.....	337,561	480,000	391,000

**DISASTER LOAN FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 73-4153-6-3-453	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Capital investment: loan program.....			-238,000
00.91 Subtotal capital investment.....			-238,000
01.01 Interest expense to Treasury.....			-2,000
01.91 Total operating expenses.....			-2,000
10.00 Total obligations.....			-240,000
<b>Financing:</b>			
Offsetting collections from:			
Non-Federal sources:			
14.00 Loan repayments.....			7,000

**Public enterprise funds—Continued**

**REVOLVING FUNDS—Continued**  
**DISASTER LOAN FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	73-4153-6-3-453	1987 actual	1988 est.	1989 est.
14.00	Interest income .....			3,000
24.98	Unobligated balance available, end of year.....			230,000
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			-230,000
74.98	Obligated balance, end of year: Fund balance .....			121,000
90.00	Outlays .....			-109,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

**Status of Direct Loans (in thousands of dollars)**

Identification code	73-4153-6-3-453	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			-265,000
1150	Total direct loan obligations .....			-265,000
<b>Cumulative balance of direct loans outstanding:</b>				
1231	Direct loan disbursements .....			-119,000
1251	Repayments and prepayments .....			7,000
1290	Outstanding, end of year.....			-112,000
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent) .....	-27.0	-14.2	-14.2
1330	Subsidy amount (in thousands of dollars) .....	-56,153	-49,840	-37,736

**Object Classification (in thousands of dollars)**

Identification code	73-4153-6-3-453	1987 actual	1988 est.	1989 est.
25.0	Other services .....			-2,000
33.0	Investments and loans.....			-238,000
99.9	Total obligations.....			-240,000

**LEASE GUARANTEES REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code	73-4157-0-3-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Rental payments on defaulted leases .....	456	400	400
00.02	Interest expense on escrow deposits and mortgage notes.....	78	100	100
00.03	Other expenses.....	214	300	300
10.00	Total obligations.....	748	800	800
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-281	-200	-200
21.98	Unobligated balance available, start of year: Fund balance.....	-3,314	-2,847	-2,247
24.98	Unobligated balance available, end of year: Fund balance.....	2,847	2,247	1,647
39.00	<b>Budget authority</b> .....			

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	467	600	600
72.98	Obligated balance, start of year: Fund balance .....	472	483	383
74.98	Obligated balance, end of year: Fund balance.....	-483	-383	-283
90.00	Outlays.....	456	700	700

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]			
Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....			
Outlays .....	456	700	700
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays .....			-700
<b>Total:</b>			
Budget authority .....			
Outlays.....	456	700	

The lease guarantees program was designed to provide prime space for those small business firms who could not compete with prospective tenants with AAA ratings. This program had been incurring excessive losses and has not been an important form of assistance to small businesses. As a result, the program is limited to paying claims resulting from defaulted leases approved in prior years.

This submission proposes the consolidation of the inactive lease guarantee revolving fund into the business loan and investment revolving fund.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue .....	112	200	200
Expense .....	792	800	800
Net loss for year .....	-680	-600	-600

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	3,787	3,331	2,631	1,931
Accounts receivable .....	139	69	69	69
Advances made .....	28			
Other assets .....	1,206	994	994	994
Total assets .....	5,160	4,394	3,694	2,994
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	245	217	167	117
Advances received .....	395	336	286	236
Total liabilities .....	640	553	453	353
<b>Government equity:</b>				
Unobligated balance.....	3,314	2,847	2,247	1,647
Invested capital .....	1,206	994	994	994
Total Government equity.....	4,520	3,841	3,241	2,641

**Object Classification (in thousands of dollars)**

Identification code	73-4157-0-3-376	1987 actual	1988 est.	1989 est.
25.0	Other services .....	670	700	700
43.0	Interest and dividends .....	78	100	100
99.9	Total obligations.....	748	800	800



LEASE GUARANTEES REVOLVING FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-4157-2-3-376			
<b>Program by activities:</b>			
10.00 Total obligations			-800
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources			200
22.98 Unobligated balance transferred, net: Fund balance			2,247
24.98 Unobligated balance available, end of year: Fund balance			-1,647
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			-600
73.98 Obligated balance transferred, net: Fund balance			-383
74.98 Obligated balance, end of year: Fund balance			283
90.00 Outlays			-700

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-4157-2-3-376			
25.0 Other services			-700
43.0 Interest and dividends			-100
99.9 Total obligations			-800

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, **[\$9,497,000]** \$11,000,000, to remain available without fiscal year limitation. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-4156-0-3-376			
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0)	20,023	27,600	31,400
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-12,441	-16,300	-20,800
21.98 Unobligated balance available, start of year: Fund balance	-1,332	-3,247	-1,444
24.98 Unobligated balance available, end of year: Fund balance	3,247	1,444	1,844
40.00 <b>Budget authority (appropriation)</b>	<b>9,497</b>	<b>9,497</b>	<b>11,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	7,582	11,300	10,600
72.98 Obligated balance, start of year: Fund balance	28,270	26,997	23,497
74.98 Obligated balance, end of year: Fund balance	-26,997	-23,497	-23,397
90.00 Outlays	8,855	14,800	10,700

Public Law 93-386, the Small Business Amendment Act of 1974, established this fund to finance the surety bond guarantees program.

The Small Business Administration will guarantee a portion of the losses sustained by a surety company as a result of the issuance of a bid, payment, and/or performance bond to a small business concern.

Beginning in fiscal year 1989, this budget proposes to increase the contractors' and sureties' fees to the Small Business Administration in an effort to make the Surety Bond program more self-sufficient.

Bond Guarantees (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
SBA contingent liability for new bond guarantees	957,432	1,250,000	1,250,000

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue	12,441	16,300	20,800
Expense	-20,023	-27,600	-31,400
<b>Net loss for the year</b>	<b>-7,582</b>	<b>-11,300</b>	<b>-10,600</b>

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury	29,602	30,244	24,941	25,241
Accounts receivable	3,210	2,657	2,357	2,457
<b>Total assets</b>	<b>32,812</b>	<b>32,901</b>	<b>27,298</b>	<b>27,698</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	31,480	29,654	25,854	25,854
<b>Government equity:</b>				
Unobligated balance	1,332	3,247	1,444	1,844

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

For additional capital for the "Pollution control equipment contract guarantee revolving fund" authorized by the Small Business Investment Act, as amended, **[\$13,656,000]** \$14,000,000, to remain available without fiscal year limitation. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
73-4147-0-3-376			
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0)	10,703	16,000	15,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-2,314	-2,000	-1,000
Unobligated balance available, start of year: Fund balance:			
21.98 Committed	-6,299	-10,921	-10,921
21.98 Uncommitted	-3,576	-4,810	-4,466
Unobligated balance available, end of year: Fund balance:			
24.98 Committed	10,921	10,921	10,921
24.98 Uncommitted	4,810	4,466	4,466
40.00 <b>Budget authority (appropriation)</b>	<b>14,245</b>	<b>13,656</b>	<b>14,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	8,389	14,000	14,000
72.10 Receivables in excess of obligations, start of year		-3	-3
74.10 Receivables in excess of obligations, end of year	3	3	3
90.00 Outlays	8,392	14,000	14,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	14,245	13,656	14,000
Outlays	8,392	14,000	14,000
Proposed for later transmittal under proposed legislation:			
Budget authority			-14,000
Outlays			-14,000
<b>Total:</b>			
Budget authority	14,245	13,656	
Outlays	8,392	14,000	

Public enterprise funds—Continued

REVOLVING FUNDS—Continued

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND—Continued

Status of Guaranteed Loans (in thousands of dollars)

Identification code 73-4147-0-3-376	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders.....			
2131 Guaranteed loan commitments exempt from limitation.....	3,895	50,000	
2150 Total guaranteed loan commitments.....	3,895	50,000	
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	275,947	277,400	272,400
2231 Disbursements: Disbursements of new guaranteed loans.....	11,945	10,000	
2251 Repayments: Repayments and prepayments.....	-10,492	-10,000	-10,000
2263 Adjustments: Terminations for default that result in claim payments.....		-5,000	-5,000
2290 Outstanding, end of year.....	277,400	272,400	257,400

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	277,400	272,400	257,400
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Estimate of guaranteed subsidy amount:

2320 Subsidy amount (in percent).....	9.0	9.0	
2330 Subsidy amount (in thousands of dollars).....	351	4,510	

Public Law 94-305, approved June 4, 1976, established this fund to alleviate the adverse impact of pollution regulations on small businesses. The Small Business Administration may, whenever it determines that small business concerns are to be at an operational or financial disadvantage with respect to planning, design, or installation of pollution control facilities or the financing thereof, guarantee the payment of rentals or other amounts due under qualified contracts.

As a result of the decision to eliminate the tax exempt provisions associated with the Pollution Control Guaranteed program, the level of activity has decreased significantly. Additionally, with the Administration's emphasis on transferring those programs that more appropriately can be delivered by State agencies, we are proposing the termination of this program. However, funds will be necessary to honor the "full faith and credit" of those guarantees currently outstanding. Therefore, this submission is also proposing to consolidate this fund into the business loan and investment fund.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	763	2,000	1,000
Expense.....	8,567	16,000	15,000
Net loss for the year.....	-7,804	-14,000	-14,000

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	9,875	15,728	15,384	15,384
Loans receivable.....	35,404	35,992	35,992	35,992
Total assets.....	45,279	51,720	51,376	51,376
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....				
<b>Government equity:</b>				
Unexpended budget authority:				
Unobligated Balance:				
Committed.....	6,299	10,921	10,921	10,921
Uncommitted.....	3,576	4,810	4,466	4,466
Invested Capital.....	35,404	35,989	35,989	35,989
Total Government equity.....	45,279	51,720	51,376	51,376

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 73-4147-2-3-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0).....			-15,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			1,000
Unobligated balance transferred, net: Fund balance:			
22.98 Committed.....			10,921
22.98 Uncommitted.....			4,466
Unobligated balance available, end of year: Fund balance:			
24.98 Committed.....			-10,921
24.98 Uncommitted.....			-4,466
40.00 Budget authority (appropriation).....			-14,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-14,000
90.00 Outlays.....			-14,000

Status of Guaranteed Loans (in thousands of dollars)

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....			-272,400
2251 Repayments: Repayments and prepayments.....			10,000
2263 Adjustments: Terminations for default that result in claim payments.....			5,000
2290 Outstanding, end of year.....			-257,400

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....			-257,400
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# VETERANS ADMINISTRATION

## Federal Funds

### General and special funds:

#### [COMPENSATION AND PENSIONS]

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 412, 777, and 806, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$14,334,287,000, to remain available until expended. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Note.—The activities formerly included in this account are proposed to be financed by three separate appropriation accounts in 1989 and are presented below in the "Compensation," "Pensions," and "Burial benefits and miscellaneous assistance" accounts. Amounts for 1987, 1988, and 1989 are shown on a comparable basis. The following table shows the distribution of the amounts appropriated in those years:

Distribution of budget authority by account:	1987 actual	1988 est.	1989 est.
Compensation and pensions	14,422,500	14,334,287	
Compensation			10,749,100
Pensions			3,865,200
Burial benefits and miscellaneous assistance			144,800
Distribution of outlays by account:			
Compensation and pensions	14,426,283	14,335,388	
Compensation			10,671,000
Pensions			3,863,600
Burial benefits and miscellaneous assistance			144,800

#### COMPENSATION

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61), \$10,749,100,000, to remain available until expended.

#### Program and Financing (in thousands of dollars)

Identification code	36-0153-0-1-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Compensation:				
Veterans:				
00.02	Mexican border period	10	10	10
00.03	World War I	37,954	30,918	24,294
00.04	World War II	3,615,971	3,647,757	3,512,259
00.05	Korean conflict	940,540	964,066	954,218
00.06	Vietnam era	2,473,735	2,591,118	2,623,910
00.07	Peacetime service	1,360,208	1,436,583	1,459,027
00.91	Total veterans	8,428,418	8,670,453	8,573,718
Survivors:				
01.01	Prior to Spanish-American War	10	10	10
01.02	Spanish-American War	402	367	331
01.03	Mexican border period	16	10	10
01.04	World War I	123,436	116,802	107,882
01.05	World War II	859,619	889,093	891,838
01.06	Korean conflict	235,332	248,379	254,514
01.07	Vietnam era	485,876	513,631	526,504
01.08	Peacetime service	357,612	369,910	371,493
01.91	Total survivors	2,062,303	2,138,202	2,152,582
01.92	Total compensation	10,490,721	10,808,654	10,726,300
02.01	Clothing allowance	22,359	22,946	22,800
10.00	Total obligations (object class 42.0)	10,513,080	10,831,600	10,749,100
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-8,117		
30.00	Deficiency		-479,600	
39.00	Budget authority	10,504,963	10,352,000	10,749,100

Budget authority:				
40.00	Appropriation	10,486,200	10,352,000	10,749,100
42.00	Transferred from other accounts	18,763		
43.00	<b>Appropriation (adjusted)</b>	<b>10,504,963</b>	<b>10,352,000</b>	<b>10,749,100</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	10,513,080	10,831,600	10,749,100
72.40	Obligated balance, start of year	836,663	847,390	1,321,090
74.40	Obligated balance, end of year	-847,390	-1,321,090	-1,399,190
83.00	Deficiencies from prior years, start of year			479,600
84.00	Deficiencies from prior years, end of year			-479,600
90.00	Outlays	10,502,353	10,357,900	10,671,000

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	10,504,963	10,352,000	10,749,100
Outlays	10,502,353	10,357,900	10,671,000
Proposed for later transmittal under proposed legislation:			
Budget authority			360,900
Outlays			324,800
Total:			
Budget authority	10,504,963	10,352,000	11,110,000
Outlays	10,502,353	10,357,900	10,995,800

This appropriation provides for the payment of compensation benefits to veterans and survivors. Previously, funds for this program were appropriated under the title "Compensation and Pensions."

Compensation is paid to veterans for disabilities incurred in or aggravated during active military service. Death and Indemnity Compensation (DIC) is paid to survivors of servicepersons or veterans whose death occurred while on active duty or as a result of service-connected disabilities.

The Administrator may pay a clothing allowance to each veteran who wears or uses a prosthetic or orthopedic appliance (including a wheelchair) which, in the judgment of the Administrator, tends to wear out or tear the clothing of such veteran.

The "Veterans' Compensation Cost-of-Living Adjustment Act of 1987" increased compensation rates for veterans, DIC rates for spouses and children, and the veterans' clothing allowance by 4.2 percent effective December 1, 1987.

Caseload and cost tables are shown below and reflect the 4.2 percent rate increase:

#### AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS

Veterans:	1987 actual	1988 est.	1989 est.
Mexican border period	1	1	1
World War I	8,780	7,100	5,600
World War II	996,952	962,200	925,500
Korean conflict	218,880	216,800	214,500
Vietnam era	618,615	628,000	637,000
Peacetime service	374,298	388,099	402,599
Total	2,217,526	2,202,200	2,185,200
Average payment per case, per year	\$3,801	\$3,937	\$3,924
Total obligations (in thousands)	\$8,428,418	\$8,670,452	\$8,573,718
Survivors:			
Prior to Spanish-American War	2	2	2

General and special funds—Continued

COMPENSATION—Continued

AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS—Continued

Spanish-American War.....	63	57	51
Mexican border period.....	1	1	1
World War I.....	19,472	17,860	16,360
World War II.....	149,097	146,320	143,880
Korean conflict.....	37,814	37,940	38,100
Vietnam era.....	71,320	72,193	73,173
Peacetime service.....	51,678	51,360	51,120
Total.....	329,447	325,733	322,687
Average payment per case, per year.....	\$6,260	\$6,564	\$6,671
Total obligations (in thousands).....	\$2,062,303	\$2,138,202	\$2,152,582
Clothing allowance:			
Number of veterans.....	61,262	60,400	60,000
Average payment per case, per year.....	\$365	\$380	\$380
Total obligations (in thousands).....	\$22,359	\$22,946	\$22,800

COMPENSATION

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 36-0153-2-1-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Compensation:			
Veterans:			
00.03 World War I.....			812
00.04 World War II.....			117,408
00.05 Korean conflict.....			31,897
00.06 Vietnam era.....			87,711
00.07 Peacetime service.....			48,772
00.91 Total veterans.....			286,600
Survivors:			
01.02 Spanish-American War.....			11
01.04 World War I.....			3,679
01.05 World War II.....			30,411
01.06 Korean conflict.....			8,679
01.07 Vietnam era.....			17,953
01.08 Peacetime service.....			12,667
01.91 Total survivors.....			73,400
01.92 Total compensation.....			360,000
02.01 Clothing allowance.....			900
10.00 Total obligations (object class 42.0).....			360,900
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			360,900
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			360,900
74.40 Obligated balance, end of year.....			-36,100
90.00 Outlays.....			324,800

Legislation will be proposed to index compensation benefits to the annual change in the Consumer Price Index. If enacted, this proposal would guarantee a full and timely cost-of-living adjustment (COLA) to all compensation beneficiaries, including DIC spouses and children. The increase, which would be effective with the payments made on January 1, 1989, is expected to be 4.2 percent.

PENSIONS

For the payment of pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508), \$3,865,200,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code 36-0154-0-1-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Pensions:			
Veterans:			
00.01 Improved law.....	2,135,631	2,248,565	2,318,238
00.02 Prior law.....	336,775	287,767	246,249
00.03 Old law and service.....	5,745	4,196	3,069
00.91 Total veterans.....	2,478,151	2,540,528	2,567,556
Survivors:			
01.01 Improved law.....	948,999	996,958	1,020,274
01.02 Prior law.....	351,842	305,618	267,200
01.03 Old law and service.....	13,652	11,470	9,520
01.91 Total survivors.....	1,314,493	1,314,046	1,296,994
03.01 Vocational training.....	301	600	650
10.00 Total obligations (object class 42.0).....	3,792,945	3,855,174	3,865,200
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-1,274	
24.40 Unobligated balance available, end of year.....	1,274		
30.00 Deficiency.....		-13,300	
39.00 Budget authority.....	3,794,219	3,840,600	3,865,200
Budget authority:			
40.00 Appropriation.....	3,824,000	3,840,600	3,865,200
41.00 Transferred to other accounts.....	-29,781		
43.00 Appropriation (adjusted).....	3,794,219	3,840,600	3,865,200
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,792,945	3,855,174	3,865,200
72.40 Obligated balance, start of year.....	293,793	293,538	312,912
74.40 Obligated balance, end of year.....	-293,538	-312,912	-314,512
83.00 Deficiencies from prior years, start of year.....			13,300
84.00 Deficiencies from prior years, end of year.....			-13,300
90.00 Outlays.....	3,793,200	3,835,800	3,863,600

This appropriation provides for the payment of pension benefits to veterans and survivors. Previously, funds for this program were appropriated under the title "Compensation and Pensions."

Pension benefits may be paid to veterans or their survivors. Veteran's entitlement is based on active duty service of a specific length (normally 90 days or more) during a designated war period; disabilities considered permanent and total; and countable income below established levels. There is no disability requirement for survivor cases. Income support is provided at established benefit levels.

Veterans who are under the age 55 and who begin receiving pension during the test period, February 1, 1985 to January 31, 1989, will be evaluated to determine whether a vocational goal is reasonably feasible. Those for whom a vocational goal is feasible are eligible, during the test period, for a temporary program of vocational training.

Automatic annual cost-of-living increases comparable to annual social security increases are provided for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. These increases, effective with payments made on January 1, are based on the same percentage as social security benefits are increased. The January 1, 1989 increase is expected to be 4.2 percent.

**AVERAGE NUMBER OF PENSION CASES AND PAYMENTS**

	1987 actual	1988 est.	1989 est.
<b>Veterans:</b>			
Improved law.....	427,859	434,600	439,800
Prior law.....	208,502	178,800	153,500
Old law and service.....	6,064	4,500	3,300
<b>Total.....</b>	<b>642,425</b>	<b>617,900</b>	<b>596,600</b>
Average payment per case, per year.....	\$3,857	\$4,112	\$4,304
<b>Total obligations (in thousands).....</b>	<b>\$2,478,151</b>	<b>\$2,540,528</b>	<b>\$2,567,556</b>
<b>Survivors:</b>			
Improved law.....	259,905	260,600	257,800
Prior law.....	378,228	332,500	291,400
Old law and service.....	21,047	17,600	14,600
<b>Total.....</b>	<b>659,180</b>	<b>610,700</b>	<b>563,800</b>
Average payment per case, per year.....	\$1,994	\$2,152	\$2,300
<b>Total obligations (in thousands).....</b>	<b>\$1,314,493</b>	<b>\$1,314,046</b>	<b>\$1,296,994</b>
<b>Vocational training:</b>			
Trainees.....	320	440	440
Average benefit per year.....	\$941	\$1,364	\$1,477
<b>Total obligations (in thousands).....</b>	<b>\$301</b>	<b>\$600</b>	<b>\$650</b>

**BURIAL BENEFITS AND MISCELLANEOUS ASSISTANCE**

For the payment of burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 412, 777, and 806, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$144,800,000, to remain available until expended.

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Burial benefits:</b>			
00.01 Burial allowance.....	41,831	45,973	44,118
00.02 Burial plot.....	44,311	51,934	50,745
00.03 Service-connected deaths.....	7,973	9,075	8,591
00.04 Burial flags.....	10,613	10,263	10,898
00.05 Headstones/markers.....	16,873	19,594	20,363
00.06 Headstone allowance.....	3,472	4,656	4,628
<b>00.91 Total burial benefits.....</b>	<b>125,073</b>	<b>141,495</b>	<b>139,343</b>
<b>Miscellaneous assistance:</b>			
01.01 Retired officers.....	477	413	368
01.02 Adjusted service and dependence pay.....	2	2	2
01.03 Special allowance dependents.....	697	728	737
01.04 Mortgage insurance.....	4,481	4,250	4,350
01.05 Soldiers and sailors civil relief.....	1		
<b>01.91 Total miscellaneous assistance.....</b>	<b>5,659</b>	<b>5,393</b>	<b>5,457</b>
<b>10.00 Total obligations (object class 42.0).....</b>	<b>130,732</b>	<b>146,888</b>	<b>144,800</b>
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-1		
21.40 Unobligated balance available, start of year.....	-7,413	-1	
24.40 Unobligated balance available, end of year.....	1		
30.00 Deficiency.....		-5,200	
<b>39.00 Budget authority.....</b>	<b>123,318</b>	<b>141,687</b>	<b>144,800</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	134,400	141,687	144,800
41.00 Transferred to other accounts.....	-11,082		
<b>43.00 Appropriation (adjusted).....</b>	<b>123,318</b>	<b>141,687</b>	<b>144,800</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	130,730	146,888	144,800
72.40 Obligated balance, start of year.....	170	170	5,370
74.40 Obligated balance, end of year.....	-170	-5,370	-5,370
83.00 Deficiencies from prior years, start of year.....			5,200

84.00	Deficiencies from prior years, end of year.....			-5,200
90.00	Outlays.....	130,730	141,688	144,800

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
	1987 actual	1988 est.	1989 est.	
<b>Enacted/requested:</b>				
Budget authority.....	123,318	141,687	144,800	
Outlays.....	130,730	141,688	144,800	
<b>Proposed for later transmittal under proposed legislation:</b>				
Budget authority.....				-4,350
Outlays.....				-4,350
<b>Total:</b>				
Budget authority.....	123,318	141,687	140,450	
Outlays.....	130,730	141,688	140,450	

**Status of Direct Loans (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-0155-0-1-701			
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	13	12	12
1264 Adjustments: Other adjustments, net <sup>1</sup> .....	-1		
1290 Outstanding, end of year.....	12	12	12

<sup>1</sup> Adjustment to outstanding balances.

This appropriation provides for the payment of burial and other miscellaneous benefits to certain veterans and survivors. Previously, funds for this program were appropriated under the title "Compensation and Pensions."

**Burial benefits.**—Provides for: (a) the payment of an allowance of \$300 (plus transportation charges where death occurs under VA care) to reimburse, in part, the burial and funeral expense of an eligible deceased veteran; (b) the payment of \$150 for a plot allowance where an eligible veteran is not buried in a national cemetery or other cemetery under the jurisdiction of the United States; (c) the payment of a burial allowance up to \$1,100 when a veteran dies as the result of service-connected disability; (d) furnishing a flag to drape the casket of each deceased veteran entitled thereto; and (e) furnishing a headstone or marker for the grave of a veteran and, in certain cases, eligible dependents; or (f) an allowance toward the purchase of a marker.

**NUMBER OF BURIAL BENEFITS**

	1987 actual	1988 est.	1989 est.
Burial allowance.....	118,242	122,020	118,800
Burial plot.....	311,516	341,230	338,300
Service-connected death.....	8,400	8,630	8,300
Burial flags.....	401,913	367,200	376,300
Headstone markers.....	266,770	272,300	279,100
Headstone allowance.....	52,522	60,350	60,900

**Miscellaneous assistance.**—Provides for: (a) payments to emergency officers of World War I and certain officers of the Regular Establishment who have retired because of service-connected disability; (b) payments for claims made pursuant to the provision of the World War Adjusted Compensation Act of 1924, as amended; (c) a special allowance (38 U.S.C. 412) to dependents of certain veterans who died after December 31, 1956, but who were not fully and currently insured under the Social Security Act; (d) mortgage protection life insurance for service-connected disabled veterans who have received grants for specially adapted housing; (e) payment of claims arising from the guarantee of premiums due on commercial life insurance policies held by serv-

General and special funds—Continued

BURIAL BENEFITS AND MISCELLANEOUS ASSISTANCE—Continued

ice persons while in service and for 2 years after discharge.

MISCELLANEOUS ASSISTANCE CASELOAD

	1987 actual	1988 est.	1989 est.
Retired officers .....	55	46	40
Adjusted service and dependence pay .....	5	4	4
Special allowance dependents .....	225	222	219
Mortgage insurance .....	5,602	5,542	5,482
Soldiers and sailors civil relief .....	1		

BURIAL BENEFITS AND MISCELLANEOUS ASSISTANCE  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0155-2-1-701			
<b>Program by activities:</b>			
01.04	Miscellaneous assistance: Mortgage insurance .....		-4,350
10.00	Total obligations (object class 42.0) .....		-4,350
<b>Financing:</b>			
40.00	Budget authority (appropriation) .....		-4,350
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....		-4,350
90.00	Outlays .....		-4,350

Legislation will be proposed to authorize the funding of the veterans mortgage protection life insurance program from the "Veterans Insurance and Indemnities" appropriation rather than this appropriation. In addition, legislation will be proposed to change the eligibility for plot allowances, beginning in 1990, to be consistent with the eligibility requirements for the basic burial allowance.

REINSTATED ENTITLEMENT PROGRAM FOR SURVIVORS UNDER PUBLIC LAW 97-377

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0200-0-1-701			
<b>Program by activities:</b>			
00.01	Benefit payments .....	37,615	35,058
00.02	Administrative expenses, VA .....	737	770
00.03	Administrative expenses paid to Social Security Administration .....	17	12
00.91	Subtotal .....	38,369	35,840
01.01	Return of overpayment .....	5,531	
10.00	Total obligations .....	43,900	35,840
<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds .....	-43,900	-35,840
39.00	Budget authority .....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....		
72.40	Obligated balance, start of year .....	5,398	8,034
74.40	Obligated balance, end of year .....	-8,034	
77.00	Adjustments in expired accounts .....	-209	
90.00	Outlays .....	-2,845	8,034

In accordance with Public Law 97-377, this program restores Social Security benefits to certain surviving spouses or children of veterans who died of service-connected causes. Financing is being provided in the

form of offsetting collections from the Department of Defense.

CASELOAD AND AVERAGE COST DATA

	1987 actual	1988 est.	1989 est.
Spouses .....	1,789	1,600	1,410
Average benefit .....	\$5,952	\$6,203	\$6,397
Obligations (in thousands) .....	\$10,649	\$9,925	\$9,020
Children .....	4,411	4,100	3,800
Average benefit .....	\$6,113	\$6,130	\$6,148
Obligations (in thousands) .....	\$26,966	\$25,133	\$23,363
Administrative expenses, VA (in thousands) .....	\$737	\$770	\$765
Administrative expenses paid to Social Security Administration .....	\$17	\$12	\$12

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0200-0-1-701			
25.0	Other services .....	754	782
42.0	Insurance claims and indemnities .....	37,615	35,058
44.0	Refunds .....	5,531	
99.9	Total obligations .....	43,900	35,840

REINSTATED ENTITLEMENT PROGRAM FOR SURVIVORS UNDER PUBLIC LAW 97-377

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0200-2-1-701			
<b>Program by activities:</b>			
10.00	Benefit payments (total obligations) (object class 42.0) ..		300
<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds .....		-300
39.00	Budget authority .....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....		
90.00	Outlays .....		

Legislation will be proposed to provide a cost-of-living adjustment to surviving spouses in receipt of Dependency and Indemnity Compensation (DIC) effective December 1, 1988. The increase is expected to be 4.2 percent. Under section 156, Public Law 97-377, any such increases must be granted to spouses under this program.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34-36, 39, 51, 53, 55, and 61), **[\$625,700,000]** \$597,600,000 to remain available until expended. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0137-0-1-702			
<b>Program by activities:</b>			
Direct program:			
Education and training:			
00.01	Vietnam era veterans .....	522,074	412,210
00.02	Sons and daughters .....	106,058	93,817
00.03	Spouses and widow(er) (s) .....	10,334	9,225
00.91	Total education and training .....	638,466	515,252
Special assistance to disabled veterans:			
01.01	Vocational rehabilitation .....	105,947	104,141
01.02	Housing grants .....	14,363	13,850
01.03	Automobiles, adaptive equipment, maintenance and repair .....	16,009	15,159
01.91	Total special assistance to disabled veterans ..	136,320	133,150

02.01	All-Volunteer Force Educational Assistance: Veterans' basic benefits.....	66	20,400	55,900
02.93	Total direct program.....	774,852	668,802	604,100
Reimbursable program:				
All-Volunteer Force Educational Assistance:				
03.01	Veterans' supplementary benefits.....	40	15,000	44,000
03.02	Reservists' benefits.....	45,581	116,700	159,000
04.01	Debt collection activity: Payment to contractors.....	1,152	480	
04.92	Total reimbursable.....	46,773	132,180	203,000
10.00	Total obligations.....	821,625	800,982	807,100
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-394	-700	-1,000
13.00	Trust funds.....	-45,227	-131,000	-202,000
14.00	Non-Federal sources.....	-1,152	-480	
21.40	Unobligated balance available, start of year.....	-13,604	-8,502	-1,400
22.40	Unobligated balance transferred, net.....	-6,500	-11,000	-6,500
24.40	Unobligated balance available, end of year.....	8,502	1,400	1,400
30.00	Deficiency.....		-25,000	
39.00	Budget authority.....	763,250	625,700	597,600
Budget authority:				
40.00	Appropriation.....	741,150	625,700	597,600
42.00	Transferred from other accounts.....	22,100		
43.00	Appropriation (adjusted).....	763,250	625,700	597,600
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	774,852	668,802	604,100
72.40	Obligated balance, start of year.....	36,492	34,943	49,645
74.40	Obligated balance, end of year.....	-34,943	-49,645	-47,645
83.00	Deficiencies from prior years, start of year.....			25,000
84.00	Deficiencies from prior years, end of year.....			-25,000
90.00	Outlays.....	776,401	654,100	606,100

This appropriation finances the education and training of veterans and servicepersons whose service was, at least in part, between February 1, 1955 and December 31, 1976 (post-Korean conflict veterans and Vietnam era veterans). It also finances educational assistance allowances for certain peacetime veterans and for eligible dependents of those veterans: (a) who died from service-connected causes or have a total and permanent rated service-connected disability; and (b) servicepersons who were captured or missing in action. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with the associated approved adaptive equipment. The funding level in 1989 will be \$28.1 million less than in 1988. This is due primarily to the decline in the number of Vietnam-era veterans eligible for benefits.

**Education and training.**—The 1989 decrease in Vietnam era veteran and serviceperson trainees is attributable to veterans having used their entitlement or reaching their delimiting date.

The following table provides a comparison of trainees and costs for the three types of trainees included in education and training.

**NUMBER OF TRAINEES AND COST**

Vietnam era veterans:				
	1987 actual	1988 est.	1989 est.	
Number of trainees.....	238,798	197,450	159,100	
Average cost per trainee.....	\$2,186	\$2,088	\$2,049	
Total cost (in thousands).....	\$522,074	\$412,210	\$325,980	
Sons and daughters:				
	1987 actual	1988 est.	1989 est.	
Number of trainees.....	43,427	38,400	34,100	
Average cost per trainee.....	\$2,442	\$2,443	\$2,445	
Total cost (in thousands).....	\$106,058	\$93,817	\$83,358	

Spouses and widow(ers):			
	1987 actual	1988 est.	1989 est.
Number of trainees.....	5,268	4,700	4,200
Average cost per trainee.....	\$1,962	\$1,963	\$1,961
Total cost (in thousands).....	\$10,334	\$9,225	\$8,238

**Special assistance to disabled veterans.**—Service disabled veterans requiring vocational rehabilitation receive assistance to cover the costs of subsistence, tuition, books, supplies, and equipment.

Specially adapted housing grants, up to a maximum of \$35,500, are provided to certain severely disabled veterans. Veterans who suffer service-connected blindness or who have lost the use of both upper extremities can receive up to \$6,000.

An allowance, up to a maximum of \$5,000, is provided to certain service-disabled veterans and servicepersons toward the purchase price of an automobile. Adaptive equipment and the maintenance and replacement of such equipment is also provided.

The following table shows a caseload and cost comparison for these beneficiaries.

**CASELOAD AND AVERAGE COST DATA**

Disabled veterans:			
	1987 actual	1988 est.	1989 est.
Number of trainees.....	24,599	23,800	23,200
Average cost per trainee.....	\$4,307	\$4,376	\$4,444
Total cost (in thousands).....	\$105,947	\$104,141	\$103,100
Housing grants:			
	1987 actual	1988 est.	1989 est.
Number of housing grants.....	455	440	415
Average cost per grant.....	\$31,567	\$31,477	\$31,945
Total cost (in thousands).....	\$14,363	\$13,850	\$13,257
Automobiles or other conveyances:			
	1987 actual	1988 est.	1989 est.
Number of conveyances.....	788	740	675
Average cost per conveyance.....	\$4,989	\$5,000	\$5,000
Total cost (in thousands).....	\$3,932	\$3,700	\$3,375
Adaptive equipment (including maintenance, repair and installation for automobiles):			
	1987 actual	1988 est.	1989 est.
Number of items.....	8,211	7,470	6,820
Average cost.....	\$1,471	\$1,534	\$1,597
Total cost (in thousands).....	\$12,078	\$11,459	\$10,892

**All Volunteer Force educational assistance (Montgomery GI Bill).**—Public Law 98-525, enacted October 19, 1984, established two new peacetime educational programs: An assistance program for veterans who enter active duty during the period beginning July 1, 1985, and ending on June 30, 1988, and an assistance program for certain members of the Selected Reserve. Public Law 100-48 made these programs permanent. The Readjustment benefits appropriation pays the basic benefit allowance for the peacetime veterans. A small number of veterans began training in 1987. Supplementary educational assistance for peacetime veterans and the basic benefit allowance for reservists are financed by payments from the Department of Defense and the Department of Transportation.

The following table shows a caseload and cost comparison for these beneficiaries under existing legislation:

**CASELOAD AND AVERAGE COST DATA**

Veterans:			
	1987 actual	1988 est.	1989 est.
Number of trainees.....	130	19,400	41,500

General and special funds—Continued

READJUSTMENT BENEFITS—Continued

CASELOAD AND AVERAGE COST DATA—Continued

	1987 actual	1988 est.	1989 est.
Average cost per trainee	\$821	\$1,825	\$2,407
Total cost (in thousands)	<sup>1</sup> \$107	<sup>2</sup> \$35,400	<sup>3</sup> \$99,900
Reservists:			
Number of trainees	52,459	136,000	185,300
Average cost per trainee	\$869	\$858	\$858
Total cost (in thousands)	\$45,581	\$116,700	\$159,000

<sup>1</sup> Includes \$67 thousand of basic benefits (VA funded) and \$40 thousand of supplemental benefits (DOD funded).  
<sup>2</sup> Includes \$20,400 thousand of basic benefits (VA funded) and \$15,000 thousand of supplemental benefits (DOD funded).  
<sup>3</sup> Includes \$55,900 thousand of basic benefits (VA funded) and \$44,000 thousand of supplemental benefits (DOD funded).

**Debt Collection Activity.**—Public Law 97-365, the Debt Collection Act of 1982, authorizes the VA to employ the services of private collection agencies (PCAs) to aid in the collection of delinquent debt. The PCA's receive a percentage of what is collected. Payment amounts for these services are based on a GSA Federal supply schedule, and the age and amounts of the debt collected. In 1987, and part of 1988, these payments were charged to the Readjustment benefits appropriation. Under the new contract, the costs will no longer be charged to the account.

The following table shows the costs for this activity which are offset by collections (dollars in thousands):

	1987 actual	1988 est.	1989 est.
Payments to contractors	\$1,152	\$480	

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0137-0-1-702			
Direct obligations:			
41.0 Grants, subsidies, and contributions	638,532	535,652	473,476
42.0 Insurance claims and indemnities	136,320	133,150	130,624
99.0 Subtotal, direct obligations	774,852	668,802	604,100
99.0 Reimbursable obligations	46,773	132,180	203,000
99.9 Total obligations	821,625	800,982	807,100

VETERANS JOB TRAINING

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0103-0-1-702			
Program by activities:			
10.00 Job Training (total obligations) (object class 41.0)	36,749	27,000	
Financing:			
17.00 Recovery of prior year obligations	-12,835	-7,501	-2,850
21.40 Unobligated balance available, start of year	-21,562	-27,648	-8,149
24.40 Unobligated balance available, end of year	27,648	8,149	10,999
40.00 Budget authority (appropriation)	30,000		
Relation of obligations to outlays:			
71.00 Obligations incurred, net	36,749	27,000	
72.40 Obligated balance, start of year	33,830	19,739	7,501
74.40 Obligated balance, end of year	-19,739	-7,501	
78.00 Adjustments in unexpired accounts	-12,835	-7,501	-2,850
90.00 Outlays	38,005	31,737	4,651

Eligible veterans may begin job training under the program until June 30, 1988. Because of improvements in the economy and unemployment rates for Vietnamese and Korean conflict veterans and since this program duplicates existing and proposed Federal job services, no additional funds will be requested.

SUMMARY OF WORKLOAD AND OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Veterans entered in job training programs	9,266	5,600	
Average obligations	\$3,966	\$4,821	
Total obligations (dollars in thousands)	\$36,749	\$27,000	
Veterans completed training	4,020	2,148	1,007
Average benefit	\$2,526	\$2,512	\$1,524
Total outlays (dollars in thousands)	\$10,155	\$5,395	\$1,535
Veterans terminated	13,901	6,105	2,045
Average benefit	\$1,343	\$2,911	\$1,524
Total outlays (dollars in thousands)	\$18,673	\$17,773	\$3,116
Veterans in training, end of year	5,705	3,052	
Average benefit	\$1,609	\$2,808	
Total outlays (dollars in thousands)	\$9,177	\$8,569	
Combined outlays (dollars in thousands)	\$38,005	\$31,737	\$4,651

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, and service-disabled veterans insurance, as authorized by law (38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487), **[\$14,290,000]** \$9,220,000 to remain available until expended. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0120-0-1-701			
Program by activities:			
Operating expenses:			
Military and naval insurance:			
00.01 Payment to U.S. Government life insurance fund	13	12	11
00.02 Direct payments to policyholders and beneficiaries	88	58	41
National service life insurance:			
00.03 Payment to national service life insurance fund	1,494	3,490	2,220
00.04 Direct payments to policyholders and beneficiaries	908	947	942
00.05 Payment to service-disabled veterans insurance fund	2,829	10,190	6,370
00.91 Total operating expenses	5,332	14,697	9,584
01.01 Capital investment: Policy loans	74	85	86
10.00 Total obligations	5,406	14,782	9,670
Financing:			
Offsetting collections from: Non-Federal sources:			
14.00 Interest on loans	-41	-33	-30
14.00 Premiums earned	-348	-308	-278
14.00 Optional income settlements	-6	-10	-10
14.00 Policy loan repayments	-149	-138	-129
14.00 Policy lien repayments	-6	-3	-3
21.40 Unobligated balance available, start of year	-324	-238	-238
24.40 Unobligated balance available, end of year	238	238	238
40.00 Budget authority (appropriation)	4,770	14,290	9,220
Relation of obligations to outlays:			
71.00 Obligations incurred, net	4,856	14,290	9,220
72.40 Obligated balance, start of year	115	115	115
74.40 Obligated balance, end of year	-115	-115	-115
90.00 Outlays	4,856	14,290	9,220

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[in thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	4,770	14,290	9,220
Outlays	4,856	14,290	9,220
Proposed for later transmittal under proposed legislation:			
Budget authority			4,250
Outlays			4,250
Total:			
Budget authority	4,770	14,290	13,470
Outlays	4,856	14,290	13,470

**Military and naval insurance.**—Payments are made to the U.S. Government life insurance fund for certain World War I veterans for extra hazards of military



service and for claims on war risk insurance issued to servicemen and veterans of World War I.

**National service life insurance.**—Payments are made to the national service life insurance fund for certain World War II veterans for: (a) the extra hazards of service; (b) gratuitous insurance granted to certain persons unable to apply for national service life insurance; (c) death claims on policies under waiver of premiums while the insured was on active duty.

Payments are also made to policyholders and beneficiaries on nonparticipating national service life insurance policies issued to World War II veterans with service-connected disabilities and on worthy exceptional cases that would not have been covered under the law in effect at the time of death.

The general decline in the number of policies and the amount of insurance in force is expected to continue in 1989 as indicated in the following table (dollars in thousands).

	1987 actual	1988 est.	1989 est.
Number of policies.....	2,794	2,647	2,499
Amount of insurance.....	\$14,639	\$13,764	\$12,995

**Payment to service-disabled veterans insurance fund.**—Payments are made to the service-disabled veterans insurance fund to supplement the premiums and other receipts of the fund in amounts necessary to pay claims on insurance policies issued to veterans with service-connected disabilities.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	74	85	86
41.0 Grants, subsidies, and contributions.....	4,336	13,692	8,601
42.0 Insurance claims and indemnities.....	996	1,005	983
99.9 Total obligations.....	5,406	14,782	9,670

**VETERANS INSURANCE AND INDEMNITIES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Mortgage insurance (total obligations, object class 42.0) .....			4,250
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			4,250
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			4,250
90.00 Outlays.....			4,250

Legislation will be proposed to authorize the funding of the veterans mortgage protection life insurance program from this appropriation rather than from the "Burial Benefits and Miscellaneous Assistance" appropriation.

**MEDICAL CARE**

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Veterans Administration, including care and treatment in facilities not under the jurisdiction of the Veterans Administration, and furnishing recreational facilities, supplies and equipment; funeral, burial and other expenses incidental thereto for beneficiaries receiving care in Veterans Administration facilities; repairing, alter-

ing, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Veterans Administration, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); aid to State homes as authorized by law (38 U.S.C. 641); and not exceed \$2,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 5010(a)(5); **[\$10,094,808,000,] \$10,327,546,000**, plus reimbursements: **Provided**, That of the sum appropriated, \$6,400,000,000 is available only for expenses in the personnel compensation and benefits object classifications: **Provided further**, That, during fiscal year 1988, jurisdictional average employment shall not exceed 37,700 for administrative support. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
Identification code 36-0160-0-1-703			
<b>Program by activities:</b>			
Direct program:			
Operating expenses:			
Maintenance and operation of VA facilities:			
00.01 VA hospital care .....	5,019,006	5,202,159	5,224,772
00.02 Nursing home care .....	472,457	539,812	599,739
00.03 Domiciliary care .....	102,858	125,320	131,941
00.04 Outpatient care .....	2,007,634	2,199,125	2,264,872
00.05 Miscellaneous benefits and services.....	445,757	431,159	444,834
00.06 Education and training .....	518,276	545,303	563,472
Contract care:			
00.10 Hospitalization .....	162,431	147,175	142,607
00.11 Community nursing home care .....	325,677	351,479	378,266
Grants for State home care:			
00.15 Domiciliary .....	13,924	12,907	12,981
00.16 Nursing home.....	54,293	58,171	63,803
00.17 Hospitalization.....	3,298	3,406	3,406
Civilian health and medical program of the Veterans Administration:			
00.20 Hospitalization.....	67,724	71,263	72,705
00.21 Outpatient care.....	33,356	34,805	33,706
00.91 Total operating expenses .....	9,226,691	9,722,084	9,937,104
Capital investment:			
Maintenance and operation of VA facilities:			
01.01 VA hospital care.....	304,651	322,323	306,692
01.02 Nursing home care.....	20,353	23,458	20,484
01.03 Domiciliary care.....	6,347	7,315	6,387
01.04 Outpatient care.....	51,299	59,124	51,628
01.05 Miscellaneous benefits and services.....	1,507	1,737	1,517
01.06 Education and training.....	2,704	3,616	3,734
01.91 Total capital investment .....	386,861	417,573	390,442
01.92 Total direct program.....	9,613,552	10,139,657	10,327,546
02.01 Reimbursable program .....	59,686	60,000	60,000
10.00 Total obligations .....	9,673,238	10,199,657	10,387,546
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	- 35,972	- 36,161	- 36,161
14.00 Non-Federal sources (38 U.S.C. 611) .....	- 23,714	- 23,839	- 23,839
21.40 Unobligated balance available, start of year .....		- 20,000	
24.40 Unobligated balance available, end of year .....	20,000		
25.00 Unobligated balance lapsing.....	94,651		
39.00 Budget authority.....	9,728,203	10,119,657	10,327,546
Budget authority:			
40.00 Appropriation .....	9,712,808	10,094,808	10,327,546
42.00 Transferred from other accounts.....	15,395		
43.00 Appropriation (adjusted).....	9,728,203	10,094,808	10,327,546
50.00 Reappropriation.....		24,849	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	9,613,552	10,139,657	10,327,546
72.40 Obligated balance, start of year.....	1,228,092	1,296,591	1,353,019
74.40 Obligated balance, end of year .....	- 1,296,591	- 1,353,019	- 1,384,336
77.00 Adjustments in expired accounts .....	- 45,303		
90.00 Outlays .....	9,499,750	10,083,229	10,296,229

Note.—Beginning in 1988 this account will reimburse General operating expenses for administrative work performed in support of veterans' medical care.

General and special funds—Continued

MEDICAL CARE—Continued

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	9,728,203	10,119,657	10,327,546
Outlays .....	9,499,750	10,083,229	10,296,229
Proposed for later transmittal under proposed legislation:			
Budget authority .....			23,999
Outlays .....			23,999
Total:			
Budget authority .....	9,728,203	10,119,657	10,351,545
Outlays .....	9,499,750	10,083,229	10,320,228

In 1989 increased costs are associated with: (1) operational requirements of new facilities; (2) payroll increases; (3) increased cost of drugs, utilities, communications, provisions, prosthetics, medical and dental supplies and operating supplies; (4) enhancements for the decentralized hospital computer program (DHCP); (5) investments in automation improvements for the Personnel and Accounting Integrated Data Pay System (PAID) Redesign and the Integrated Procurement, Storage and Distribution System (LOG1); and (6) miscellaneous initiatives, including: expansion of the VA's Medical District Initiated Peer Review Organization (MEDI-PRO), increased tuition support, higher funding for the community nursing home program, and the implementation costs associated with the VA's CHAMPVA Payment Center.

These increased costs are offset by: (1) a one percent reduction in employment due to productivity increases; (2) a lesser decrease in planned staffing of nine-tenths of one percent based on actual staff-to-patient ratios experienced during the first half of 1987; (3) savings associated with enhancements to DHCP and LOG1; (4) savings associated with the phasing down of the Vet Center program; (5) savings due to the standardization of procurement of medical supplies; (6) the elimination of administrative costs paid to DOD and a decrease in the enrollment of ineligibles; and (7) the one-time nature of the 1988 reappropriation for ADP equipment.

Maintenance and operation of VA facilities—

VA hospital care.—Costs for 1989 are estimated to increase by \$6,982 thousand for operating the medical, surgical, and psychiatric bed sections in 172 VA hospitals. Workload and employment reflect the transfer of one-day hemodialysis from the inpatient to the outpatient activity.

Estimated operating levels are:

	1987 actual	1988 est.	1989 est.
Patients treated .....	1,076,962	1,082,687	1,083,933
Average daily census .....	53,865	51,995	50,481
Average employment (including education and training) .....	133,325	130,131	127,252
Ratio average employment to census .....	2.48	2.50	2.52

Nursing home care.—An increase of \$56,953 thousand in 1989 is estimated for the operation of nursing care beds in 127 facilities.

Estimated operating levels are:

	1987 actual	1988 est.	1989 est.
Patients treated .....	25,567	28,286	31,195
Average daily nursing patient census .....	10,945	11,748	12,681
Average employment (including education and training) .....	13,801	14,983	16,170

Domiciliary care.—In 1989, an increase of \$5,693 thousand is estimated for the care of domiciliary members in 27 facilities.

Estimated operating levels are:

	1987 actual	1988 est.	1989 est.
Patients treated .....	14,134	16,315	16,815
Average daily member census .....	5,837	6,496	6,496
Average employment (including education and training) .....	2,379	2,667	2,632

Outpatient care.—An increase of \$58,251 thousand is estimated in 1989 for the cost of outpatient medical and dental care provided by staff and by physicians and dentists participating under a fee basis arrangement for certain eligible veterans. Workload and employment reflect the transfer of one-day hemodialysis from the inpatient to the outpatient activity.

NUMBER OF MEDICAL VISITS AND DENTAL WORKLOADS

	1987 actual	1988 est.	1989 est.
Medical visits (in thousands):			
Staff .....	20,093	21,040	21,251
Fee .....	1,797	1,833	1,833
Total .....	21,890	22,873	23,084
Dental:			
Staff:			
Examinations .....	176,570	175,000	175,000
Treatments .....	141,429	140,000	140,000
Total .....	317,999	315,000	315,000
Fee: Cases completed .....	20,112	20,112	20,112
Average employment (including education and training) .....	36,466	37,864	37,831

Miscellaneous benefits and services.—This covers such items of nondirect medical care and treatment as beneficiary travel, care of the dead, operation of personnel quarters at medical facilities, and the cost of furnishing supply, engineering, housekeeping, and other administrative support services to other departments on a nonreimbursable basis. It also includes the cost of the readjustment counseling program. An increase of \$13,455 thousand is estimated for 1989, which reflects increases for payroll, tuition support, and the cost of inflation, partially offset by a reduction in readjustment counseling and savings from increased productivity.

	1987 actual	1988 est.	1989 est.
Average employment .....	7,463	7,463	7,308

Education and training.—An increase of \$18,287 thousand is estimated in 1989 for residency and other health training services.

	1987 actual	1988 est.	1989 est.
Average employment (all education and training average employment has been apportioned to the respective activities) .....	9,273	9,508	9,526
Number of trainees .....	98,889	98,895	99,035

Contract care—

Hospitalization.—A decrease of \$4,568 thousand is estimated in 1989 reflecting the full-year implementation of a Congressional initiative to tie reimbursements under this program to Medicare rates partly offset by an upward adjustment for inflation. The average daily census is estimated to remain at 575 for hospitalization of patients for service and non-service-connected disabilities in other Federal hospitals when VA facilities are not available. VA beneficiaries, such as women veterans of any war, emergency cases and veterans requiring hospitalization to prevent interruption of vocational rehabilitation training are also provided care in non-Federal hospitals under the provisions of title 38, U.S.C., sections 601 and 1506. The reduction in workload between 1987 and 1988 is at-

tributable to Congressional restraints intended to control program costs in Puerto Rico.

	1987 actual	1988 est.	1989 est.
Average daily patient census.....	634	575	575
Patients treated.....	26,970	24,765	24,699

**Community nursing home care.**—An increase of \$26,787 thousand is estimated in 1989 for nursing care in private facilities.

	1987 actual	1988 est.	1989 est.
Average daily nursing census.....	12,251	12,458	12,722
Patients treated.....	41,925	42,079	43,000

**Grants for State home care—**

**Domiciliary.**—An increase of \$74 thousand in 1989 is estimated for the cost of domiciliary care of veterans in State homes.

	1987 actual	1988 est.	1989 est.
Average daily member census.....	4,185	4,331	4,365
Members treated.....	7,819	8,080	8,133

**Nursing home.**—An increase of \$5,632 thousand in 1989 is estimated for the cost of nursing care of veterans in State homes.

	1987 actual	1988 est.	1989 est.
Average daily nursing census.....	8,531	8,936	9,861
Patients treated.....	14,116	14,664	16,164

**Hospitalization.**—No increase is estimated in 1989 for the cost of hospital care of veterans in State homes.

	1987 actual	1988 est.	1989 est.
Average daily patient census.....	495	515	515
Patients treated.....	3,116	3,255	3,247
Average employment (for support of all non-VA facility workloads).....	1,025	1,032	1,165

**Civilian health and medical program of the Veterans Administration.**—An increase of \$343 thousand is estimated in 1989 for private hospital and outpatient care for dependents and survivors of certain veterans.

	1987 actual	1988 est.	1989 est.
Average daily hospital census.....	311	332	306
Outpatient visits (in thousands).....	320	339	312

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-0160-0-1-703			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	4,188,831	4,344,449	4,353,030
11.3 Other than full-time permanent.....	622,009	645,114	646,231
11.5 Other personnel compensation.....	384,164	398,436	399,126
11.9 Total personnel compensation.....	5,195,004	5,387,999	5,398,387
12.1 Civilian personnel benefits.....	810,972	965,814	967,684
13.0 Benefits for former personnel.....	8,614	8,567	8,582
<b>Travel and transportation of persons:</b>			
21.0 Employee travel.....	17,463	18,843	20,198
21.0 Beneficiary travel.....	83,865	55,396	57,603
21.0 Interagency motor pool payments.....	7,551	5,906	6,162
21.0 All other.....	1,264	1,311	1,369
22.0 Transportation of things.....	19,304	20,302	21,321
23.1 Rental payments to GSA.....	15,177	16,994	18,485
23.2 Rental payments to others.....	19,918	21,141	23,546
23.3 Communications, utilities, and miscellaneous charges.....	331,392	354,846	380,967
24.0 Printing and reproduction.....	9,640	11,129	11,755
25.0 Other services.....	475,700	512,297	546,292
25.0 Outpatient dental fees.....	10,345	10,440	10,544
25.0 Medical and nursing fees.....	163,658	180,294	191,475
25.0 Community nursing homes.....	301,483	325,833	352,387
25.0 Contract hospitalization.....	158,090	142,574	137,953
25.0 Civilian health and medical program of the Veterans Administration.....	101,080	105,879	102,823
26.0 Supplies and materials.....	1,334,474	1,412,395	1,509,920
26.0 Provisions.....	94,215	93,915	93,783
31.0 Equipment.....	294,447	313,982	298,162
32.0 Land and structures.....	92,414	103,591	92,280
41.0 Grants, subsidies, and contributions.....	67,482	70,209	75,868
99.0 Subtotal, direct obligations.....	9,613,552	10,139,657	10,327,546

99.0 Reimbursable obligations.....	59,686	60,000	60,000
99.9 Total obligations.....	9,673,238	10,199,657	10,387,546

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	173,787	173,533	171,931
Total compensable workyears:			
Full-time equivalent employment.....	193,255	192,973	191,191
Full-time equivalent of overtime and holiday hours.....	3,916	3,910	3,874
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	1,080	1,047	1,047
Total compensable workyears:			
Full-time equivalent employment.....	1,204	1,167	1,167
Full-time equivalent of overtime and holiday hours.....	24	23	23

**MEDICAL CARE**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-0160-2-1-703			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....			23,999
<b>Financing:</b>			
40.00 Budget Authority (appropriation).....			23,999
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			23,999
90.00 Outlays.....			23,999

Legislation is being proposed: (1) to expand authority to allow tuition reimbursement to nurses for degree-related courses and; (2) to increase the State Home Care per diem rates.

**MEDICAL AND PROSTHETIC RESEARCH**

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by law, to remain available until September 30, [1989] 1990, [\$192,899,000] \$204,241,000, plus reimbursements. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-0161-0-1-703			
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Medical research.....	162,159	156,052	158,902
00.02 Rehabilitation research.....	16,073	18,902	17,377
00.03 Health services research.....	6,975	8,452	8,718
00.91 Total operating expenses.....	185,207	183,406	184,997
<b>Capital investment:</b>			
01.01 Medical research.....	17,949	15,208	16,950
01.02 Rehabilitation research.....	1,512	1,875	1,617
01.03 Health services research.....	512	412	677
01.91 Total capital investment.....	19,973	17,495	19,244
01.92 Total direct program.....	205,180	200,901	204,241
02.01 Reimbursable program.....	4,349	15,200	11,450
10.00 Total obligations.....	209,529	216,101	215,691
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-4,349	-15,200	-11,450
21.40 Unobligated balance available, start of year.....	-731	-8,002	
24.40 Unobligated balance available, end of year.....	8,002		
25.00 Unobligated balance lapsing.....	347		
39.00 Budget authority.....	212,798	192,899	204,241

General and special funds—Continued

MEDICAL AND PROSTHETIC RESEARCH—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	36-0161-0-1-703	1987 actual	1988 est.	1989 est.
Budget authority:				
40.00	Appropriation.....	192,798	192,899	204,241
42.00	Transferred from other accounts.....	20,000		
43.00	<b>Appropriation (adjusted).....</b>	<b>212,798</b>	<b>192,899</b>	<b>204,241</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	205,180	200,901	204,241
72.40	Obligated balance, start of year.....	33,672	43,295	35,493
74.40	Obligated balance, end of year.....	-43,295	-35,493	-37,580
77.00	Adjustments in expired accounts.....	-434		
90.00	Outlays.....	195,123	208,703	202,154

*Medical research.*—This program is comprised of institutional and special research. In addition to the broad spectrum of biomedical research projects, priority is given to research on Agent Orange and Acquired Immune Deficiency Syndrome and conditions that frequently occur among veterans such as aging, alcoholism, schizophrenia, delayed stress disorders, and spinal cord injury and tissue regeneration. Cooperative studies include surgical treatment of angina pectoris, adjunct treatment of diabetes, and relative potency and side-effect liability of new and marketed sedatives. This budget request includes \$2,750 thousand for continuation of an Agent Orange Epidemiological Study being conducted by the Centers for Disease Control, Department of Health and Human Services. In 1988, the Department of Defense will provide \$15 million to support a cooperative medical research program.

*Rehabilitation research.*—This program is dedicated to the development and application of science and technology to improve the care of the physically disabled veteran through prostheses for the amputee, improved wheelchairs for the paralyzed, and better joint functions for the arthritic. It also includes care for those with visual, hearing and speech disorders.

*Health services research.*—This program provides support for health services projects at VA medical centers for improving the effectiveness and economy of delivery of health services and improving the accessibility of services to veterans.

Object Classification (in thousands of dollars)

Identification code	36-0161-0-1-703	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	41,236	45,670	43,716
11.3	Other than full-time permanent.....	68,696	76,448	73,199
11.5	Other personnel compensation.....	2,299	2,564	2,455
11.9	Total personnel compensation.....	112,231	124,682	119,370
12.1	Civilian personnel benefits.....	17,361	17,026	17,899
13.0	Benefits for former personnel.....	295	270	260
Travel and transportation of persons:				
21.0	Employee travel.....	1,694	1,989	2,187
21.0	Beneficiary travel.....	27	34	36
21.0	Interagency motor pool payments.....	17	14	15
21.0	All other.....	48	23	19
22.0	Transportation of things.....	385	330	351
23.3	Communications, utilities, and miscellaneous charges.....	1,029	1,025	1,067
24.0	Printing and reproduction.....	417	296	345
25.0	Other services.....	26,344	18,325	20,809
26.0	Supplies and materials.....	25,359	19,392	22,639
31.0	Equipment.....	19,676	17,240	18,972

32.0	Land and structures.....	297	255	272
99.0	Subtotal, direct obligations.....	205,180	200,901	204,241
99.0	Reimbursable obligations.....	4,349	15,200	11,450
99.9	Total obligations.....	209,529	216,101	215,691

Personnel Summary

Direct:				
Total number of full-time permanent positions.....	2,822	2,933	2,827	
Total compensable workyears:				
Full-time equivalent employment.....	4,191	4,260	4,157	
Full-time equivalent of overtime and holiday hours.....	16	16	16	
Reimbursable:				
Total number of full-time permanent positions.....	54	161	170	
Total compensable workyears: Full-time equivalent employment.....	81	257	250	

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law, **[\$46,628,000]** \$47,909,000 plus reimbursements. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	36-0152-0-1-703	1987 actual	1988 est.	1989 est.
Program by activities:				
Operating expenses:				
00.01	Medical, hospital, nursing home, and domiciliary administration.....	40,186	39,199	40,193
00.02	Health professional scholarship.....		7,000	7,137
00.91	Total operating expenses.....	40,186	46,199	47,330
01.01	Capital investment: Medical, hospital, nursing home and domiciliary administration.....	1,318	429	579
10.00	Total obligations.....	41,504	46,628	47,909
Financing:				
25.00	Unobligated balance lapsing.....	265		
40.00	<b>Budget authority (appropriation).....</b>	<b>41,769</b>	<b>46,628</b>	<b>47,909</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	41,504	46,628	47,909
72.40	Obligated balance, start of year.....	10,017	10,190	13,355
74.40	Obligated balance, end of year.....	-10,190	-13,355	-14,308
77.00	Adjustments in expired accounts.....	-1,066		
90.00	Outlays.....	40,265	43,463	46,956

*Medical, hospital, nursing home, and domiciliary administration.*—Central office staff elements will continue to provide executive direction of all agency medical programs through program development, implementation, and administration of policies, plans, and objectives.

One of the initiatives in this area is the formation of a program office to coordinate agency efforts in both the treatment and research aspects of dealing with Acquired Immune Deficiency Syndrome (AIDS).

*Health professional scholarship.*—To assist in the recruitment and retention of staff, this program provides grants for tuition, stipend, and other educational expenses for eligible students in programs leading to a degree in nursing or physical therapy.

Object Classification (in thousands of dollars)

Identification code 36-0152-0-1-703	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	23,478	25,075	25,571
11.3 Other than full-time permanent.....	100		
11.5 Other personnel compensation.....	1,408	1,497	1,511
11.9 Total personnel compensation.....	24,986	26,572	27,082
12.1 Civilian personnel benefits.....	3,421	3,672	3,742
13.0 Benefits for former personnel.....	31		
21.0 Travel and transportation of persons: employee travel.....	820	934	995
22.0 Transportation of things.....	222	177	187
23.1 Rental payments to GSA.....	2,243	2,506	2,593
23.3 Communications, utilities, and miscellaneous charges.....	1,567	1,490	1,549
24.0 Printing and reproduction.....	259	240	191
25.0 Other services.....	4,984	3,286	3,482
26.0 Supplies and materials.....	1,653	822	879
31.0 Equipment.....	1,318	429	579
41.0 Grants, subsidies, and contributions.....		6,500	6,630
99.9 Total obligations.....	41,504	46,628	47,909

Personnel Summary

Total number of full-time permanent positions.....	580	595	595
Total workyears:			
Full-time equivalent employment.....	574	595	595
Full-time equivalent of overtime and holiday hours.....	2	1	1

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Veterans Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law; not to exceed \$3,000 for official reception and representation expenses; cemeterial expenses as authorized by law; purchase of six passenger motor vehicles, for use in cemeterial operations, and hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; \$762,810,000, including \$508,500,000 for the Department of Veterans Benefits: *Provided*, That, during fiscal year 1988, jurisdictional average employment shall not be less than 12,915 for the Department of Veterans Benefits: *Provided further*, That none of the funds appropriated by this or any other Act shall be obligated to effect the closing of the St. Paul Insurance Center during the period beginning on the date of the enactment into law of this Act and ending on September 30, 1988: *Provided further*, That \$26,700,000 of the sum appropriated is for contracts in amounts not less than \$1,000,000 for the acquisition of automated data processing equipment and services to support the modernization program in the Department of Veterans Benefits and shall remain available until September 30, 1989] \$771,316,000. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 36-0151-0-1-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Veterans benefits:</b>			
00.01 Executive direction.....	22,048	23,502	23,528
00.02 Veterans services.....	66,731	67,358	66,385
00.03 Compensation, pension, and education.....	120,584	118,779	112,256
00.04 Loan guaranty.....	60,416	61,299	64,513
00.05 Insurance.....	8,877	8,821	8,752
00.06 Vocational rehabilitation and counseling.....	24,839	26,484	26,808
00.07 Support services.....	170,243	172,622	171,722
00.08 ADP System Management.....	32,740	41,635	29,295
00.10 Memorial affairs.....	44,970	47,065	47,364
00.11 General administration.....	201,877	207,245	220,693
00.91 Total direct program.....	753,325	774,810	771,316
01.01 Reimbursable program.....	20,649	40,848	47,763
10.00 Total obligations.....	773,974	815,658	819,079
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-20,649	-40,848	-47,763

25.00 Unobligated balance lapsing.....	17,175		
39.00 <b>Budget authority</b> .....	<b>770,500</b>	<b>774,810</b>	<b>771,316</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>770,500</b>	<b>762,810</b>	<b>771,316</b>
59.00 <b>Reappropriation</b> .....		<b>12,000</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	753,325	774,810	771,316
72.40 Obligated balance, start of year.....	59,793	88,598	61,985
74.40 Obligated balance, end of year.....	-88,598	-61,985	-61,705
77.00 Adjustments in expired accounts.....	-4,296	-499	
90.00 Outlays.....	720,224	800,924	771,596

Note.—Beginning in 1988, this account will be reimbursed by the Medical care appropriation for administrative work performed in support of veterans' medical care.

This appropriation provides for the administration of nonmedical veterans benefits through the Department of Veterans Benefits (DVB); operation and maintenance of 109 national cemeteries by the Department of Memorial Affairs; and top management direction and administrative support, including data processing, fiscal, personnel, and legal services through agency-level staff offices.

*Veterans benefits.*—Determines eligibility and adjudicates all claims for compensation, pensions, educational assistance, housing loan assistance, and insurance awards. Greater efficiencies will be achieved as a result of an initiative to modernize the data processing and telecommunications capabilities of DVB. A summary of program objectives and anticipated workload is included in the following paragraphs:

*Veterans services.*—Provides information, advice, and assistance concerning the availability and procurement of benefits under the law to all veterans, their dependents, and survivors.

WORKLOAD IN THOUSANDS

	1987 actual	1988 est.	1989 est.
Veterans assistance contacts.....	11,558	11,901	12,041
Fiduciary and field examinations.....	126	119	115
Compliance surveys/liaison action.....	49	44	41

*Compensation, pension, and education.*—Provides timely and efficient service to veterans and their dependents related to compensation, pension, and education benefits under the various laws enacted by Congress.

WORKLOAD IN THOUSANDS

	1987 actual	1988 est.	1989 est.
<b>Compensation and pensions:</b>			
Original claims.....	696	680	677
Adjustments/supplemental claims.....	2,516	2,282	2,196
Ancillary actions/claims.....	369	392	386
Vocational rehabilitation.....	106	77	46
Education: original claims.....	125	173	191
Adjustments/supplemental claims.....	1,077	1,128	1,189

*Loan guaranty.*—Facilitates the extension of private capital, on more liberal terms than generally available to nonveterans, to assist veterans and servicepersons in obtaining housing credits, provides grants to aid permanently and totally disabled veterans in acquiring specially adapted housing, and assists veterans to retain their homes during periods of temporary economic difficulty through intensive supplemental servicing.

General and special funds—Continued

GENERAL OPERATING EXPENSES—Continued

WORKLOAD IN THOUSANDS

	1987 actual	1988 est.	1989 est.
Construction and valuation.....	1,457	1,541	1,506
Loan processing.....	1,169	1,227	1,209
Loan service and claims.....	448	491	479
Property management.....	77	75	76

**Vocational Rehabilitation and Counseling.**—Provides all services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and to the maximum extent feasible, obtain and maintain suitable employment.

WORKLOAD IN THOUSANDS

	1987 actual	1988 est.	1989 est.
Rehabilitation evaluation and planning.....	6	6	6
Receiving rehabilitation services.....	23	23	23
Vocational/educational counseling.....	7	8	8

**Insurance.**—Provides life insurance protection for service-persons and veterans. The VA administers five life insurance programs and supervises three others through contractual agreements with commercial companies.

WORKLOAD IN THOUSANDS

	1987 actual	1988 est.	1989 est.
Policy service actions.....	2,020	1,986	1,955
Collections.....	9,201	8,887	8,083
Disability claims.....	37	37	35
Insurance awards.....	327	401	408

**Memorial affairs.**—Provides for the administration of the National Cemetery System. Cemeterial operations include overall program administration, maintenance of grounds and equipment, and headstone procurement and assignment. Key workload forecasts are as follows:

WORKLOAD IN THOUSANDS

	1987 actual	1988 est.	1989 est.
Headstone applications.....	306	308	317
Interments.....	54	55	56

**General administration.**—Contains agency executive direction and supporting offices, the Inspector General, the General Counsel, the Board of Veterans Appeals, the Board of Contract Appeals, and the Office of Information Systems and Telecommunications.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-0151-0-1-705			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	443,485	442,972	432,718
11.3 Other than full-time permanent.....	6,790	14,241	13,960
11.5 Other personnel compensation.....	10,824	11,518	12,231
11.9 Total personnel compensation.....	461,099	468,731	458,909
12.1 Civilian personnel benefits.....	68,237	72,220	73,723
Travel and transportation of persons:			
21.0 Employee travel.....	8,298	7,837	9,343
21.0 Beneficiary travel.....			
21.0 Interagency motor pool payments.....	1,885	2,073	2,078
22.0 Transportation of things.....	1,360	1,503	1,578
23.1 Rental payments to GSA.....	57,374	68,498	67,863
23.3 Communications, utilities, and miscellaneous charges...	55,935	65,211	67,249
24.0 Printing and reproduction.....	5,403	5,176	5,295
25.0 Other services.....	59,117	63,996	61,308
26.0 Supplies and materials.....	20,382	11,990	12,698
31.0 Equipment.....	13,694	7,315	11,007
32.0 Land and structures.....	270		

42.0 Insurance claims and indemnities.....	271	260	265
99.0 Subtotal, direct obligations.....	753,325	774,810	771,316
99.0 Reimbursable obligations.....	20,649	40,848	47,763
99.9 Total obligations.....	773,974	815,658	819,079

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	17,496	17,150	16,592
Total compensable workyears:			
Full-time equivalent employment.....	17,628	17,323	16,760
Full-time equivalent of overtime and holiday hours.....	146	100	106
Reimbursable:			
Total number of full-time permanent positions *.....	754	733	734
Total compensable workyears: Full-time equivalent employment *.....	754	733	734

\* Reflects common service FTE treated as reimbursements in all years.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, or for any of the purposes set forth in sections 1004, 1006, 5002, 5003, 5006, 5008, 5009, and 5010 of title 38, United States Code, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is **[\$2,000,000]** **[\$3,000,000]** or more or where funds for a project were made available in a previous major project appropriation, **[\$402,884,000]** **[\$367,755,000]** to remain available until expended: *Provided*, That, except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further*, That funds provided in the appropriation "Construction, major projects" for fiscal year **[1988]** **1989**, for each approved project shall be obligated (1) by the awarding of a working drawings contract by September 30, **[1988]** **1989**, and (2) by the awarding of a construction contract by September 30, **[1989]** **1990**: *Provided further*, That the Administrator shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93-344): *Provided further*, That no funds from any other account, except the "Parking garage revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Veterans Administration of the project or any part thereof with respect to that part only: *Provided further*, That prior to the issuance of a bidding document for any construction contract for a project approved under this heading (excluding completion items), the director of the affected Veterans Administration medical facility must certify that the design of such project is acceptable from a patient care standpoint: *Provided further*, That **[\$2,500,000]** of the unobligated balances under this heading shall be available for the settlement of a contractor's claim arising from the construction of a Replacement Hospital and Research Building at the Veterans Administration Medical Center, Bronx, New York] *not to exceed \$8,000,000 of the funds available shall be used for the settlement of contractors' claims arising from the construction of a replacement hospital at the Veterans Administration Medical Center, Bronx, New York: Provided further, That not to exceed \$2,600,000 of the funds available shall be used for the payment of sales and use tax to the state of Washington due on prior construction projects funded by this and other accounts, in lieu of payment to contractors of these tax costs which were not included in the contracts for these projects. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code 36-0110-0-1-703	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Replacement and modernization.....	380,803	237,261	179,412
00.02 Nursing home care.....	20,488	9,823	20,826
00.03 Domiciliaries.....	16,694	11,524	29,831
00.04 Research and education.....	686	20,897	4,375
00.05 Outpatient improvements.....	4,653	43,537	33,631
00.06 Other improvements.....	153,603	360,822	248,311
00.07 National cemeteries.....	9,548	4,099	13,846
00.08 Replacement or renovation of regional offices.....	137	79	6,147
10.00 Total obligations.....	586,612	688,042	536,379
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,181,377	-973,473	-688,315
22.40 Unobligated balance transferred, net.....	4,000		
24.40 Unobligated balance available, end of year.....	973,473	688,315	519,691
40.00 Budget authority (appropriation).....	382,708	402,884	367,755
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	586,612	688,042	536,379
72.40 Obligated balance, start of year.....	655,809	866,214	1,112,865
74.40 Obligated balance, end of year.....	-866,214	-1,112,865	-1,236,135
90.00 Outlays.....	376,207	441,391	413,109

The major construction request emphasizes correction of deficiencies in existing facilities. Funding is provided for the construction of a replacement medical center at Pittsburgh, PA and a modernization project at Atlanta, GA. Design funds are provided for modernization projects at Newington, CT and Indianapolis, IN. Additional funds are included to remove asbestos when it is encountered during construction.

The request contains one project which will address fire and safety improvements. In addition, construction funding is provided for one domiciliary project, one nursing home, four clinical improvement projects, one general project, a regional office project and the expansion of a national cemetery.

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Replacement and modernization.....	292,400	190,100	127,855
Outpatient and extended care.....	1,500	34,470	36,355
Safety deficiencies.....	7,840	26,116	6,430
Functional modernization and plant maintenance.....	137,368	139,498	176,965
Other departments.....	600	19,020	20,150
Reprogramming.....	-57,000		
Design fund offset.....		-6,320	
Total budget authority.....	382,708	402,884	367,755

Object Classification (in thousands of dollars)

Identification code 36-0110-0-1-703	1987 actual	1988 est.	1989 est.
11.3 Personnel compensation: Other than full-time permanent..	1,296	1,361	1,413
12.1 Civilian personnel benefits.....	89	94	98
22.0 Transportation of things.....	19	20	21
23.3 Communications, utilities, and miscellaneous charges.....	422	569	768
24.0 Printing and reproduction.....		5	6
25.0 Other services.....	49,113	43,721	50,127
26.0 Supplies and materials.....	828	857	889
31.0 Equipment.....	1,138	1,178	1,223
32.0 Land and structures.....	533,707	640,237	481,834
99.9 Total obligations.....	586,612	688,042	536,379

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	38	50	50
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CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, including planning, architectural and engineering services, and site acquisition, or for any of the purposes set forth in sections 1004, 1006, 5002, 5003, 5006, 5008, 5009, and 5010 of title 38, United States Code, where the estimated cost of a project is less than **[\$2,000,000, \$115,942,000] \$3,000,000, \$123,881,000**, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than **[\$2,000,000] \$3,000,000: Provided, That not more than [\$40,774,000] \$42,731,000** shall be available for expenses of the Office of Facilities, including research and development in building construction technology: *Provided further*, That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Veterans Administration which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 36-0111-0-1-703	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Nursing home care.....	103	6,987	4,784
00.02 Research and education.....	5,204	3,843	843
00.03 Outpatient improvements.....	2,365	5,893	977
00.04 Other improvements.....	113,996	107,808	59,346
00.05 Emergency fund.....	59	123	41
00.06 National cemeteries.....	3,054	11,753	8,370
00.07 Computer centers, additions and alterations.....	4,019	6,850	5,102
00.08 Replacement or renovation of regional offices.....	3,309	1,660	4,040
00.09 General administration.....	38,472	40,774	42,731
10.00 Total obligations.....	170,581	185,691	126,234
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-229		
21.40 Unobligated balance available, start of year.....	-220,499	-130,147	-60,398
24.40 Unobligated balance available, end of year.....	130,147	60,398	58,045
40.00 Budget authority (appropriation).....	89,000	115,942	123,881
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	170,352	185,691	126,234
72.40 Obligated balance, start of year.....	116,575	128,356	186,678
74.40 Obligated balance, end of year.....	-128,356	-186,678	-189,143
90.00 Outlays.....	158,571	127,369	123,769

The Construction, minor projects appropriation, which funds construction projects costing less than \$2 million, is used to modernize patient wards, correct code deficiencies, and update indirect patient care functions. The request includes personnel and administrative costs for the Office of Facilities, which carries out the major and minor construction programs and the parking garage revolving fund. Legislation is being proposed to increase the limit on minor construction costs from \$2 million to \$3 million.

Object Classification (in thousands of dollars)

Identification code 36-0111-0-1-703	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	26,507	28,170	28,229
11.3 Other than full-time permanent.....	3,407	3,540	3,755
11.5 Other personnel compensation.....	738	745	669
11.9 Total personnel compensation.....	30,652	32,455	32,653
12.1 Civilian personnel benefits.....	4,322	4,673	5,010
21.0 Travel and transportation of persons.....	1,063	1,100	1,200
22.0 Transportation of things.....	419	436	453
23.1 Rental payments to GSA.....	1,662	1,943	1,968
23.3 Communications, utilities, and miscellaneous charges.....	1,359	1,433	1,558
24.0 Printing and reproduction.....	240	250	255

**General and special funds—Continued**

**CONSTRUCTION, MINOR PROJECTS—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code	36-0111-0-1-703	1987 actual	1988 est.	1989 est.
25.0	Other services .....	16,541	11,836	10,126
26.0	Supplies and materials .....	2,409	2,480	2,564
31.0	Equipment .....	1,280	778	1,101
32.0	Land and structures .....	110,634	128,307	69,346
99.9	Total obligations .....	170,581	185,691	126,234

**Personnel Summary**

Total number of full-time permanent positions .....	746	740	739
Total compensable workyears:			
Full-time equivalent employment .....	851	868	877
Full-time equivalent of overtime and holiday hours .....	9	10	11

**GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES**

For grants to assist the several States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by law (38 U.S.C. 5031-5037), **[\$40,320,000]** \$42,000,000, to remain available until September 30, **[1990]** 1991. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	36-0181-0-1-703	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	34,625	53,732	39,767
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-11,559	-19,334	-5,922
24.40	Unobligated balance available, end of year .....	19,334	5,922	8,155
40.00	<b>Budget authority (appropriation) .....</b>	<b>42,400</b>	<b>40,320</b>	<b>42,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	34,625	53,732	39,767
72.40	Obligated balance, start of year .....	54,659	62,846	83,441
74.40	Obligated balance, end of year .....	-62,846	-83,441	-87,557
77.00	Adjustments in expired accounts .....	-392		
90.00	Outlays .....	26,046	33,137	35,651

In 1989, the VA will obligate \$39,767 thousand to assist five States to acquire or construct State Home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans.

**GRANTS TO THE REPUBLIC OF THE PHILIPPINES**

For payment to the Republic of the Philippines of grants, as authorized by law (38 U.S.C. 632), for assisting in the replacement and upgrading of equipment and in rehabilitating the physical plant and facilities of the Veterans Memorial Medical Center, **[\$480,000]** \$500,000, to remain available until September 30, **[1989]** 1990. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	36-0144-0-1-703	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	486	461	860
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-327	-341	-360

24.40	Unobligated balance available, end of year .....	341	360	
40.00	<b>Budget authority (appropriation) .....</b>	<b>500</b>	<b>480</b>	<b>500</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	486	461	860
72.40	Obligated balance, start of year .....	458	674	555
74.40	Obligated balance, end of year .....	-674	-555	-885
77.00	Adjustments in expired accounts .....	-2		
90.00	Outlays .....	268	580	530

Public Law 99-576, enacted to assure the continued effective care and treatment of U.S. veterans at the Veterans Memorial Medical Center (VMMC), provides for an annual grant up to \$500 thousand through 1989. The grant is for the replacement and upgrading of equipment and the rehabilitation of the VMMC's physical plant and facilities.

**GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES**

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by law (38 U.S.C. 1008), **\$9,000,000**, to remain available until September 30, 1991.

**Program and Financing (in thousands of dollars)**

Identification code	36-0183-0-1-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	6,526	1,313	9,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-7,839	-1,313	
24.40	Unobligated balance available, end of year .....	1,313		
40.00	<b>Budget authority (appropriation) .....</b>			<b>9,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	6,526	1,313	9,000
72.40	Obligated balance, start of year .....	3,292	8,608	7,757
74.40	Obligated balance, end of year .....	-8,608	-7,757	-11,757
77.00	Adjustments in expired accounts .....	-25		
90.00	Outlays .....	1,185	2,164	5,000

New budget authority of \$9 million will enable VA to assist at least ten States in establishing, expanding, or improving State-operated veterans cemeteries.

**ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS**

**Program and Financing (in thousands of dollars)**

Identification code	36-0182-0-1-703	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-13		
25.00	Unobligated balance lapsing .....	13		
39.00	<b>Budget authority .....</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	-13		
72.40	Obligated balance, start of year .....	597	393	
74.40	Obligated balance, end of year .....	-393		
90.00	Outlays .....	191	393	

The legislative authorization for this program expired September 30, 1982. Funding is available to meet existing commitments made prior to May 1, 1978.

*New State medical schools.*—Grants have been awarded to assist in the establishment of five new State medical schools where such schools were located in proximi-



ty to, and operated in conjunction with, Veterans Administration medical centers.

**LOAN GUARANTY REVOLVING FUND SUBSIDIES**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-1025-6-1-704			
<b>Program by activities:</b>			
00.01 Direct loan subsidy.....			153,000
00.02 Guaranteed loan subsidy.....			1,184,100
10.00 Total obligations (object class 41.0).....			1,337,100
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			1,337,100
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			1,337,100
74.40 Obligated balance, end of year.....			-209,300
90.00 Outlays.....			1,127,800

**Status of Direct Loans** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-1025-6-1-704			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Direct loan obligations exempt from limitation.....			959,378
1150 Total direct loan obligations.....			959,378
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....			
Disbursements:			
1231 Direct loan disbursements.....			959,378
1232 Disbursements for guaranteed loan claims.....			21
1251 Repayments: Repayments and prepayments.....			-3,388
1290 Outstanding, end of year.....			956,011
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....			16.0
1330 Subsidy amount (in thousands of dollars).....			153

**Status of Guaranteed Loans** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-1025-6-1-704			
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans by private lenders.....			
2131 Guaranteed loan commitments exempt from limitation.....			17,940,438
2150 Total guaranteed loan commitments.....			17,940,438
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2231 Disbursements: Disbursements of new guaranteed loans.....			17,940,438
2251 Repayments: Repayments and prepayments.....			-1,100,000
Adjustments:			
2261 Terminations for default that result in direct loans.....			-21
2262 Terminations for default that result in acquisition of property.....			-97,596
2290 Outstanding, end of year.....			16,742,821
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....			3,683,400
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent).....			6.6
2330 Subsidy amount (in thousands of dollars).....			1,184,100

This schedule shows the effect of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guarantees on home loan mortgages for which an appropriation will be requested. Beginning in fiscal year 1989, the subsidy portion of the guaranty will be financed and disbursed by the Federal credit revolving fund. An explanation of the proposal is included in Part 6b of the budget.

The subsidy amount recognizes that the VA home loan guaranty program provides favorable financing terms for veterans to purchase homes through private lenders. Under the credit reform proposal, veterans will continue to obtain guaranteed home loans from private lenders with no down payments.

**DIRECT LOAN REVOLVING FUND SUBSIDIES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-1024-6-1-704			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....			150
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			150
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			150
74.40 Obligated balance, end of year.....			-24
90.00 Outlays.....			126

**Status of Direct Loans** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-1024-6-1-704			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			1,000
1131 Direct loan obligations exempt from limitation.....			400
1150 Total direct loan obligations.....			1,400
<b>Cumulative balance of direct loans outstanding:</b>			
1231 Disbursements: Direct loan disbursements.....			940
1290 Outstanding, end of year.....			940
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....			16
1330 Subsidy amount (in thousands of dollars).....			150

This schedule shows the effect of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for direct loans, for which an appropriation will be requested. Beginning in fiscal year 1989, the subsidy portion of the direct loan will be financed and disbursed by the Federal credit revolving fund. An explanation of the proposal is included in Part 6b of the budget.

The subsidy amount reflects the favorable terms given to certain totally disabled veterans for direct loans for acquiring suitable housing units, with the special features made necessary by the nature of their disabilities. Under the credit reform proposal, veterans will continue to obtain direct loans to assist in purchasing adapted housing.

General and special funds—Continued

VOCATIONAL REHABILITATION REVOLVING FUND SUBSIDIES  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification Code 36-1114-6-1-702	1987 Actual	1988 Est.	1989 Est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			100
<b>Financing:</b>			
40.00 Budget authority (appropriation)			100
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			100
90.00 Outlays			100
<b>Status of Direct Loans (in thousands of dollars)</b>			
Identification code 36-1114-6-1-702	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation			840
1150 Total direct loan obligations			840
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			840
1251 Repayments: Repayments and prepayments			-538
1290 Outstanding, end of year			302
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent)			11.9
1330 Subsidy amount (in thousands of dollars)			100

This schedule shows the effects of the Administration's credit reform schedule. The amounts in this schedule reflect the estimated grant equivalent subsidy for Federal direct loan obligations made from the VA Vocational Rehabilitation Revolving Fund, for which an appropriation will be requested. Beginning in fiscal year 1989, vocational rehabilitation loans will be financed and disbursed by the Federal credit direct loan revolving fund. An explanation of the credit reform proposal is included in Part 6b of the President's Budget.

The credit reform proposal would not impact the programmatic aspects of the Vocational Rehabilitation Revolving Fund. The subsidy amount represents the interest which would have to be paid to obtain a short-term loan equivalent to the Vocational Revolving Fund loan through the private sector. The VA provides these 10-month, no collateral loans at zero interest.

Public enterprise funds:

LOAN GUARANTY REVOLVING FUND  
(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out loan guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title), **[\$389,800,000] \$658,000,000**, to remain available until expended.

During [1988] 1989, the resources of the loan guaranty revolving fund shall be available for expenses for property acquisitions, payment of participation sales insufficiencies, and other loan guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such

title): *Provided*, That the unobligated balances, including retained earnings of the direct loan revolving fund, shall be available, during [1988] 1989, for transfer to the loan guaranty revolving fund in such amounts as may be necessary to provide for the timely payment of obligations of such fund, and the Administrator of Veterans Affairs shall not be required to pay interest on amounts so transferred after the time of such transfer.

During [1988] 1989, with the resources available, gross obligations for direct loans and total commitments to guarantee loans are authorized in such amounts as may be necessary to carry out the purposes of the "Loan guaranty revolving fund". (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 36-4025-0-3-704	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Capital investment:</b>			
00.01 Acquisition of homes	1,369,853	1,736,064	1,700,421
00.02 Property improvements	28,612	33,976	32,600
00.03 Repurchase of loans sold, net	203,772	148,200	44,600
00.05 Direct (vendee) loans	973,997	1,035,137	957,375
00.06 Cash advances, vendee loans	33,896	25,766	17,987
00.07 Acquisition of defaulted guaranteed loans	11,370	13,491	13,896
00.91 Total capital investment	2,621,500	2,992,634	2,766,879
<b>Operating expenses:</b>			
01.01 Property management expense	53,133	60,132	52,350
01.02 Sales expense	82,012	113,929	113,821
01.03 Interest expense on participation certificates	29,505	18,025	
<b>Loss on defaulted guaranteed loans:</b>			
01.05 Individual homes	516,824	676,265	705,264
01.06 Manufactured homes	30,350	29,715	30,486
01.91 Total operating expenses	711,824	898,066	901,921
10.00 Total obligations	3,333,324	3,890,700	3,668,800
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Investment income from: Participation sales fund	-42,000	-24,913	
<b>Non-Federal sources:</b>			
<b>Loans repaid:</b>			
14.00 Vendee loans	-91,689	-76,585	-25,488
14.00 Acquired loans	-5,253	-4,200	-1,000
14.00 Sale of loans	-849,196	-436,050	-780,700
14.00 Sale of homes, cash	-508,099	-888,939	-968,437
14.00 Sale of homes, vendee loans	-973,997	-1,035,137	-957,375
14.00 Interest on loans	-127,508	-106,306	-65,200
14.00 Rental and other revenue	45,750	60,000	40,500
14.00 Loan origination fee	-340,972	-147,700	-181,400
14.00 Collections of claims (veterans indebtedness)	-37,779	-41,470	-41,700
21.98 Unobligated balance available, start of year: Fund balance	-289,062	-96,481	-55,777
22.98 Unobligated balance transferred, net: Fund balance	-110,000	-339,136	
24.98 Unobligated balance available, end of year: Fund balance	96,481	55,777	25,777
30.00 Deficiency		-526,600	
31.00 Redemption of debt		472,540	
39.00 Budget authority	100,000	755,500	658,000
<b>Budget authority:</b>			
40.00 Current (appropriation)	100,000	389,800	658,000
64.00 Permanent (Proceeds of loan asset sales with recourse)		365,700	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	402,581	1,189,400	688,000
72.10 Receivables in excess of obligations, start of year	-8,902		
72.98 Obligated balance, start of year: Fund balance		11,620	632,920
74.98 Obligated balance, end of year: Fund balance	-11,620	-632,920	-637,920
83.00 Deficiencies from prior years, start of year			526,600
84.00 Deficiencies from prior years, end of year			-526,600
90.00 Outlays	382,059	568,100	683,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....	100,000	755,500	658,000
Outlays .....	382,059	568,100	683,000
<b>Credit reform:</b>			
Budget authority .....			-246,500
Outlays .....			-246,500
<b>Total:</b>			
Budget authority .....	100,000	755,500	411,500
Outlays .....	382,059	568,100	436,500

**Status of Direct Loans (in thousands of dollars)**

Identification code 36-4025-0-3-704	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....	1,007,893	1,060,903	975,362
1150 Total direct loan obligations .....	1,007,893	1,060,903	975,362
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	1,187,564	1,204,002	885,577
<b>Disbursements:</b>			
1231 Direct loans disbursements .....	1,007,893	1,060,903	975,362
1232 Disbursements for guarantee loan claims .....	11,370	13,491	13,896
1233 Purchases of loans assets from the public .....	203,772	148,200	44,600
<b>Repayments:</b>			
1251 Repayments and prepayments .....	-96,942	-80,785	-26,488
1253 Proceeds from loan asset sales to the public .....		-436,050	-780,700
1254 Loan asset sales to the public with recourse .....	-849,196	-365,700	
<b>Adjustments:</b>			
1262 Write-offs for default .....	-2,462	-4,235	-7,288
1263 Discount on loan asset sales to the public .....	-64,535	-266,650	-559,900
1264 Other adjustments, net <sup>1</sup> .....	-193,462	-387,599	-239,911
1290 Outstanding, end of year .....	1,204,002	885,577	305,148
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....	16.0	16.0	16.0
1330 Subsidy amount (in thousands of dollars) .....	163,000	169,700	153,000

<sup>1</sup> Includes the adjustments made for discounts on loans sold as well as the net adjustment between the property and loan portfolios.

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 36-4025-0-3-704	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			
2131 Guaranteed loan commitments exempt from limitation .....	34,900,051	18,286,917	17,940,438
2150 Total guaranteed loan commitments .....	34,900,051	18,286,917	17,940,438
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	142,562,434	146,319,465	146,994,315
<b>Disbursements:</b>			
2231 Disbursements of new guaranteed loans .....	34,900,051	18,286,917	17,940,438
2232 Guarantees of loans sold to the public .....	904,121	388,400	
2251 Repayments: Repayments and prepayments .....	-29,848,594	-15,269,247	-12,251,641
<b>Adjustments:</b>			
2261 Terminations for default that result in direct loans .....	-11,370	-13,491	-13,896
2262 Terminations for default that result in acquisition of property .....	-1,886,677	-2,412,329	-2,405,685
2264 Other adjustments, net <sup>1</sup> .....	-300,500	-305,400	-306,290
2290 Outstanding, end of year .....	146,319,465	146,994,315	149,957,241

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	65,391,747	65,592,226	66,777,020
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**Estimate of guaranteed loan subsidy:**

2320 Subsidy amount (in percent) .....	6.6	6.6	6.6
2330 Subsidy amount (in thousands of dollars) .....	2,303,400	1,206,900	1,184,100

<sup>1</sup> Includes the net adjustment between the property and loan portfolios.

The purpose of the VA home loan guaranty program is to facilitate the extension of mortgage credit on favorable terms by private lenders to eligible veterans. As the result of recently enacted legislation, the following Federal guaranty protects lenders against losses: (a) for loans of \$45,000 or less, 50 percent of the loan is guaranteed; (b) for loans greater than \$45,000, the lesser of 40 percent or \$36,000 is guaranteed (with a minimum of \$22,500); and (c) for manufactured homes, the lesser of 40 percent or \$20,000 is guaranteed. The statements below reflect the workload and obligations associated with the \$526.6 million deficiency arising from the increase in claims between 1987 and 1988.

**Budget program—**

**Acquisition of homes.**—The number of acquisitions is expected to decline while the average cost is expected to increase for 1989.

	1987 actual	1988 est.	1989 est.
Number of property acquisitions processed .....	30,906	38,400	36,435
Average amount per acquisition .....	\$44,323	\$45,210	\$46,670
Total obligations (in thousands) .....	\$1,369,853	\$1,736,064	\$1,700,421

**Property improvements.**—During 1989 fewer properties will be acquired and lower total expenditures for capital improvements will be necessary to place or maintain properties in the inventory in salable condition.

	1987 actual	1988 est.	1989 est.
Number of properties improved .....	36,336	41,946	38,353
Average amount per property .....	\$787	\$810	\$850
Total obligations (in thousands) .....	\$28,612	\$33,976	\$32,600

**Repurchase of loans sold, net.**—The repurchase estimate for loans is estimated to decrease in 1988 and 1989 due to selling portfolio loans without recourse.

	1987 actual	1988 est.	1989 est.
Number of loans repurchased .....	5,320	3,650	1,084
Average amount per repurchase .....	\$38,303	\$40,603	\$41,144
Total obligations (in thousands) .....	\$203,772	\$148,200	\$44,600

**Direct (vendee) loans.**—This represents a non-cash loan extension when a VA-owned property is sold on terms.

	1987 actual	1988 est.	1989 est.
Number of new vendee loans established .....	22,563	23,566	21,275
Average amount per vendee loan .....	\$43,168	\$43,925	\$45,000
Total obligations (in thousands) .....	\$973,997	\$1,035,137	\$957,375

**Cash advances—**

**Vendee loans.**—Small cash advances are occasionally made to borrowers to cover taxes, hazard insurance, and necessary repairs. These amounts are added to the loan balance.

	1987 actual	1988 est.	1989 est.
Total obligations (in thousands) .....	\$33,896	\$25,766	\$17,987

**Acquisition of defaulted guaranteed loans.**—Guaranteed or insured loans in a default status may be purchased by the Administrator to avoid foreclosure.

	1987 actual	1988 est.	1989 est.
Number of loans acquired .....	217	250	250
Average amount per acquisition .....	\$52,396	\$53,964	\$55,584
Total obligations (in thousands) .....	\$11,370	\$13,491	\$13,896

**Property management expense.**—As the result of the sale of 6,000 properties by auction and liquidation in 1988, property management expenses will decline in 1989.

**Public enterprise funds—Continued**  
**LOAN GUARANTY REVOLVING FUND—Continued**  
**(INCLUDING TRANSFER OF FUNDS)—Continued**

	1987 actual	1988 est.	1989 est.
Average number of properties .....	21,549	20,862	16,982
Average amount per property .....	\$2,466	\$2,882	\$3,083
Total obligations (in thousands) .....	\$53,133	\$60,132	\$52,350

**Sales expense.**—Broker's fees are expected to increase due to a concentrated effort to sell more properties in the inventory.

	1987 actual	1988 est.	1989 est.
Number of sales .....	34,091	45,210	42,550
Average amount per sale .....	\$2,406	\$2,520	\$2,675
Total obligations (in thousands) .....	\$82,012	\$113,929	\$113,821

**Interest expense on participation certificates (in thousands).**—All certificates will be redeemed in 1988; therefore, there will be no interest expense or investment income beginning in 1989.

	1987 actual	1988 est.	1989 est.
Total interest accrued on participation certificates .....	29,505	18,025	.....
Interest accrued to Federal Assets Financing Trust (FAFT) for which insufficiencies are authorized .....	29,505	18,025	.....
Interest on equal amount of loans in the FAFT trust .....	12,495	6,888	.....
Insufficiency .....	42,000	24,913	.....
Financed by:			
Investment income from participation sales fund in FAFT trust .....	—42,000	—24,913	.....
Carried forward to subsequent year .....	.....	.....	.....
Brought forward from prior year .....	.....	.....	.....
Budget authority .....	.....	.....	.....

**Loss on defaulted guaranteed loans.**—The increase in the average claim payment on foreclosed guaranteed loans will result in a higher amount of claims paid to lenders compared to the 1988 level.

	1987 actual	1988 est.	1989 est.
<b>Individual homes:</b>			
Number of claims .....	39,520	48,036	45,545
Average amount per payment .....	\$13,078	\$14,078	\$15,485
Total obligations (in thousands) .....	\$516,824	\$676,265	\$705,264
<b>Manufactured homes:</b>			
Number of claims .....	3,643	3,364	3,255
Average amount per payment .....	\$8,331	\$8,833	\$9,366
Total obligations (in thousands) .....	\$30,350	\$29,715	\$30,486

**Financing.**—Receipts in 1989 are estimated to be \$279.5 million less than in 1988. Revenue from funding fees, vendee loan sales, and selling properties for cash and on terms are estimated to account for 97 percent of total collections. In 1988 this account will redeem participation certificates held in trust by Government National Mortgage Association for the VA loan guaranty revolving fund.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (—):</b>			
Revenue .....	470,813	218,919	206,100
Expense .....	—685,008	—1,057,391	—1,442,984
Net operating loss (—) .....	—214,195	—838,472	—1,236,884
<b>Nonoperating income or loss (—):</b>			
Proceeds from sale of properties:			
Cash proceeds .....	508,099	888,939	968,437
Other (vendee loans) .....	973,997	1,035,137	957,375
Cost of sales property .....	—1,522,447	—2,066,233	—1,990,149
Net nonoperating loss (—) .....	—40,351	—142,157	—64,337
Net loss .....	—254,546	—980,629	—1,301,221

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	280,160	108,101	162,097	137,097
Accounts receivable, regular (net) .....	1,653	2,008	1,600	1,000
Interest collections held by or for trustees: Participation sales fund .....	91,133	103,926	.....	.....
Loans receivable (net):				
Vendee accounts .....	1,161,694	1,128,753	859,077	304,148
Acquired loans .....	25,870	75,249	26,500	1,000
Claims receivable (net) .....	291,084	385,952	401,580	518,348
Real property owned (net) .....	842,803	886,399	785,500	629,900
Total assets .....	2,694,397	2,690,388	2,236,354	1,591,493
<b>Liabilities:</b>				
Selected liabilities:				
Current:				
Accounts payable including funded accrued liabilities .....	99,248	127,208	20,400	19,760
Deferred credits .....	12,611	25,189	9,000	8,000
Total current liabilities .....	111,859	152,397	29,400	27,760
Long term:				
Participation certificates outstanding: Participation sales fund .....	472,540	472,540	472,540	.....
Principal collections in escrow for trustee: Participation sales fund .....	—339,135	—339,136	.....	.....
Principal payments to be applied to redemption of participation certificates .....	.....	.....	—472,540	.....
Net long-term liabilities .....	133,405	133,404	.....	.....
Total liabilities .....	245,264	285,801	29,400	27,760
<b>Government equity:</b>				
Selected equities:				
Unexpended balance:				
Unobligated balance .....	289,062	96,481	55,777	25,777
Invested capital, net .....	2,160,071	2,308,106	2,151,177	1,537,956
Total Government equity .....	2,449,133	2,404,587	2,206,954	1,563,733

Note.—This statement excludes unfunded contingent liabilities under loan guarantee and insurance programs as follows:

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-4025-0-3-704			
25.0 Other services .....	135,145	174,061	166,171
33.0 Investments and loans .....	3,168,674	3,698,614	3,502,629
43.0 Interest and dividends .....	29,505	18,025	.....
99.9 Total obligations .....	3,333,324	3,890,700	3,668,800

**LOAN GUARANTY REVOLVING FUND**  
**(Proposed for later transmittal, proposed legislation)**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-4025-6-3-704			
<b>Program by activities:</b>			
Capital investment:			
00.01 Acquisition of homes .....	.....	.....	—20,918
00.02 Property improvements .....	.....	.....	—110
00.05 Direct (vendee) loans .....	.....	.....	—957,375
00.06 Cash advances, vendee loans .....	.....	.....	—2,003
00.07 Acquisition of defaulted loans .....	.....	.....	—21
00.91 Total capital investment .....	.....	.....	—980,427
Operating expenses:			
01.01 Property management expense .....	.....	.....	—195
01.05 Individual homes .....	.....	.....	—5,169
01.06 Manufactured homes .....	.....	.....	—1,609
01.91 Total capital investment .....	.....	.....	—6,973
10.00 Total obligations .....	.....	.....	—987,400

<b>Financing:</b>			
Offsetting collections from:			
Non-Federal sources:			
Loans repaid:			
14.00	Vendee loans .....	3,288	
14.00	Acquired loans .....	100	
14.00	Sale of loans, net .....	404,500	
14.00	Sale of homes, cash .....	67,812	
14.00	Interest on loans .....	64,200	
14.00	Rental and other revenue .....	-2,000	
14.00	Loan origination fee .....	181,400	
14.00	Collections of claims (veterans indebtedness) .....	21,600	
40.00	<b>Budget authority (appropriation) .....</b>	<b>-246,500</b>	
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	-246,500	
90.00	Outlays .....	-246,500	

**Status of Direct Loans (in thousands of dollars)**

Identification code	36-4025-6-3-704	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans .....			
1131	Direct loan obligations exempt from limitation .....			-959,399
1150	<b>Total direct loan obligations .....</b>			<b>-959,399</b>
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....			
Disbursements:				
1231	Direct loan disbursements .....			-959,378
1232	Disbursements for guaranteed loan claims .....			-21
Repayments:				
1251	Repayments and prepayments .....			740,900
1253	Proceeds from loan asset sales to the public .....			404,500
1263	Adjustments: Discount on loan asset sales to the public ..			134,900
1290	<b>Outstanding, end of year .....</b>			<b>320,901</b>
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent) .....			-16.0
1330	Subsidy amount (in thousands of dollars) .....			-153,000

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code	36-4025-6-3-704	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans by private lenders .....			
2131	Guaranteed loan commitments exempt from limitation .....			-17,940,438
2150	<b>Total guaranteed loan commitments .....</b>			<b>-17,940,438</b>
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2231	Disbursements: Disbursements of new guaranteed loans .....			-17,940,438
2251	Repayments: Repayments and prepayments .....			1,100,000
Adjustments:				
2261	Terminations for default that result in direct loans .....			21
2262	Terminations for default that result in acquisition of property .....			97,596
2290	<b>Outstanding, end of year .....</b>			<b>-16,742,821</b>
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....			-3,683,400
<b>Estimate of guaranteed loan subsidy:</b>				
2320	Subsidy amount (in percent) .....			-6.6
2330	Subsidy amount (in thousands of dollars) .....			-1,184,100

This schedule shows the effect of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy

for Federal guarantees on home loan mortgages for which an appropriation will be requested. Beginning in fiscal year 1989, the subsidy portion of the guaranty will be financed and disbursed by the Federal credit revolving fund. An explanation of the proposal is included in Part 6b of the budget.

The subsidy amount recognizes that the VA home loan guaranty program provides favorable financing terms for veterans to purchase homes through private lenders. Under the credit reform proposal, veterans will continue to obtain guaranteed home loans from private lenders with no down payments.

**Object Classification (in thousands of dollars)**

Identification code	36-4025-6-3-704	1987 actual	1988 est.	1989 est.
25.0	Other services .....			-195
33.0	Investments and loans .....			-987,205
99.9	<b>Total obligations .....</b>			<b>-987,400</b>

**DIRECT LOAN REVOLVING FUND**

During [1988] 1989, within the resources available, not to exceed \$1,000,000 in gross obligations for direct loans [is] are authorized for specially adapted housing loans (38 U.S.C. chapter 37). (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	36-4024-0-3-704	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Direct loans to veterans .....	33	99	99
00.02	Direct (vendee) loans .....	832	905	841
00.03	Cash advances and repurchases, vendee loans .....	820	1,231	564
00.04	Property improvements .....	38	38	36
00.91	<b>Total capital investment .....</b>	<b>1,723</b>	<b>2,273</b>	<b>1,540</b>
Operating expenses:				
01.01	Property management, selling and operating expense ..	319	562	560
01.02	Interest expense on participation certificates .....	6,565	3,765	
01.91	<b>Total operating expenses .....</b>	<b>6,884</b>	<b>4,327</b>	<b>560</b>
10.00	<b>Total obligations .....</b>	<b>8,607</b>	<b>6,600</b>	<b>2,100</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Investment income from: Participation sales fund .....	-14,014	-5,540	
Non-Federal sources:				
Loans repaid:				
14.00	Vendee loans .....	-2,406	-1,000	
14.00	Loans to veterans .....	-24,634	-23,060	-4,962
14.00	Sale of properties, cash .....	-398	-392	-497
14.00	Sale of properties, vendee loans .....	-832	-905	-841
14.00	Interest on loans .....	-7,903	-7,542	-3,200
14.00	Rental and other revenue .....	-331	-261	-100
14.00	Sale of loans .....			-18,800
21.98	Unobligated balance available, start of year: Fund balance .....	-122,764	-54,675	-74,133
22.98	Unobligated balance transferred, net: Fund balance .....	110,000	-92,502	
24.98	Unobligated balance available, end of year: Fund balance ..	54,675	74,133	100,433
31.00	Redemption of debt .....		105,144	
39.00	<b>Budget authority .....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-41,911	-32,100	-26,300
72.98	Obligated balance, start of year: Fund balance .....	-34,027	-42,874	-7,974
74.98	Obligated balance, end of year: Fund balance .....	42,874	7,974	7,474
90.00	<b>Outlays .....</b>	<b>-33,064</b>	<b>-67,000</b>	<b>-26,800</b>

**Public enterprise funds—Continued**

**DIRECT LOAN REVOLVING FUND—Continued**

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]			
Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....			
Outlays .....	33,064	67,000	26,800
Credit reform:			
Budget authority .....			
Outlays .....			1,300
<b>Total:</b>			
Budget authority .....			
Outlays .....	33,064	67,000	28,100

**Status of Direct Loans (in thousands of dollars)**

Identification code 36-4024-0-3-704	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....	1,000	1,000	1,000
1112 Unobligated direct loan limitation.....	967	901	
1131 Direct loan obligations exempt from limitation.....	1,652	2,136	504
1150 Total direct loan obligations .....	1,685	2,235	1,504
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	125,001	97,990	74,734
1231 Disbursements: Direct loan disbursements.....	1,685	2,235	1,504
Repayments:			
1251 Repayments and prepayments.....	27,040	24,060	4,962
1253 Proceeds from loan asset sales to the public.....			18,800
Adjustments:			
1262 Write-offs for default.....	1,656	1,431	614
1263 Discount on loan asset sales to the public.....			35,000
1290 Outstanding, end of year.....	97,990	74,734	16,862
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	16.0	16.0	16.0
1330 Subsidy amount (in thousands of dollars).....	138	161	150

**Budget program—**

**Direct loans to veterans.**—Direct loans are made to certain totally disabled veterans to supplement grants authorized to assist the veteran in acquiring suitable housing units, with special features made necessary by the nature of their disabilities.

In 1989, VA expects to close three direct loans in the amount of \$99 thousand.

	1987 actual	1988 est.	1989 est.
<b>Loans approved:</b>			
Number .....	1	3	3
Average per loan.....	\$33,000	\$33,000	\$33,000
Amount (in thousands) .....	\$33	\$99	\$99
<b>Loans closed:</b>			
Number .....	1	3	3
Average per loan.....	\$33,000	\$33,000	\$33,000
Amount (in thousands) .....	\$33	\$99	\$99

**Direct (vendee) loans.**—A vendee loan is established when a VA-owned property is sold on terms to a veteran or a non-veteran.

	1987 actual	1988 est.	1989 est.
Direct (vendee) loans (in thousands) .....	832	905	841

**Cash advances and repurchases, vendee loans.**—Small cash advances are occasionally made to borrowers to cover taxes, hazard insurance and necessary repairs. These amounts are added to the current loan balance.

	1987 actual	1988 est.	1989 est.
Cash advances and repurchases, vendee loans (in thousands) ..	820	1,231	564

**Property improvements.**

	1987 actual	1988 est.	1989 est.
Number of properties acquired .....	86	83	76
Average cost per property .....	\$442	\$458	\$474
Total cost (in thousands) .....	\$38	\$38	\$36

**Property management, selling and operating expense.**

	1987 actual	1988 est.	1989 est.
Average number of properties owned .....	52	50	49
Average cost per property .....	\$6,135	\$11,240	\$11,429
Total cost (in thousands) .....	\$319	\$562	\$560

**Interest expense on participation certificates.**—This represents the amount paid by VA to the Government National Mortgage Association to pay investors in Federal assets financing trust (FAFT) (in thousands of dollars). In 1988, the last participation certificate will reach maturity.

	1987 actual	1988 est.	1989 est.
Total interest accrued on participation certificates .....	6,565	3,765	
Financed by:			
Investment income earned by participation sales trust .....	14,014	5,540	
Budget authority .....			

**Financing.**—Total collections for 1989 are estimated to decrease \$10.3 million from 1988 collections. This is due to decreases in investment income from the Participation Sales Fund and principal and interest repayments on outstanding loans.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Operating income:</b>			
Revenue .....	22,248	13,343	3,300
Expense .....	6,917	4,397	35,655
Net operating income .....	15,331	8,946	32,355
<b>Nonoperating income: Proceeds from sale of properties:</b>			
Cash .....	398	392	497
Other .....	832	905	841
Net book value of properties sold.....	1,930	2,124	2,190
Net income.....	14,631	8,119	33,207

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	88,737	11,801	66,159	91,959
Accounts receivable, regular (net) ..	1,591	727	600	200
Interest collections held by or for trustee: Participation sales fund.....	43,668	51,116		
Loans receivable (net):				
Vendee loans .....	14,843	11,779	5,234	
Direct loans to veterans .....	110,158	86,211	69,500	16,862
Real property owned (net) .....	1,456	1,187	1,110	918
Total assets .....	260,453	162,821	142,603	109,939
<b>Liabilities:</b>				
Selected liabilities:				
Current:				
Accounts payable and accrued liabilities.....	10,743	9,763	100	100
Deferred credits .....	486	798	6,830	6,287
Total current liabilities.....	11,229	8,965	6,730	6,187
Long term:				
Participation certificates outstanding: Participation sales fund.....	105,144	105,144	105,144	
Principal collections in escrow for trustee: Participation sales fund.....				

Principal payments to be applied to redemption of participation certificates.....	-92,503	-92,502	-105,144	.....
Debt issued under borrowing authority: Borrowing from Treasury .....	1,730,078	1,730,078	1,730,078	1,730,078
Net long-term liabilities.....	1,742,719	1,742,720	1,730,078	1,730,078
Total liabilities.....	1,753,948	1,751,685	1,723,348	1,723,891
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	122,767	54,675	74,133	100,433
Undisbursed loan obligations.....				
Invested capital, net.....	-1,616,262	-1,643,539	-1,654,878	-1,714,385
Total Government equity.....	-1,493,495	-1,588,864	-1,580,745	-1,613,952

**Object Classification (in thousands of dollars)**

Identification code 36-4024-0-3-704	1987 actual	1988 est.	1989 est.
25.0 Other services.....	357	600	596
33.0 Investments and loans.....	1,685	2,235	1,504
43.0 Interest and dividends.....	6,565	3,765	.....
99.9 Total obligations.....	8,607	6,600	2,100

**DIRECT LOAN REVOLVING FUND**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 36-4024-6-3-704	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct loans to veterans.....			-99
00.02 Direct (vendee) loans.....			-841
00.03 Cash advances and repurchases, vendee loans.....			-460
10.00 Total obligations (object class 33).....			-1,400
<b>Financing:</b>			
Offsetting collections from:			
Non-Federal sources:			
14.00 Vendee loan repayments.....			4
14.00 Interest on loans.....			96
24.98 Unobligated balance available, end of year.....			1,300
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-1,300
90.00 Outlays.....			-1,300

**Status of Direct Loans (in thousands of dollars)**

Identification code 36-4024-6-3-704	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			-1,000
1131 Direct loan obligations exempt from limitation.....			-400
1150 Total direct loan obligations.....			-1,400
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....			
1231 Disbursements: Direct loan disbursements.....			-940
1290 Outstanding, end of year.....			-940
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....			-16.0
1330 Subsidy amount (in thousands of dollars).....			-150

This schedule shows the effect of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for direct loans for which an appropriation will be requested. Beginning in fiscal year 1989, the subsidy por-

tion of the direct loan will be financed and disbursed by the Federal credit revolving fund. An explanation of the proposal is included in Part 6b of the budget.

The subsidy amount reflects the favorable terms given to certain totally disabled veterans for direct loans for acquiring suitable housing units, with the special features made necessary by the nature of their disabilities. Under the credit reform proposal, veterans will continue to obtain direct loans to assist in purchasing adapted housing.

**CANTEEN SERVICE REVOLVING FUND**  
**Program and Financing (in thousands of dollars)**

Identification code 36-4014-0-3-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Acquisitions.....	112,741	112,099	112,696
00.02 Direct operations.....	64,528	67,628	68,761
00.91 Total operating expenses.....	177,269	179,727	181,457
01.01 Capital investment: Sales program: Purchase of equipment and leasehold.....	3,059	6,250	5,200
10.00 Total obligations.....	180,328	185,977	186,657
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-183,790	-185,150	-185,980
21.98 Unobligated balance available, start of year: Fund balance.....	-3,558	-7,020	-6,193
24.98 Unobligated balance available, end of year: Fund balance.....	7,020	6,193	5,516
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-3,462	827	677
72.98 Obligated balance, start of year: Fund balance.....	22,294	22,078	22,170
74.98 Obligated balance, end of year: Fund balance.....	-22,078	-22,170	-22,476
90.00 Outlays.....	-3,246	735	371

The Veterans Canteen Service was established to furnish at reasonable prices merchandise and services necessary to the comfort and well-being of veterans in VA medical facilities.

**Financing.**—Operations will be financed from current revenues.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Operating income: Sales program:</b>			
Revenue.....	183,272	184,825	185,450
Expense.....	179,684	182,097	182,720
Net operating income, sales program.....	3,588	2,728	2,730
<b>Nonoperating income or loss (-):</b>			
Proceeds from sale of equipment.....	29	30	30
Net book value of assets sold.....	-486	-175	-244
Net loss from sale of equipment.....	-457	-145	-214
Miscellaneous income.....	489	295	500
Net nonoperating income.....	32	150	286
Net income for the year.....	3,620	2,878	3,016

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Cash with Treasury, in banks, on hand, and in transit.....	25,852	29,087	27,335	27,649
Accounts receivable (net).....	1,445	1,660	1,555	1,555

**Public enterprise funds—Continued**

**CANTEEN SERVICE REVOLVING FUND—Continued**

**Financial Condition (in thousands of dollars)—Continued**

	1986 actual	1987 actual	1988 est.	1989 est.
Inventories (net).....	24,635	23,827	24,983	25,823
Real property and equipment (net).....	13,687	14,081	17,410	19,356
Other assets (net).....	57	53	50	50
<b>Total assets.....</b>	<b>65,676</b>	<b>68,708</b>	<b>71,333</b>	<b>74,433</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued li- abilities.....	14,688	14,396	13,950	14,000
Unfunded annual leave and coupon books.....	3,421	3,123	3,316	3,350
<b>Total liabilities.....</b>	<b>18,109</b>	<b>17,519</b>	<b>17,266</b>	<b>17,350</b>
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	3,558	7,020	6,193	5,516
Undelivered orders.....	9,108	9,650	9,318	9,204
Invested capital.....	34,901	34,519	38,556	42,363
<b>Total Government equity.....</b>	<b>47,567</b>	<b>51,189</b>	<b>54,067</b>	<b>57,083</b>

**Object Classification (in thousands of dollars)**

Identification code 36-4014-0-3-705	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	33,779	36,982	38,157
11.3 Other than full-time permanent.....	11,259	9,246	9,086
11.5 Other personnel compensation.....	464	500	510
11.9 Total personnel compensation.....	45,502	46,728	47,753
12.1 Civilian personnel benefits.....	8,487	9,842	10,254
21.0 Travel and transportation of persons.....	488	669	670
22.0 Transportation of things.....	149	187	185
23.3 Communications, utilities and miscellaneous charges.....	3,519	3,433	3,492
24.0 Printing and reproduction.....	187	187	195
25.0 Other services.....	1,561	1,639	1,672
26.0 Supplies and materials.....	117,376	117,042	117,236
31.0 Equipment.....	3,059	6,250	5,200
99.9 Total obligations.....	180,328	185,977	186,657

**Personnel Summary**

Total number of full-time permanent positions.....	2,881	2,990	2,990
Total compensable workyears:			
Full-time equivalent employment.....	3,346	3,500	3,500
Full-time equivalent of overtime and holiday hours.....	5	5	5

**SERVICE-DISABLED VETERANS INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 36-4012-0-3-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Death claims.....	21,697	23,280	23,660
00.02 All other.....	6,629	7,890	8,570
00.91 Total operating expenses.....	28,326	31,170	32,230
Capital investment:			
01.01 Policy loans.....	6,456	7,540	7,980
01.02 Policy liens.....	129	100	100
01.91 Total capital investment.....	6,585	7,640	8,080
10.00 Total obligations.....	34,911	38,810	40,310
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Payment from Veterans insurance and indemnities.....	-2,829	-10,190	-6,370

Non-Federal sources:			
14.00 Interest on loans.....	-2,712	-2,310	-2,230
14.00 Premiums earned.....	-20,844	-20,690	-20,525
14.00 Optional income settlements.....	-662	-350	-340
14.00 Policy loan repayments.....	-6,172	-6,370	-6,570
14.00 Policy lien repayments.....	-81	-60	-60
21.98 Unobligated balance available, start of year: Fund bal- ance.....	-8,646	-7,035	-8,195
24.98 Unobligated balance available, end of year: Fund balance.....	7,035	8,195	3,980
39.00 <b>Budget authority.....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,611	-1,160	4,215
72.98 Obligated balance, start of year: Fund balance.....	3,463	3,090	3,891
74.98 Obligated balance, end of year: Fund balance.....	-3,090	-3,891	-4,001
90.00 Outlays.....	1,984	-1,961	4,105

This fund finances the payment of claims on nonparticipating life insurance policies issued and currently is open for new issues to veterans having service-connected disabilities. The program provides insurance coverage for service-disabled veterans at standard rates. Administrative expenses are paid from the General operating expenses appropriation.

**Operating costs—**

**Death claims.**—Represents payments to designated beneficiaries.

**All other.**—Represents payments to policyholders who surrender their policies for their cash value and hold endowment policies which have matured.

**Capital investment.**—A policyholder may borrow up to 94 percent of the value of his policy.

The trend in the number and amount of policies in force is indicated in the following table (dollars in thousands):

	1987 actual	1988 est.	1989 est.
Number of policies.....	180,042	176,259	172,311
Insurance in force.....	1,632,381	1,595,144	1,559,415

**Financing.**—Operations are financed from premiums and other receipts. Additional funds are received by transfer from the Veterans insurance and indemnities appropriation, instead of direct appropriations to this fund.

**Operating results and financial condition.**—Since premium and other receipts are insufficient to cover operations, the fund continues to project liabilities in excess of assets. The deficit is expected to reach an estimated \$228 million by September 30, 1989.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue:			
Funded.....	24,218	23,350	23,095
Unfunded.....	9,364	9,418	9,397
Total revenue.....	33,582	32,768	32,492
Expense.....	-47,059	-45,339	-46,284
Net operating loss.....	-13,477	-12,571	-13,792

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	12,109	10,125	12,086	7,981
Accounts receivable (net).....	1,418	1,474	1,185	1,150
Policy loans.....	38,280	38,565	39,735	41,145



Policy liens .....	619	666	706	746
Total assets .....	52,426	50,830	53,712	51,022
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	3,607	3,183	3,822	3,914
Deferred credits .....	1,274	1,381	1,254	1,237
Operating reserves:				
Reserve for cash surrender value .....	250,239	259,955	264,955	269,855
Reserve for future installments on matured contracts .....	4,594	4,247	3,998	3,755
Total liabilities .....	259,714	268,766	274,029	278,761
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance .....	8,646	7,035	8,195	3,980
Invested capital .....	-215,934	-224,971	-228,512	-231,719
Total Government equity .....	-207,288	-217,936	-220,317	-227,739

**Object Classification (in thousands of dollars)**

Identification code	36-4012-0-3-701	1987 actual	1988 est.	1989 est.
33.0	Investments and loans .....	6,585	7,640	8,080
42.0	Insurance claims and indemnities .....	28,326	31,170	32,230
99.9	Total obligations .....	34,911	38,810	40,310

**VETERANS REOPENED INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code	36-4010-0-3-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Death claims .....	19,482	21,150	22,720
00.02	Dividends .....	33,035	33,370	34,200
00.03	All other .....	13,904	11,640	11,240
00.91	Total operating expenses .....	66,421	66,160	68,160
Capital investment:				
01.01	Policy loans .....	4,758	4,730	4,630
01.02	Policy liens .....	16	30	30
01.91	Total capital investment .....	4,774	4,760	4,660
10.00	Total obligations .....	71,195	70,920	72,820
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Interest on securities .....	-48,156	-48,210	-48,160
Non-Federal sources:				
14.00	Interest on loans .....	-1,912	-1,300	-1,010
14.00	Insurance premiums earned .....	-16,578	-17,560	-17,010
14.00	Optional income settlements .....	-358	-460	-420
14.00	Policy loan repayments .....	-7,132	-6,580	-6,150
14.00	Policy lien repayments .....	-24	-30	-30
14.00	Administrative cost premiums earned .....	-480	-450	-440
Unobligated balance available, start of year: Fund balance:				
21.98	Treasury balance .....	-333	-286	-255
21.98	U.S. securities (par) .....	-467,671	-471,163	-474,864
Unobligated balance available, end of year: Fund balance:				
24.98	Treasury balance .....	286	255	255
24.98	U.S. securities (par) .....	471,163	474,864	475,264
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-3,445	-3,670	-400
72.98	Obligated balance, start of year: Fund balance .....	6,887	11,022	12,992
74.98	Obligated balance, end of year: Fund balance .....	-11,022	-12,992	-15,292
90.00	Outlays .....	-7,580	-5,640	-2,700

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund pays claims and administrative costs on participating life insurance policies issued during the period May 1, 1965, through May 2, 1966, under three

life insurance programs: (1) service-disabled standard insurance, (2) service-disabled rated insurance, and (3) nonservice disabled insurance availing disabled World War II and Korean conflict veterans an opportunity to acquire life insurance coverage who were no longer eligible for other Government insurance.

**Budget program—**

**Death claims.**—Represents payments to designated beneficiaries.

**Dividends.**—Policyholders participate in the distribution of annual dividends.

**All other.**—This represents payments to the General operating expenses appropriation for the administrative costs of processing claims and maintaining the accounts, and to those policyholders who: (a) surrender their policies for cash value; (b) hold endowment policies which have matured; and (c) have purchased total disability income coverage and subsequently become disabled.

**Policy loans made.**—A policyholder may borrow up to 94 percent of the cash value of his policy at an interest rate adjusted to reflect private sector borrowing costs.

The following table reflects the decrease in the number of policies and the amount of insurance in force (dollars in thousands):

	1987 actual	1988 est.	1989 est.
Number of policies .....	129,860	126,140	122,270
Insurance in force .....	\$891,593	\$883,961	\$866,656

**Financing.**—Operations are financed from premiums collected from policyholders and interest on investments. Excess earnings of the fund are now distributed to the policyholders in the form of an annual dividend.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue:			
Funded .....	67,484	67,980	67,040
Unfunded .....	1,549	1,650	1,630
Total revenue .....	69,033	69,630	68,670
Expense:			
.....	-72,308	-70,292	-70,842
Net operating income or loss (—) .....	-3,275	-662	-2,172

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	333	286	255	255
U.S. securities (par) .....	474,557	482,184	487,856	490,556
Accounts receivable (net) .....	12,869	13,057	12,507	12,369
Policy loans .....	29,542	27,167	25,317	23,797
Policy liens .....	48	40	40	40
Total assets .....	517,349	522,734	525,975	527,017
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	16,923	20,595	22,900	25,169
Deferred credits .....	2,833	3,482	2,599	2,492
Operating reserves:				
Policy reserves .....	409,002	413,825	416,740	418,765
Premium waiver disability reserves .....	13,000	12,587	12,088	11,629
Reserve for future installments on matured contracts .....	2,458	2,437	2,549	2,661
Total disability income reserves .....	16,397	15,618	14,738	13,812
Reserve for dividends .....	32,638	33,366	34,200	34,500
Total liabilities .....	493,251	501,910	505,814	509,028

Public enterprise funds—Continued

VETERANS REOPENED INSURANCE FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	468,003	471,449	475,119	475,519
Invested capital .....	—443,905	—450,626	—454,958	—457,530
<b>Total Government equity.....</b>	<b>24,098</b>	<b>20,283</b>	<b>20,161</b>	<b>17,989</b>

Object Classification (in thousands of dollars)

Identification code 36-4010-0-3-701	1987 actual	1988 est.	1989 est.
25.0 Other services .....	1,422	1,210	1,210
33.0 Investments and loans.....	4,775	4,760	4,660
42.0 Insurance claims and indemnities.....	30,417	30,220	31,490
43.0 Dividends and interest.....	34,581	34,730	35,460
<b>99.9 Total obligations.....</b>	<b>71,195</b>	<b>70,920</b>	<b>72,820</b>

EDUCATION LOAN FUND

During 1989, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the "Education loan fund" (38 U.S.C. chapters 32, 34, and 36).

Program and Financing (in thousands of dollars)

Identification code 36-4118-0-3-702	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	29	22	18
<b>Financing:</b>			
Offsetting collections from:			
14.00 Interest on loans.....	—3,188	—2,700	—2,300
14.00 Loan repayments .....	—1,774	—1,750	—1,700
14.00 Collections on defaulted loans.....	—4,346	—3,500	—2,500
14.00 Loan fees.....	—1	—1	—1
21.98 Unobligated balance available, start of year.....	—425	—3,205	—134
22.98 Unobligated balance transferred, net.....	6,500	11,000	6,500
24.98 Unobligated balance available, end of year.....	3,205	134	117
<b>39.00 Budget authority.....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	—9,280	—7,929	—6,483
72.98 Obligated balance, start of year.....	57	648	647
74.98 Obligated balance, end of year: Fund balance.....	—648	—647	—4
<b>90.00 Outlays.....</b>	<b>—9,871</b>	<b>—7,928</b>	<b>—5,840</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority .....			
Outlays.....	—9,871	—7,928	—5,840
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays.....			—17
<b>Total:</b>			
Budget authority .....			
Outlays.....	—9,871	—7,928	—5,857

Status of Direct Loans (in thousands of dollars)

Identification code 36-4118-0-3-702	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Direct loan obligations exempt from limitation.....	29	22	18
<b>1150 Total direct loan obligations.....</b>	<b>29</b>	<b>22</b>	<b>18</b>

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	46,281	39,863	34,335
1231 Disbursements: Direct loan disbursements .....	29	22	18
1251 Repayments: Repayments and prepayments .....	—6,120	—5,250	—4,200
1262 Adjustments: Write-offs for default .....	—327	—300	—200
<b>1290 Outstanding, end of year.....</b>	<b>39,863</b>	<b>34,335</b>	<b>29,953</b>

Estimate of direct loan subsidy:			
1320 Subsidy amount (in percent) .....	17.3	17.3	17.3
1330 Subsidy amount (in thousands of dollars) .....	5	4	3

This fund provides loans of up to \$2,500 to veterans who, but for having passed their delimiting date or for pursuing flight training, would be eligible for training benefits under chapter 34, title 38, U.S.C., and who are without sufficient funds to meet their education related expenses.

WORKLOAD, AMOUNT LOANED AND REPAID

	1987 actual	1988 est.	1989 est.
Number of loans made.....	26	22	18
Average per loan.....	\$1,115	\$1,000	\$1,000
Number of loans outstanding.....	46,898	40,394	35,239
Average amount per loan outstanding.....	\$850	\$850	\$850
Total amount of loans made (in thousands) .....	\$29	\$22	\$18
Repayment of loans (in thousands) .....	\$6,120	\$5,250	\$4,200

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue.....	3,189	2,701	2,301
Expense.....	—327	—300	—200
<b>Net operating income.....</b>	<b>2,862</b>	<b>2,401</b>	<b>2,101</b>

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....				
Loans receivable (net) .....	482	3,853	781	121
Accounts receivable (net) .....	46,281	39,863	34,355	29,953
<b>Total assets.....</b>	<b>46,763</b>	<b>43,716</b>	<b>35,116</b>	<b>30,074</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	57	648	647	4
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	425	3,205	134	117
Invested capital .....	46,281	39,863	34,335	29,953
<b>Total Government equity.....</b>	<b>46,706</b>	<b>43,068</b>	<b>34,469</b>	<b>30,070</b>

EDUCATION LOAN FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 36-4118-2-3-702	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....			—18
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			1
24.98 Unobligated balance available, end of year: Fund balance.....			17
<b>39.00 Budget authority.....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			—17
<b>90.00 Outlays.....</b>			<b>—17</b>

Status of Direct Loans (in thousands of dollars)

Identification code	36-4118-2-3-702	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			
1131	Direct loan obligations exempt from limitation.....			18
1150	Total direct loan obligations.....			18
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			
1231	Disbursements: Direct loans disbursements.....			18
1264	Adjustments: Other adjustments, net <sup>1</sup> .....			1
1290	Outstanding, end of year.....			17
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....			17.3
1330	Subsidy amount (in thousands of dollars).....			3

<sup>1</sup> Loan fee adjustment.

Legislation will be requested to repeal the authority permitting the Veterans Administration to make education loans, effective October 1, 1988. The VA Education Loan Program has experienced excessively high default rates. Congress has previously acted to repeal loans available to most veterans. Full repeal of this program would reduce debts owed the government and reduce obligations by \$18 thousand in 1989.

VOCATIONAL REHABILITATION REVOLVING FUND

During 1989, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the "Vocational rehabilitation revolving fund" (38 U.S.C. chapter 31).

Program and Financing (in thousands of dollars)

Identification code	36-4114-0-3-702	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0).....	808	850	840
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources: Loan repayments.....	820	842	832
21.98	Unobligated balance available, start of year: Fund balance.....	1,440	1,452	1,444
24.98	Unobligated balance available, end of year: Fund balance.....	1,452	1,444	1,436
39.00	Budget authority.....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	12	8	8
90.00	Outlays.....	12	8	8

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....			
Outlays.....	12	8	8
Credit reform:			
Budget authority.....			
Outlays.....			302
Total:			
Budget authority.....			
Outlays.....	12	8	294

Status of Direct Loans (in thousands of dollars)

Identification code	36-4114-0-3-702	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans.....			
1131	Direct loan obligations exempt from limitation.....	808	850	840
1150	Total direct loan obligations.....	808	850	840
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	325	308	305
1231	Disbursements: Direct loan disbursements.....	808	850	840
1251	Repayments: Repayments and prepayments.....	820	842	832
1262	Adjustments: Write-offs for defaults.....	5	11	11
1290	Outstanding, end of year.....	308	305	302
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent).....	11.9	11.9	11.9
1330	Subsidy amount (in thousands of dollars).....	96	101	100

This fund provides loans up to \$620 to veterans enrolled in a program of vocational rehabilitation who are temporarily in need of additional funds to meet expenses.

**Budget program.**—Interest-free direct loans are granted to veterans in vocational rehabilitation training. The loans are repaid over a period of 10 months by offsets from benefit payments.

**Financing.**—With initial capitalization through an appropriation, the fund is financed solely by repayments. Administrative expenses are borne by the General operating expenses appropriation.

**Operating results.**—The following table presents operating results:

WORKLOAD, AMOUNT LOANED AND REPAID

	1987 actual	1988 est.	1989 est.
Number of loans made.....	4,033	3,950	3,850
Average per loan.....	\$200	\$215	\$218
Number of loans outstanding.....	2,823	2,765	2,695
Average amount per loan outstanding.....	\$109	\$110	\$112
Total amount of loans made (in thousands).....	\$808	\$850	\$840
Repayment of loans (in thousands).....	\$820	\$842	\$832

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating loss (—):			
Expense, net operating loss.....	5	11	11
Analysis of changes in Government equity:			
Paid-in capital: Opening balance.....	1,847	1,847	1,847
Deficit: Opening balance.....	82	87	98
Net operating loss.....	5	11	11
Closing balance.....	87	98	109
Total Government equity (end of year).....	1,760	1,749	1,738

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	1,440	1,452	1,444	1,436
Loans receivable (net).....	325	308	305	302
Total assets.....	1,765	1,760	1,749	1,738
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....				
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance....	1,440	1,452	1,444	1,436

Public enterprise funds—Continued

VOCATIONAL REHABILITATION REVOLVING FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
Invested capital .....	325	308	305	302
Total Government equity .....	1,765	1,760	1,749	1,738

VOCATIONAL REHABILITATION REVOLVING FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....			-840
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Loan repayments .....			538
31.00 Redemption of debt .....			302
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-302
90.00 Outlays .....			-302

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....			-840
1150 Total direct loan obligations .....			-840
<b>Cumulative balance of direct loans outstanding:</b>			
1231 Disbursements: Direct loan disbursements .....			-840
1251 Repayments: Repayments and prepayments .....			538
1290 Outstanding, end of year .....			-302
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent) .....			-11.9
1330 Subsidy amount (in thousands of dollars) .....			-100

This schedule shows the effects of the Administration's credit reform schedule. The amounts in this schedule reflect the estimated grant equivalent subsidy for Federal direct loan obligations made from the VA Vocational Rehabilitation Revolving Fund, for which an appropriation will be requested. Beginning in fiscal year 1989, vocational rehabilitation loans will be financed and disbursed by the Federal credit direct loan revolving fund. An explanation of the credit reform proposal is included in Part 6b of the President's Budget.

The credit reform proposal would not impact the programmatic aspects of the Vocational Rehabilitation Revolving Fund. The subsidy amount represents the interest which would have to be paid to obtain a short-term loan equivalent to the Vocational Revolving Fund loan through the private sector. The VA provides these 10-month, no collateral loans at zero interest.

SERVICEMEN'S GROUP LIFE INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Premium payments .....	170,778	157,230	157,210
00.02 Payment to General operating expenses appropriation .....	334	390	410
10.00 Total obligations (object class 25.0) .....	171,112	157,620	157,620
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on securities .....	-11,728	-11,500	-11,440
14.00 Non-Federal sources: Withholdings from service pay ....	-168,411	-157,620	-157,620
Unobligated balance available, start of year: Fund balance:			
21.98 Treasury balance .....	-5,869	-3,140	-14
21.98 U.S. securities (par) .....	-133,198	-144,954	-159,580
Unobligated balance available, end of year: Fund balance:			
24.98 Treasury balance .....	3,140	14	14
24.98 U.S. securities (par) .....	144,954	159,580	171,020
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-9,027	-11,500	-11,440
72.10 Receivables in excess of obligations, start of year .....	-6,805	-2,952	-3,032
74.10 Receivables in excess of obligations, end of year .....	2,952	3,032	2,982
90.00 Outlays .....	-12,879	-11,420	-11,490

**Budget program.**—This fund finances the payment of group life insurance premiums to private insurance companies under the Servicemen's Group Life Insurance Act of 1965, as amended.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss (-):</b>			
Revenue .....	180,139	169,120	169,060
Expense .....	-171,112	-157,620	-157,620
Net operating income or loss (-) .....	9,027	11,500	11,440

SPECIAL THERAPEUTIC AND REHABILITATION ACTIVITIES FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,857	2,000	2,025
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources (38 U.S.C. 618) .....	-1,898	-2,000	-2,025
21.98 Unobligated balance available, start of year: Fund balance .....	-989	-1,030	-1,030
24.98 Unobligated balance available, end of year: Fund balance .....	1,030	1,030	1,030
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-41		
72.10 Receivables in excess of obligations, start of year .....	-139	-197	-187
74.10 Receivables in excess of obligations, end of year .....	197	187	177
90.00 Outlays .....	17	-10	-10

This revolving fund, established pursuant to the Veterans Omnibus Health Care Act of 1976, Public Law 94-581, provides a mechanism for the furnishing of rehabilitative services to certain veteran beneficiaries who are receiving medical care and treatment from the Veterans Administration.

Funds to operate the various rehabilitative activities and provide for the therapeutic work for remuneration for patients and members in Veterans' Administration health care facilities are derived from contractual arrangements with private industry or nonprofit entities. This is a self-sustaining fund, and therefore no appropriation is required to support these activities.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue.....	1,898	2,000	2,025
Expense.....	—1,825	—2,000	—2,025
Net operating income.....	73		

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	850	833	843	853
Accounts receivable (net).....	250	297	297	297
Real property and equipment (net).....	361	420	420	420
Total assets.....	1,461	1,550	1,560	1,570
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities.....	84	100	110	120
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	1,016	1,030	1,030	1,030
Invested capital.....	361	420	420	420
Total Government equity.....	1,377	1,450	1,450	1,450

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-4048-0-3-703			
25.0 Other services.....	1,623	1,748	1,770
26.0 Supplies and materials.....	234	252	255
99.9 Total obligations.....	1,857	2,000	2,025

PARKING GARAGE REVOLVING FUND

For the parking garage revolving fund as authorized by law (38 U.S.C. 5009), **[\$3,936,000] \$9,000,000**, together with income from fees collected, to remain available until expended. Resources of this fund shall be available for all expenses authorized by 38 U.S.C. 5009 except operations and maintenance costs which will be funded from "Medical care". (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-4538-0-3-703			
<b>Program by activities:</b>			
Operating expenses:			
00.01 Parking leases: Fee-initiated.....		216	216
00.02 Parking leases: Others.....	306	140	186
00.91 Total operating expense.....	306	356	402
01.01 Capital investment: parking construction program.....	8,571	18,489	12,482
10.00 Total obligations.....	8,877	18,845	12,884
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....		—21	—43
21.40 Unobligated balance available, start of year.....		—21,123	—6,235
22.40 Unobligated balance, transferred net.....	—4,000		
24.40 Unobligated balance, end of year.....	21,123	6,235	2,394
40.00 Budget authority (appropriation).....	26,000	3,936	9,000

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	8,877	18,824	12,841
72.40	Obligated balance, start of year.....		6,499	22,770
74.40	Obligated balance, end of year.....	—6,499	—22,770	—27,666
90.00	Outlays.....	2,378	2,553	7,945

This request will provide funding for a new 750 car parking garage at Atlanta, GA. This project is an integral part of the planned replacement/modernization project at Atlanta.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-4538-0-3-703			
23.2 Rental payments to others.....	306	356	402
32.0 Land and structures.....	8,571	18,489	12,482
99.9 Total obligations.....	8,877	18,845	12,884

Intragovernmental funds:

SUPPLY FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
36-4537-0-4-705			
<b>Program by activities:</b>			
Operating expenses:			
Procurement, distribution, and services program:			
00.01 Cost of goods sold.....	691,556	811,081	859,946
00.02 Other.....	21,793	28,224	29,973
Publication and reproduction program:			
00.03 Cost of goods sold.....	10,702	13,000	14,000
00.04 Other.....	4,678	5,584	5,160
00.91 Total operating expenses.....	728,729	857,889	909,079
Capital investment:			
01.01 Procurement, distribution, and services program: Purchase of equipment.....	269	1,674	1,289
01.02 Publication and reproduction program: Purchase of equipment.....	82	437	7
01.91 Total capital investment.....	351	2,111	1,296
10.00 Total obligations.....	729,080	860,000	910,375
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	—714,989	—866,619	—905,905
21.98 Unobligated balance available, start of year: Fund balance.....	—44,408	—30,317	—36,936
24.98 Unobligated balance available, end of year: Fund balance.....	30,317	36,936	32,466
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	14,091	—6,619	4,470
72.98 Obligated balance, start of year: Fund balance.....	103,191	140,619	134,000
74.98 Obligated balance, end of year: Fund balance.....	—140,619	—134,000	—138,470
90.00 Outlays.....	—23,338		

Under the provisions of 38 U.S.C. 5021, the Supply fund finances, on a reimbursable basis, the cost of warehouse inventories at depots and field stations and selected items of equipment procured centrally. It also finances, on the same basis, items and services to other Federal agencies who either request or are assigned to the Veterans Administration for support by the Office of Federal Procurement Policy.

**Budget program.**—The fund provides financial support for: (1) maintenance of depot and field station inventories; (2) maintenance and operation of three supply depots; (3) operation of a service and reclamation

**Intragovernmental funds—Continued**

**SUPPLY FUND—Continued**

program operating out of the supply depots; (4) centralized periodical procurement; (5) a marketing center or central buying office; and (6) a publications depot that provides forms for VA installations on a centralized basis.

The Supply fund does not finance costs for the operation and administration of supply activities at VA field stations. These costs are charged directly to applicable appropriations.

**Financing.**—Costs of supplies, equipment, and services acquired through the Supply fund and Supply fund operating costs are recovered through reimbursements from the VA appropriations and other Government agencies receiving goods and services. For 1989 Supply fund sales are estimated to reach \$845 million. Average inventory needed to support those sales will be \$128 million.

**Operating results.**—The fund operated at a profit of \$4.3 million in 1987. The new total of retained earnings is \$53.6 million, which has been used to finance inventory growth. Operating expense as related to sales was 4.5 percent.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-4537-0-4-705			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	15,102	14,700	14,875
11.3 Other than full-time permanent.....	208	275	350
11.5 Other personnel compensation.....	619	732	860
11.9 Total personnel compensation.....	15,929	15,707	16,085
12.1 Civilian personnel benefits.....	2,430	2,370	2,400
<b>Travel and transportation of persons:</b>			
21.0 Employee travel.....	474	748	807
21.0 Interagency motor pool payments.....	29	55	58
21.0 All other.....	3	12	13
22.0 Transportation of things.....	4,563	5,246	5,520
23.1 Rental payments to GSA.....	1,537	1,680	1,835
23.2 Rental payments to others.....	290	470	482
23.3 Communications, utilities, and miscellaneous charges.....	929	1,276	1,340
24.0 Printing and reproduction.....	251	231	259
25.0 Other services.....	1,296	4,662	4,603
26.0 Supplies and materials.....	573,388	680,432	735,677
31.0 Equipment for use of fund.....	351	2,111	1,296
31.0 Equipment for sale to others.....	127,610	145,000	140,000
99.9 Total obligations.....	729,080	860,000	910,375

**Personnel Summary**

Total number of full-time permanent positions.....	586	540	546
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	577	543	549
Full-time equivalent of overtime and holiday hours.....	7	10	10

**Trust Funds**

**POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
36-8133-0-7-702			
<b>Program by activities:</b>			
00.01 Payment to post-Vietnam era trainees.....	169,511	199,125	178,425
00.02 Payment to section 901 trainees.....	2,241	2,200	2,100
00.03 Participant disenrollments.....	110,852	102,125	75,250
10.00 Total obligations.....	282,604	303,450	255,775

<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	—648,491	—598,994	—536,944
24.40 Unobligated balance available, end of year.....	598,994	536,944	448,424
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>233,106</b>	<b>241,400</b>	<b>167,255</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	282,604	303,450	255,775
72.40 Obligated balance, start of year.....	3,657	2,653	5,903
74.40 Obligated balance, end of year.....	—2,653	—5,903	—5,478
90.00 <b>Outlays.....</b>	<b>283,607</b>	<b>300,200</b>	<b>256,200</b>

This account consists of voluntary contributions by eligible servicepersons and matching contributions provided by the Department of Defense. The fund provides educational assistance payments to participants who entered the service after December 31, 1976, and are pursuing training under chapter 32, title 38, U.S.C. Public Law 96-342, the Department of Defense Authorization Act, 1981, added two educational assistance programs for certain individuals who enlisted or reenlisted in the Army, Navy, Air Force or Marine Corps after September 30, 1980 and before October 1, 1981. Section 901 of that act is a non-contributory program with educational assistance provided by the Department of Defense. Section 903 authorizes the Department of Defense to make monthly contributions for certain post Vietnam-era participants. Public Law 98-525, enacted October 19, 1984, precluded new enrollments into this program during the period July 1, 1985 to June 30, 1988. Public Law 99-576, enacted October 28, 1986, closed the program permanently for new enrollments but provided a grace period for new enrollments of eligible servicepersons until March 31, 1987. The estimated activity in the fund follows:

**CONTRIBUTIONS, PARTICIPANTS, DISENROLLMENTS, REFUNDS AND TRAINEES**

	[In thousands]		
	1987 actual	1988 est.	1989 est.
Total budget authority.....	\$233,106	\$241,400	\$167,255
Servicepersons.....	\$146,636	\$83,525	\$26,280
Transferred from Department of Defense (bonus).....	\$10,244	\$66,375	\$59,475
Transferred from Department of Defense (matching).....	\$69,050	\$88,500	\$79,300
Transferred from Department of Defense (Section 901).....	\$5,979	\$2,200	\$2,100
Transferred from Department of Defense (Section 903).....	\$1,197	\$800	\$100
Total participants (end of year).....	597,691	502,691	432,691
Total contributors (end of year).....	210,920	128,500	58,400
Average contribution per contributor (actual dollars).....	\$695	\$650	\$450
Number of disenrollments.....	97,397	95,000	70,000
Total refunds.....	\$110,852	\$102,125	\$75,250
Total trainees.....	76,772	88,500	79,300
Total trainee cost.....	\$169,511	\$199,125	\$178,425
Average cost per trainee (actual dollars).....	\$2,208	\$2,250	\$2,250
Section 901 trainees.....	650	600	550
Section 901 trainee cost.....	\$2,241	\$2,200	\$2,100

The status of the fund, excluding noncash transactions, is as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Undisbursed balance of fund, start of year.....	652,148	601,647	542,847
Cash income during the year: Proprietary receipts (contributions from servicepersons).....	146,636	83,525	26,280
Intrabudgetary transactions: (contributions from Department of Defense).....	86,470	157,875	140,975
Total annual income.....	233,106	241,400	167,255
Cash outlays during the year:			
Payments to trainees.....	172,755	198,075	180,950
Refunds to participants (disenrollments).....	110,852	102,125	75,250
Total cash outlay.....	283,607	300,200	256,200
Undisbursed balance of fund, end of year.....	601,647	542,847	453,902

Object Classification (in thousands of dollars)				
Identification code	36-8133-0-7-702	1987 actual	1988 est.	1989 est.
41.0	Grants, subsidies, and contributions	171,752	201,325	180,525
44.0	Refunds	110,852	102,125	75,250
99.9	Total obligations	282,604	303,450	255,775

GENERAL POST FUND, NATIONAL HOMES

Program and Financing (in thousands of dollars)

Identification code	36-8180-0-7-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Religious, recreational, and entertainment activities (total obligations)	20,815	21,000	21,500
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	-1,276	-800	-704
21.40	U.S. securities (par)	-18,612	-19,704	-20,800
Unobligated balance available, end of year:				
24.40	Treasury balance	800	704	1,504
24.40	U.S. securities (par)	19,704	20,800	21,000
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>21,431</b>	<b>22,000</b>	<b>22,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	20,815	21,000	21,500
72.40	Obligated balance, start of year: U.S. securities (par)	712	910	910
74.40	Obligated balance, end of year: U.S. securities (par)	-910	-910	-910
90.00	Outlays	20,617	21,000	21,500

This fund consists of gifts, bequests, and proceeds of sale of property left in the care of the facilities by former beneficiaries, patient's fund balances and proceeds of sale of effects of beneficiaries who die leaving no heirs or without having otherwise disposed of their estate. Such funds are used to promote the comfort and welfare of veterans at hospitals, nursing homes, and domiciliaries where no general appropriation is available. (38 U.S.C. chs. 83 and 85.)

Object Classification (in thousands of dollars)				
Identification code	36-8180-0-7-705	1987 actual	1988 est.	1989 est.
23.3	Communications, utilities, and miscellaneous charges	1,991	2,038	2,111
25.0	Other services	982	1,005	1,041
26.0	Supplies and materials	6,273	6,422	6,652
31.0	Equipment	11,140	11,076	11,222
32.0	Land and structures	409	419	434
44.0	Refunds	20	40	40
99.9	Total obligations	20,815	21,000	21,500

NATIONAL SERVICE LIFE INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code	36-8132-0-7-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Death claims	518,387	540,710	570,420
00.02	Disability claims	24,879	25,190	25,280
00.03	Matured endowments	61,891	50,570	47,230
00.04	Cash surrenders	48,945	48,300	47,130
00.05	Dividends	804,878	826,400	849,300
00.06	Interest paid on dividend credits and deposits	50,309	52,870	55,890
00.07	Other expenses	-734		
00.91	Total operating expenses	1,508,555	1,544,040	1,595,250

<b>Capital investment:</b>				
01.01	Policy loans	81,383	85,980	87,050
01.02	Policy liens	359	300	290
01.91	Total capital investment	81,742	86,280	87,340
10.00	Total obligations	1,590,297	1,630,320	1,682,590
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Optional income settlements	-10,285	-10,440	-10,560
14.00	Policy loan repayments	-165,393	-144,430	-135,850
14.00	Policy lien repayments	-349	-270	-250
14.00	Income offsets and adjustments (net)	-302,907	-324,760	-333,740
21.98	Unobligated balance available, start of year: U.S. securities (par)	-9,111,354	-9,390,505	-9,661,285
24.98	Unobligated balance available, end of year: U.S. securities (par)	9,390,505	9,661,285	9,884,595
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>1,390,514</b>	<b>1,421,200</b>	<b>1,425,500</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,111,363	1,150,420	1,202,190
Obligated balance, start of year:				
72.40	Treasury balance	8,587	8,196	8,000
72.40	U.S. securities (par)	656,909	734,603	807,999
Obligated balance, end of year:				
74.40	Treasury balance	-8,196	-8,000	-8,000
74.40	U.S. securities (par)	-734,603	-807,999	-877,999
90.00	Outlays	1,034,060	1,077,220	1,132,190

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1940 for the World War II servicemen's and veterans' insurance program. Over 22 million policies have been issued under this program. Activity of the fund reflects a rising claim workload. The trend in the number and amount of policies in force is shown as follows (dollars in thousands):

	1987 actual	1988 est.	1989 est.
Number of policies	2,909,980	2,812,190	2,712,440
Insurance in force	\$21,632,083	\$21,234,612	\$20,919,721

The status of the fund, excluding noncash transactions, is as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Undisbursed balance of fund, start of year	9,776,850	10,133,304	10,477,284
Cash income during the year: Proprietary receipts	442,255	430,490	417,350
Intrabudgetary transactions: Interest and profits on investments in securities	946,766	987,220	1,005,930
Payment from general and special funds	1,494	3,490	2,220
Total annual income	1,390,514	1,421,200	1,425,500
Cash outlay during the year:			
Benefit payments	1,118,060	1,135,640	1,180,950
Net lending	-84,000	-58,420	-48,760
Total cash outlay	1,034,060	1,077,220	1,132,190
Undisbursed balance of fund, end of year	10,133,304	10,477,284	10,770,594

This fund is operated on a commercial basis to the extent possible except that administrative expenses are charged to the General operating expenses account.

The income of the fund is derived from premium receipts, interest on investments, and payments which are made to the fund from the Veterans insurance and indemnities appropriation.

Assets of the fund, which are largely invested in special Treasury interest-bearing securities and in policy loans, are expected to increase from \$11,605 million as of September 30, 1988 to \$11,790 million as of September 30, 1989. The actuarial estimate of policy obliga-

**Intragovernmental funds—Continued**

**NATIONAL SERVICE LIFE INSURANCE FUND—Continued**

tions as of September 30, 1988, total \$11,546 million, leaving a balance of \$59 million for contingency reserves.

**Object Classification (in thousands of dollars)**

Identification code 36-8132-0-7-701	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	81,742	86,280	87,340
42.0 Insurance claims and indemnities.....	653,368	664,770	690,060
43.0 Dividends and interest.....	855,187	879,270	905,190
99.9 Total obligations.....	1,590,297	1,630,320	1,682,590

**UNITED STATES GOVERNMENT LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 36-8150-0-7-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Death claims.....	25,898	23,120	21,200
00.02 Disability claims.....	1,016	900	770
00.03 Matured endowments.....	2,347	2,420	2,650
00.04 Cash surrenders.....	1,052	800	680
00.05 Dividends.....	13,554	12,320	11,190
00.06 Interest paid on dividend credits and deposits.....	1,247	1,220	1,150
00.91 Total operating expenses.....	45,114	40,780	37,640
Capital investment:			
01.01 Policy loans.....	1,432	1,260	1,110
01.02 Policy liens.....	25	20	20
01.91 Total capital investment.....	1,457	1,280	1,130
10.00 Total obligations.....	46,571	42,060	38,770
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
14.00 Optional income settlements.....	-242	-230	-190
14.00 Policy loan repayments.....	-5,141	-4,170	-3,610
14.00 Policy lien repayments.....	-25	-20	-20
14.00 Income offsets and adjustments (net).....	-615	-900	-780
21.98 Unobligated balance available, start of year: U.S. securities (par).....	-222,366	-199,370	-178,510
24.98 Unobligated balance available, end of year: U.S. securities (par).....	199,370	178,510	158,410
60.00 Budget authority (appropriation) (permanent, indefinite).....	17,552	15,880	14,070
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	40,548	36,740	34,170
Obligated balance, start of year:			
72.40 Treasury balance.....	310	430	300
72.40 U.S. securities (par).....	22,513	22,616	21,246
Obligated balance, end of year:			
74.40 Treasury balance.....	-430	-300	-300
74.40 U.S. securities (par).....	-22,616	-21,246	-20,326
90.00 Outlays.....	40,325	38,240	35,090

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1919 to receive premiums and pay claims on insurance issued under the provisions of the War Risk Insurance Act. The general decline in the activity of the fund is indicated in the following table (dollars in thousands):

	1987 actual	1988 est.	1989 est.
Number of policies.....	52,673	47,760	43,160
Insurance in force.....	\$199,070	\$179,100	\$161,850

The status of the fund, excluding noncash transactions, is as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Undisbursed balance of fund, start of year.....	245,189	222,416	200,056
Cash income during the year: Proprietary receipts.....			
	-78		
Intrabudgetary transactions:			
Interest and profits on investments in securities.....	17,617	15,868	14,059
Payments from general and special funds.....	13	12	11
Total annual income.....	17,552	15,880	14,070
Cash outlay during the year:			
Benefit payments.....	44,034	41,150	37,590
Net lending.....	-3,709	-2,910	-2,500
Total annual outlay.....	40,325	38,240	35,090
Undisbursed balance of fund, end of year.....	222,416	200,056	179,036

The fund is operated on a commercial basis to the extent possible except that administrative expenses are charged to the General operating expenses account.

The income of the fund is derived from interest on investments and payments from the Veterans insurance and indemnities appropriation. Effective January 1, 1983, premiums were discontinued since reserves held in the fund were adequate to meet future liabilities of the program.

Assets of the fund, which are largely invested in interest-bearing securities and policy loans, are estimated to decrease from \$223 million as of September 30, 1988, to \$199 million as of September 30, 1989, as an increasing number of policies mature through death or disability. The actuarial evaluation of policy obligations as of September 30, 1988, totals \$218 million, leaving a balance of \$5 million for contingency reserves.

**Object Classification (in thousands of dollars)**

Identification code 36-8150-0-7-701	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	1,457	1,280	1,130
42.0 Insurance claims and indemnities.....	30,313	27,240	25,300
43.0 Dividends and interest.....	14,801	13,540	12,340
99.9 Total obligations.....	46,571	42,060	38,770

**VETERANS SPECIAL LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 36-8455-0-8-701	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Death claims.....	25,742	27,090	28,490
00.02 Cash surrenders.....	8,637	9,530	9,870
00.03 Dividends.....	76,033	84,270	90,200
00.04 All other.....	9,763	12,150	16,140
00.91 Total operating expenses.....	120,175	133,040	144,700
Capital investment:			
01.01 Policy loans.....	10,029	11,330	11,750
01.02 Policy liens.....	23	10	10
01.91 Total capital investment.....	10,052	11,340	11,760
10.00 Total obligations.....	130,227	144,380	156,460
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on securities.....	-100,171	-108,980	-117,490
Non-Federal sources:			
14.00 Interest on loans.....	-4,820	-4,490	-4,140
14.00 Premiums earned.....	-76,599	-84,260	-85,650
14.00 Optional income settlements.....	-634	-560	-530
14.00 Policy loan repayments.....	-14,492	-13,835	-13,425
14.00 Policy lien repayments.....	-23	-15	-15



21.98	Unobligated balance available, start of year:			
	Fund balance: U.S. securities (par).....	-961,090	-1,027,602	-1,095,362
24.98	Unobligated balance available, end of year: Fund balance: U.S. securities (par).....	1,027,602	1,095,362	1,160,152
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-66,512	-67,760	-64,790
	Obligated balance, start of year: Fund balance:			
72.98	Treasury balance.....	487	231	500
72.98	U.S. securities (par).....	53,031	64,988	74,399
	Obligated balance, end of year: Fund balance:			
74.98	Treasury balance.....	-231	-500	-500
74.98	U.S. securities (par).....	-64,988	-74,399	-85,309
90.00	Outlays.....	-78,213	-77,440	-75,700

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund finances the payment of claims on life insurance policies issued before January 3, 1957, to veterans who served in the Armed Forces subsequent to April 1, 1951. No new policies can be issued. Policyholders may elect to purchase total disability income coverage with the payment of additional premiums.

**Budget program—**

**Death claims.**—Represents payments to designated beneficiaries.

**Cash surrenders.**—A policyholder may terminate his or her insurance by cashing in the policy for its cash value.

**Dividends.**—Policyholders participate in the distribution of annual dividends.

**All other.**—Classified in this category are payments to policyholders who: (a) hold endowment policies which have matured; (b) have purchased total disability income coverage and subsequently become disabled; and (c) are paid interest on dividend credits and deposits.

The following table reflects the decrease in the number of policies and the amounts of insurance in force (dollars in thousands):

	1987 actual	1988 est.	1989 est.
Number of policies.....	340,659	318,119	283,879
Insurance in force.....	\$3,074,607	\$2,915,200	\$2,659,584

**Financing.**—Payments from this fund are financed primarily from premium receipts and interest on investments.

**Operating results and financial condition.**—Favorable mortality experience on insurance written against this fund has kept death claim payments well below the amount of premium and interest receipts, thereby producing an annual increase in the total revenue of the fund. Excess earnings of the fund are now distributed to the policyholders in the form of an annual dividend.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income:			
Revenue:			
Funded.....	182,224	198,290	207,810
Unfunded.....	2,346	2,457	2,580
Total revenue.....	184,570	200,747	210,390
Expense.....	-175,864	-201,579	-212,590
Net operating income or loss (-).....	8,706	-832	-2,200

Financial Condition (in thousands of dollars)				
	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	487	231	500	500
U.S. securities (par).....	1,014,121	1,092,590	1,169,761	1,245,461
Accounts receivable (net).....	26,298	28,615	31,124	32,944
Policy loans.....	78,001	73,538	71,038	69,368
Policy liens.....	49	49	39	29
Total assets.....	1,118,956	1,195,023	1,272,462	1,348,302
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities.....	58,503	71,073	83,308	95,887
Deferred credits.....	21,313	22,761	22,716	22,866
Operating reserves:				
Policy reserves.....	805,512	852,364	914,125	977,453
Premium waiver disability reserves..	69,715	67,395	65,026	62,592
Reserve for future installments on matured contracts.....	6,100	5,893	5,617	5,317
Reserve for dividends.....	76,330	84,266	90,200	94,000
Total disability income reserves.....	51,857	52,939	53,971	54,888
Total liabilities.....	1,089,330	1,156,691	1,234,963	1,313,003
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	961,089	1,027,602	1,095,362	1,160,152
Invested capital.....	-931,463	-989,270	-1,057,862	-1,124,852
Total Government equity.....	29,626	38,332	37,500	35,300

**Object Classification (in thousands of dollars)**

Identification code 36-8455-0-8-701	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....	10,052	11,340	11,760
42.0 Insurance claims and indemnities.....	38,633	42,420	47,190
43.0 Dividends and interest.....	81,542	90,620	97,510
99.9 Total obligations.....	130,227	144,380	156,460

**ADMINISTRATIVE PROVISIONS**

(INCLUDING TRANSFER OF FUNDS)

Not to exceed 5 per centum of any appropriation for [1988] 1989 for ["Compensation and pensions"] "Compensation", "Pensions", "Burial benefits and miscellaneous assistance", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations, but not to exceed 10 per centum of the appropriations so augmented.

Appropriations available to the Veterans Administration for [1988] 1989 for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

No part of the appropriations in this Act for the Veterans Administration (except the appropriations for "Construction, major projects" and "Construction, minor projects") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

Appropriations available to the Veterans Administration for fiscal year [1988] 1989 for ["Compensation and pensions"] "Compensation", "Pensions", "Burial benefits and miscellaneous assistance", "Readjustment benefits", "Veterans insurance and indemnities", and the "Loan guaranty revolving fund" shall be available for payment of prior year accrued obligations required to be recorded by law against the aforementioned accounts within the last quarter of fiscal year [1987] 1988. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)



## OTHER INDEPENDENT AGENCIES

### ACTION

#### Federal Funds

##### General and special funds:

##### OPERATING EXPENSES

For expenses necessary for [Action] ACTION to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, **[\$163,085,000] \$165,991,000.** (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

##### Program and Financing (in thousands of dollars)

Identification code 44-0103-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01	22,351	24,010	23,278
00.02	4,779	2,655	3,401
00.03	103,784	111,127	113,000
00.04	25,132	25,111	26,312
00.91	156,046	162,903	165,991
01.01	1,006	1,802	.....
10.00	157,052	164,705	165,991
<b>Financing:</b>			
Offsetting collections from:			
11.00	-635	-659	.....
14.00	-371	-1,143	.....
25.00	241	182	.....
40.00	156,287	163,085	165,991
Relation of obligations to outlays:			
71.00	156,046	162,903	165,991
72.40	61,442	61,058	63,800
74.40	-61,058	-63,800	-65,186
77.00	2,100	.....	.....
90.00	158,530	160,161	164,605

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Volunteers in Service to America.**—In 1989, the VISTA program will provide 2,600 volunteer service years to assist communities working to resolve local poverty-related problems in areas such as literacy, at-risk youth, and homeless. The Student Community Service Programs assist secondary and post-secondary educational institutions to establish and maintain student volunteer activities for low-income communities.

**Citizen participation and volunteer demonstration programs.**—These programs stimulate and encourage the innovative use of volunteer services and provide community groups with small grants for project development. In 1989, these grants will aid the expansion of private volunteer activities and programs addressing drug abuse, illiteracy, families in crisis, and at-risk youth.

**Older American volunteer programs.**—These programs provide opportunities for people aged 60 and over to volunteer their services to the community in many socially useful activities and by working with the emotionally disturbed, the mentally retarded and physically disabled, the infirm, and the isolated and infirm elder-

ly. In 1989, approximately 27,000 Foster Grandparent volunteers will serve about 68,500 children. Emphasis will be on "at-risk" children, drug abuse prevention, and runaway youth. The Retired Senior Volunteer program will support about 417,000 part-time volunteers providing service in the areas of literacy, health, nutrition, education, and the problems of "at-risk" youth, refugee assistance, crime prevention, and other community services. Approximately 10,000 volunteers in the Senior Companion program will provide long-term care services to about 32,000 frail and elderly Americans.

**Program support.**—Costs of program direction and administration are financed by this activity.

##### Object Classification (in thousands of dollars)

Identification code 44-0103-0-1-506	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1	15,997	16,199	16,651
11.3	485	401	150
11.5	263	129	125
11.8	14,763	17,429	16,805
11.9	31,508	34,158	33,731
12.1	2,969	3,001	2,503
13.0	26	26	26
21.0	1,482	1,440	1,680
22.0	28	70	8
23.1	2,303	2,764	2,834
23.3	1,732	1,659	1,728
24.0	273	330	313
25.0	3,980	3,709	4,717
26.0	246	263	216
31.0	211	8	302
41.0	111,282	115,474	117,931
42.0	6	1	2
99.0	156,046	162,903	165,991
99.0	1,006	1,802	.....
99.9	157,052	164,705	165,991

##### Personnel Summary

Total number of full-time permanent positions.....	460	460	460
Total compensable workyears:			
Full-time equivalent employment.....	460	448	448
Full-time equivalent of overtime and holiday hours.....	2	2	2

## ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

#### Federal Funds

##### General and special funds:

##### SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), including not to exceed \$1,000 for official reception and representation expenses; \$1,865,000. (*Independent Agencies Appropriations Act, 1988.*)

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)

Identification code 95-1700-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	1,481	1,865	1,865
01.01 Reimbursable program.....	235	50	50
10.00 Total obligations.....	1,716	1,915	1,915
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-235	-50	50
25.00 Unobligated balance lapsing.....	2		
40.00 Budget authority appropriation.....	1,483	1,865	1,865
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,481	1,865	1,865
72.40 Obligated balance, start of year.....	484	633	712
74.40 Obligated balance, end of year.....	-633	-712	-712
90.00 Outlays.....	1,332	1,786	1,865

The Conference assists the President, the Congress, and the Federal departments and agencies in improving administrative procedure. It conducts studies of the efficiency, adequacy, and fairness of the procedures that the agencies and departments use to determine the rights, privileges, and obligations of private persons. The Conference issues formal recommendations for improvements and then encourages their implementation.

In addition to its research activities, the Conference also arranges for the interchange among administrative agencies of information useful in improving administrative procedure and, on an ongoing basis, furnishes assistance and advice on matters of administrative procedure to the agencies, Congress, and others.

The Conference receives funds from other Federal agencies for special projects carried out by the Conference pursuant to agreements with these agencies.

Object Classification (in thousands of dollars)

Identification code 95-1700-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	671	869	887
11.3 Other than full-time permanent.....	143	111	116
11.5 Other personnel compensation.....	15	15	15
11.9 Total personnel compensation.....	829	995	1,018
12.1 Civilian personnel benefits.....	95	109	111
21.0 Travel and transportation of persons.....	43	72	72
23.1 Rental payments to GSA.....	156	203	206
23.3 Communications, utilities, and miscellaneous charges.....	80	85	85
24.0 Printing and reproduction.....	97	76	76
25.0 Other services.....	90	270	252
26.0 Supplies and materials.....	39	40	40
31.0 Equipment.....	50	15	5
99.0 Subtotal, direct obligations.....	1,481	1,865	1,865
99.0 Reimbursable obligations.....	235	50	50
99.9 Total obligations.....	1,716	1,915	1,915

Personnel Summary

Total number of full-time permanent positions.....	18	19	19
Total compensable workyears: Full-time equivalent employment.....	21	23	23

ADVISORY COMMITTEE ON FEDERAL PAY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306; **[\$200,000]** \$205,000. (Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 95-1800-0-1-805	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	195	200	205
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	8		
40.00 Budget authority (appropriation).....	203	200	205
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	195	200	205
72.40 Obligated balance, start of year.....	6	29	40
74.40 Obligated balance, end of year.....	-29	-40	-41
77.00 Adjustments in expired accounts.....	2		
90.00 Outlays.....	175	189	204

The Advisory Committee on Federal Pay was appointed in accordance with the Federal Pay Comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise. The Committee reviews the annual report of the President's pay agent and considers the recommendations of representatives of Federal employees and other officials of the Federal Government. The Committee then prepares for the President an independent report with its findings and recommendations.

The Committee meets jointly throughout the year with the President's pay agent and the Federal Employees Pay Council in an attempt to reach early resolution of issues between them. It provides advisory opinions on unresolved issues.

Object Classification (in thousands of dollars)

Identification code 95-1800-0-1-805	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	101	109	120
11.3 Other than full-time permanent.....	6	8	8
11.9 Total personnel compensation.....	107	117	128
12.1 Civilian personnel benefits.....	10	14	17
21.0 Travel and transportation of persons.....	5	5	5
23.1 Rental payments to GSA.....	28	28	29
23.3 Communications, utilities, and miscellaneous charges.....	2	2	2
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	40	31	21
26.0 Supplies and materials.....	1	1	1
99.9 Total obligations.....	195	200	205

Personnel Summary

Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	2	3	3

**ADVISORY COUNCIL ON HISTORIC PRESERVATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, as amended, **[\$1,719,000] \$1,781,000. Provided,** That none of these funds shall be available for the compensation of Executive Level V or higher positions. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code	95-2300-0-1-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Direct program.....	1,518	1,719	1,781
01.01	Reimbursable program.....	68	150	150
10.00	<b>Total obligations.....</b>	<b>1,586</b>	<b>1,869</b>	<b>1,931</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-68	-150	-150
25.00	Unobligated balance lapsing.....	15		
40.00	<b>Budget authority (appropriation).....</b>	<b>1,533</b>	<b>1,719</b>	<b>1,781</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,518	1,719	1,781
72.40	Obligated balance, start of year.....	96	227	69
74.40	Obligated balance, end of year.....	-227	-69	-70
77.00	Adjustments in expired accounts.....	2		
90.00	<b>Outlays.....</b>	<b>1,389</b>	<b>1,877</b>	<b>1,780</b>

The Council provides independent advice to the President and the Congress relating to the national historic preservation program.

**Object Classification (in thousands of dollars)**

Identification code	95-2300-0-1-303	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	657	923	984
11.3	Other than full-time permanent.....	245	140	125
11.5	Other personnel compensation.....	3	5	5
11.9	<b>Total personnel compensation.....</b>	<b>905</b>	<b>1,068</b>	<b>1,114</b>
12.1	Civilian personnel benefits.....	101	178	185
21.0	Travel and transportation of persons.....	78	83	83
22.0	Transportation of things.....	6		
23.1	Rental payments to GSA.....	138	163	165
23.3	Communications, utilities, and miscellaneous charges....	39	29	40
24.0	Printing and reproduction.....	53	36	40
25.0	Other services.....	130	105	105
26.0	Supplies and materials.....	13	25	15
31.0	Equipment.....	55	32	34
99.0	<b>Subtotal, direct obligations.....</b>	<b>1,518</b>	<b>1,719</b>	<b>1,781</b>
99.0	Reimbursable obligations.....	68	150	150
99.9	<b>Total obligations.....</b>	<b>1,586</b>	<b>1,869</b>	<b>1,931</b>

**Personnel Summary**

Total number of full-time permanent positions.....	31	33	33
Total compensable workyears: Full-time equivalent employment....	29	33	33

*Trust Funds*

**DONATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	95-8298-0-7-303	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	2	5	5
<b>Financing:</b>				
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>2</b>	<b>5</b>	<b>5</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	2	5	5
72.40	Obligated balance, start of year.....	1	1	
74.40	Obligated balance, end of year.....	-1		
90.00	<b>Outlays.....</b>	<b>2</b>	<b>6</b>	<b>5</b>

The Advisory Council on Historic Preservation accepts and uses donated moneys for purposes of the Council (16 U.S.C. 470).

**AMERICAN BATTLE MONUMENTS COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; **[\$12,408,000] \$15,085,000, of which \$829,000 shall remain available until expended for the sole purpose of defraying the costs of foreign currency fluctuations: Provided,** That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further,* That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further,* That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it: *Provided further,* That section 409 of the general provisions carried in title IV of this Act shall not apply to the funds provided under this heading: *Provided further,* That not more than \$125,000 of the private contributions to the Korean War Memorial Fund may be used for administrative support of the Korean War Veterans Memorial Advisory Board including travel by members of the board authorized by the Commission, travel allowances to conform to those provided by Federal Travel regulations. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code	74-0100-0-1-705	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Administration and U.S. memorials.....	736	773	1,492
00.02	European memorials and cemeteries.....	9,706	9,810	10,728
00.03	Mediterranean memorials and cemeteries.....	1,911	2,015	2,234
00.04	Asian memorials and cemeteries.....	649	622	744
00.05	Latin memorials and cemeteries.....	310	272	303
10.00	<b>Total obligations.....</b>	<b>13,312</b>	<b>13,492</b>	<b>15,501</b>
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-61	-1,561	-477

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	74-0100-0-1-705	1987 actual	1988 est.	1989 est.
24.40	Unobligated balance available, end of year.....	1,561	477	61
25.00	Unobligated balance lapsing.....	1		
40.00	<b>Budget authority (appropriation).....</b>	<b>14,813</b>	<b>12,408</b>	<b>15,085</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	13,312	13,492	15,501
72.40	Obligated balance, start of year.....	3,200	4,053	3,836
74.40	Obligated balance, end of year.....	-4,053	-3,836	-4,807
77.00	Adjustments in expired accounts.....	-45		
90.00	Outlays.....	12,414	13,709	14,530

The American Battle Monuments Commission is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 6, 1917, controlling erection of monuments and markers by U.S. citizens and organizations in foreign countries, and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries.

Object Classification (in thousands of dollars)

Identification code	74-0100-0-1-705	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	6,102	7,356	7,476
11.3	Other than full-time permanent.....	27	33	34
11.5	Other personnel compensation.....	55	72	72
11.8	Special personal services payments.....	931	961	990
11.9	Total personnel compensation.....	7,115	8,422	8,572
12.1	Civilian personnel benefits.....	2,320	2,532	2,571
13.0	Benefits for former personnel.....	93	129	99
21.0	Travel and transportation of persons.....	144	158	166
22.0	Transportation of things.....	99	82	136
23.2	Rental payments to others.....	66	84	99
23.3	Communications, utilities, and miscellaneous charges.....	479	500	525
24.0	Printing and reproduction.....	30	23	25
25.0	Other services.....	827	363	561
26.0	Supplies and materials.....	970	740	869
31.0	Equipment.....	485	274	418
32.0	Land and structures.....	664	185	1,460
42.0	Insurance claims and indemnities.....	20		
99.9	Total obligations.....	13,312	13,492	15,501

Personnel Summary

Total number of full-time permanent positions.....	387	387	386
Total compensable workyears:			
Full-time equivalent employment.....	387	387	386
Full-time equivalent of overtime and holiday hours.....	4	4	4

Trust Funds

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code	74-8569-0-7-705	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Purchase of flowers.....	33	33	33
00.02	Repair of non-Federal war memorials.....	42	42	42
00.03	Korean War memorial.....	1	235	125
10.00	Total obligations.....	76	310	200

Financing:

Unobligated balance available, start of year:				
21.40	Treasury balance.....	-75	-1,581	-100
21.40	U.S. Securities: Par value.....			-2,095
Unobligated balance available, end of year:				
24.40	Treasury balance.....	1,581	100	100
24.40	U.S. Securities: Par value.....		2,095	4,144
39.00	<b>Budget authority.....</b>	<b>1,582</b>	<b>924</b>	<b>2,249</b>
Budget authority:				
40.00	Appropriation (indefinite).....	1,503	844	
60.00	Appropriation (permanent, indefinite).....	79	80	2,249
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	76	310	200
72.40	Obligated balance, start of year.....	1	2	120
74.40	Obligated balance, end of year.....	-2	-120	-128
90.00	Outlays.....	75	192	192

*Purchase of flowers.*—Private citizens contribute funds for the purchase of flowers to decorate graves and tablets of the missing at the cemeteries and memorials administered by the Commission.

*Repair of non-Federal war memorials.*—When requested to do so and upon receipt of the necessary funds, the Commission arranges for and oversees the repair of war memorials to U.S. Forces erected in foreign countries by American citizens, States, municipalities, or associations.

*Korean War Memorial.*—Public Law 99-572 authorized the American Battle Monuments Commission to collect private contributions to fund construction of a memorial in the District of Columbia to honor members of the Armed Forces of the United States who served in the Korean war.

Object Classification (in thousands of dollars)

Identification code	74-8569-0-7-705	1987 actual	1988 est.	1989 est.
25.0	Other services.....	43	277	167
26.0	Supplies and materials.....	33	33	33
99.9	Total obligations.....	76	310	200

[ADMINISTRATIVE PROVISION]

[TEMPORARY INVESTMENT IN GOVERNMENT SECURITIES OF AMOUNTS CONTRIBUTED FOR THE KOREAN WAR VETERANS MEMORIAL.]

[SECTION 1. (a) IN GENERAL.—Section 3(a) of the Act entitled “An Act to authorize the erection of a memorial on Federal land in the District of Columbia and its environs to honor members of the Armed Forces of the United States who served in the Korean war”, approved October 28, 1986 (40 U.S.C. 1003 note), is amended by adding at the end the following new paragraphs:

“(2) There is established in the Treasury a fund which shall be available to the American Battle Monuments Commission for expenses of establishing the memorial. The fund shall consist of (A) amounts deposited, and interest and proceeds credited, under paragraph (3), and (B) obligations obtained under paragraph (4).

“(3) The Chairman of the Commission shall deposit in the fund such amounts from private contributions as may be accepted under paragraph (1). The Secretary of the Treasury shall credit to the fund the interest on, and the proceeds from sale or redemption of, obligations held in the fund.

“(4) The Secretary of the Treasury shall invest any portion of the fund that, as determined by the Chairman of the Commission, is not required to meet current expenses. Each investment shall be made in an interest bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that, as determined by the Chairman of the Commission, has a maturity suitable for the fund.

"(5) If, upon payment of all expenses of establishment of the memorial as provided by law, there remains a balance in the fund, the Chairman of the Commission shall deposit the amount of the balance in the general fund of the Treasury as a miscellaneous receipt."

(b) TECHNICAL AMENDMENTS.—Section 3 of such Act is amended—

(1) by striking out "SEC. 3. (a)" and inserting in lieu thereof "Sec. 3. (a)(1)";

(2) in subsection (a)(1), as so redesignated by paragraph (1) of this subsection, by striking out the last sentence; and

(3) by striking out subsection (c).】

**【CORRECTION OF SUPERSEDED CROSS REFERENCE】**

【Sec. 2. The second sentence of section 1 of the Act entitled "An Act to authorize the erection of a memorial on Federal land in the District of Columbia and its environs to honor members of the Armed Forces of the United States who served in the Korean war", approved October 28, 1986 (40 U.S.C. 1003 note), is amended by striking out "the provisions of" and all that follows through the end of the sentence and inserting in lieu thereof "the Act entitled 'An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes', approved November 14, 1986 (40 U.S.C. 1001 et seq.)".】

**【CLARIFICATION OF RELATED PROVISION】**

【Sec. 3. The first sentence of section 3(a) of the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (U.S.C. 103(a)) is amended by striking out "Act of Congress" and inserting in lieu thereof "law".】 (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**ARCHITECTURAL AND TRANSPORTATION  
BARRIERS COMPLIANCE BOARD**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, 【\$1,891,000】 \$2,000,000. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	95-3200-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	1,885	1,891	2,000
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	5		
40.00	<b>Budget authority (appropriation) .....</b>	<b>1,890</b>	<b>1,891</b>	<b>2,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,885	1,891	2,000
72.40	Obligated balance, start of year .....	927	757	731
74.40	Obligated balance, end of year .....	-757	-731	-760
77.00	Adjustments in expired accounts .....	-8		
90.00	<b>Outlays .....</b>	<b>2,048</b>	<b>1,917</b>	<b>1,971</b>

The Architectural and Transportation Barriers Compliance Board was established by Section 502 of the Rehabilitation Act of 1973 to ensure compliance with the Architectural Barriers Act of 1968. Its primary role is to carry out a compliance program to ensure accessibility and usability of most Federal and federally-funded buildings by physically handicapped persons. In 1989, the Board will continue to process, investigate, and resolve complaints of noncompliance. In 1987, 217 complaints were received. Emphasis is on voluntary, amicable resolution of access issues.

The Board also develops Federal minimum accessibility guidelines and requirements for the standards under the Architectural Barriers Act, and provides technical assistance to public and private organizations affected by Federal accessibility regulations.

**Object Classification (in thousands of dollars)**

Identification code	95-3200-0-1-751	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	790	876	951
11.3	Other than full-time permanent .....	170	164	172
11.5	Other personnel compensation .....	12	13	13
11.8	Special personal services payments .....		2	2
11.9	<b>Total personnel compensation .....</b>	<b>972</b>	<b>1,055</b>	<b>1,138</b>
12.1	Civilian personnel benefits .....	143	160	175
21.0	Travel and transportation of persons .....	72	84	79
23.1	Rental payments to GSA .....	91	114	114
23.3	Communications, utilities, and miscellaneous charges .....	72	55	64
24.0	Printing and reproduction .....	28	30	39
<b>Other services:</b>				
25.0	Research and technical assistance .....	298	262	255
25.0	All other .....	160	112	120
26.0	Supplies and materials .....	9	9	11
31.0	Equipment .....	40	10	5
99.9	<b>Total obligations .....</b>	<b>1,885</b>	<b>1,891</b>	<b>2,000</b>

**Personnel Summary**

Total number of full-time permanent positions .....	20	24	24
Total compensable workyears: Full-time equivalent employment .....	25	27	27

**ARMS CONTROL AND DISARMAMENT AGENCY**

*Federal Funds*

**General and special funds:**

**ARMS CONTROL AND DISARMAMENT ACTIVITIES**

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed 【\$48,000】 \$55,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), 【\$30,100,000 of which \$2,600,000 shall be transferred to the Department of Energy for the Reduced Enrichment in Research and Test Reactor Program】 \$32,000,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	94-0100-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Program operation .....	24,526	26,650	28,670
00.02	External research .....	4,755	3,450	3,330
00.91	<b>Total, direct program .....</b>	<b>29,281</b>	<b>30,100</b>	<b>32,000</b>
01.01	Reimbursable program .....	411	575	600
10.00	<b>Total obligations .....</b>	<b>29,692</b>	<b>30,675</b>	<b>32,600</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-415	-575	-600
25.00	Unobligated balance lapsing .....	23		
40.00	<b>Budget authority (appropriation) .....</b>	<b>29,300</b>	<b>30,100</b>	<b>32,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	29,277	30,100	32,000
72.40	Obligated balance, start of year .....	11,580	13,903	15,308
74.40	Obligated balance, end of year .....	-13,903	-15,308	-18,132
77.00	Adjustment in expired accounts .....	-510		
90.00	<b>Outlays .....</b>	<b>26,444</b>	<b>28,695</b>	<b>29,176</b>

**General and special funds—Continued**

**ARMS CONTROL AND DISARMAMENT ACTIVITIES—Continued**

The Arms Control and Disarmament Agency (ACDA) advises the President and the Secretary of State on arms control and disarmament activities and participates in negotiations with other countries seeking international agreements to control, reduce, or eliminate arms. Among the activities to which ACDA resources will be devoted in 1989 are support of arms control negotiations with the Soviet Union, the nuclear safeguards program of the International Atomic Energy Agency, activities relating to arms transfer reviews, the Reduced Enrichment in Research and Test Reactors program, and the preparation of arms control impact analyses of weapons systems.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
<b>ARMS CONTROL AND DISARMAMENT AGENCY</b>			
Direct obligations:			
Personnel compensation:			
11.1	7,090	7,381	7,787
11.3	615	427	432
11.5	145	128	160
11.8	4,379	5,144	5,503
11.9	12,229	13,080	13,882
12.1	1,075	1,708	1,978
21.0	2,231	1,790	1,640
22.0	20	20	23
23.1	980	1,153	1,300
24.0	11	18	19
25.0	9,203	8,602	9,285
26.0	45	55	57
31.0	100	152	157
99.0	25,894	26,578	28,341
99.0	411	575	600
<b>ALLOCATION TO DEPARTMENT OF STATE</b>			
11.3	53	49	51
21.0	93	133	138
22.0	6	18	19
23.2	1,449	1,460	1,517
25.0	1,623	1,640	1,704
26.0	105	131	136
31.0	58	91	94
99.0	3,387	3,522	3,659
99.9	29,692	30,675	32,600

**Personnel Summary**

Total number of full-time permanent positions.....	184	184	184
Total compensable workyears:			
Full-time equivalent employment .....	208	208	208
Full-time equivalent of overtime and holiday hours .....	4	4	4

**BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION**

**Federal Funds**

**General and special funds:**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	40,000		

<b>Financing:</b>			
40.00	Budget authority (appropriation) .....	40,000	
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	40,000	
90.00	Outlays .....	40,000	

**Trust Funds**

**BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01	Scholarship awards .....		700
00.02	Program administration .....	225	450
10.00	Total obligations .....	225	1,150
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40	Treasury balance .....	— 103	— 107
21.40	U.S. securities: Par value .....	— 42,275	— 44,303
Unobligated balance available, end of year:			
24.40	Treasury balance .....	103	107
24.40	U.S. securities: Par value .....	42,275	44,303
39.00	<b>Budget authority</b> .....	<b>42,378</b>	<b>2,257</b>
<b>Budget authority:</b>			
40.00	<b>Appropriation</b> .....	<b>40,000</b>	
60.00	<b>Appropriation (permanent, indefinite)</b> .....	<b>2,378</b>	<b>2,257</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	225	1,150
72.40	Obligated balance, start of year .....		45
74.40	Obligated balance, end of year .....	— 45	— 440
90.00	Outlays .....	180	755

Public Law 99-661 established the Barry Goldwater Scholarship and Excellence in Education Foundation to operate the scholarship program that is the permanent Federal tribute to the former Senator from Arizona. The Foundation will foster and encourage excellence in science and mathematics by awarding scholarships and fellowships to outstanding graduate and undergraduate students who intend to pursue careers or advanced degrees in science or mathematics. The Foundation may also award honoraria to outstanding individuals who have made significant contributions to improve the instruction of science and mathematics in secondary schools.

A board of directors will be appointed during 1988. The board will establish procedures to select award recipients, determine the size and number of awards, and appoint an executive secretary to perform the administrative operations of the Foundation. The Foundation is expected to make its first awards for the 1989-1990 school year.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent .....	65	130
12.1	Civilian personnel benefits .....	10	20
21.0	Travel and transportation of persons .....	8	16
22.0	Transportation of things .....	1	1
23.1	Rental payments to GSA .....	15	31
23.3	Communications, utilities, and miscellaneous charges .....	10	19
24.0	Printing .....	2	5
25.0	Other services .....	110	223



26.0	Supplies and materials .....	4	3
41.0	Grants, subsidies, and contributions .....		700
99.9	Total obligations .....	225	1,150

**Personnel Summary**

Total number of full-time permanent positions .....	4	4
Total compensable workyears: Full-time equivalent employment .....	2	4

**BOARD FOR INTERNATIONAL BROADCASTING**

*Federal Funds*

**General and special funds:**

**GRANTS AND EXPENSES**

For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., [\$185,000,000 of which \$20,000,000, to remain available until expended, shall become available for expenditure on October 1, 1988, and] \$192,100,000, of which not to exceed \$52,000 may be made available for official reception and representation expenses. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 95-1145-0-1-154	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Administrative expenses .....	1,166	1,237	1,305
00.02	Grants for private broadcasting activities, RFE/RL .....	169,530	169,288	210,795
10.00	Total obligations .....	170,696	170,525	212,100
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-3,026	-5,525	-20,000
24.40	Unobligated balance available, end of year .....	5,525	20,000	
40.00	Budget authority (appropriation) .....	173,195	185,000	192,100
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	170,696	170,525	212,100
72.40	Obligated balance, start of year .....	16,607	30,809	34
74.40	Obligated balance, end of year .....	-30,809	-34	-7,684
77.00	Adjustments in expired accounts .....	-18		
90.00	Outlays .....	156,477	201,300	204,450

The Board for International Broadcasting is responsible for financial and programmatic oversight and granting of funds to Radio Free Europe and Radio Liberty (RFE/RL). RFE/RL broadcasts to the peoples of the U.S.S.R., Bulgaria, Czechoslovakia, Hungary, Poland, and Romania in 21 of the languages native to these countries.

**Object Classification (in thousands of dollars)**

Identification code 95-1145-0-1-154	1987 actual	1988 est.	1989 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	439	484	500
11.3	Other than full-time permanent .....	79	110	137
11.9	Total personnel compensation .....	518	594	637
12.1	Civilian personnel benefits .....	64	76	77
21.0	Travel and transportation of persons .....	77	79	80
23.3	Communications, utilities, and miscellaneous charges .....	72	84	89
24.0	Printing and reproduction .....	15	15	18
25.0	Other services .....	402	375	397
26.0	Supplies and materials .....	18	14	7
41.0	Grants, subsidies, and contributions .....	169,530	169,288	210,795
99.9	Total obligations .....	170,696	170,525	212,100

**Personnel Summary**

Total number of full-time permanent positions .....	9	10	10
Total compensable workyears: Full-time equivalent employment .....	10	11	11

**ISRAEL [RADIO] RELAY STATION**

[There is hereby appropriated the sum of \$34,000,000, to remain available until expended, to] For an additional amount for the Board for International Broadcasting for the purpose of making and overseeing grants to Radio Free Europe/Radio Liberty, Incorporated, and its subsidiaries and of making payments as necessary in order to [begin implementation of] implement the agreement signed on June 18, 1987, between the United States Government and the Government of Israel to establish and operate a radio relay station in Israel for use by Radio Free Europe/Radio Liberty and the Voice of America, \$35,000,000, to remain available until expended. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 95-1146-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01	Administrative expenses .....	1,950	2,050
00.02	TOMER contract .....	4,952	
00.03	Project costs and design work .....	27,098	32,950
10.00	Total obligations .....	34,000	35,000
<b>Financing:</b>			
40.00	Budget authority (appropriation) .....	34,000	35,000
<b>Relation of obligations to outlays:</b>			
71.00	Obligation incurred, net .....	34,000	35,000
72.40	Obligated balance, start of new .....		9,452
74.40	Obligated balance, end of year .....	-9,452	-14,662
90.00	Outlays .....	24,548	29,790

Funds are provided in this account for a new radio relay station to be built in Israel. The new facilities will be shared by Radio Free Europe/Radio Liberty (RFE/RL) and the Voice of America (VOA). In 1988 and 1989 funds will be used for site preparation, design work, payments to the Government of Israel, and other activities preceding construction.

**Object Classification (in thousands of dollars)**

Identification code 95-1146-0-1-154	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	124	177
11.3	Other than full-time permanent .....	14	15
11.9	Total personnel compensation .....	138	192
12.1	Civilian personnel benefits .....	38	59
21.0	Travel and transportation of persons .....	48	50
23.3	Communications, utilities, and miscellaneous charges .....	46	48
25.0	Other services .....	145	65
26.0	Supplies and materials .....	2	3
41.0	Grants, subsidies, and contributions .....	33,583	34,583
99.9	Total obligations .....	34,000	35,000

**Personnel Summary**

Total number of full-time permanent positions .....	3	3
Total compensable workyears: Full-time equivalent employment .....	3	3

**CENTRAL INTELLIGENCE AGENCY**

*Federal Funds*

**General and special funds:**

**CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND**

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and

General and special funds—Continued

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM  
FUND—Continued

Disability System; **[\$134,700,000]** \$144,500,000. (Department of Defense Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
56-3400-0-1-054			
<b>Program by activities:</b>			
10.00 Total obligations	125,800	134,700	144,500
<b>Financing:</b>			
40.00 Budget authority (appropriation)	125,800	134,700	144,500
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	125,800	134,700	144,500
90.00 Outlays	125,800	134,700	144,500

This appropriation provides for payment to the fund: (a) for interest on the unfunded liability and annuity disbursements attributable to military service; (b) for the amount of normal cost not met by the sum of statutory employee/employer contributions; and (c) for financing, in 30 equal installments, the unfunded liability created by new or liberalized benefits, new groups of beneficiaries, and salary increases. The request for 1989 includes the twelfth installment for the unfunded liability created by liberalized benefits authorized by Public Law 94-522; and the appropriate annual installment for salary increases authorized in prior years.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
56-3400-0-1-054			
12.1 Civilian personnel benefits	113,300	119,700	127,200
13.0 Benefits for former personnel	12,500	15,000	17,300
99.9 Total obligations	125,800	134,700	144,500

ENHANCED SECURITY COUNTERMEASURES CAPABILITIES

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
56-3401-0-1-054			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	33,807	10,058	3,350
74.40 Obligated balance, end of year	-10,058	-3,350	
77.00 Adjustments in expired accounts	-9		
90.00 Outlays	23,740	6,708	3,350

Funds were provided to the Director of Central Intelligence for the purpose of improving security countermeasures capabilities at United States Embassies and other facilities abroad in accordance with a plan developed by the Director of Central Intelligence and submitted to the Appropriations and Intelligence Committees of Congress on September 10, 1985.

COMMISSION OF FINE ARTS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), **[\$443,000]** \$451,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
95-2600-0-1-451			
<b>Program by activities:</b>			
10.00 Total obligations	449	443	451
<b>Financing:</b>			
25.00 Unobligated balance lapsing	1		
40.00 Budget authority (appropriation)	450	443	451
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	449	443	451
72.40 Obligated balance, start of year	21	99	37
74.40 Obligated balance, end of year	-99	-37	-38
77.00 Adjustments in expired accounts	3		
90.00 Outlays	375	505	450

The Commission advises the President, Congress, and Department heads on matters of architecture, sculpture, painting, and other fine arts. The primary function is to preserve and enhance the appearance of the National Capital.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
95-2600-0-1-451			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	241	276	276
11.3 Other than full-time permanent	9	8	8
11.5 Other personnel compensation	8		
11.9 Total personnel compensation	258	284	284
12.1 Civilian personnel benefits	29	36	40
21.0 Travel and transportation of persons	3	15	15
23.1 Rental payments to GSA	52	63	65
23.3 Communications, utilities, and miscellaneous charges	3	4	5
24.0 Printing and reproduction	68	8	8
25.0 Other services	30	27	26
26.0 Supplies and materials	3	4	5
31.0 Equipment	3	2	3
99.9 Total obligations	449	443	451

Personnel Summary

Total number of full-time permanent positions	7	7	7
Total compensable workyears: Full-time equivalent employment	7	7	7

**[NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS]**

**[For necessary expenses as authorized by Public Law 99-190 (99 Stat. 1261; 20 U.S.C. 956a), as amended, \$4,500,000: Provided, That Public Law 99-190 (99 Stat. 1261) is amended under this heading as follows:**

(1) in the first paragraph, strike the words "National Endowment for the Humanities" and insert in lieu thereof "Commission of Fine Arts", and

(2) Delete the third paragraph and insert in lieu thereof: "The Chairman of the Commission of Fine Arts shall establish an application process and shall, along with the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities determine the eligibility of applicant organizations in addition to those herein named." (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)			
Identification code: 95-2602-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	4,000	4,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	4,000	4,500	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	4,000	4,500	
72.40 Obligated balance, start of year	15		
90.00 Outlays	4,015	4,500	

This program provides payments for general operating support to Washington, D.C. arts and other cultural organizations. The Department of the Interior and Related Agencies Appropriations Act, 1988 transferred administrative responsibility for the program from the National Endowment for the Humanities to the Commission of Fine Arts.

No appropriation is proposed in 1989 because the program earmarks funds for Washington, D.C. organizations that can and should receive equivalent contributions from non-Federal sources and also duplicates existing Federal competitive grants available on a national basis.

**COMMISSION ON CIVIL RIGHTS**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, [\$5,707,000, of which \$2,000,000 is for regional offices and \$700,000 is for civil rights monitoring activities: *Provided*, That not to exceed \$20,000 may be used to employ consultants: *Provided further*, That not to exceed \$185,000 may be used to employ temporary or special needs appointees: *Provided further*, That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Services, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: *Provided further*, That not to exceed \$40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: *Provided further*, That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days: *Provided further*, That the General Accounting Office shall perform a mid-year audit of the Commission to determine compliance with this section and shall report its findings to the Appropriations Committees of the Senate and House of Representatives by June 1, 1988] \$13,376,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)			
Identification code 95-1900-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program	7,147	5,707	13,376
01.01 Reimbursable program	9		
10.00 Total obligations	7,156	5,707	13,376
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-9		
25.00 Unobligated balance lapsing	372		
40.00 Budget authority (appropriate)	7,519	5,707	13,376
Relation of obligations to outlays:			
71.00 Obligations incurred, net	7,147	5,707	13,376

72.40 Obligated balance, start of year	2,095	1,991	856
74.40 Obligated balance, end of year	-1,991	-856	-2,006
77.00 Adjustments in expired accounts	-38		
90.00 Outlays	7,213	6,842	12,226

The Commission engages in studies concerning areas in which there may be denials of civil rights and reports on these matters to the President and the Congress. Hearings by the Commissioners are held to investigate and obtain information about denials of civil rights. Conferences and open meetings are held by staff and State Advisory Committees to gather data and issue reports providing information about civil rights problems. In addition, appraisals of Federal agencies' civil rights programs are made and complaints alleging discrimination are referred to the proper Federal agencies.

The Commission provides liaison with private groups, public groups, and the media to provide civil rights information to Government officials, organizations, and the public. This is sometimes accomplished through the issuance of Commission publications. It also provides a library resource to support civil rights research, studies, hearings, and other Commission activities, and makes this information available to the general public.

For 1989, the administration is requesting an appropriation that would fully fund all activities necessary to carry out the Commission's mandate.

**Object Classification (in thousands of dollars)**

Identification code 95-1900-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	2,666	2,445	6,019
11.3 Other than full-time permanent	423	467	1,338
11.5 Other personnel compensation	75	69	134
11.9 Total personnel compensation	3,164	2,981	7,491
12.1 Civilian personnel benefits	365	374	1,337
13.0 Benefits for former personnel	1,454	116	53
21.0 Travel and transportation of persons	279	397	655
22.0 Transportation of things	19	19	27
23.1 Rental payments to GSA	686	627	1,605
23.2 Rental payments to others	111	87	254
23.3 Communications, utilities, and miscellaneous charges	332	288	736
24.0 Printing and reproduction	104	450	267
25.0 Other services	456	253	669
26.0 Supplies and materials	127	98	214
31.0 Equipment	50	17	68
99.0 Subtotal, direct obligations	7,147	5,707	13,376
99.0 Reimbursable obligations	9		
99.9 Total obligations	7,156	5,707	13,376

**Personnel Summary**

Total number of full-time permanent positions	66	71	158
Total compensable workyears: Full-time equivalent employment	59	61	153

**COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June

General and special funds—Continued

SALARIES AND EXPENSES—Continued

23, 1971, Public Law 92-28, [ \$850,000 ] \$862,000. (Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	95-2000-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	765	850	862
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	13		
40.00	<b>Budget authority (appropriation).....</b>	<b>778</b>	<b>850</b>	<b>862</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	765	850	862
72.40	Obligated balance, start of year.....	46	52	38
74.40	Obligated balance, end of year.....	-52	-38	-36
77.00	Adjustments in expired accounts.....	-1		
90.00	<b>Outlays.....</b>	<b>757</b>	<b>864</b>	<b>864</b>

The Committee for Purchase From the Blind and Other Severely Handicapped was established by the Wagner-O'Day Act of 1938, as amended. Its primary objective is to increase employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. In 1989, 18,500 blind and handicapped individuals are projected to be employed in 337 producing workshops. The committee determines which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the Act. The committee proposes to have 2,325 items on its procurement list, and estimated workshop sales of \$340 million.

The committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

Object Classification (in thousands of dollars)

Identification code	95-2000-0-1-505	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	410	460	495
11.3	Other than full-time permanent.....	5	15	13
11.5	Other personnel compensation.....	6	12	8
11.8	Special personnel services payments.....		6	
11.9	<b>Total personnel compensation.....</b>	<b>421</b>	<b>493</b>	<b>516</b>
12.1	Civilian personnel benefits.....	42	56	60
21.0	Travel and transportation of persons.....	39	63	63
23.1	Rental payments to GSA.....	53	62	63
23.3	Communications, utilities, and miscellaneous charges.....	23	31	29
24.0	Printing and reproduction.....	24	50	47
25.0	Other services.....	150	77	73
26.0	Supplies and materials.....	6	10	9
31.0	Equipment.....	7	8	2
99.9	<b>Total obligations.....</b>	<b>765</b>	<b>850</b>	<b>862</b>

Personnel Summary

Total number of full-time permanent positions.....	11	13	13
Total compensable workyears: Full-time equivalent employment.....	11	13	13

COMMODITY FUTURES TRADING COMMISSION

Federal Funds

General and special funds:

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed \$25,000 for employment under 5 U.S.C. 3109; [ \$32,813,000 ] \$35,547,000, including not to exceed \$700 for official reception and representation expenses. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	95-1400-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Market surveillance, analysis, and research.....	7,648	8,491	9,212
00.02	Enforcement.....	11,353	13,020	14,203
00.03	Contract markets, audit and oversight.....	8,410	8,817	9,542
00.04	Proceedings.....	2,342	2,485	2,590
00.91	<b>Total direct program.....</b>	<b>29,753</b>	<b>32,813</b>	<b>35,547</b>
01.01	Reimbursable program.....		20	20
10.00	<b>Total obligations.....</b>	<b>29,753</b>	<b>32,833</b>	<b>35,567</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....		-20	-20
25.00	Unobligated balance lapsing.....	8		
40.00	<b>Budget authority (appropriation).....</b>	<b>29,761</b>	<b>32,813</b>	<b>35,547</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	29,753	32,813	35,547
72.40	Obligated balance, start of year.....	3,764	4,328	4,725
74.40	Obligated balance, end of year.....	-4,328	-4,725	-5,080
77.00	Adjustments in expired accounts.....	-171		
90.00	<b>Outlays.....</b>	<b>29,019</b>	<b>32,416</b>	<b>35,192</b>

The Commodity Futures Trading Commission (CFTC) administers the Commodity Exchange Act of 1936, as amended. The purpose of the CFTC is to further the economic utility of the futures markets by encouraging their efficiency, assuring their integrity, and protecting participants against abusive trade practices, fraud, and deceit. The object of commodity futures trading regulation is to enable the markets to better serve their designated functions of providing a price discovery mechanism and a means of offsetting price risk. By properly serving these functions, the futures markets serve the public interest by contributing toward better planning, more efficient distribution and consumption, and more economical marketing.

**Market surveillance, analysis and research.**—Responsibilities under this program include daily surveillance of the market activity of large individual traders and fundamental economic market factors to insure orderly markets. Contract terms and conditions are reviewed to insure conformity with current cash marketing conditions and adequate deliverable supplies. This program also systematically investigates the functioning of markets and market users and develops better tools to assist in detecting and preventing price distortions.

	1987 actual	1988 est.	1989 est.
Trader and broker reports analyzed (thousands).....	571,393	750,000	850,000
Weekly surveillance sheets analyzed.....	2,000	2,200	2,400
Economic review of futures contract rule changes completed.....	64	70	75
Economic review of new futures contracts completed.....	15	15	15
Economic review of option rule changes completed.....	31	35	35
New options contract reviews completed.....	5	5	5

**Enforcement.**—The enforcement program is responsible for detecting, investigating, and litigating violations of the Act or regulations. These violations may include actual and attempted market manipulations, cheating and defrauding customers, and abusive trading practices such as fictitious trading, wash trading, and pre-arranged trading. This program may seek redress through the administrative process or by injunctive actions in the Federal Courts.

	1987 actual	1988 est.	1989 est.
Investigations:			
Opened .....	57	53	57
Closed .....	80	64	68
Cases:			
Opened .....	33	48	51
Closed .....	61	53	56

**Registration, audits, and contract markets.**—This program prevents misuse of customers' funds by futures commission merchants; assures that the rules and practices of the contract markets are in compliance with the provisions of the Commodity Exchange Act and the rules of the Commission; and performs an oversight role of the National Futures Association's registration of individuals and firms under provisions of the act.

	1987 actual	1988 est.	1989 est.
Audits and financial inspections of futures commission merchants.....	41	40	45
Contract market rules reviewed.....	1,022	1,100	1,200
Financial examinations of commodity pool operators.....	24	20	20
Registrations.....	242	253	253
Contract market rule enforcement reviews completed.....	7	7	10
Trade practice investigations completed.....	62	60	70
Self-Regulatory Organization: Financial rule enforcement reviews...	3	6	6
Sales practice rule enforcement reviews.....	5	11	11

**Proceedings.**—The proceedings program provides a forum for resolution of customer complaints against persons or firms registered under the Commodity Exchange Act.

	1987 actual	1988 est.	1989 est.
Reparations:			
Received and docketed.....	446	440	440
Dismissed.....	54	30	30
Referred for hearing.....	371	410	410
Pending.....	125	125	125

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
95-1400-0-1-376			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	16,972	19,198	19,969
11.3 Other than full-time permanent.....	818	835	863
11.5 Other personnel compensation.....	418	452	464
11.8 Special personal services payments.....	7	20	8
Total personnel compensation.....	18,215	20,505	21,304
12.1 Civilian personnel benefits.....	2,325	3,211	3,653
13.0 Benefits for former personnel.....	24	24	
21.0 Travel and transportation of persons.....	714	781	853
22.0 Transportation of things.....	8	19	27
23.2 Rental payments to others.....	3,863	3,997	4,592
23.3 Communications, utilities, and miscellaneous charges...	1,258	1,353	1,521
24.0 Printing and reproduction.....	156	179	188
25.0 Other services.....	1,794	1,633	1,801
26.0 Supplies and materials.....	376	394	463
31.0 Equipment.....	1,020	717	1,145
99.0 Subtotal, direct obligations.....	29,753	32,813	35,547
99.0 Reimbursable obligations.....		20	20
99.9 Total obligations.....	29,753	32,833	35,567

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	520	530	562
Total compensable workyears:			
Full-time equivalent employment.....	491	518	545
Full-time equivalent of overtime and holiday hours.....	6	9	9

**COMMUNITY SERVICES ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**COMMUNITY SERVICES PROGRAM**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
81-0500-0-1-506			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.10 Receivables in excess of obligations, start of year.....	-11,997	-7,820	-5,820
74.10 Receivables in excess of obligations, end of year.....	7,820	5,820	5,320
77.00 Adjustments in expired accounts.....	1,657		
90.00 Outlays.....	-2,520	-2,000	-500

These funds represent closeout of obligations made by the Community Services Administration prior to 1982.

**CONSUMER PRODUCT SAFETY COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18, and not to exceed \$500 for official reception and representation expenses, **[\$32,696,000]** **\$32,917,000**. Provided, That no more than **[\$300,000]** **\$308,500** of these funds shall be available for personnel compensation and benefits for the Commissioners of the Consumer Product Safety Commission appointed pursuant to 15 U.S.C. 2053. Provided further, That none of these funds shall be available for conducting or reviewing cost/benefit analyses on enforcement actions of the Consumer Product Safety Commission.

Further, for fiscal year 1990 for the foregoing purposes, **\$33,119,000**. Provided, That not to exceed \$500 shall be available for official reception and representation expenses: Provided further, That no more than **\$325,000** of these funds shall be available for personnel compensation and benefits for the Commissioners of the Consumer Product Safety Commission appointed pursuant to 15 U.S.C. 2053. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
61-0100-0-1-554			
Program by activities:			
Direct program:			
00.01 Hazard identification and analysis.....	4,685	4,726	4,809
00.02 Hazard assessment and reduction.....	8,368	6,501	6,744
00.03 Compliance and enforcement.....	10,173	11,160	10,642
00.04 Consumer information.....	3,203	3,116	3,344
00.05 Agency management.....	7,716	7,133	7,378
00.91 Total direct program.....	34,145	32,696	32,917
01.01 Reimbursable program.....	452	160	160
10.00 Total obligations.....	34,597	32,856	33,077
Financing:			
Offsetting collections from:			
11.00 Federal funds.....	-448	-150	-150
14.00 Non-Federal sources.....	-4	-10	-10

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code		1987 actual	1988 est.	1989 est.
61-0100-0-1-554				
25.00	Unobligated balance lapsing .....	455		
40.00	<b>Budget authority (appropriation) .....</b>	<b>34,600</b>	<b>32,696</b>	<b>32,917</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	34,145	32,696	32,917
72.40	Obligated balance, start of year .....	7,015	7,680	7,463
74.40	Obligated balance, end of year .....	-7,680	-7,463	-7,496
77.00	Adjustments in expired accounts .....	-895		
90.00	Outlays .....	32,585	32,913	32,884

**Product safety and enforcement.**—The Commission addresses a number of product safety areas. These include fire and thermal burn hazards, electrical hazards, acute and chronic chemical hazards, children's and recreational product hazards, power equipment hazards, and household structural products hazards.

**Object Classification (in thousands of dollars)**

Identification code		1987 actual	1988 est.	1989 est.
61-0100-0-1-554				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	18,321	18,551	18,680
11.3	Other than full-time permanent .....	1,537	1,503	1,515
11.5	Other personnel compensation .....	319	202	206
11.8	Special personal services payments .....	5		
11.9	Total personnel compensation .....	20,182	20,256	20,401
12.1	Civilian personnel benefits .....	2,496	2,791	2,902
13.0	Benefits for former personnel .....	53	45	45
21.0	Travel and transportation of persons .....	511	725	725
22.0	Transportation of things .....	48	34	34
23.1	Rental payments to GSA .....	2,049	2,355	2,397
23.2	Rental payments to others .....	43	40	40
23.3	Communications, utilities, and miscellaneous charges .....	1,423	1,418	1,487
24.0	Printing and reproduction .....	482	319	400
25.0	Other services .....	5,615	4,294	4,028
26.0	Supplies and materials .....	387	355	364
31.0	Equipment .....	671	59	89
41.0	Grants, subsidies and contributions .....	185		
42.0	Insurance claims and indemnities .....		5	5
99.0	Subtotal, direct obligations .....	34,145	32,696	32,917
99.0	Reimbursable obligations .....	452	160	160
99.9	Total obligations .....	34,597	32,856	33,077

**Personnel Summary**

Direct:				
	Total number of full-time permanent positions .....	456	480	486
	Total compensable workyears:			
	Full-time equivalent employment .....	525	526	532
	Full-time equivalent of overtime and holiday hours .....	4	4	4
Reimbursable:				
	Total number of full-time permanent positions .....	4	1	1
	Total compensable workyears: Full-time equivalent employment .....	3	1	1

**CORPORATION FOR PUBLIC BROADCASTING**

**Federal Funds**

**General and special funds:**

**PUBLIC BROADCASTING FUND**

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year **[1990, \$232,648,000] 1991, \$181,352,000; and in addition, of the funds made available under this head in the conference version of H.R. 5233,**

*the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1987, as enacted by Public Laws 99-500 and 99-591, section 101(i), \$14,000,000 shall be available only for the fiscal year 1991, and of the funds made available under this head in Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988, \$18,648,000 shall be available only for the fiscal year 1991: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code		1987 actual	1988 est.	1989 est.
20-0151-0-1-503				
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	200,000	214,000	214,000
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....			14,000
60.00	<b>Budget authority (appropriation) (permanent) .....</b>	<b>200,000</b>	<b>214,000</b>	<b>228,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	200,000	214,000	214,000
90.00	Outlays .....	200,000	214,000	214,000

Under current authorizing legislation, which expires in 1990, the Corporation for Public Broadcasting has two major activities: (1) direct payments to public television and radio stations to be used at their discretion for purposes related primarily to program production or acquisition; and (2) support for the production and acquisition of radio and television programs for national distribution. In addition, the Corporation assists in the financing of several system-wide activities, including national satellite interconnection services and the payment of music royalty fees, and provides limited technical assistance, research, and planning services to improve system-wide capacity and performance.

The appropriation for the Corporation for Public Broadcasting is enacted two years in advance. For 1989, an appropriation of \$228 million was enacted in 1987. Although public broadcasting is an important national resource, this funding level is incompatible with the urgent need to reduce Federal spending. The Administration is, therefore, requesting that CPB's funding be frozen at its 1988 level. The Administration requests that of the \$228 million appropriated for 1989, \$14 million shall be available for 1991 only, and that, of the \$233 million appropriated for 1990, \$18.648 million shall be available only for 1991. The table below illustrates the 1988-1991 funding levels for the Corporation for Public Broadcasting:

**Summary of Funding Levels, 1988-1991 (in thousands of dollars)**

	1988 est.	1989 est.	1990 est.	1991 est.
Budget authority (appropriation) (permanent, definite) .....	214,000	228,000	232,648	181,352
Portion not available for obligation .....		14,000	-18,648	
Reappropriation .....				32,648
<b>Total budgetary resources available for obligation .....</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>

**DISTRICT OF COLUMBIA**

*Federal Funds*

**General and special funds:**

**FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA**

**[FEDERAL PAYMENT FOR WATER AND SEWER SERVICES]**

**[FEDERAL CONTRIBUTION TO RETIREMENT FUNDS]**

**[TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL]**

**[CRIMINAL JUSTICE INITIATIVE]**

**[(INCLUDING RESCISSION)]**

For payment to the District of Columbia for the fiscal year ending September 30, [1988] 1989, \$430,500,000, [which shall not be subject to apportionment and shall be paid to the District of Columbia by the Secretary of the Treasury within 15 days after the enactment of this joint resolution: *Provided*, That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date] *as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code 47-3406).*

[For payment to the District of Columbia for the fiscal year ending September 30, 1988, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, \$40,500,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612): *Provided*, That \$7,900,000 of this amount shall be paid to the District government by the Secretary of the Treasury immediately upon enactment of this Act for fiscal years 1986 and 1987 adjustments: *Provided further*, That \$32,600,000 shall be paid to the District government by the Secretary of the Treasury in four equal quarterly payments of \$8,150,000 each, with each payment to be made on the first day of the beginning of each quarter without further justification by the District of Columbia government.]

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), [ \$50,000,000 ] \$52,070,000.

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), [ \$29,000,000 ] \$20,000,000.

[Of funds appropriated under this head in Public Law 99-500 and Public Law 99-591 for the design and construction of a prison in the District of Columbia, \$20,000,000 are rescinded.]

[For the design and construction of a prison within the District of Columbia, to become available October 1, 1988, \$20,000,000: *Provided*, That no funds are available for construction on the South part of Square E-1112 as recorded in Subdivision Book 140, Page 199 in the Office of the Surveyor of the District of Columbia unless previously approved by the Committees on Appropriations of the Senate and House of Representatives: *Provided further*, That the \$50,000,000 herein and heretofore made available for the prison project] *The \$50,000,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1989 for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and the payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison [.]*: *Provided*, That no funds are available for construction on the South part of Square E-112 as recorded in Subdivision Book 140, Page 199 in the Office of the Surveyor of the District of Columbia unless advance notice is given to the Committees on Appropriations of the Senate and House of Representatives.

For payment to the District of Columbia in lieu of reimbursements for expenses incurred in connection with Presidential inauguration activities, \$2,300,000, as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended. (D.C. Code, sec. 1-1803; District of Columbia Appro-

priations Act, 1988; additional authorizing legislation to be proposed for \$5,500,000.)

**Program and Financing (in thousands of dollars)**

Identification code	20-1700-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Payment to the District of Columbia general fund .....	444,500	430,500	430,500
00.02	Payments for water and sewer services.....	28,810	40,500	
00.03	Retirement funds contribution .....	52,070	50,000	52,070
00.04	Prison construction.....		2,457	22,000
00.05	Payment for inaugural expenses.....			2,300
00.06	Saint Elizabeths Hospital.....	35,000	29,000	20,000
10.00	Total obligations.....	560,380	552,457	526,870
<b>Financing:</b>				
21.40	Unobligated balance, start of year .....		-20,000	-17,543
24.40	Unobligated balance, end of year .....	20,000	17,543	15,543
39.00	<b>Budget authority</b> .....	<b>580,380</b>	<b>550,000</b>	<b>524,870</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>560,380</b>	<b>530,000</b>	<b>504,870</b>
60.00	<b>Appropriation (permanent, indefinite)</b> .....	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	560,380	552,457	526,870
90.00	Outlays.....	560,380	552,457	526,870

The Federal payment of \$430.5 million is to reimburse the government of the District of Columbia for the net cost of the Federal presence. To promote efficiency and accountability, legislation will be proposed to amend the District of Columbia Public Works Act of 1954 (68 Stat. ch. 218), as amended, to authorize the District, beginning in 1988, to bill, accept and enforce payments from individual Federal establishments of the Judicial, Legislative, and Executive branches of government for water and sewer services they receive from the District of Columbia Government. Thus, in lieu of a lump sum appropriation to the District for these services, the Federal establishments will make payments directly. This appropriation also includes a contribution of \$52.1 million which represents the Federal share of payments to District of Columbia retirement funds for police officers, fire fighters, teachers and judges and a payment of \$20.0 million to assist in financing St. Elizabeths Hospital as part of a six-year plan to transfer administrative and financial responsibility from the Federal Government to the District. Finally, this appropriation includes a payment of \$2.3 million for expenses expected to be incurred by the District of Columbia in connection with 1989 Presidential inauguration activities (Public Law 93-198, as amended).

*The District of Columbia Appropriations Act, 1988, requires that the value estimated by the Mayor of the District of Columbia for water and sewer services and sanitary sewer services furnished to facilities of the United States Government under sections 106 and 212 of the District of Columbia Public Works Act of 1954, as amended, be included without change in the President's budget. The estimate furnished by the Mayor for these services for fiscal year 1989 is \$36,726,000.*

General and special funds—Continued

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA—Continued

[(INCLUDING RESCISSION)]—Continued

Object Classification (in thousands of dollars)

Identification code	20-1700-0-1-806	1987 actual	1988 est.	1989 est.
23.3	Communications, utilities, and miscellaneous charges .....	28,810	40,500	.....
41.0	Grants, subsidies, and contributions .....	551,570	511,957	526,870
99.9	Total obligations .....	580,380	552,457	526,870

LOANS TO THE DISTRICT OF COLUMBIA FOR CAPITAL OUTLAY

Status of Direct Loans (in thousands of dollars)

Identification code	20-0137-0-1-852	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	1,008,296	715,095	685,325
1251	Repayments and prepayments .....	-293,201	-29,770	-31,372
1290	Outstanding, end of year .....	715,095	685,325	653,953

The Self-Government Act authorized the District of Columbia to issue tax-exempt general obligation bonds to finance capital improvements projects. Since 1985, the District has sold \$1,692 million in general obligation bonds of which \$581 million has been for this purpose.

The following table shows the status of general fund capital projects loan authorizations on a cumulative basis:

LOANS—CUMULATIVE

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Appropriations:</b>			
District projects .....	1,896,666	1,896,666	1,896,666
Rapid rail transit .....	297,017	297,017	297,017
Total appropriations .....	2,193,683	2,193,683	2,193,683
<b>Funds withdrawn:</b>			
District projects .....	1,847,833	1,847,833	1,847,833
Rapid rail transit .....	297,017	297,017	297,017
Total borrowing .....	2,144,850	2,144,850	2,144,850
<b>Less:</b>			
Principal repaid <sup>1</sup> .....	1,417,404	1,447,174	1,478,546
MASSWF adjustment .....	12,350	12,350	12,350
Total reduction .....	1,429,754	1,459,524	1,490,896
Outstanding principal debt .....	715,096	685,326	653,954

<sup>1</sup> The District is required to repay only 50% of the loans advanced to the Metropolitan area sanitary sewage works fund before July 1, 1971, in accordance with sec. 502 of the act of December 15, 1971 (Public Law 92-196, 85 Stat. 634).

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed \$20,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; [ \$179,812,000: *Provided*, That the final rule regarding unsupervised waivers under the Age Discrimination in Employment Act, issued by the Commission on August 27, 1987 (29 CFR sections 1627.16(c) (1)-(3)), shall not have effect during fiscal year

1988: *Provided further*, That none of the funds may be obligated or expended by the Commission to give effect to any policy or practice pertaining to unsupervised waivers under the Age Discrimination in Employment Act] \$194,624,000. (The Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	45-0100-0-1-751	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Executive direction and program support .....	11,660	12,587	13,183
00.02	Enforcement .....	137,914	147,225	161,441
00.03	State and local grants .....	19,955	20,000	20,000
00.91	Total direct program .....	169,529	179,812	194,624
01.01	Reimbursable program .....	201	.....	.....
10.00	Total obligations .....	169,730	179,812	194,624
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-201	.....	.....
40.00	Budget authority (appropriation) .....	169,529	179,812	194,624
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	169,529	179,812	194,624
72.40	Obligated balance, start of year .....	21,191	30,648	25,673
74.40	Obligated balance, end of year .....	-30,648	-25,673	-27,128
77.00	Adjustments in expired accounts .....	-2,049	.....	.....
90.00	Outlays .....	158,024	184,787	193,169

The Equal Employment Opportunity Commission (EEOC) is the Federal agency responsible for enforcement of the Age Discrimination in Employment Act of 1967; title VII of the Civil Rights Act of 1964; the Equal Pay Act of 1963; and, in the Federal sector only, section 501 of the Rehabilitation Act of 1963. These acts prohibit employment discrimination based on race, sex, religion, national origin, age, or handicap status. The Equal Employment Opportunity Commission is also responsible for carrying out Executive Order 12067 which promotes coordination and minimizes conflict and duplication among Federal agencies which administer statutes or regulations involving employment discrimination.

WORKFLOW ANALYSIS

Title VII:	1987 actual	1988 est.	1989 est.
Charges filed .....	45,401	45,401	45,401
Charges resolved .....	37,691	46,369	46,369
Age and equal pay:			
Complaints filed .....	16,673	16,673	16,673
Complaints resolved .....	15,791	19,872	19,872

The budget for the agency supports three activities: *Executive direction and program support*.—This activity provides for the direction and coordination of the Commission's programs. It also provides administrative and management support services for the agency.

*Enforcement*.—This activity resolves charges of employment discrimination filed with the Commission; litigates cases against respondents unwilling to comply with title VII, the Equal Pay Act, or the Age Discrimination in Employment Act; carries out systemic enforcement; and promotes the participation of handicapped individuals in the Federal workforce.

*State and local grants*.—This activity provides funds to State and local fair employment practice (FEP) agencies to assist in the resolution of employment discrimination complaints.



Object Classification (in thousands of dollars)			
Identification code 45-0100-0-1-751	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	95,379	105,609	106,638
11.3 Other than full-time permanent .....	1,636	1,880	1,918
11.5 Other personnel compensation .....	741	813	830
11.8 Special personal services payments .....	36	30	20
11.9 Total personnel compensation .....	97,792	108,332	109,406
12.1 Civilian personnel benefits .....	13,561	14,065	15,064
13.0 Benefits to former personnel .....	176	177	177
21.0 Travel and transportation of persons .....	3,752	4,814	3,407
22.0 Transportation of things .....	247	92	108
23.1 Rental payments to GSA .....	10,986	14,631	17,641
23.2 Rental payments to others .....	83	57	90
23.3 Communications, utilities, and miscellaneous charges .....	4,882	6,364	6,043
24.0 Printing and reproduction .....	614	549	552
25.0 Other services .....	10,360	7,785	14,875
26.0 Supplies and materials .....	1,389	1,477	1,455
31.0 Equipment .....	5,842	1,440	5,806
41.0 Grants, subsidies, and contributions .....	19,838	20,000	20,000
42.0 Insurance claims and indemnities .....	7	29	
99.0 Total direct obligations .....	169,529	179,812	194,624
99.0 Reimbursable obligations .....	201		
99.9 Total obligations .....	169,730	179,812	194,624
<b>Personnel Summary</b>			
Total number of full-time permanent positions .....	3,052	3,338	3,338
Total compensable workyears:			
Full-time equivalent employment .....	2,941	3,168	3,198
Full-time equivalent of overtime and holiday hours .....	8	9	9

**EXPORT-IMPORT BANK OF THE UNITED STATES**

*Federal Funds*

**General and special funds:**

*EXPORT-IMPORT BANK LOAN SUBSIDIES*

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 83-0100-6-1-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct loans .....			82,000
00.02 Guarantees .....			199,000
00.03 Insurance .....			55,000
10.00 Total obligations (object class 41.0) .....			336,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			336,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			336,000
74.40 Obligated balance, end of year .....			-169,528
90.00 Outlays .....			166,472

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitations on obligations:</b>			
1111 Limitation on direct loans to the public .....			705,000
1150 Total direct loan obligations .....			705,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....			
1231 Disbursements: Direct loan disbursements .....			102,930
1251 Repayments: Repayments and prepayments .....			-6,700
1290 Outstanding, end of year .....			96,230

<b>Estimate of direct loan subsidy:</b>	
1320 Subsidy amount (in percent) .....	11.6
1330 Subsidy amount (in thousands of dollars) .....	82,000

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitations on commitments:</b>	
2111 Limitation on guaranteed loan made by private lenders .....	10,200,000
2150 Total guaranteed loan commitments .....	10,200,000

**Cumulative balance of guaranteed loans outstanding:**

2210 Outstanding, start of year .....	
2231 Disbursements: Disbursements of new guaranteed loans .....	3,184,900
2251 Repayments: Repayments and prepayments .....	-2,000,600
2290 Outstanding, end of year .....	1,184,300

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	1,184,300
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**Estimate of guaranteed loan subsidy:**

2320 Subsidy amount (in percent) .....	2.5
2330 Subsidy amount (in thousands of dollars) .....	254,000

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

**Public enterprise funds:**

**EXPORT-IMPORT BANK OF THE UNITED STATES**

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

**LIMITATION ON PROGRAM ACTIVITY**

During the fiscal year [1988] 1989 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [\$690,000,000] \$705,000,000: *Provided*, That [at the discretion of the Chairman of the Export-Import Bank, up to \$110,000,000 of that amount may be available, subject to the regular notification procedures of the Appropriations Committees of the Senate and House of Representatives, as tied-aid credits in accordance with the provisions of the Export-Import Bank Act Amendments of 1986: *Provided further*, That there is appropriated to the Export-Import Bank of the United States an amount equal to the grant amount of tied-aid credits which are made available from time to time, but not to exceed \$110,000,000, which shall be subject to the limitation on gross obligations for the principal amount of direct loans specified under this heading: *Provided further*, That] during the fiscal year [1988, total] 1989, commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed [\$10,000,000,000 of contingent liability for loan principal] \$10,200,000,000: *Provided fur-*

**Public enterprise funds—Continued**

**EXPORT-IMPORT BANK OF THE UNITED STATES—Continued**

**LIMITATION ON PROGRAM ACTIVITY—Continued**

ther, That the direct loan and guaranty authority provided under this heading shall remain available until September 30, 1989. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	83-4027-0-3-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Interest expense—Federal Financing Bank .....	1,786,268	1,249,900	1,136,300
00.02	Interest on CBI's and other private borrowings .....	100		
00.03	Interest on advances under letters of credit and other expense .....	133,056	6,258	5,820
00.04	Guarantee claims .....	3,886	12,014	13,555
00.05	Insurance claims .....	8,259	18,386	20,745
00.06	FCIA administrative expenses .....	10,077	10,883	11,754
00.07	Administrative expenses subject to limitation ..	18,357	19,500	21,800
00.91	Total direct program .....	1,960,003	1,316,941	1,209,974
01.01	Reimbursable expenses .....	49	49	50
01.92	Total operating expenses .....	1,960,052	1,316,990	1,210,024
Capital investment:				
02.01	Loan obligations .....	677,066	692,934	705,000
02.02	Purchase of equipment .....	607	4,000	4,000
02.91	Total capital investment .....	677,673	696,934	709,000
10.00	Total obligations .....	2,637,725	2,013,924	1,919,024
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Loans repaid .....	-3,667,726	-2,346,200	-2,083,700
14.00	Interest and fee revenue from loans .....	-1,236,307	-1,026,300	-908,400
14.00	Guarantee fees .....	-29,943	-31,526	-35,652
14.00	Insurance premiums .....	-18,600	-19,857	-21,902
17.00	Recovery of prior year obligations .....	-156,161	-247,800	-273,100
21.47	Unobligated balance available, start of year: Authority to borrow .....	-769,669	-1,092,852	-1,206,611
24.47	Unobligated balance available, end of year: Authority to borrow .....	1,092,852	1,206,611	1,668,741
31.00	Redemption of debt .....	2,252,958	1,654,000	941,600
40.00	<b>Budget authority (appropriation) .....</b>	<b>78,129</b>	<b>110,000</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-2,314,851	-1,409,959	-1,130,630
Obligated balance, start of year:				
72.47	Authority to borrow .....	1,602,974	864,656	511,378
72.98	Fund balance .....	129,489	696,781	377,700
Obligated balance, end of year:				
74.47	Authority to borrow .....	-864,656	-511,378	-208,548
74.98	Fund balance .....	-696,781	-377,700	-361,100
78.00	Adjustments in unexpired accounts .....	-156,161	-247,800	-273,100
90.00	Outlays .....	-2,299,986	-985,400	-1,084,300

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority .....	78,129	110,000	
Outlays .....	-2,299,986	-985,400	-1,084,300
Credit reform:			
Budget authority .....			
Outlays .....			-85,600
Total:			
Budget authority .....	78,129	110,000	
Outlays .....	-2,299,986	-985,400	-1,169,900

**Status of Direct Loans (in thousands of dollars)**

Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	680,000	690,000	705,000

1111	Unused balance of direct loan limitation available from prior year .....		2,934	
1112	Unobligated direct loan limitation .....	-2,934		
1150	Total direct loan obligations .....	677,066	692,934	705,000

**Cumulative balance of direct loans outstanding:**

1210	Outstanding, start of year .....	14,350,887	11,201,614	9,469,414
1231	Disbursements: Direct loan disbursements .....	467,788	794,000	708,900
Repayments and prepayments:				
1251	Repayments .....	-1,709,861	-1,846,200	-1,558,700
1253	Proceeds from loan assets sold to the public ..	-1,901,350	-500,000	-525,000
1262	Adjustments: Recovery of prior year write-offs ..	5,850		
1290	Outstanding, end of year .....	11,201,614	9,649,414	8,274,614

**Estimate of direct loan subsidy:**

1320	Subsidy amount (in percent) .....	30.3	25.0	11.6
1330	Subsidy amount (in thousands of dollars) .....	205,000	174,000	82,000

**Status of Guaranteed Loans (in thousands of dollars)**

**Position with respect to appropriations act limitation on commitments:**

2111	Limitation on guaranteed loans made by private lenders .....	11,355,000	10,000,000	10,200,000
2111	Unused balance of guaranteed loan limitation available from prior year .....		4,601,476	
2112	Uncommitted limitation .....	-4,601,476		
2150	Total guaranteed loan commitments .....	6,753,524	14,601,676	10,200,000

**Cumulative balance of guaranteed loans outstanding:**

2210	Outstanding, start of year .....	4,785,088	5,079,076	4,964,376
2231	Disbursements of new loans guaranteed .....	3,852,287	3,890,000	4,225,700
2251	Repayments and prepayments .....	-3,558,299	-4,004,700	-4,166,500
2290	Outstanding, end of year .....	5,079,076	4,964,376	5,023,576

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	5,076,076	4,964,376	5,023,576
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**Estimate of guaranteed loan subsidy:**

2320	Subsidy amount (in percent) .....	3.0	2.7	2.5
2330	Subsidy amount (in thousands of dollars) .....	202,000	394,000	254,000

The purpose of the Export-Import Bank (Eximbank) is to aid in financing and promoting U.S. exports. To accomplish its objectives, the Bank's authority and resources are used to: assume commercial and political risks that exporters or private institutions are unwilling or unable to undertake; overcome maturity and other limitations in private sector export financing; assist U.S. exporters to meet foreign officially sponsored export credit competition; and provide leadership and guidance in export financing to the U.S. exporting and banking communities and to foreign borrowers. The bank is also actively assisting small- and medium-sized businesses to increase their exports by publicizing the Bank's programs.

Eximbank also provides export credit insurance through the Foreign Credit Insurance Association (FCIA) to U.S. exporters and financial institutions to protect them against the risk of default by foreign buyers as a result of certain commercial and political events. FCIA was a risk-sharing private unincorporated association of insurance companies until October 1983 when the private insurance companies withdrew from participation in FCIA. Eximbank currently bears all risks of default and financial net losses associated with the program, while the FCIA administers the insurance

policies. For the first time, the revenues and expenses associated with FCIA activities are explicitly shown in the Eximbank budget schedules.

A limitation of \$705 million for direct loans and of \$10.2 billion for financial guarantees and FCIA insurance is proposed for 1989.

**NEW PROGRAM ACTIVITY AT 100%**

[In thousands of U.S. dollars]			
(Recapitulation of authorizations—Guarantees, insurance, and loans)			
	1987 actual	1988 estimate	1989 estimate
Guarantees .....	1,505,506	5,110,517	3,700,000
FCIA insurance .....	5,248,018	9,490,959	6,500,000
Total guarantees and insurance .....	6,753,524	14,601,476	10,200,000
Plus loan program .....	598,937	692,934	705,000
Total activity at 100% .....	7,352,461	15,294,410	10,905,000

**DATA ON DIRECT LOANS**

[In thousands of dollars]			
	1987 actual	1988 estimate	1989 estimate
Undisbursed loan authorizations, end of year .....	2,378,500	2,225,534	1,999,234
Credit authorizations .....	598,900	692,934	705,000
Credit cancellations .....	227,000	247,800	273,100
Loan disbursements .....	386,900	617,000	673,900
Capitalized interest .....	80,900	177,000	35,000
Loan principal repayments .....	3,611,200	2,346,200	2,083,700
Loan recoveries .....	5,900		
Loans outstanding, end of year .....	11,201,614	9,649,414	8,274,614

**DATA ON GUARANTEES**

[In thousands of dollars]			
	1987 actual	1988 estimate	1989 estimate
Undisbursed balance, end of year .....	3,286,000	7,497,417	9,626,717
Authorizations .....	1,505,500	5,110,517	3,700,000
Cancellations .....	293,400	317,800	593,100
Shipments .....	504,300	581,300	977,600
Principal repayments .....	548,500	675,300	1,893,000
Outstanding balance, end of year .....	3,654,100	3,560,100	3,721,900

**DATA ON INSURANCE**

[In thousands of dollars]			
	1987 actual	1988 estimate	1989 estimate
Undisbursed balance, end of year .....	6,914,400	8,164,300	9,486,300
Authorizations .....	5,248,000	9,490,959	6,500,000
Cancellations .....	1,835,400	1,941,400	1,929,900
Shipments .....	3,350,300	3,308,700	3,248,100
Principal repayments .....	3,009,800	3,329,400	5,351,339
Outstanding balance, end of year .....	1,424,976	1,403,976	1,301,676

**DATA ON DIRECT TIED-AID CREDIT**

[In thousands of dollars]			
	1987 actual	1988 estimate	1989 estimate
Subsidized loans .....	78,129	110,000	
Estimated outlays .....		3,906	19,388

**DATA ON GUARANTEES AND INSURANCE**

## Subject to Fractional Reserve Basis

[In thousands of dollars]			
	1987 actual	1988 estimate	1989 estimate
Balance, beginning of year .....	14,215,321	15,279,451	23,617,027
New authorizations .....	6,753,524	14,601,476	10,200,000
Repayments, cancellations, and expirations .....	-5,689,394	-6,263,900	-9,767,339
Balance, end of year .....	15,279,451	23,617,027	24,049,688
Less amount not charged to lending authority under fractional reserve basis .....	-11,459,588	-17,712,770	-18,037,266
Total .....	3,819,863	5,904,257	6,012,422
Less balance, beginning of year .....	-3,553,830	-3,819,863	-5,904,257
Charge during year .....	266,033	2,084,394	108,165
Statutory limitation .....	25,000,000	25,000,000	25,000,000
Charge at end of year .....	-15,279,451	-23,617,027	-24,049,688
Unused balance .....	9,720,549	1,382,973	950,312

*Operating results and financial condition.*—The Bank is a wholly owned Government corporation. Capital stock of \$1 billion was purchased by the U.S. Treasury. In addition, the Bank is authorized to borrow from the Treasury up to \$6 billion. The Bank pays interest on such borrowings.

The Bank's net operating loss is estimated to be \$238 million in 1989, compared with a loss of \$236 million in 1988 and an operating loss of \$476 million in 1987. Total investment of the Government in the corporation is estimated to be \$823 million on September 30, 1989.

**POSITION WITH RESPECT TO LENDING, GUARANTEE AND INSURANCE AUTHORITY**

[In thousands of dollars]				
	1986 actual	1987 actual	1988 est.	1989 est.
Statutory authority .....	40,000,000	40,000,000	40,000,000	40,000,000
Charges against authority:				
Loan program:				
Loans outstanding .....	14,350,887	11,213,314	9,661,114	8,286,314
Loans undisbursed .....	2,380,257	2,378,509	2,232,609	1,996,309
Rescheduled claims .....	1,138,933	1,520,886	1,292,753	1,098,840
Subtotal .....	17,870,077	15,112,709	13,186,476	11,381,463
Export guarantees and insurance program:				
Short-term: Foreign Credit Insurance Association .....	1,828,576	1,872,624	2,598,324	2,474,759
Medium-term:				
Foreign Credit Insurance Association .....	155,715	212,225	372,689	404,662
Export-Import Bank of the United States .....	1,569,539	1,735,014	2,933,244	3,133,001
Subtotal .....	3,553,830	3,819,863	5,904,257	6,012,422
Total charges against authority .....	21,423,907	18,932,572	19,090,733	17,393,885
Unused authority .....	18,576,093	21,067,428	20,909,267	22,606,115

**Export-Import Bank Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Operating income or loss:			
Loan program:			
Revenue .....	1,232,160	1,026,300	908,400
Expense .....	-1,746,489	-1,262,450	-1,146,700
Net operating income or loss (-), before write-offs .....	-514,329	-236,150	-238,300
Recovery of prior year write-offs .....	6,026		
Net operating income, loan program .....	-508,303	-236,150	-238,300
Guarantee program:			
Revenue .....	36,654	40,500	45,800
Expense .....	-9,193	-9,850	-11,000
Net operating income before claims paid .....	27,461	30,650	34,800
Less: Claims paid (net) .....	4,835	-30,400	-34,300
Net operating income or loss (-), guarantee program .....	32,296	250	500
Net operating income for the year .....	-476,007	-235,900	-237,800

**FCIA Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue .....	11,530	12,683	13,951
Expense .....	-11,706	-12,642	-13,654
Net operating income before claims paid .....	-176	41	297
Less claims paid (net) .....	-65,478	-25,000	-5,000
Net operating income for the year .....	65,302	25,041	5,297

Public enterprise funds—Continued

EXPORT-IMPORT BANK OF THE UNITED STATES—Continued

LIMITATION ON PROGRAM ACTIVITY—Continued

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Treasury balance.....	4,327	253,902	500	500
U.S. securities (par).....	124,400	443,000	377,200	360,600
Accounts receivable, net.....	612,052	660,701	643,200	586,500
Prepaid expenses.....	9	11	12	12
Loans receivable.....	14,350,888	11,213,315	9,661,114	8,286,314
Excess of estimated recoveries over estimated claim payments.....	1,147,012	1,427,121	1,213,053	1,031,095
Furniture and equipment, net.....	731	1,225	5,085	8,265
<b>Total assets, Export-Import Bank</b>	<b>16,239,419</b>	<b>13,999,275</b>	<b>11,900,164</b>	<b>10,273,286</b>
<b>Total assets, FCIA</b> .....		<b>5,609</b>	<b>5,576</b>	<b>6,133</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	192,487	193,327	175,600	160,800
Deferred credits.....	10,223	45,821	43,300	36,000
<b>Total current liabilities</b> .....	<b>202,710</b>	<b>239,148</b>	<b>218,900</b>	<b>196,800</b>
<b>Debt issued under borrowing authority:</b>				
Federal Financing Bank borrowings outstanding.....	14,268,398	12,463,465	10,620,502	9,253,524
Borrowings from U.S. institutions.....	5,890			
<b>Total liabilities, Export-Import Bank</b> .....	<b>14,476,998</b>	<b>12,702,613</b>	<b>10,839,402</b>	<b>9,450,354</b>
<b>Total liabilities, FCIA</b> .....		<b>9,241</b>	<b>9,795</b>	<b>10,383</b>
<b>Government equity:</b>				
<b>Unexpended budget authority:</b>				
Undelivered orders: Undisbursed loan obligations.....	2,380,257	2,378,509	2,232,609	1,996,309
<b>Unfunded budget authority:</b>				
Borrowing authority.....	-1,842,188	-1,260,054	-1,430,609	-1,245,509
Invested capital.....	1,224,352	178,207	258,762	72,162
<b>Total Government equity</b> .....	<b>1,762,421</b>	<b>1,296,662</b>	<b>1,060,762</b>	<b>822,962</b>

Object Classification (in thousands of dollars)

Identification code 83-4027-0-3-155	1987 actual	1988 est.	1989 est.
25.0 Other services.....	765	749	750
31.0 Equipment.....	607	4,000	4,000
33.0 Investments and loans.....	859,441	692,934	705,000
42.0 Guarantee claims and indemnities.....	3,886	12,014	13,555
42.0 FCIA claims and indemnities.....	8,259	18,386	20,745
43.0 Interest and dividends.....	1,736,333	1,255,458	1,141,420
92.0 FCIA administrative expenses.....	10,077	10,883	11,754
93.0 Administrative expenses (see separate schedule).....	18,357	19,500	21,800
99.9 Total obligations.....	2,637,725	2,013,924	1,919,024

EXPORT-IMPORT BANK OF THE UNITED STATES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 83-4027-6-3-155	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Interest expense—FFB.....			-3,200
00.04 Guarantee claims.....			-2,100
00.05 Insurance claims.....			-3,400
00.91 Total direct program.....			-8,700
<b>Capital investment:</b>			
02.01 Loan obligations.....			-705,000
10.00 Total obligations.....			-713,700

Financing:

Offsetting collections from: Non-Federal sources:		
14.00	Loans repaid.....	6,700
14.00	Interest and fee revenue from loans.....	3,000
14.00	Guarantee fees.....	5,760
14.00	Insurance premiums.....	1,640
31.00	Redemption of debt.....	696,600
39.00	<b>Budget authority</b> .....	
<b>Relation of obligations to outlays:</b>		
71.00	Obligations incurred, net.....	-696,600
74.47	Obligated balance, end of year: Authority to borrow.....	611,000
90.00	Outlays.....	-85,600

Status of Direct Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitations on obligations:</b>		
1111	Limitation on direct loans to the public.....	-705,000
1150	Total direct loan obligations.....	-705,000
<b>Cumulative balance of direct loans outstanding:</b>		
1231	Disbursements: Direct loan disbursements.....	-102,930
1251	Repayments: Repayments and prepayments.....	6,700
1290	Outstanding, end of year.....	-96,230
<b>Estimate of direct loan subsidy:</b>		
1320	Subsidy amount (in percent).....	11.6
1330	Subsidy amount (in thousands of dollars).....	-82,000

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitations on commitments:</b>		
2111	Limitation on guaranteed loans made by private lenders.....	-10,200,000
2150	Total guaranteed loan commitments.....	-10,200,000
<b>Cumulative balance of guaranteed loans outstanding:</b>		
2231	Disbursements: Disbursements of new guaran- teed loans.....	-3,184,900
2251	Repayments: Repayments and prepayments.....	2,000,600
2290	Outstanding, end of year.....	-1,184,300

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	-1,184,300
<b>Estimate of guaranteed loan subsidy:</b>		
2320	Subsidy amount (in percent).....	25.0
2330	Subsidy amount (in thousands of dollars).....	-254,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new credit activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code 83-4027-6-3-155	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....		-705,000
43.0	Interest and dividends.....		-8,700
99.9	Total obligations.....		-713,700

**LIMITATION ON ADMINISTRATIVE EXPENSES**

Not to exceed **[\$19,500,000]** \$21,800,000 (to be computed on an accrual basis) shall be available during fiscal year **[1988]** 1989 for administrative expenses, including hire of passenger motor vehicles and services as authorized by section 3109 of Title 5, United States Code, and not to exceed \$16,000 for official reception and representation expenses for members of the Board of Directors: *Provided*, That (1) fees or dues to international organizations of credit institutions engaged in financing foreign trade, (2) necessary expenses (including special services performed on a contract or a fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Export-Import Bank or in which it has an interest, including expenses of collections of pledged collateral, or the investigation or appraisal of any property in respect to which an application for a loan has been made, and (3) expenses (other than internal expenses of the Export-Import Bank) incurred in connection with the issuance and servicing of guarantees, insurance, and reinsurance, shall be considered as nonadministrative expenses for the purposes of this heading. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activity:</b>			
Total obligations (Administration).....	18,357	19,500	21,800
<b>Financing:</b>			
Unobligated balance lapsing.....	399		
<b>Limitation</b> .....	<b>18,756</b>	<b>19,500</b>	<b>21,800</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	18,730	19,550	21,998
Obligated balance, start of year.....	1,264	1,637	1,687
Obligated balance, end of year.....	-1,637	-1,687	-1,885
Outlays.....	18,357	19,500	21,800

**Object Classification** (in thousands of dollars)

Identification code 83-4027-0-3-155	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	11,085	11,599	12,626
11.3 Other than full-time permanent.....	761	611	666
11.5 Other personnel compensation.....	515	412	432
11.9 Total personnel compensation.....	12,361	12,622	13,724
12.1 Civilian personnel benefits.....	1,525	1,890	2,471
21.0 Travel and transportation of persons.....	342	360	365
22.0 Transportation of things.....	18	25	30
23.1 Rental payments to GSA.....	1,786	2,108	2,294
23.2 Rental payments to others.....	465	625	654
23.3 Communications, utilities, and miscellaneous charges.....	497	600	627
24.0 Printing and reproduction.....	188	192	194
25.0 Other services.....	900	757	1,082
26.0 Supplies and materials.....	275	321	359
93.0 Administrative expenses included in schedule for fund as a whole.....	-18,357	-19,500	-21,800
99.9 Total administrative expenses.....			

**Personnel Summary**

Total number of full-time permanent positions.....	309	311	334
Total compensable workyears:			
Full-time equivalent employment.....	320	322	345
Full-time equivalent of overtime and holiday hours.....	3	4	4

**FARM CREDIT ADMINISTRATION**

*Federal Funds*

**Public enterprise funds:**

**LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES**

**[Notwithstanding any provision of The Farm Credit Act Amendments of 1987 (H.R. 3030), or any similar bill, if enacted into law, not]** Not to exceed **[\$35,000,000]** \$38,100,000 (from assessments col-

lected from farm credit system banks), of which not to exceed \$1,500 shall be available for official reception and representation expenses.] shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code 78-4131-0-3-351	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	31,219	35,000	38,100
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-31,054	-26,673	-38,524
Unobligated balance available, start of year: Fund balance:			
21.98 Unreserved.....	-7,738	-8,309	
21.98 Reserved.....	-9,855	-9,118	-9,101
Unobligated balance available, end of year: Fund balance:			
24.98 Unreserved.....	8,309		
24.98 Reserved.....	9,118	9,101	9,525
39.00 Budget authority.....			
<b>Limitation</b> .....	<b>39,420</b>	<b>35,000</b>	<b>38,100</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	165	8,327	-424
72.10 Receivables in excess of obligations, start of year.....	-3,816	432	433
74.10 Receivables in excess of obligations, end of year.....	-432	-433	-9
90.00 Outlays.....	-4,082	8,326	

The Farm Credit Administration examines and regulates a coordinated agricultural credit system of farm credit banks and associations which lend to farmers, ranchers, and their cooperatives.

The System is comprised of 12 Federal land banks, 12 Federal intermediate credit banks, 13 Banks for Cooperatives, the Farm Credit System Capital Corporation, various System service organizations, and approximately 382 Federal land bank associations and production credit associations.

Assessments based upon estimated administrative expenses are collected from institutions in the Farm Credit System and are available for administrative expenses. Obligations are incurred within fiscal year budgets approved by the Farm Credit Administration Board.

**Revenue and Expense** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Operating income or loss:</b>			
Revenue.....	39,529	35,000	38,100
Expense.....	-29,828	-35,000	-38,100
Net income for the year.....	9,701		

**Financial Condition** (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	13,777	17,860	9,534	9,534
Accounts receivable (net).....	9,085	6,348	6,348	6,348
Advances made.....	503	421	421	421
Total assets.....	23,365	24,629	16,303	16,303
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	3,831	3,870	3,870	3,870
Advances from the public.....	9,855	9,118	9,101	9,525
Total liabilities.....	13,686	12,988	12,971	13,395

Public enterprise funds—Continued

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance:				
Unreserved.....	7,738	8,309		
Reserved.....	9,855	9,118	9,101	9,525
Undelivered orders.....	1,941	3,331	3,332	2,908
Unfilled customers' orders.....	-9,855	-9,118	-9,101	-9,525
Total Government equity.....	9,679	11,640	3,332	2,908

Object Classification (in thousands of dollars)

Identification code 78-4131-0-3-351	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	17,216	20,444	21,431
11.3 Other than full-time permanent.....	466	533	484
11.5 Other personnel compensation.....	129	448	463
11.8 Special personal services payments.....	174	465	483
11.9 Total personnel compensation.....	17,985	21,890	22,861
12.1 Civilian personnel benefits.....	5,413	4,407	4,636
13.0 Benefits for former personnel.....	33		
21.0 Travel and transportation of persons.....	3,854	4,364	4,886
22.0 Transportation of things.....	445	163	154
23.3 Communications, utilities, and miscellaneous charges.....	739	905	956
24.0 Printing and reproduction.....	259	344	362
25.0 Other services.....	1,489	1,592	2,425
26.0 Supplies and materials.....	419	615	639
31.0 Equipment.....	583	720	1,181
99.9 Total obligations.....	31,219	35,000	38,100

Personnel Summary

Total number of full-time permanent positions.....	545	588	586
Total compensable workyears:			
Full-time equivalent employment.....	541	590	588
Full-time equivalent of overtime and holiday hours.....	3	3	3

FARM CREDIT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code 78-4136-0-3-351	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.98 Unobligated balance available, start of year: Fund balance.....	-259,799	-259,799	-259,799
24.98 Unobligated balance available, end of year: Fund balance.....	259,799	259,799	259,799
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

The Farm Credit Amendments Act of 1985 merged the Banks for Cooperatives fund and the short-term credit investment fund, and made this fund available to the Farm Credit Administration. The Agricultural Credit Act of 1987 (Public Law 100-233) changed the purposes for which this fund may be used. A discussion of these changes can be found in Part IV of the *Appendix*.

FEDERAL COMMUNICATIONS COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed \$300,000 for land and structures; not to exceed \$300,000 for improvement and care of grounds and repair to buildings; not to exceed \$4,000 for official reception and representation expenses: purchase (not to exceed ten) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; **[\$99,613,000]** \$104,700,000, of which not to exceed \$300,000 of the foregoing amount shall remain available until September 30, **[1989]** 1990, for research and policy studies: *Provided*, That none of the funds appropriated by this Act shall be used to repeal, to retroactively apply changes in, or to continue a reexamination of, the policies of the Federal Communications Commission with respect to comparative licensing, distress sales and tax certificates granted under 26 U.S.C. 1071, to expand minority and women ownership of broadcasting licenses, including those established in Statement of Policy on Minority Ownership of Broadcast Facilities, 68 F.C.C. 2d 979 and 69 F.C.C. 2d 1591, as amended 52 R.R. 2d 1313 (1982) and Mid-Florida Television Corp., 60 F.C.C. 2d 607 Rev. Bd. (1978), which were effective prior to September 12, 1986, other than to close MM Docket No. 86-484 with a reinstatement of prior policy and a lifting of suspension of any sales, licenses, applications, or proceedings, which were suspended pending the conclusion of the inquiry: *Provided further*, That none of the funds appropriated to the Federal Communications Commission by this Act may be used to diminish the number of VHF channel assignments reserved for noncommercial educational television stations in the Television Table of Assignments (section 73.606 of title 47, Code of Federal Regulations): *Provided further*, That none of the funds appropriated by this Act or any other Act may be used to repeal, to retroactively apply changes in, or to begin or continue a re-examination of the rules of the Federal Communications Commission with respect to the common ownership of a daily newspaper and a television station where the grade A contour of the television station encompasses the entire community in which the newspaper is published, or to extend the time period of current grants of temporary waivers to achieve compliance with such rules: *Provided further*, That no funds appropriated to the Federal Communications Commission shall be used prior to March 22, 1988 to accept or grant any applications to construct or operate cellular systems in rural service areas]. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988; additional authorizing legislation has been proposed.*)

Program and Financing (in thousands of dollars)

Identification code 27-0100-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Commissioners.....	2,157	2,311	2,618
00.02 Mass media.....	19,910	21,108	21,753
00.03 Common carrier.....	18,682	19,445	20,361
00.04 Private radio.....	8,266	8,456	9,158
00.05 Field operations.....	21,775	22,174	20,139
00.06 Science and technology.....	5,831	5,883	6,155
00.07 Support.....	22,493	23,495	24,516
00.91 Total direct program.....	99,114	102,872	104,700
01.01 Reimbursable program.....	657	500	500
10.00 Total obligations.....	99,771	103,372	105,200
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-3,587	-425	-425
14.00 Non-Federal sources.....	-100	-75	-75
21.40 Unobligated balance available, start of year.....	-145	-389	
24.40 Unobligated balance available, end of year.....	389		
25.00 Unobligated balance lapsing.....	606		
39.00 Budget authority.....	96,954	102,483	104,700
Current authority:			
40.00 Appropriation.....	96,954	99,613	104,700
50.00 Reappropriation.....		2,870	

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	96,104	102,872	104,700
72.40	Obligated balance, start of year .....	7,587	12,549	13,364
74.40	Obligated balance, end of year .....	-12,549	-13,364	-13,990
77.00	Adjustments in expired accounts .....	-2,778		
90.00	Outlays .....	88,364	102,057	104,074

**Commissioners.**—This activity includes the top adjudicatory, policymaking, planning, and decisionmaking for the Commission's basic functions.

**Mass media.**—This activity licenses and regulates broadcasting (AM, FM, TV) and its associated auxiliary services. This activity also is responsible for regulating cable television and its associated auxiliary services. In 1989, the mass media activity will continue to authorize existing audio and video services to the public in the most expeditious manner possible.

**Common carrier.**—This activity regulates the service offerings, facilities, rates and practices of interstate and international common carriers. In 1989, this activity will continue to authorize new services' entry into the common carrier services and to monitor the restructuring of the telecommunications industry.

**Private radio.**—This activity includes the licensing, regulation and enforcement of seven major radio services: aviation, marine, land mobile, microwave, general mobile, amateur, and restricted permits.

**Field operations.**—This activity performs licensing, enforcement, and public service at various field locations throughout the United States and its territories.

**Science and technology.**—This activity acts as the staff adviser on broad scientific and technical matters and coordinates non-Federal spectrum allocation. Additionally, this activity is responsible for the operation of the agency's equipment testing and certification program.

**Support.**—This activity provides the Commission with expert advice, assistance, and centralized staff support.

Object Classification (in thousands of dollars)				
Identification code 27-0100-0-1-376	1987 actual	1988 est.	1989 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	62,807	65,446	65,578
11.3	Other than full-time permanent .....	1,379	1,452	1,665
11.5	Other personnel compensation .....	741	755	852
11.8	Special personal services payments .....	4	6	7
11.9	Total personnel compensation .....	64,931	67,659	68,102
12.1	Civilian personnel benefits .....	8,465	9,962	11,198
13.0	Benefits for former personnel .....	75	71	100
21.0	Travel and transportation of persons .....	817	1,108	1,158
22.0	Transportation of things .....	259	170	295
23.1	Rental payments to GSA .....	7,851	9,384	9,465
23.2	Rental payments to others .....	328	334	365
23.3	Communications, utilities, and miscellaneous charges .....	4,414	4,293	4,811
24.0	Printing and reproduction .....	1,244	1,023	1,122
25.0	Other services .....	3,605	3,840	4,110
26.0	Supplies and materials .....	1,494	1,829	1,347
31.0	Equipment .....	4,103	1,060	2,462
32.0	Lands and structures .....	1,514	2,125	151
42.0	Insurance claims and indemnities .....	14	14	14
99.0	Subtotal, direct obligations .....	99,114	102,872	104,700
99.0	Reimbursable obligations .....	657	500	500
99.9	Total obligations .....	99,771	103,372	105,200

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	1,855	1,888	1,888
Total compensable workyears:			
Full-time equivalent employment .....	1,813	1,835	1,835
Full-time equivalent of overtime and holiday hours .....	7	7	7
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	5	5	5
Total compensable workyears: Full-time equivalent employment .....	5	5	5

**FEDERAL DEPOSIT INSURANCE CORPORATION**

The Federal Deposit Insurance Corporation was created by the Banking Act of 1933 to provide protection for bank depositors and to foster sound banking practices. The deposit insurance ceiling protection has been \$100,000 since March 31, 1980. In order to accomplish its varied functions in the protection of bank depositors, the Corporation is authorized to promulgate and enforce rules and regulations relating to the supervision of insured banks and to perform other regulatory and supervisory duties consistent with its responsibilities as insurer. The major portion of the Corporation's operations consists of the examination of State banks that are not members of the Federal Reserve System and liquidation activities attendant to insured banks that have closed.

The insurance fund is supported by an authorization to borrow up to \$3 billion from the Treasury of the United States. No borrowing under this authorization has been made to date and none is anticipated in 1988 and 1989.

**Trust Funds**

**FEDERAL DEPOSIT INSURANCE CORPORATION**

**Program and Financing (in thousands of dollars)**

Identification code 51-8419-0-8-371	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Total operating expenses .....	325,866	271,639	273,639
00.02	Capital investment: Assets acquired in insured banks and other .....	5,044,070	6,864,000	2,703,000
10.00	Total obligations .....	5,369,936	7,135,639	2,976,639
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds .....	-1,561,033	-1,563,000	-1,561,000
<b>Non-Federal sources:</b>				
14.00	Recoveries on assets acquired in receivership and deposit assumption transactions .....	-3,272,356	-1,981,639	-1,883,639
14.00	Insurance assessments and others .....	-1,745,390	-1,886,000	-2,018,000
<b>Unobligated balance, start of year:</b>				
21.98	Fund balance (available) .....	-11,548,423	-12,757,266	-11,052,266
21.98	Fund balance (unavailable) .....	-442,411	-200,107	-703,000
<b>Unobligated balance, end of year:</b>				
24.98	Fund balance (available) .....	12,757,266	11,052,266	13,565,266
24.98	Fund balance (unavailable) .....	200,107	703,000	470,000
31.00	Redemption of debt .....	1,341,593	400,107	233,000
67.10	<b>Budget authority (authority to borrow) (64 Stat. 873) .....</b>	<b>1,099,289</b>	<b>903,000</b>	<b>27,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	-1,208,843	1,705,000	-2,486,000
72.98	Obligated balance, start of year: Fund balance .....	3,894,426	4,123,433	3,560,433
74.98	Obligated balance, end of year: Fund balance .....	-4,123,433	-3,560,433	-572,433
90.00	Outlays .....	-1,437,849	2,268,000	502,000

FEDERAL DEPOSIT INSURANCE CORPORATION—Continued

NOTES

Operating expenses include Merger Assistance Transactions.  
Budget authority and outlays include the value of notes issued as part of assistance agreements to acquirers of failing banks.

Status of Direct Loans (in thousands of dollars)

Identification code	51-8419-0-8-371	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	3,423,150	3,089,389	3,088,389
1251	Repayments: Repayments and prepayments	-333,761	-1,000	-216,250
1290	Outstanding, end of year	3,089,389	3,088,389	2,872,139

In order to facilitate deposit assumptions and mergers, or to assist operating banks, the Corporation is authorized to purchase notes issued by the assuming or acquiring bank, or in the case of direct assistance, notes issued by the operating bank. The above schedule reflects the outstanding principal amounts of these notes, projected repayments based on the notes agreements, and estimated additional disbursements and repayments during 1988 and 1989.

Income of the Corporation is derived principally from insurance assessments paid by insured banks and interest on investment in U.S. Government securities. As of September 30, 1987, the deposit insurance fund amounted to \$18.3 billion. The entire fund represents the accumulated net income of the Corporation and is reserved for the protection of depositors in insured banks and for payment of administrative and insurance expenses. No funds derived from taxes or Federal appropriation are allocated to or used by the Corporation in any of its operations.

The estimates for 1988 and 1989 in these statements make provision for losses and expenses which might occur by reason of the closing of any bank after September 30, 1987.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Revenue:</b>			
Income from U.S. securities	1,561,033	1,563,000	1,561,000
Insurance assessments	1,613,464	1,824,000	1,947,000
Other	131,926	62,000	71,000
<b>Total revenue</b>	<b>3,306,423</b>	<b>3,449,000</b>	<b>3,579,000</b>
<b>Expenses:</b>			
Administrative and operating expenses	200,823	226,000	230,000
Expenses incurred in protecting depositors in insured banks	3,384,650	3,828,000	1,532,000
Losses and expenses incurred in assisting merged banks	-77,767	20,000	20,000
<b>Total expenses</b>	<b>3,507,706</b>	<b>4,074,000</b>	<b>1,782,000</b>
<b>Net income (loss) for year</b>	<b>-201,283</b>	<b>-625,000</b>	<b>1,797,000</b>

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Cash	29,525	40,726	40,726	40,726
Investment in U.S. securities (at par)	15,855,735	17,040,080	15,274,973	14,539,973
Accounts receivable	1,184,836	826,893	750,893	680,893
Fixed assets—office buildings (net)	47,990	73,058	96,058	126,058
Assets acquired in assistance to banks (net)	5,938,394	4,947,256	5,501,363	4,988,363
<b>Total assets</b>	<b>23,056,480</b>	<b>22,928,013</b>	<b>21,664,013</b>	<b>20,376,013</b>

Liabilities:

Accounts payable and accrued liabilities	454,764	1,428,397	661,048	252,545
Agency notes	442,411	200,107	703,000	470,000
Liabilities incurred in failed banks	3,633,393	2,974,880	2,600,336	156,839
<b>Total liabilities</b>	<b>4,530,568</b>	<b>4,603,384</b>	<b>3,964,384</b>	<b>879,384</b>

Government equity:

Unobligated balance	11,990,834	12,957,373	11,755,266	14,035,266
Invested capital and earnings	6,535,078	5,367,256	5,944,363	5,461,363
<b>Total Government equity</b>	<b>18,525,912</b>	<b>18,324,629</b>	<b>17,699,629</b>	<b>19,496,629</b>

Object Classification (in thousands of dollars)

Identification code	51-8419-0-8-371	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	99,875	111,067	116,701
11.5	Other personnel compensation	5,852	6,513	6,843
	<b>Total personnel compensation</b>	<b>105,727</b>	<b>117,580</b>	<b>123,544</b>
12.1	Civilian personnel benefits	21,971	28,606	30,057
13.0	Benefits for former personnel	5	5	5
21.0	Travel and transportation of persons	21,461	30,610	31,804
22.0	Transportation of things	441	941	977
23.2	Rental payments to others	13,553	14,352	14,912
23.3	Communications, utilities, and miscellaneous charges	10,419	10,548	10,959
24.0	Printing and reproduction	1,460	1,298	1,349
25.0	Other services	11,218	10,962	11,390
26.0	Supplies and materials	2,951	3,775	3,923
31.0	Equipment	7,417	5,448	5,661
32.0	Land and structures	28,618	8,569	1,362
41.0	Grants, subsidies, and contributions	1,068	1,123	998
43.0	Interest and dividends	486	2,253	
92.0	Undistributed (closed bank activities)	5,143,141	6,899,569	2,739,698
99.9	<b>Total obligations</b>	<b>5,369,936</b>	<b>7,135,639</b>	<b>2,976,639</b>

Personnel Summary

Total number of full-time permanent positions	3,266	3,483	3,588
Total compensable workyears:			
Full-time equivalent employment	3,199	3,286	3,385
Full-time equivalent of overtime and holiday hours	14	16	16

FEDERAL ELECTION COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, **[\$14,174,000]** **\$15,433,000.** (Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	95-1600-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	12,865	14,174	15,433
<b>Financing:</b>				
25.00	Unobligated balance lapsing	18		
40.00	<b>Budget authority (appropriation)</b>	<b>12,883</b>	<b>14,174</b>	<b>15,433</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	12,865	14,174	15,433
72.40	Obligated balance, start of year	1,395	1,578	1,715
74.40	Obligated balance, end of year	-1,578	-1,715	-1,841
77.00	Adjustments in expired accounts	41		
90.00	<b>Outlays</b>	<b>12,722</b>	<b>14,037</b>	<b>15,307</b>

The Commission administers the disclosure of campaign finance information, enforces limitations on contributions and expenditures, supervises the public fund-



ing of Presidential elections, and performs other tasks relative to Federal elections.

The Commission is authorized to submit budget estimates to the President and concurrently to the Congress. The Commission supports the 1989 request for \$15.4 million. Total funding for 1989 provides for a staff level of 264 FTE.

**Object Classification (in thousands of dollars)**

Identification code	95-1600-0-1-806	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	7,443	8,255	8,599
11.3	Other than full-time permanent	172	317	312
11.5	Other personnel compensation	89	77	55
11.8	Special personal services payments	4	5	5
11.9	<b>Total personnel compensation</b>	<b>7,708</b>	<b>8,654</b>	<b>8,971</b>
12.1	Civilian personnel benefits	1,052	1,336	1,419
13.0	Benefits for former personnel	16	20	20
21.0	Travel and transportation of persons	107	206	206
22.0	Transportation of things	3	4	5
23.1	Rental payments to GSA	1,375	1,625	1,641
23.2	Rental payments to others	16	17	18
23.3	Communications, utilities, and miscellaneous charges	607	658	664
24.0	Printing and reproduction	272	319	310
25.0	Other services	1,273	958	1,834
26.0	Supplies and materials	273	257	245
31.0	Equipment	163	120	100
99.9	<b>Total obligations</b>	<b>12,865</b>	<b>14,174</b>	<b>15,433</b>

**Personnel Summary**

Total number of full-time permanent positions	230	246	252
Total compensable workyears: Full-time equivalent employment	235	258	264

**FEDERAL EMERGENCY MANAGEMENT AGENCY**

*Federal Funds*

**General and special funds:**

**DISASTER RELIEF**

For necessary expenses in carrying out the functions of the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), **[\$120,000,000]** \$200,000,000, to remain available until expended. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

**Program and Financing (in thousands of dollars)**

Identification code	58-0104-0-1-453	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	246,033	250,000	220,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-70,783	-50,000	-50,000
21.40	Unobligated balance available, start of year	-184,276	-129,026	-49,026
24.40	Unobligated balance available, end of year	129,026	49,026	79,026
39.00	<b>Budget authority</b>	<b>120,000</b>	<b>120,000</b>	<b>200,000</b>
Budget authority:				
40.00	Appropriation	170,000	120,000	200,000
41.00	Transferred to other accounts	-50,000		
43.00	<b>Appropriation (adjusted)</b>	<b>120,000</b>	<b>120,000</b>	<b>200,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	246,033	250,000	220,000
72.40	Obligated balance, start of year	518,803	474,941	503,742
74.40	Obligated balance, end of year	-474,941	-503,742	-413,742
78.00	Adjustments in unexpired accounts	-70,783	-50,000	-50,000
90.00	<b>Outlays</b>	<b>219,112</b>	<b>171,199</b>	<b>260,000</b>

Federal disaster assistance is a nationwide program operated pursuant to the Disaster Relief Act of 1974 (Public Law 93-288). Supplementary assistance is provided to individuals, and State and local governments, in the event of a Presidentially declared emergency or major disaster. Funds may be made available directly to a State or local government, or to other Federal agencies as reimbursement of expenditures in disaster relief work performed under this authority. In addition, a variety of other Federal agency assistance is coordinated under this program.

**Object Classification (in thousands of dollars)**

Identification code	58-0104-0-1-453	1987 actual	1988 est.	1989 est.
25.0	Other services	28,533	37,500	33,000
41.0	Grants, subsidies, and contributions	217,500	212,500	187,000
99.9	<b>Total obligations</b>	<b>246,033</b>	<b>250,000</b>	<b>220,000</b>

**SALARIES AND EXPENSES**

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles (31 U.S.C. 1343); uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of government program to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed \$1,500 for official reception and representation expenses, **[\$125,841,000]** \$135,602,000. (*Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1988; additional authorizing legislation to be proposed for \$44,220,000.*)

**Program and Financing (in thousands of dollars)**

Identification code	58-0100-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Program support:				
00.01	Civil defense	26,182	27,362	28,755
00.02	Earthquake and other hazards	2,889	3,211	3,428
00.03	Radiological emergency preparedness planning	3,054	3,598	3,259
00.04	Federal preparedness	38,173	43,658	49,709
00.05	Training and fire programs	4,243	4,814	4,958
00.06	Flood plain management	6,054	6,615	6,921
00.07	Disaster relief	8,196	10,019	9,659
00.08	Insurance activities	2,591	2,881	3,257
00.09	Emergency food and shelter	129	169	171
00.10	Management and administration	32,084	33,010	36,163
00.91	Total direct program	123,595	135,337	145,780
01.01	Reimbursable program	3,778	5,000	5,000
10.00	<b>Total obligations</b>	<b>127,373</b>	<b>140,337</b>	<b>150,780</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-3,778	-5,000	-5,000
21.40	Unobligated balance available, start of year		-691	
22.47	Unobligated balance transferred, net	-9,300	-8,805	-10,178
24.40	Unobligated balance available, end of year	691		
25.00	Unobligated balance lapsing	9,014		
40.00	<b>Budget authority (appropriation)</b>	<b>124,000</b>	<b>125,841</b>	<b>135,602</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	123,595	135,337	145,780
72.40	Obligated balance, start of year	60,977	58,953	61,880
74.40	Obligated balance, end of year	-58,953	-61,880	-65,355
77.00	Adjustments in expired accounts	-5,194		
90.00	<b>Outlays</b>	<b>120,425</b>	<b>132,410</b>	<b>142,305</b>

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 58-0100-0-1-999	1987 actual	1988 est.	1989 est.
Distribution of outlays by account:			
Salaries and expenses .....	120,003	132,010	141,905
Emergency planning, preparedness and mobilization.....	318	200	200
Hazard mitigation and disaster assistance.....	104	200	200

Note.—Excludes \$118 thousand in budget authority in 1989 for activities transferred to Operations and maintenance, defense agencies. Comparable amounts for 1987 (\$115 thousand) and 1988 (\$118 thousand) are included above.

**Program support.**—This activity provides the necessary resources to administer the Agency's various programs.

**Management and administration.**—This activity provides for the general management and administration of the agency in legal affairs, external affairs, financial management, personnel and other central support functions, such as rent, utilities, and supplies.

**Object Classification (in thousands of dollars)**

Identification code 58-0100-0-1-999	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	72,915	85,268	89,802
11.3 Other than full-time permanent .....	1,673		
11.5 Other personnel compensation.....	3,560	1,866	1,866
11.8 Special personal services payments.....	438		
11.9 Total personnel compensation .....	78,586	87,134	91,668
12.1 Civilian personnel benefits .....	10,275	13,461	15,994
13.0 Benefits for former personnel.....	85		
21.0 Travel and transportation of persons .....	5,289	7,095	7,826
22.0 Transportation of things.....	287	104	104
23.1 Rental payments to GSA.....	8,073	8,813	9,932
23.2 Rental payments to others.....	6		
23.3 Communications, utilities, and miscellaneous charges....	8,518	8,827	10,321
24.0 Printing and reproduction .....	606	656	656
25.0 Other services.....	7,539	8,197	8,246
26.0 Supplies and materials.....	935	732	715
31.0 Equipment.....	3,396	318	318
99.0 Subtotal, direct obligations .....	123,595	135,337	145,780
99.0 Reimbursable obligations .....	3,778	5,000	5,000
99.9 Total obligations .....	127,373	140,337	150,780

**Personnel Summary**

Direct:			
Total number of full-time permanent positions .....	2,465	2,469	2,526
Total compensable workyears:			
Full-time equivalent employment .....	2,063	2,405	2,462
Full-time equivalent of overtime and holiday hours.....	70	50	50
Reimbursable:			
Total compensable workyears: Full-time equivalent employment .....		30	30

**EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE**

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), [the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98 et seq.),] the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), section 103 of the National Security Act (50 U.S.C. 404), and Reorganization Plan No. 3 of 1978, **[\$272,496,000] \$282,794,000.** (Department of Housing and Urban De-

velopment-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed for \$144,146,000.)

**Program and Financing (in thousands of dollars)**

Identification code 58-0101-0-1-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Civil defense .....	111,256	106,210	132,138
00.02 Earthquake and other hazards .....	6,137	6,203	5,693
00.03 Radiological emergency preparedness .....	4,082	5,081	4,081
00.04 Federal preparedness .....	121,860	140,102	130,116
00.05 Training and fire programs .....	14,667	14,900	10,766
00.06 Flood plain management.....	44,763	48,112	43,200
00.91 Total direct program .....	302,765	320,608	325,994
01.01 Reimbursable program.....	13,834	16,000	16,000
10.00 Total obligations.....	316,599	336,608	341,994
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-13,834	-16,000	-16,000
21.40 Unobligated balance, start of year .....	-4,522	-4,959	
22.47 Unobligated balance transferred, net .....	-45,200	-43,153	-43,200
24.40 Unobligated balance, end of year .....	4,959		
25.00 Unobligated balance lapsing .....	3,998		
40.00 Budget authority (appropriation) .....	262,000	272,496	282,794

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	302,765	320,608	325,994
72.40 Obligated balance, start of year .....	227,903	236,450	251,053
74.40 Obligated balance, end of year .....	-236,450	-251,053	-264,367
77.00 Adjustments in expired accounts.....	3,112		
90.00 Outlays.....	297,330	306,005	312,680
Distribution of outlays by account:			
Emergency management planning and assistance .....	287,133	297,505	312,680
State and local assistance .....	4,353	4,000	
Emergency planning and assistance .....	5,844	4,500	

Note.—Excludes \$174 thousand in budget authority in 1989 for activities transferred to Operations and maintenance, defense agencies. Comparable amounts for 1987 (\$218 thousand) and 1988 (\$174 thousand) are included above.

**Civil defense.**—The civil defense programs feature an Integrated Emergency Management System approach. The programs are designed to ensure a basic emergency response infrastructure with potential for rapid enhancement of capabilities when necessary (the surge concept), providing emergency capabilities to mitigate, prepare for, respond to, and recover from emergencies caused by natural, technological, and attack-related hazards.

**Earthquake and other hazards.**—This program provides for the enhancement of State and local governments' capability to prepare for, respond to, and mitigate disasters and emergencies. Program activities include analyses, needs assessments, technical guidance and financial support designed to assist State and local governments in developing a comprehensive approach to preparedness planning.

**Radiological emergency preparedness.**—This program provides assistance to State and local governments through the issuance of guidance, review and approval of plans, and evaluation of exercises. The program is focused on improvement of State and local capabilities to cope with radiological accidents at commercial nuclear power plants, other fixed nuclear facilities, nuclear materials license holders and transportation of radioactive materials.

**Federal preparedness.**—The goals of the Federal preparedness activity are to achieve Government readiness to ensure that the Nation will be able to respond to, manage, and recover from peacetime or wartime na-

tional security emergencies and to enable Government, at all levels, to cope with the consequences of accidental, natural, and man-caused occurrences.

**Training and fire programs.**—This activity prepares Federal, State and local officials, their supporting staff, and the public to meet the responsibilities and challenges of domestic emergencies through planning, mitigation, preparedness, response, and long-term recovery. Educational programs are provided through the Emergency Management Institute and the National Fire Academy. In addition, the U.S. Fire Administration concentrates on providing a Federal focus on identifying problems with which the Nation's fire and rescue services must deal, finding solutions to these problems, and supporting State and local fire protection and emergency rescue efforts.

**Flood plain management.**—This activity involves the operation of a program that combines mapping, regulatory, and technical-assistance efforts for the purposes of responding to known flood hazards and mitigating their effects through a comprehensive approach to the management of flood plains. This activity is funded through transfer of unobligated balances from the National Flood Insurance Fund.

**Object Classification (in thousands of dollars)**

Identification code 58-0101-0-1-999	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
22.0 Transportation of things.....	16	46	17
23.2 Rental payments to others.....	17		
23.3 Communications, utilities, and miscellaneous charges...	34,138	42,306	49,992
24.0 Printing and reproduction.....	3,170	3,967	4,486
25.0 Other services.....	154,656	148,759	146,960
26.0 Supplies and materials.....	9,166	8,503	10,131
31.0 Equipment.....	15,406	26,783	18,319
32.0 Lands and structures.....	107	1,210	901
41.0 Grants, subsidies, and contributions.....	86,089	89,034	95,188
99.0 Subtotal, direct obligations.....	302,765	320,608	325,994
99.0 Reimbursable obligations.....	13,834	16,000	16,000
99.9 Total obligations.....	316,599	336,608	341,994

**EMERGENCY FOOD AND SHELTER PROGRAM**

There is hereby appropriated **[\$114,000,000]** \$80,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program pursuant to title III of Public Law 100-77: *Provided*, That total administrative costs shall not exceed three and one-half per centum of the total appropriation. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

**Program and Financing (in thousands of dollars)**

Identification code 58-0103-0-1-605	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	125,000	114,000	80,000
<b>Financing:</b>			
39.00 Budget authority.....	125,000	114,000	80,000
<b>Budget authority:</b>			
40.00 Appropriation.....	80,000	114,000	80,000
42.00 Transferred from other accounts.....	45,000		
43.00 Appropriation (adjusted).....	125,000	114,000	80,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	125,000	114,000	80,000
72.40 Obligated balance, start of year.....		10,872	

74.40 Obligated balance, end of year.....	-10,872		
90.00 Outlays.....	114,128	124,872	80,000

This program provides grants to voluntary organizations at the local level to supplement their programs for emergency food and shelter.

**Public enterprise funds:**

**NATIONAL INSURANCE DEVELOPMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 58-4235-0-3-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Crime insurance:</b>			
00.01 Insurance claims.....	8,006	7,901	6,719
00.02 Operating expenses.....	7,023	6,883	6,745
00.03 One-time payment to States.....	1		
00.04 Administrative expenses.....	278	370	370
00.05 Interest expense.....	8,111	8,817	9,566
10.00 Total obligations.....	23,419	23,971	23,400
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-9,554	-7,080	-7,065
17.00 Recovery of prior year obligations.....	-686		
67.10 Budget authority (authority to borrow) (permanent, indefinite).....	13,179	16,891	16,335
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	13,865	16,891	16,335
72.47 Obligated balance, start of year: Authority to borrow.....	5,560	6,834	7,439
74.47 Obligated balance, end of year: Authority to borrow.....	-6,834	-7,439	-7,328
78.00 Adjustments in unexpired accounts.....	-686		
90.00 Outlays.....	11,905	16,286	16,446

The National Insurance Development Fund provided the funding source for two programs authorized by the Urban Property Protection and Reinsurance Act of 1968, as amended: (1) The FAIR (Fair Access to Insurance Requirements) Plan/Riot Reinsurance Program, and (2) the Federal Crime Insurance Program. The Supplemental Appropriations Act, 1985 (Public Law 98-181) did not extend authority for the Riot Reinsurance Program beyond November 30, 1983. The Federal Crime Insurance Program has been extended until September 30, 1989. The budget estimates assume there will be no new policies issued subsequent to those dates. However, there will be operating expenses associated with unexpired policies and the close-out of contractor activities.

**Insurance claims.**—Claims reflect insurance payments in the program.

**Operating expenses.**—Expenses are incurred by fiscal agents in issuing policies, settling claims, and maintaining accounting and statistical records.

**One-time payments to States.**—In 1986, Congress appropriated \$10 million for payment to assist States in establishing an alternative to the Federal Crime Insurance Program. A total of eight States accepted \$836,000 and withdrew from the program.

**Administrative expenses.**—This represents the administrative cost of operating the programs.

**Interest expense.**—This represents interest on Treasury borrowings needed to defray underwriting and loss expenses of the crime insurance program.

**Financing.**—Claims and expenses are estimated to be paid from premium income and Treasury borrowings.

Public enterprise funds—Continued

NATIONAL INSURANCE DEVELOPMENT FUND—Continued

Premiums are projected to increase by five percent annually in order to reduce losses.

**Operating results.**—Claims and expenses are expected to exceed premium income resulting in a decrease in the reserves of the fund. Cumulative loss for this program is projected to be \$127 million at the end of 1989.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Crime insurance program:			
Revenue.....	9,554	7,080	7,065
Expense.....	-23,419	-23,971	-23,400
Net loss for year.....	-13,865	-16,891	-16,335

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	1,706	2,054	1,924	1,813
Accounts receivable (net).....	2,339	2,211	2,080	1,960
Advances made.....	1,036	703	676	637
Other assets.....	518	509	468	441
Total assets.....	5,599	5,477	5,148	4,851
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	4,985	3,439	3,200	3,000
Advances received.....	4,506			
Other liabilities.....	1,791	7,102	5,310	5,299
Debt issued under borrowing authority.....	76,000	97,000	113,000	116,000
Total liabilities.....	87,282	107,541	121,510	124,299
<b>Government equity:</b>				
Unexpended balances: Undelivered orders.....	2,160	3,473	5,924	15,155
Unfinanced budget authority: Borrowing authority.....	-5,560	-5,560	-6,834	-7,439
Invested capital.....	-78,283	-99,978	-115,452	-127,164
Total Government equity.....	-81,683	-102,065	-116,362	-119,448

Note.—This statement excludes unfunded contingent liabilities under the crime insurance program as follows: 1986, \$285 million; 1987, \$224 million; 1988, \$0.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
58-4235-0-3-451			
11.1 Personnel compensation: Full-time permanent.....	231	300	300
12.1 Civilian personnel benefits.....	30	50	50
21.0 Travel and transportation of persons.....	17	20	20
25.0 Other services.....	7,023	6,883	6,745
41.0 Grants, subsidies, contributions.....	1		
42.0 Insurance claims and indemnities.....	8,006	7,901	6,719
43.0 Interest and dividends.....	8,111	8,817	9,566
99.9 Total obligations.....	23,419	23,971	23,400

Personnel Summary

Total number of full-time permanent positions.....	5	4	6
Total compensable workyears: Full-time equivalent employment.....	5	4	6

NATIONAL FLOOD INSURANCE FUND  
(TRANSFERS OF FUNDS)

Of the funds available from the National Flood Insurance Fund for activities under the National Flood Insurance Act of 1968, and the Flood Disaster Protection Act of 1973, [\$9,496,000] \$10,178,000 shall, upon enactment of this Act, be transferred to the "Salaries and expenses" appropriation for administrative costs of the insurance and flood plain management programs and [\$43,392,000] \$43,200,000 shall, upon enactment of this Act, be transferred to the "Emergency

management planning and assistance" appropriation for flood plain management activities, including [\$4,531,000] \$2,720,000 for expenses under section 1362 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4103, 4127), which amount shall be available until September 30, [1989] 1990. In fiscal year [1988] 1989, no funds in excess of (1) [\$38,000,000] \$36,000,000 for operating expenses, [(2) \$137,765,000] and (2) \$169,003,000 for agents' commissions and taxes, and (3) \$2,537,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
58-4236-0-3-453			
<b>Program by activities:</b>			
00.01 Insurance underwriting expense.....	109,605	185,735	205,003
00.02 Loss and adjustment expense.....	147,308	355,104	400,056
00.03 Interest expense.....		3,500	3,500
10.00 Total obligations.....	256,913	543,339	608,559
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on U.S. securities.....	-3,901	-6,000	-6,000
14.00 Non-Federal sources.....	-478,153	-609,695	-671,517
21.98 Unobligated balance available, beginning of year.....	-26,513	-197,155	-217,553
22.98 Transfer out of unobligated balance.....	54,500	51,958	53,378
24.98 Unobligated balance available, end of year.....	197,155	217,553	233,133
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-225,142	-72,356	68,958
72.47 Obligated balance, start of year: Authority to borrow.....	22,512	16,005	50,653
74.47 Obligated balance, end of year: Authority to borrow.....	-16,005	-50,653	-51,491
90.00 Outlays.....	-218,635	-107,004	-69,796

Note.—Includes \$53,378 thousand in 1989 for activities previously financed from "Salaries and Expenses" and "Emergency Management Planning and Assistance."

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within one year of the time they are identified as flood prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes.

Under the emergency program, structures in identified flood-prone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, studies must be made of different flood risks in flood-prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up to \$245 thousand for residential and \$550 thousand for other types.

Significant indicators of program size are as follows:

	1987 actual	1988 est.	1989 est.
Policies in force.....	2,079,805	2,183,795	2,292,985
Insurance in force (billions of dollars).....	159	175	193

**Budget program—Insurance underwriting expense.**—Cost of initiating and maintaining flood insurance policies is estimated at \$205,003 thousand in 1989.

**Loss and adjustment expense.**—Insured flood losses and associated loss adjustment expense is estimated at \$400,056 thousand in 1989.

**Interest expense.**—Interest on Treasury borrowings needed to defray underwriting and loss expenses is estimated at \$3,500 thousand in 1989.

The following activities are proposed for reimbursement from the National Flood Insurance Fund to other appropriations in FEMA's budget:

**Flood studies and surveys.**—These studies are estimated at \$36,460 thousand in 1989.

**Flood hazard reduction.**—This activity, which includes the state assistance program, is estimated at \$4,020 thousand in 1989.

**Purchase of property.**—This activity provides for the acquisition of property that has received severe or repeated flood damage and is estimated at \$2,720 thousand in 1989.

**Salaries and expenses.**—This activity provides for salaries and related expenses of all Federal staff administering the National Flood Insurance Program and is estimated at \$10,178 thousand in 1989.

**Financing.**—The Administrator is authorized to borrow up to \$1 billion to carry out the program. The program is financed through premium income and appropriations to repay borrowing. Premiums are projected to increase by 10 percent in 1988 and 5 percent in 1989.

**Operating results.**—Cumulative loss for this program is projected to be \$1 billion at the end of 1989. This deficit has been financed through appropriations of \$1.2 billion.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue.....	482,056	615,695	677,517
Expense.....	—256,913	—543,339	—608,559
Net gain or loss for the year.....	225,143	72,356	68,958

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	49,025	17,104	18,960	21,780
Investments in U.S. securities.....	196,055	214,880	246,840	246,840
Accounts receivable.....	4,527	3,397	5,372	5,445
Cash on deposit.....	56,461	2,286	3,160	3,630
Deferred expenses.....	6,047	69,650	74,260	85,305
Total assets.....	116,060	288,492	316,632	363,000
<b>Liabilities:</b>				
Accounts payable.....	22,003	6,295	13,064	15,092
Other liabilities.....	296,875	320,603	320,161	348,921
Total liabilities.....	318,878	326,898	333,225	364,013
<b>Government equity:</b>				
Unexpended balances:				
Undelivered orders.....	46,608	17,774	32,016	34,892
Invested capital.....	—249,427	—56,179	—48,609	—35,905
Total Government equity.....	—202,819	—38,405	—16,593	—1,013

Note.—This statement excludes unfunded contingent liabilities under the insurance program as follows: 1987, \$159 billion; 1988, \$175 billion; 1989, \$193 billion.

**Object Classification (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
25.0 Other services.....	109,605	185,735	205,003
42.0 Insurance claims and indemnities.....	147,308	355,104	400,056

43.0	Interest and dividends.....	2,500	3,500
99.9	Total obligations.....	256,913	543,339
		608,559	

**Trust Funds**

**BEQUESTS AND GIFTS**

**Program and Financing (in thousands of dollars)**

Identification code	11-8244-0-7-453	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	22	50	50
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance.....	—8	—98	—1
21.40	U.S. securities (par).....	—1,145	—1,095	—1,205
Unobligated balance available, end of year:				
24.40	Treasury balance.....	98	1	1
24.40	U.S. securities (par).....	1,095	1,205	1,215
60.00	<b>Budget authority (appropriation) (indefinite)</b> .....	<b>62</b>	<b>63</b>	<b>60</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	22	50	50
72.40	Obligated balance, start of year.....	5		
74.40	Obligated balance, end of year.....	—5		
90.00	Outlays.....	17	55	50

This fund represents contributions from the estate of Cora Brown to support the activities of the disaster relief fund.

**Trust Funds**

**GIFTS AND BEQUESTS, FIRE ADMINISTRATION**

**Program and Financing (in thousands of dollars)**

Identification code	58-8200-0-7-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	2		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	—2		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2		
72.40	Obligated balance, start of year.....	1	1	
74.40	Obligated balance, end of year.....	—1		
90.00	Outlays.....	2	1	

The Director of FEMA is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Federal Emergency Management Agency. Property and the proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

**FEDERAL HOME LOAN BANK BOARD**

The Federal Home Loan Bank Board formulates policies for and supervises the operation of the 12 Federal home loan banks, the system of Federal savings and loan associations, the Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Mortgage Corporation. It is also responsible for the examination of Federal savings and loan associations and for

the examination and supervision of State-chartered institutions insured by the Federal Savings and Loan Insurance Corporation.

The expenditure programs of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation are presented as business-type budgets. The administrative expenses of the Federal Home Loan Bank Board are paid from assessments against the 12 Federal home loan banks and the Federal Savings and Loan Insurance Corporation.

**Federal Funds**

**Public enterprise funds:**

**FEDERAL HOME LOAN BANK BOARD REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code 82-4035-0-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Administrative expenses subject to limitation .....	25,918	30,313	31,942
00.02 Other expenses .....	8,039	11,351	10,147
00.91 Total operating expenses .....	33,957	41,664	42,089
<b>Capital investment:</b>			
01.01 Capitalized improvements to the Federal Home Loan Bank Board Building .....	2,323	2,968	1,050
01.02 Purchase of equipment .....	-3,919		
01.91 Total capital investment .....	-1,596	2,968	1,050
10.00 Total obligations .....	32,361	44,632	43,139
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-24,084	-32,984	-31,864
14.00 Non-Federal sources .....	-8,492	-11,798	-11,425
21.98 Unobligated balance available, start of year: Fund balance .....	-555	-772	-921
24.98 Unobligated balance available, end of year: Fund balance .....	772	921	1,071
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-215	-150	-150
72.98 Obligated balance start of year .....	-10,324	1,724	1,576
74.98 Obligated balance end of year .....	-1,724	-1,576	-1,426
90.00 Outlays .....	-12,265		

**NOTES**

The \$4 billion authority to borrow from Treasury continues to be available.

Outlays were overstated by \$12,240 thousand in 1986 due to an error in reporting to Treasury the reimbursement to FHLBs for sale of Board property. An offsetting adjustment was applied to the 1987 outlay total.

The size of the Federal home loan bank system is shown in the following table:

**FEDERAL HOME LOAN BANK SYSTEM**

(In millions of dollars)

	1987 actual	1988 est.	1989 est.
Number of members .....	3,457	3,403	3,348
Total assets of members .....	1,378.8	1,489.3	1,608.5
Savings invested in members .....	1,038.2	1,099.4	1,169.2
Mortgage loans of members .....	859.4	922.1	988.8
Number of insured institutions examined and supervised .....	3,178	3,118	3,058
Federal home loan bank advances outstanding .....	120.1	133.0	147.0

**Budget program.**—The Board's budget program consists of several activities:

**Supervision of Federal home loan banks and applications processing.**—The Board supervises the operations of the 12 Federal home loan banks. Federal savings and

loan associations are chartered and regulated. Applications of State-chartered associations for conversion to Federal savings and loan associations and applications of Federal savings and loan associations for establishment of branch offices are also examined. In addition, an analysis and evaluation is made of insurance risk in connection with applications submitted by savings and loan associations for insurance of share accounts.

**Examination and supervision of Federal and State-chartered thrift institutions.**—Supervisory examinations are made of Federal savings and loan associations, State-chartered associations insured by the Federal Savings and Loan Insurance Corporation, and all uninsured member institutions of the Federal home loan bank system which are not examined by the State examiners. Examinations are also made of institutions applying for insurance of accounts and for conversion from a State to a Federal charter, when required by the Board. The financial condition and operations of each insured institution are analyzed and corrective action is instituted when warranted. Supervision of insured institutions operating under State charter is carried on cooperatively, with the respective State authorities.

**Executive direction and staff services.**—This includes formulation of basic policy and the furnishing of staff services common to the Board and the Insurance Corporation.

**Analysis of operations.**—Analyses are made of the financial condition of member institutions, the flow of savings, and the character and volume of mortgage lending. Selective reviews are made of geographical areas and trends in the field of thrift and home mortgage finance, including the volume of activity and interest rates for all major types of mortgage lenders.

**Administrative services.**—These consist of accounting, budgeting, and financial reporting; internal budget control; and fiscal organization and management. Also included are general housekeeping, data processing, and operating services.

The 12 Federal home loan banks seek to improve the financial condition of member institutions. The banks, which are owned by the member institutions, obtain funds primarily from public issuances of consolidated obligations. Section 11(i) of the Federal Home Loan Bank Act authorizes the banks to borrow from the Treasury up to \$4 billion outstanding at any one time.

The amounts shown in the schedules for the activities discussed above for 1989 include administrative expenses under an annual limitation, and certain additional expenses not under a limitation. Administrative expenses are estimated to increase from \$30.3 million in 1988 to \$31.9 million in 1989.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue .....	33,492	44,782	43,289
Expense .....	32,883	42,651	43,109
Net income or loss (—) for the year .....	609	2,131	180

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	2,472	2,497	2,497	2,497
Accounts receivable (net).....	817	1,288	3,800	3,800
Real property and equipment (net).....	51,910	48,279	50,260	50,290
Total assets.....	55,199	52,064	56,557	56,587
<b>Liabilities:</b>				
Accounts payable.....	2,734	3,014	5,376	5,226
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance.....	555	771	921	1,071
Invested capital.....	51,910	48,279	50,260	50,290
Total Government equity.....	52,465	49,050	51,181	51,361

Note.—Excess of accounts payable over accounts receivable does not agree with obligated balance reported to Treasury for 1986. Treasury balance includes a \$12,240 thousand error due to incorrect reporting of reimbursement to FHLBs for the sale of Board property.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
82-4035-0-3-371			
<b>FEDERAL HOME LOAN BANK BOARD</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	188	225	234
11.5 Other personnel compensation.....	1	4	5
11.8 Special personal services payments.....		2	2
11.9 Total personnel compensation.....	189	231	241
12.1 Civilian personnel benefits.....	25	48	55
21.0 Travel and transportation of persons.....	10	2	2
23.3 Communications, utilities, and miscellaneous charges.....	1,186	3,003	2,536
25.0 Other services.....	2,574	7,937	7,183
26.0 Supplies and materials.....	48	80	80
31.0 Equipment.....	88	50	50
93.0 Administrative expenses (see separate schedule).....	25,918	30,313	31,942
99.0 Subtotal obligations, Federal Home Loan Bank Board.....	30,038	41,664	42,089
<b>ALLOCATION TO GENERAL SERVICES ADMINISTRATION</b>			
32.0 Lands and structures.....	2,323	2,968	1,050
99.0 Subtotal obligations, allocation to GSA.....	2,323	2,968	1,050
99.9 Total obligations.....	32,361	44,632	43,139

Personnel Summary

Total number of full-time permanent positions.....	6	7	7
Total compensable workyears: Full-time equivalent employment.....	6	7	7

CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development and the Federal Home Loan Bank Board which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for [1988] 1989 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL HOME LOAN BANK BOARD

Not to exceed a total of [ \$30,313,000 ] \$31,942,000 shall be available for administrative expenses of the Federal Home Loan Bank Board for procurement of services as authorized by 5 U.S.C. 3109, and contracts for such services with one organization may be renewed annually, and uniforms or allowances therefor in accordance with law (5 U.S.C. 5901-5902), and said amount shall be derived from funds available to the Federal Home Loan Bank Board, including those in the Federal Home Loan Bank Board revolving fund and receipts of the Board for the current fiscal year, of which not to exceed \$800,000 shall be available for purposes of training State examiners and not to exceed \$1,500 shall be available for official reception and representation expenses: *Provided*, That members and alternates of the Federal Savings and Loan Advisory Council may be compensated subject to the provisions of section 7 of the Federal Advisory Committee Act, and shall be entitled to reimbursement from the Board for transportation expenses incurred in attendance at meetings of or concerned with the work of such Council and may be paid in lieu of subsistence per diem not to exceed the dollar amount set forth in 5 U.S.C. 5703: *Provided further*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of 1932, as amended (12 U.S.C. 1421-1449). (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

ADMINISTRATIVE EXPENSES

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
1. Supervision of Federal home loan banks and applications processing.....	1,814	2,122	2,236
3. Executive direction and staff services.....	13,477	15,763	16,610
4. Analysis of operations.....	5,184	6,063	6,388
5. Administrative services.....	5,443	6,365	6,708
Total obligations.....	25,918	30,313	31,942
Unfunded expense included in the limitation (depreciation).....	1,104		
<b>Financing:</b>			
Unobligated balance lapsing.....	1,071		
<b>Limitation.....</b>	<b>28,093</b>	<b>30,313</b>	<b>31,942</b>

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
82-4035-0-3-371			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	14,687	15,770	16,692
11.3 Other than full-time permanent.....	913	1,060	1,410
11.5 Other personnel compensation.....	554	722	747
11.8 Special personal services payments.....	254	331	331
11.9 Total personnel compensation.....	16,408	17,883	19,180
12.1 Civilian personnel benefits.....	2,580	3,583	3,398
13.0 Benefits for former employees.....	20	55	55
21.0 Travel and transportation of persons.....	799	1,067	1,117
22.0 Transportation of things.....	122	89	90
23.2 Rental payments to others.....	194	332	372
23.3 Communications, utilities, and miscellaneous charges.....	1,581	1,818	1,945
24.0 Printing and reproduction.....	532	471	485
25.0 Other services.....	2,398	3,483	3,647
26.0 Supplies and materials.....	808	832	853
31.0 Equipment.....	476	700	800
93.0 Administrative expenses in schedule for fund as a whole.....	—25,918	—30,313	—31,942
99.0 Total obligations, administrative expenses.....			

Personnel Summary

Total number of full-time permanent positions.....	440	445	445
Total compensable workyears:			
Full-time equivalent employment.....	446	456	456
Full-time equivalent of overtime and holiday hours.....	7	8	8

Public enterprise funds—Continued

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION FUND

Program and Financing (in thousands of dollars)

Identification code 82-4037-0-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Administrative expenses subject to limitation..	1,208	1,610	1,667
00.02 Payments to Federal Home Loan Bank Board for services and facilities.....	24,084	32,984	31,864
00.03 Contributions and provision for contributions to insured thrift institutions.....	1,129,900	2,365,327	2,482,858
00.04 Liquidation and other expenses.....	67,139	777,532	522,792
00.05 Interest on notes payable.....	308,572	306,877	479,364
00.91 Total operating expenses.....	1,530,903	3,484,330	3,518,545
<b>Capital investment:</b>			
01.01 Purchase of equipment.....	9,914	8,200	6,000
01.02 Assets acquired from insured institutions.....	49,158	53,891	53,891
01.03 Loans to insured institutions.....	96,000	100,000	74,000
01.04 Purchase of subrogated accounts.....	3,032,473	2,629,551	1,704,572
01.91 Total capital investment.....	3,187,545	2,791,642	1,838,463
10.00 Total obligations.....	4,718,448	6,275,972	5,357,008
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Interest on U.S. and Federal agency securities.....	-148,173	-63,259	-178,028
<b>Non-Federal sources:</b>			
14.00 Insurance premiums and admission fees....	-1,876,504	-1,555,391	-1,350,055
14.00 Income on assets acquired from insured institutions.....	-14,411	-20,835	-24,182
14.00 Interest on loans to insured institutions....	-149,196	-16,670	-18,377
14.00 Liquidation of assets acquired.....	-51,310	-37,152	-39,311
14.00 Liquidation of loans to insured institutions..	-2,246	-57,257	-57,257
14.00 Liquidation of subrogated accounts.....	-200,823	-650,000	-860,000
14.00 Miscellaneous.....	-161,013	-151,989	-157,208
14.00 Principal payments on capital certificates...	-412,202	-319,883	-239,912
14.00 Interest on secured advances.....	-36,937	-68,648	-70,099
14.00 Realization on secured advances.....	-150,239	-990,050	-107,445
14.00 Realization on sale of stock.....	-3,750,000	-3,750,000	-3,750,000
21.98 Unobligated balance available, start of year: Fund balance.....	-1,083,582	-1,168,188	-6,159,351
24.98 Unobligated balance available, end of year: Fund balance.....	1,168,188	6,159,351	9,254,217
31.00 Redemption of debt.....	400,000	400,000	400,000
67.10 Authority to borrow (Public Law 97-320).....	1,600,000	3,986,000	2,000,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,515,394	-1,405,162	-1,494,866
72.10 Receivables in excess of obligations, start of year.....	.....	.....	-164,534
72.98 Obligated balance, start of year.....	6,680,958	3,429,345	.....
74.10 Receivables in excess of obligations, end of year.....	.....	164,534	2,610,285
74.98 Obligated balance, end of year.....	-3,429,345	.....	.....
90.00 Outlays.....	4,767,007	2,188,717	950,855

NOTES

The \$750 million authority to borrow from Treasury continues to be available. The outlays reflect \$919,644 thousand for notes payable issued during fiscal year 1987 and not shown on the Treasury Combined Statement.

Status of Direct Loans (in thousands of dollars)

Identification code 82-4037-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....	.....	.....	.....
1131 Direct loan obligations exempt from limitation.....	96,000	100,000	74,000
1150 Total direct loan obligations.....	96,000	100,000	74,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,685,745	1,769,045	1,756,745
<b>Disbursements:</b>			
1231 Direct loan disbursements.....	96,000	95,000	70,000
1233 Purchase of loan assets from the public.....	.....	5,000	4,000

1251 Repayments: Repayments and prepayments.....	-12,700	-112,300	-108,700
1290 Outstanding, end of year.....	1,769,045	1,756,745	1,722,045
<b>Estimate of direct loan subsidy:</b>			
1320 Subsidy amount (in percent).....	3.0	3.0	3.0
1330 Subsidy amount (in thousands of dollars).....	2,880	2,850	2,100

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders.....	.....	.....	.....
2131 Guaranteed loan commitments exempt from limitation.....	1,260,395	623,200	325,000
2150 Total guaranteed loan commitments.....	1,260,395	623,200	325,000
<b>Cumulative balances of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	2,952,426	4,062,582	3,695,732
2231 Disbursements: Disbursements of new guaranteed loans.....	1,260,395	623,200	325,000
2251 Repayments: Repayments and prepayments.....	-150,239	-990,050	-107,445
2290 Outstanding, end of year.....	4,062,582	3,695,732	3,913,287
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	4,062,582	3,695,732	3,913,287
<b>Estimate of guaranteed loan subsidy:</b>			
2320 Subsidy amount (in percent).....	25	25	25
2330 Subsidy amount (in thousands of dollars).....	315,099	155,800	81,250

The Federal Savings and Loan Insurance Corporation is authorized under title IV of the National Housing Act to insure savings in all Federal savings and loan associations, Federal mutual savings banks, and in State-chartered institutions of the savings and loan type which apply and qualify for insurance. The protection, which insures each saver in a member association against financial loss up to a statutory limit of \$100 thousand, may be provided either through the prevention of default or the payment of insurance to savings accounts holders in the event of liquidation. Preventing default, which protects each investor regardless of the amount in his account, is accomplished by making contributions or by purchasing all or a part of an association's assets. Also, the Corporation is authorized to make loans to institutions in financial difficulty. Preventive measures are preferred by the Corporation. However, in the event liquidation is necessary, the Corporation acts as a receiver, or co-receiver upon the request of a State authority in cases involving State-chartered institutions. In addition, the Corporation, upon determination by the Board, is empowered to act, even retroactively, as sole receiver in cases involving State-chartered institutions.

The Corporation functions under the direction of the Federal Home Loan Bank Board, which provides administrative services. The expenses of the Board and its staff offices are paid from assessments made on the Corporation and the Federal home loan banks.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

	[In billions of dollars]		
	1987 actual	1988 est.	1989 est.
Number of insured member institutions.....	3,178	3,118	3,058
Number of insured savers (thousands).....	109,720	110,220	110,720
Potential liability.....	838.3	885.2	939.2
Assets of insured member institutions.....	1,219.7	1,317.3	1,422.7
Net worth of insured member institutions.....	51.3	58.0	65.4
Corporation reserve for insurance losses.....	-8.7	-7.1	-5.9



In carrying out its responsibility for protecting savings in insured savings and loans associations, the Corporation has settled 399 cases since its creation in 1934. Actual losses sustained and provision for losses to September 30, 1987, have amounted to \$11,745.7 million representing approximately 66.3 percent of cumulative gross income. Detailed information on these cases is summarized in the following table:

## LOSSES THROUGH SEPT. 30, 1987

Method of settlement:	Number	Number of investors protected (thousands)	Actual losses sustained and provisions for losses (millions)
Acquisition of assets .....	16	144	996.6
Acquisition of assets and contribution .....	29	339	719.2
Contribution .....	238	9,313	3,384.3
Contribution and loan .....	18	400	244.9
Contribution, loan, and acquisition of assets .....	6	279	582.3
Loan .....	5	190	12.0
Loan and acquisition of assets .....	1	26	3.7
Receivership and acquisition of assets .....	3	132	647.1
Receivership .....	72	939	4,742.0
Purchase and assumption .....	11	262	413.6
Total .....	399	12,024	11,745.7

**Budget program.**—The Insurance Corporation's budget program consists of the following activities:

**Administrative expenses subject to limitation.**—This category includes the estimated costs of executive direction and policy formulation.

**Payments to Federal Home Loan Bank Board for services and facilities.**—The Corporation will pay 75 percent of the total administrative expenses of the Federal Home Loan Bank Board in 1989 in return for services and facilities from the Board.

**Contributions and provision for contributions to insured thrift institutions.**—This item is the estimated amount needed in 1989 to prevent the default of insured institutions.

**Liquidation and other expenses.**—This provides for liquidation and other expenses of the Corporation in connection with the workout of contribution agreements, the disposition of assets purchased from, and loans to insured institutions to prevent default.

**Interest on notes payable.**—This is interest paid on promissory notes issued by the Corporation for the purchase of either Income Capital Certificates or Net Worth Certificates. The certificates are issued by qualifying insured institutions with low net worth in order to improve or maintain their capital position.

**Financing.**—The original capital of \$100 million has been completely repaid to Treasury, together with an additional \$43 million in interest. The Corporation has continuing authority to borrow from the Treasury for insurance purposes, up to a limit of \$750 million outstanding at any one time. No borrowing under this authorization has ever been necessary. The Corporation has additional authority to assess against each insured institution additional premiums for insurance until the amount of such premiums equals the amount of all losses and expenses of the Corporation, except that the total amount so assessed in any 1 year against any such institution shall not exceed one-eighth of 1 percent of the total amount of the accounts of its insured savers. In addition, with the passage of the Competitive Equal-

ty Banking Act the Corporation can recapitalize its fund by \$10.8 billion over the next three years through sale of FSLIC stock. These resources will be used to close those unprofitable and insolvent thrifts that have helped to create the growing financial threat to the fund.

**Operating results.**—The Corporation is entirely self-supporting. Revenues and other receipts have been sufficient to meet all insurance losses, operating expenses, and return on capital stock until 1987 when a contingent liability for \$12.2 billion was booked, leaving a reserve for contingencies of \$8,871.5 million as of September 30, 1987. Total revenues and other receipts since 1934 of \$17,719.9 million have been applied as follows:

## USE OF FUNDS

(In millions of dollars)

	Amount	Percent
Expenses .....	14,802.4	83.5
Insurance losses sustained and provision for losses .....	11,745.7	66.3
Return on capital stock to U.S. Treasury .....	43.3	.2
Reserve for contingencies .....	8,871.5	50.0
Total .....	17,719.9	100.0

<sup>1</sup> Reflects contingent liability of \$12.2 billion.

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue .....	2,386,235	1,579,663	1,148,834
Expense <sup>1</sup> .....	14,888,865	3,606,575	3,627,995
Net income or loss (—) for the year .....	12,502,630	2,026,912	2,479,161

<sup>1</sup> Reflects booking of contingent liability of \$12.2 billion in 1987

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury .....	19,652	36,319	36,319	36,319
U.S. securities (par) .....	4,784,193	880,859	2,678,142	3,327,257
Accounts receivable and advances made (net) .....	74,874	29,814	29,814	29,814
Assets acquired from insured institutions (net) .....	272,432	270,279	287,018	295,598
Loans receivable (net) .....	1,014,741	1,113,895	1,156,638	1,173,381
Investment in S&L Stock .....	389,760	389,760	389,760	389,760
Real property and equipment (net) .....	2,509			
Subrogated accounts in insured institutions .....	2,607,196	3,170,409	3,705,961	4,262,532
Secured advances due from receiver (net) .....	615,255	1,169,049	541,199	600,754
Loans to receivers .....	111,297	134,481	116,236	139,786
Capital certificates .....	1,802,183	1,361,157	1,041,273	801,362
Investment in FADA .....	25,000	25,000	25,000	25,000
Other assets .....	26,268	26,268	26,268	26,268
Total assets .....	11,290,028	8,607,290	10,033,628	11,107,831
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities <sup>1</sup> .....	7,655,833	16,559,159	13,365,280	10,519,529
Agency notes <sup>2</sup> .....		919,644	4,505,644	6,105,644
Total liabilities .....	7,655,833	17,478,803	17,870,924	16,625,173
<b>Government equity:</b>				
Unexpended balances: Unobligated balance .....	1,083,582	1,168,189	6,159,351	9,254,217
Invested capital .....	2,550,613	10,039,702	13,996,647	14,771,559
Total Government equity .....	3,634,195	8,871,513	7,837,296	5,517,342

<sup>1</sup> Reflects contingent liability of \$12.2 billion in 1987, 1988, and 1989.

<sup>2</sup> Reflects notes issued beginning in 1987

Public enterprise funds—Continued

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION FUND—  
Continued

Object Classification (in thousands of dollars)			
Identification code 82-4037-0-3-371	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	11,040	13,075	13,589
11.3 Other than full-time permanent.....	1,104	13,000	13,500
11.5 Other personnel compensation.....	770	2,106	2,524
11.8 Special personal services payments.....	546	700	735
11.9 Total personnel compensation.....	13,460	28,881	30,348
12.1 Civilian personnel benefits.....	2,262	5,348	5,579
13.0 Benefits for former employees.....		20	20
21.0 Travel and transportation of persons.....	1,428	6,014	6,014
22.0 Transportation of things.....	251	250	250
23.2 Rental payments to others.....	4,839	7,515	7,234
23.3 Communications, utilities, and miscellaneous charges.....	1,308	995	1,131
24.0 Printing and reproduction.....	133	405	492
25.0 Other services.....	106,601	122,189	122,223
26.0 Supplies and materials.....	321	610	601
31.0 Equipment.....	597	350	350
33.0 Investments and loans.....	3,187,545	1,805,642	1,838,463
41.0 Grants, subsidies, and contributions.....	1,089,923	3,989,266	2,863,272
43.0 Interest and dividends.....	308,572	306,877	479,364
93.0 Administrative expenses (see separate schedule).....	1,208	1,610	1,667
99.9 Total obligations.....	4,718,448	6,275,972	5,357,008

Note.—Equipment includes noncapitalized equipment purchases.

Personnel Summary

Total number of full-time permanent positions.....	383	760	760
Total compensable workyears: Full-time equivalent employment.....	386	770	770

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL SAVINGS AND  
LOAN INSURANCE CORPORATION

Not to exceed **[\$1,610,000]** \$1,667,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions or activities relating to section 406(c), 407, or 408 of the National Housing Act, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses and payments for expenses of the Federal Home Loan Bank Board determined by said Board to be properly allocable to said Corporation, and said Corporation may utilize and may make payments for services and facilities of the Federal home loan banks, the Federal Reserve banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U.S.C. 1724-1730f). (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Program by activities:			
Insurable interest and insurance settlement operations.....	1,208	1,610	1,667
Financing:			
Unobligated balance lapsing.....	258		
<b>Limitation</b> .....	<b>1,466</b>	<b>1,610</b>	<b>1,667</b>

Object Classification (in thousands of dollars)

Identification code 82-4037-0-3-371	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	490	510	566
11.3 Other than full-time permanent.....	166	350	350
11.5 Other personnel compensation.....	21	61	63
11.8 Special personal services payments.....	35	35	35
11.9 Total personnel compensation.....	712	956	1,014
12.1 Civilian personnel benefits.....	89	168	133
21.0 Travel and transportation of persons.....	60	60	65
22.0 Transportation of things.....		3	3
23.2 Rental payments to others.....	89	104	105
23.3 Communications, utilities, and miscellaneous charges.....	53	101	113
24.0 Printing and reproduction.....	5	5	5
25.0 Other services.....	182	181	200
26.0 Supplies and materials.....	16	23	23
31.0 Equipment.....	2	9	6
93.0 Administrative expenses included in schedule for fund as a whole.....	-1,208	-1,610	-1,667
99.0 Total obligations, administrative expenses.....			

Personnel Summary

Total number of full-time permanent positions.....	17	19	19
Total compensable workyears: Full-time equivalent employment.....	17	19	19

FEDERAL ASSET DISPOSITION ASSOCIATION

The Federal Home Loan Bank Board chartered the Federal Asset Disposition Association (FADA) in November, 1985 to help solve loan and property problems in troubled and failed savings and loan association portfolios. The Bank Board's insurance arm, the Federal Savings and Loan Insurance Corporation (FSLIC), provided FADA with initial capital of \$25 million. In the two years since FADA's creation, the FSLIC has utilized FADA to manage and sell the troubled loans and properties of failed and supervised savings and loan associations. The mission of FADA is to assist in strengthening the financial health of the FSLIC and the savings and loan industry. FADA attempts to manage problem loans and properties at the lowest cost consistent with sound operations and to obtain the best possible return.

FSLIC employs FADA in three contractual ways: an agreement to manage and sell assets held by a FSLIC receivership; an advisory or management agreement with a FSLIC-supervised institution; and an agreement to assist FSLIC in its corporate capacity. About 80 percent of the assets under FADA management are loans, while only 20 percent are real estate owned assets. Loan restructurings represent a substantial part of FADA's activities.

Because FADA was unable to supply data on a fiscal year basis for 1987, the following financial statements are presented for calendar year 1987 only and are not included in the budget totals. In subsequent budgets, actual data for the prior fiscal year and estimates for the current and budget fiscal years will be presented.

Revenue and Expense (in thousands of dollars)

	Calendar year 1987
Revenue.....	21,037
Expense.....	32,259
Net loss for the year.....	-11,222

Financial Condition (in thousands of dollars)

	Calendar year 1987
<b>Assets:</b>	
Cash and Investments.....	6,995
Receivables.....	18,451
Other assets.....	4,113
<b>Total assets.....</b>	<b>29,559</b>
<b>Liabilities:</b>	
<b>Total liabilities.....</b>	<b>19,272</b>
<b>Equity:</b>	
Common stock purchased by FSLIC.....	25,000
Retained earnings.....	-14,713
<b>Total equity.....</b>	<b>10,287</b>

FEDERAL LABOR RELATIONS AUTHORITY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; **[\$17,576,000]** \$17,540,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government Service, and compensation as authorized by 5 U.S.C. 3109. (*Independent Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
54-0100-0-1-805			
<b>Program by activities:</b>			
00.01 Authority members.....	4,147	4,251	4,340
00.02 Administrative law judges.....	799	841	892
00.03 Office of the General Counsel.....	7,382	7,522	7,862
00.04 Federal Service Impasses Panel.....	465	498	502
00.05 Management and administrative support.....	3,728	4,464	3,944
10.00 <b>Total obligations.....</b>	<b>16,521</b>	<b>17,576</b>	<b>17,540</b>
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	29		
40.00 <b>Budget authority (appropriation).....</b>	<b>16,550</b>	<b>17,576</b>	<b>17,540</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	16,521	17,576	17,540
72.40 Obligated balance, start of year.....	1,212	1,481	1,833
74.40 Obligated balance, end of year.....	-1,481	-1,833	-2,008
77.00 Adjustments in expired accounts.....	-39		
90.00 <b>Outlays.....</b>	<b>16,213</b>	<b>17,224</b>	<b>17,365</b>

The Authority serves as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations Statute, decides major policy issues, prescribes regulations, and disseminates information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the Federal Labor Relations Authority gives full recognition to the role of the Federal Government as an employer.

**Authority members.**—The Authority adjudicates labor-management disputes in the Federal sector including: appeals on negotiability issues; exceptions to arbitration awards; appropriate units for the purposes of exclusive recognition; eligibility of labor organiza-

tions for national consultation rights and unfair labor practice complaints.

Workloads are reflected in the following table:

CASE DISPOSITIONS

	1987 actual	1988 est.	1989 est.
Arbitration appeals.....	229	222	228
Negotiability appeals.....	242	206	168
Representation appeals/requests for review.....	19	19	20
Unfair labor practice appeals.....	295	213	163
Miscellaneous cases.....	1	6	5

**Administrative law judges.**—This activity provides for holding hearings on unfair labor practice complaints, issuing reports, and making recommendations to the Authority on each case to allow timely settlement of disputes arising between agencies and unions. Workloads are reflected in the following table:

CASE DISPOSITIONS

	1987 actual	1988 est.	1989 est.
Decisions.....	172	169	162
Settlements.....	566	564	541

**Office of the General Counsel.**—The functions of this Office include the investigation of all allegations of unfair labor practices filed and the processing of all representation petitions received; the exercise of final authority over the issuance and prosecution of all complaints; the supervision and conducting of elections concerning the exclusive recognition of labor organizations and the certification of the results of elections; the conducting of all hearings to resolve disputed issues in representation cases; preparing final Decisions and Orders in these cases; and the direction and supervision of all employees of the Regional Offices. Workloads are reflected in the following table:

CASE DISPOSITIONS

	1987 actual	1988 est.	1989 est.
Representation cases investigated.....	283	300	315
Representation hearings held.....	46	52	54
Representation elections conducted.....	79	84	88
Unfair labor practice cases investigated.....	5,681	5,390	5,175
Unfair labor practice complaints prosecuted.....	305	191	170
Unfair labor practice complaints with voluntary settlement.....	458	502	476
Unfair labor practice appeal dispositions.....	521	524	544

**Federal Service Impasses Panel.**—The functions of the Panel involve the resolution of labor negotiation impasses between Federal agencies and labor organizations which arise under the Civil Service Reform Act of 1978, the Panama Canal Act of 1979 and other statutes. The Panel uses a variety of procedures including fact-finding and arbitration.

	1987 actual	1988 est.	1989 est.
Impasse resolutions.....	136	189	207

**Management and administrative support.**—This activity provides a complete range of administrative support to all components of the Federal Labor Relations Authority. These activities involve financial management, which includes budget, accounting and payroll support; personnel management, which includes position management and classification; and office services, which includes space management, procurement, contracting, printing support, supply and property management, records management, and other administrative services.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)

Identification code 54-0100-0-1-805	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	10,842	11,525	11,829
11.3 Other than full-time permanent.....	109		
11.5 Other personnel compensation.....	278	95	95
11.9 Total personnel compensation.....	11,229	11,620	11,924
12.1 Civilian personnel benefits.....	1,296	1,420	1,535
13.0 Benefits for former personnel.....	16		
21.0 Travel and transportation of persons.....	595	466	584
22.0 Transportation of things.....	20	8	8
23.1 Rental payments to GSA.....	1,837	2,100	1,974
23.3 Communications, utilities, and miscellaneous charges.....	451	438	479
24.0 Printing and reproduction.....	230	207	177
25.0 Other services.....	464	726	654
26.0 Supplies and materials.....	177	172	186
31.0 Equipment.....	206	419	19
99.9 Total obligations.....	16,521	17,576	17,540

Personnel Summary

Total number of full-time permanent positions.....	277	273	261
Total compensable workyears: Full-time equivalent employment.....	263	273	261

FEDERAL MARITIME COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; **[\$13,585,000]** \$15,150,000: Provided, That not to exceed \$1,500 shall be available for official reception and representation expenses. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 65-0100-0-1-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Formal proceedings.....	3,553	3,740	3,760
00.02 Operational and administrative.....	301	312	333
00.03 Economic analysis.....	472	623	679
00.04 Agreements and trade monitoring.....	1,211	1,418	1,506
00.05 Tariffs.....	1,620	1,696	1,851
00.06 Hearing counsel.....	683	706	820
00.07 Investigations.....	2,159	2,297	2,415
00.08 Resources management.....	1,947	2,793	3,786
10.00 Total obligations.....	11,946	13,585	15,150
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	11,947	13,585	15,150
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	11,946	13,585	15,150
72.40 Obligated balance, start of year.....	1,236	1,597	1,358
74.40 Obligated balance, end of year.....	-1,597	-1,358	-1,515
90.00 Outlays.....	11,586	13,824	14,993

The Federal Maritime Commission regulates the domestic offshore and international waterborne commerce of the United States. In addition, the Commission has responsibility for the licensing of ocean freight forwarders and for insuring that vessel owners or operators establish financial responsibility for death or injury to passengers or other persons on voyages to and from U.S. ports, and indemnification of passengers for the

nonperformance of transportation. Major program areas for 1989 will concentrate on implementing and operating a system to computerize the filing of tariffs; pursuing an active enforcement program designed to identify and prosecute violators of the shipping statutes; collecting and analyzing data on the impact of the 1984 Shipping Act and beginning the preparation of the report required under section 18(c) of the Act; and completing various stages of automation.

Object Classification (in thousands of dollars)

Identification code 65-0100-0-1-403	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	7,665	8,308	8,582
11.3 Other than full-time permanent.....	208	200	191
11.5 Other personnel compensation.....	46	37	37
11.8 Special personal services payments.....	90	20	
11.9 Total personnel compensation.....	8,009	8,565	8,810
12.1 Civilian personnel benefits.....	1,023	1,030	1,067
21.0 Travel and transportation of persons.....	135	140	160
22.0 Transportation of things.....	7	6	10
23.1 Rental payments to GSA.....	1,299	1,661	1,677
23.3 Communications, utilities, and miscellaneous charges.....	332	356	356
24.0 Printing and reproduction.....	143	147	158
25.0 Other services.....	684	1,522	2,600
26.0 Supplies and materials.....	130	108	112
31.0 Equipment.....	184	50	200
99.9 Total obligations.....	11,946	13,585	15,150

Personnel Summary

Total number of full-time permanent positions.....	208	220	228
Total compensable workyears: Full-time equivalent employment.....	203	216	224

FEDERAL MEDIATION AND CONCILIATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia; and for expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health care industry negotiation disputes and for convening factfinding boards of inquiry appointed by the Director in the health care industry; **[and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 125a);]** and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. chapter 71), **[\$24,510,000]** \$24,937,000. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 93-0100-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Dispute mediation and Preventive mediation, public information, and educational activities.....	18,179	18,924	20,201
00.02 Arbitration services.....	502	523	558
00.03 Management and administrative support.....	3,625	3,773	4,028
00.04 Boards and panels.....	44	50	150
00.05 Labor-management cooperation project.....	1,172	1,000	
00.91 Total direct program.....	23,522	24,270	24,937

01.01	Reimbursable program.....	101	80	.....
10.00	Total obligations.....	23,623	24,350	24,937
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-101	-80	.....
25.00	Unobligated balance lapsing.....	370	240	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>23,892</b>	<b>24,510</b>	<b>24,937</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	23,522	24,270	24,937
72.40	Obligated balance, start of year.....	3,280	4,189	4,167
74.40	Obligated balance, end of year.....	-4,189	-4,167	-4,595
77.00	Adjustments in expired accounts.....	-42	.....	.....
90.00	Outlays.....	22,572	24,292	24,509

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Service assists parties to labor disputes in industries affecting commerce to settle their disputes through conciliation and mediation.

**Dispute mediation.**—The Service assists labor and management in mediation and prevention of disputes, other than those involving rail and air transportation, whenever such disputes threaten to cause a substantial interruption of interstate commerce or a major impairment of the national defense. The Service also makes mediation and conciliation services available to Federal agencies and organizations representing Federal employees in the resolution of negotiation disputes. The Service provides mandatory mediation and, where necessary, impartial boards of inquiry to assist in resolving labor disputes involving private nonprofit health care institutions. The workload shown below includes assignments closed in both the private and public sectors.

**MEDIATION WORKLOAD DATA**

	1985 actual	1986 actual	1987 actual	1988 estimate	1989 estimate
Cases in process at beginning of year.....	6,221	5,674	6,125	5,607	6,000
Mediation assignments.....	25,761	25,913	23,775	24,393	24,000
Mediation assignments closed.....	26,308	25,462	24,293	24,000	24,000
Cases in process at end of year.....	5,674	6,125	5,607	6,000	6,000
Total mediation conferences conducted.....	25,236	26,119	23,946	24,000	24,000

**Preventive mediation, public information, and educational activities.**—Through its preventive mediation program, the Service initiates and develops labor-management committees, training programs, conferences, and specialized workshops dealing with issues in collective bargaining. Mediators also participate in public information and educational activities such as lectures, seminars, and conferences.

**Arbitration services.**—The Service assists parties in disputes in utilizing the arbitration process for the resolution of disputes arising under or in the negotiation of collective bargaining agreements in the private and public sectors.

**ARBITRATION SERVICES WORKLOAD DATA**

	1985 actual	1986 actual	1987 actual	1988 estimate	1989 estimate
Number of panels issued.....	33,390	32,935	31,764	33,000	33,000
Number of arbitrators appointed.....	10,891	10,638	10,111	11,000	11,000

**Management and administrative support.**—This activity provides for overall management and administration, policy planning, research and evaluation, and employee development.

**Boards and panels.**—Provision is made for ad hoc use of labor relations experts, individually or in panels, in

support of the mediation function, for boards of inquiry appointed by the President in emergency disputes, and for boards of inquiry which the Director of FMCS may appoint in a contract dispute involving health care institutions.

**Labor-management cooperation project.**—The Labor Management Cooperation Act of 1978 (29 U.S.C. 125a) authorizes the Service to carry out this program of contracts and grants to support the establishment and operation of plant, area, and industry labor-management committees. No funds are requested for this program in 1989.

**Object Classification (in thousands of dollars)**

Identification code 93-0100-0-1-505	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	14,961	15,594	15,929
11.3 Other than full-time permanent.....	128	124	216
11.5 Other personnel compensation.....	97	24	97
11.9 Total personnel compensation.....	15,186	15,742	16,242
12.1 Civilian personnel benefits.....	2,030	2,552	2,837
13.0 Benefits for former personnel.....	37	15	15
21.0 Travel and transportation of persons.....	1,291	1,045	1,268
22.0 Transportation of things.....	7	13	37
23.1 Rental payments to GSA.....	1,876	2,248	2,398
23.3 Communications, utilities, and miscellaneous charges... ..	1,004	1,138	1,144
24.0 Printing and reproduction.....	77	36	43
25.0 Other services.....	576	429	479
26.0 Supplies and materials.....	140	124	157
31.0 Equipment.....	285	111	317
41.0 Grants, subsidies, and contributions.....	1,000	817	.....
42.0 Insurance claims and indemnities.....	13	.....	.....
99.0 Subtotal, direct obligations.....	23,522	24,270	24,937
99.0 Reimbursable obligations.....	101	80	.....
99.9 Total obligations.....	23,623	24,350	24,937

**Personnel Summary**

Direct:	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	323	335	335
Total compensable workyears: Full-time equivalent employment.....	313	326	335

**FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), **[\$3,906,000]** \$4,079,000. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 95-2800-0-1-554	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Commission review.....	2,027	2,281	2,330
00.02 Administrative law judge determinations.....	1,514	1,611	1,749
10.00 Total obligations.....	3,542	3,892	4,079
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	243	14	.....
40.00 <b>Budget authority (appropriation).....</b>	<b>3,785</b>	<b>3,906</b>	<b>4,079</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,542	3,892	4,079
72.40 Obligated balance, start of year.....	456	366	362

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	95-2800-0-1-554	1987 actual	1988 est.	1989 est.
74.40	Obligated balance, end of year.....	-366	-362	-412
77.00	Adjustments in expired accounts.....	-61		
90.00	Outlays.....	3,570	3,896	4,029

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Commission reviews and decides contested enforcement actions of the Secretary of Labor under mine safety legislation. The Commission also adjudicates claims by miners and miners' representatives concerning their rights under law. The Commission holds fact-finding hearings and issues orders affirming, modifying, or vacating the Secretary's enforcement actions.

**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
<b>Commission review activities:</b>			
Cases pending beginning of year.....	24	35	32
Cases called for review.....	70	67	71
Cases decided.....	59	70	72
<b>Administrative law judge activities:</b>			
Cases pending beginning of year.....	1,179	1,032	1,051
New cases received.....	1,579	1,824	1,824
Cases decided.....	1,726	1,805	1,878

**Object Classification (in thousands of dollars)**

Identification code	95-2800-0-1-554	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,274	2,494	2,639
11.8	Other personnel compensation.....	2		
11.9	Total personnel compensation.....	2,276	2,494	2,639
12.1	Civilian personnel benefits.....	320	348	368
21.0	Travel and transportation of persons.....	78	64	82
23.1	Rental payments to GSA.....	418	491	500
23.3	Communications, utilities, and miscellaneous charges.....	125	147	147
24.0	Printing and reproduction.....	33	33	33
25.0	Other services.....	227	250	245
26.0	Supplies and materials.....	52	52	52
31.0	Equipment.....	13	13	13
99.9	Total obligations.....	3,542	3,892	4,079

**Personnel Summary**

Total number of full-time permanent positions.....	62	56	56
Total compensable workyears: Full-time equivalent employment.....	51	54	56

**FEDERAL RETIREMENT THRIFT INVESTMENT BOARD**

**Federal Funds**

**General and special funds:**

**[SALARIES AND EXPENSES]**

**PROGRAM EXPENSES**

From amounts derived from the Thrift Savings Fund, not to exceed \$15,308,000 shall be used for expenses of administering the Fund; in addition, from amounts derived from the Thrift Savings Fund, such sums as may be necessary for liability insurance as authorized. (5 U.S.C. 8437; 5 U.S.C. 8472(i); 5 U.S.C. 8479.)

**Program and Financing (in thousands of dollars)**

Identification code	26-5290-0-3-803	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Administrative expenses.....	5,954	16,168	15,308
00.02	Liability insurance.....	223	450	600
10.00	Total obligations.....	6,177	16,618	15,908
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	7		
39.00	<b>Budget authority.....</b>	<b>6,184</b>	<b>16,618</b>	<b>15,908</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation (current) (general fund).....</b>	<b>5,250</b>		
60.00	<b>Appropriation (permanent, indefinite) (special fund)....</b>	<b>934</b>	<b>16,618</b>	<b>15,908</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	6,177	16,618	15,908
72.40	Obligated balance, start of year.....		644	
74.40	Obligated balance, end of year.....	-644		
90.00	Outlays.....	5,533	17,262	15,908

The Federal Retirement Thrift Investment Board is responsible for managing the Thrift savings fund. The Thrift savings fund is a special tax-deferred savings fund established by the Federal Employees' Retirement System Act of 1986. Due to the fiduciary nature of the Thrift savings fund, the fund is not included in the totals of the Federal budget. Information on the financial status and activities of the Thrift savings fund follow this account.

Program administration for the Thrift savings fund is financed by reimbursement from the fund. In addition, the Board may require employing agencies to contribute an amount not to exceed one percent of employing agency contributions to purchase insurance to cover the potential liability of persons who serve in a fiduciary capacity on behalf of the fund. The Board has ceased requiring such contributions because of legislation enacted in January 1988 which provided an alternative source of funding for a major portion of such liabilities. This legislation is also expected to reduce estimated expenses for insurance premiums. In 1987, a general fund appropriation from the Treasury was provided to finance a portion of the administrative expenses in the first year of the Board's operations. Future reimbursements will be derived first from forfeitures of agency one percent basic contributions for employees who separate from the Federal government prior to vesting and subsequently from other amounts in the fund.

**Object Classification (in thousands of dollars)**

Identification code	26-5290-0-3-803	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	939	2,081	3,271
11.3	Other than full-time permanent.....	46	60	75
11.9	Total personnel compensation.....	985	2,141	3,346
12.1	Civilian personnel benefits.....	123	279	364
21.0	Travel and transportation of persons.....	19	30	35
22.0	Transportation of things.....	5	60	10
23.1	Rental payments to GSA.....	123	380	792
23.3	Communications, utilities, and miscellaneous charges.....	67	160	110
24.0	Printing and reproduction.....	1,787	2,747	2,755
25.0	Other services.....	2,677	9,214	7,648
26.0	Supplies and materials.....	45	72	93
31.0	Equipment.....	122	1,085	155
42.0	Insurance.....	223	450	600
99.9	Total obligations.....	6,177	16,618	15,908

**Personnel Summary**

Total number of full-time permanent positions.....	90	90	90
Total compensable workyears:			
Full-time equivalent employment.....	29	65	83
Full-time equivalent of overtime and holiday hours.....	4	4	4

**PAYMENT FROM THE GENERAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 26-0101-0-1-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	149,500		
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite, P.L. 99-335).....	149,500		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	149,500		
90.00 Outlays.....	149,500		

The Federal Employees' Retirement System Act of 1986 required the Secretary of the Treasury to credit to the Thrift savings fund an amount equal to 1 percent of the basic pay paid plus interest for those Federal employees who were covered by the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 and were still employees of the Federal Government on January 1, 1987.

**INFORMATION SCHEDULES ON THE THRIFT SAVINGS FUND**

The Thrift savings fund is composed of individual accounts maintained by the Federal Retirement Thrift Investment Board on behalf of the individual Federal employee participants in the fund. All Federal employees are eligible to contribute to the fund. However, only those employees covered by the Federal Employees' Retirement System (FERS) will have their contributions matched by employing agencies in accordance with the formulas prescribed by law. Within certain restrictions imposed during a phase-in period, FERS employees are entitled to select how contributions are distributed among three investment funds: a Government securities investment fund, a fixed income investment fund, and a common stock index investment fund.

Because the Thrift savings fund recently commenced operations, the estimates of the status of these funds in 1988 and 1989 are based only on the first year of experience. Employee participation in the fund is entirely voluntary, so actual results could vary significantly from these estimates. The estimated status of the three separate funds is shown below:

**STATUS OF THRIFT SAVINGS FUND**

(In thousands of dollars)

Unexpended balance, start of year:	1987 actual	1988 est.	1989 est.
Government securities investment fund.....		736,149	2,299,759
Common stock index investment fund.....			19,754
Fixed income investment fund.....			13,169
Balance of Thrift savings fund, start of year.....		736,149	2,332,682
Cash income for the year:			
Employee contributions.....	401,944	985,000	1,098,000
Return on investments in non-governmental instruments.....		1,290	6,458
Return on investments in Government securities.....	16,856	118,711	250,542
Employer contributions.....	168,783	619,600	773,700

Contributions on behalf of employees.....	(167,112)	(616,000)	(770,000)
Liability insurance surcharge.....	(1,671)	(3,600)	(3,700)
Payment from the general fund: Permanent appropriation.....	149,500		
Total net income.....	737,083	1,724,601	2,128,700
Cash outgo during year:			
Employee withdrawals.....		106,750	200,500
Loans to employees.....		4,700	9,500
Insurance.....	223	450	600
Administrative expenses.....	711	16,168	15,308
Total outgo.....	934	128,068	225,908
Unexpended balance, end of year:			
Government securities investment fund.....	736,149	2,299,759	4,103,359
Common stock index investment fund.....		19,754	79,269
Fixed income investment fund.....		13,169	52,845
Balance of Thrift savings fund, end of year.....	736,149	2,332,682	4,235,474

**STATUS OF GOVERNMENT SECURITIES INVESTMENT FUND**

(In thousands of dollars)

Balance of fund, start of year:	1987 actual	1988 est.	1989 est.
Investment balance.....		736,149	2,299,759
Cash balance.....			
Total, balance start of year.....		736,149	2,299,759
Cash income for the year:			
New investments.....	720,227	1,570,600	1,773,700
Earnings.....	16,856	118,711	250,542
Total, cash income.....	737,083	1,689,311	2,024,242
Cash outgo during the year:			
Withdrawals other than loans.....		104,483	195,472
Withdrawals for loans.....		4,600	9,262
Administrative expenses.....	934	16,618	15,908
Total, cash outgo.....	934	125,701	220,642
Balance of fund, end of year:			
Investment balance.....	736,149	2,299,759	4,103,359
Cash balance.....			
Total, balance end of year.....	736,149	2,299,759	4,103,359

**STATUS OF COMMON STOCK INDEX INVESTMENT FUND**

(In thousands of dollars)

Balance of fund, start of year:	1987 actual	1988 est.	1989 est.
Investment balance.....			19,754
Cash balance.....			
Total, balance start of year.....			19,754
Cash income for the year:			
New investments.....		20,400	58,800
Earnings.....		774	3,875
Total, cash income.....		21,174	62,675
Cash outgo during the year.....		1,420	3,160
Balance of fund, end of year:			
Investment balance.....		19,754	79,269
Cash balance.....			
Total, balance end of year.....		19,754	79,269

**STATUS OF FIXED INCOME INVESTMENT FUND**

(In thousands of dollars)

Balance of fund, start of year:	1987 actual	1988 est.	1989 est.
Investment balance.....			13,169
Cash balance.....			
Total, balance start of year.....			13,169
Cash income for the year:			
New investments.....		13,600	39,200
Earnings.....		516	2,583
Total, cash income.....		14,116	41,783
Cash outgo during the year.....		947	2,107

General and special funds—Continued

INFORMATION SCHEDULES ON THE THRIFT SAVINGS FUND—Continued

STATUS OF FIXED INCOME INVESTMENT FUND—Continued

[In thousands of dollars]

Balance of fund, end of year:			
Investment balance.....	13,169	52,845	
Cash balance.....			
Total, balance end of year.....	13,169	52,845	

FEDERAL TRADE COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed \$2,000 for official reception and representation expenses; the sum of **[\$66,243,000: Provided, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374)] \$67,503,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988; additional authorizing legislation has been proposed.)**

Program and Financing (in thousands of dollars)

Identification code 29-0100-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Maintaining competition.....	29,560	30,135	30,620
00.02 Consumer protection.....	32,159	32,182	33,085
00.03 Economic activities.....	3,046	3,926	3,798
00.91 Total direct program.....	64,765	66,243	67,503
01.01 Reimbursable program.....	1,295	50	50
10.00 Total obligations.....	66,060	66,293	67,553
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-1,296	-50	-50
25.00 Unobligated balance lapsing.....	236		
40.00 Budget authority (appropriation).....	65,000	66,243	67,503
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	64,763	66,243	67,503
72.40 Obligated balance, start of year.....	10,448	9,126	9,233
74.40 Obligated balance, end of year.....	-9,126	-9,233	-9,340
77.00 Adjustments in expired accounts.....	-18		
90.00 Outlays.....	66,067	66,138	67,396

The Federal Trade Commission is charged by law with ensuring that competition in the marketplace is vigorous, free, and fair. This is accomplished by eliminating threats to fair and honest competition from all sources, both public and private.

**Maintaining competition.**—The Commission's efforts within this mission are aimed at fostering and preserving our competitive system with the goal of maximizing consumer welfare. In addition to enforcing the antitrust laws against private sector restraints on competition, the Commission also scrutinizes regulatory policies that unduly restrain competition, and tries to exert a pro-competitive influence in the development of such policies.

**Consumer protection.**—The Commission is charged with eliminating unfair or deceptive acts or practices

affecting commerce. The goal of the consumer protection mission is to improve market performance so that consumers can make informed choices when exercising their purchasing power. To accomplish this goal, the Commission will remove harmful private and public restrictions on market performance; encourage business to provide consumers with accurate and useful information; and reinforce market forces that enhance consumer welfare.

**Economic activities.**—This mission has four major functions: conducting research on the performance of the industrial economy; providing economic support to the Commission's antitrust and consumer protection efforts; advising the Commission on the impact of governmental regulation on competition in various industries; and developing economic reports on industrial structure and performance.

Object Classification (in thousands of dollars)

Identification code 29-0100-0-1-376	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	39,027	39,923	40,345
11.3 Other than full-time permanent.....	2,325	2,176	2,194
11.5 Other personnel compensation.....	798	804	804
11.8 Special personal services payments.....	6	5	5
11.9 Total personnel compensation.....	42,156	42,908	43,348
12.1 Civilian personnel benefits.....	5,029	5,957	6,243
13.0 Benefits for former personnel.....	50	43	43
21.0 Travel and transportation of persons.....	763	843	896
22.0 Transportation of things.....	83	100	100
23.1 Rental payments to GSA.....	8,052	8,939	9,050
23.3 Communications, utilities, and miscellaneous charges.....	1,797	1,824	1,894
24.0 Printing and reproduction.....	314	377	392
25.0 Other services.....	3,576	3,781	3,914
26.0 Supplies and materials.....	799	862	904
31.0 Equipment.....	2,146	609	719
99.0 Subtotal, direct obligations.....	64,765	66,243	67,503
99.0 Reimbursable obligations.....	1,295	50	50
99.9 Total obligations.....	66,060	66,293	67,553

Personnel Summary

Total number of full-time permanent positions.....	918	936	936
Total compensable workyears:			
Full-time equivalent employment.....	1,007	987	987
Full-time equivalent of overtime and holiday hours.....	6	5	5

SALARIES AND EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 29-0100-2-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 11.1).....			450
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			450
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			450
74.40 Obligated balance, end of year.....			-4
90.00 Outlays.....			446

Legislation will be proposed to sunset the Interstate Commerce Commission and transfer responsibility for the handling of consumer complaints regarding household goods movers to the Federal Trade Commission.



**HARRY S TRUMAN SCHOLARSHIP FOUNDATION**

*Trust Funds*

**HARRY S TRUMAN MEMORIAL SCHOLARSHIP TRUST FUND**

**Program and Financing** (in thousands of dollars)

Identification code	95-8296-0-7-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Scholarship awards .....	2,255	2,462	2,501
00.02	Program administration .....	465	493	516
10.00	<b>Total obligations</b> .....	<b>2,720</b>	<b>2,955</b>	<b>3,017</b>
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-80	-82	
21.40	U.S. securities (par value) .....	-44,402	-44,518	-46,076
Unobligated balance available, end of year:				
24.40	Treasury balance .....	82		
24.40	U.S. securities (par value) .....	44,518	46,076	47,475
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (trust fund)</b> .....	<b>2,838</b>	<b>4,431</b>	<b>4,416</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2,720	2,955	3,017
72.40	Obligated balance, start of year .....	7	10	7
74.40	Obligated balance, end of year .....	-10	-7	-7
90.00	<b>Outlays</b> .....	<b>2,717</b>	<b>2,958</b>	<b>3,017</b>

Public Law 93-642 established the Harry S Truman Scholarship Foundation to operate the scholarship program that is the permanent Federal memorial to the 33rd President of the United States. The Foundation awards scholarships for up to four years to qualified college students who demonstrate outstanding potential for and interest in careers in public service at the local, State, or Federal level.

Legislation was enacted in 1986 that raised the former \$5,000 cap on annual award levels to \$10,000, allowing the Foundation to raise awards. The Foundation announced an award cap of \$7,000, effective for awards for school years 1987-88 and 1988-89. However, the Foundation reserves the right, and intends if necessary, to adjust award levels or the number of scholars, or both, to avoid any decline in the value of its trust fund.

In 1989, the Foundation will conduct its thirteenth annual competition to select up to 105 new Truman scholars and will continue to assist in the placement of graduating Truman scholars in public service positions.

*Scholarship awards.*—This activity is comprised of scholarships awarded to cover eligible educational expenses.

*Program administration.*—This activity covers all costs of operating the program, including annual program announcement, interview and selection of Truman scholars, calculation and disbursement of scholarship awards, monitoring of student progress, and placement assistance.

**Object Classification** (in thousands of dollars)

Identification code	95-8296-0-7-502	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent .....	123	136	145
12.1	Civilian personnel benefits .....	16	19	22
21.0	Travel and transportation of persons .....	16	18	20
22.0	Transportation of things .....	1	1	1
23.1	Rental payments to GSA .....	31	32	33
23.3	Communications, utilities, and miscellaneous charges .....	16	18	20
24.0	Printing .....	4	5	6

25.0	Other services .....	255	259	263
26.0	Supplies and materials .....	3	5	6
41.0	Grants, subsidies, and contributions .....	2,255	2,462	2,501
99.9	<b>Total obligations</b> .....	<b>2,720</b>	<b>2,955</b>	<b>3,017</b>

**Personnel Summary**

Total number of full-time permanent positions .....	4	4	4
Total compensable workyears: Full-time equivalent employment .....	3	3	4

**OTHER HISTORICAL AND MEMORIAL AGENCIES**

*Federal Funds*

**General and special funds:**

**CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION**

**SALARIES AND EXPENSES**

For the necessary expenses of the Christopher Columbus Quincentenary Jubilee Commission, **[\$212,000] \$220,000**, to remain available until November 15, 1992. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	76-0800-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	<b>Total obligations</b> .....	<b>263</b>	<b>233</b>	<b>220</b>
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-64	-21	
24.40	Unobligated balance available, end of year .....	21		
40.00	<b>Budget authority (appropriation)</b> .....	<b>220</b>	<b>212</b>	<b>220</b>
Relations of obligations to outlays:				
71.00	Obligations incurred, net .....	263	212	220
72.40	Obligated balance, start of year .....	18	28	22
74.40	Obligated balance, end of year .....	-28	-22	-23
90.00	<b>Outlays</b> .....	<b>254</b>	<b>239</b>	<b>219</b>

The Christopher Columbus Quincentenary Jubilee Commission was established for the purpose of planning, encouraging, coordinating, and conducting the commemoration of the historic discovery voyage of Christopher Columbus. The thirty member Commission will coordinate its activities with the Governments of Spain, Italy, and other nations which share the Columbian heritage of the United States. The Commission will terminate December 31, 1993.

**Object Classification** (in thousands of dollars)

Identification code	76-0800-0-1-376	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent .....	107	135	113
12.1	Civilian personnel benefits .....	19	32	27
21.0	Travel and transportation of persons .....	67	12	32
23.2	Rental payments to others .....	10	17	5
23.3	Communications, utilities, and miscellaneous charges .....	8	6	6
24.0	Printing and reproduction .....	11		7
25.0	Other services .....	33	22	25
26.0	Supplies and materials .....	2	3	3
31.0	Equipment .....	6	6	2
99.9	<b>Total obligations</b> .....	<b>263</b>	<b>233</b>	<b>220</b>

**Personnel Summary**

Total number of full-time permanent positions .....	4	4	4
Total compensable workyears: Full-time equivalent employment .....	3	4	5

**Trust Funds**  
**GIFTS AND DONATIONS**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
76-8095-0-7-376			
<b>Program by activities:</b>			
10.00 Total obligations	31	54	
<b>Financing:</b>			
21.40 Unobligated balance available start of year		-54	
24.40 Unobligated balance available end of year	54		
60.00 <b>Budget authority (appropriation)</b> (permanent/ indefinite)	<b>85</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	31	54	
72.40 Obligated balance, start of year		2	
74.40 Obligated balance, end of year	-2		
90.00 Outlays	30	56	
<b>Object Classification</b> (in thousands of dollars)			
121.0 Travel and transportation of persons	4	24	
123.2 Rental payments to others		22	
124.0 Printing and reproduction	1	4	
125.0 Other services	26	4	
999.9 Total obligations	31	54	

**COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES CONSTITUTION**  
**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Commission on the Bicentennial of the United States Constitution authorized by Public Law 98-101 (97 Stat. 719-723), **[\$16,000,000]** *\$11,436,000* to remain available until expended, of which **[\$6,250,000]** *\$3,936,000* is for carrying out the provisions of Public Law 99-194, including **[\$2,850,000]** *\$2,993,000* for implementation of the National Bicentennial Competition on the Constitution and the Bill of Rights and **[\$3,400,000]** *\$4,508,000* for educational programs about the Constitution and the Bill of Rights below the university level as authorized by such Act and in addition, \$1,000,000 to remain available until expended, is provided for a grant to the National Trust for Historic Preservation for the purpose of making urgently needed repairs necessary to preserve James Madison's Montpelier from the threat of destruction by fire and structural deterioration, and provide for necessary public health and safety, and in addition, \$1,000,000 is provided for a grant to the We The People 200 Committee: *Provided*, That not to exceed a total of \$1,250,000 from appropriations provided to the Commission on the Bicentennial of the United States Constitution for fiscal years 1985 through 1988 is available for educational programs about the Constitution and the Bill of Rights below the university level not provided for elsewhere in this Act: *Provided further*, That until the Board of Trustees of the James Madison Memorial Fellowship Foundation is appointed, the Commission on the Bicentennial of the United States Constitution is authorized to receive, review and certify for payment the applications for grants of endowment funds for the establishment of Constitutional Law Resource Centers as provided and appropriated under the James Madison Memorial Fellowship Act, title VIII, sections 817 and 818, Public Law 99-500 and Public Law 99-591; and the authority to make grants to carry out an educational program for the Commemoration of the Bicentennial of the Constitution of the United States and the Bill of Rights, enacted under title V, section 501 of Public Law 99-194, is amended by (i) striking the period at the end of section 501(a)(2)(B), inserting a semicolon and the word "and", and (ii) adding the following: "(C) is authorized to make grants for the establishment of Constitutional Law Resource Centers in accordance with terms of title VIII, sections 817 and 818 of Public Law 99-500 and Public Law 99-591, and is authorized to make grants to two University Centers in

accordance with the terms of Amendment Numbered 70 of Conference Report 99-236 (Public Law 99-88 [99 Stat. 305]).": *Provided further*, That there is hereby appropriated for each recipient University Center named in Amendment Numbered 70 of Conference Report 99-236 (Public Law 99-88 [99 Stat. 305]) an additional \$1,500,000 to remain available until expended for the endowment funds created pursuant to such Act and to be used under the same conditions and requirements set forth therein and such Bicentennial Commission or Board of Trustees referred to above is authorized to receive, review and certify for payment the applications for said grants.] (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
76-0054-0-1-808			
<b>Program by activities:</b>			
10.00 Total obligations	14,242	21,410	16,261
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-9,898	-8,856	-8,446
24.40 Unobligated balance available, end of year	8,856	8,846	3,621
40.00 <b>Budget authority (appropriation)</b>	<b>13,200</b>	<b>21,000</b>	<b>11,436</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	14,242	21,410	16,261
72.40 Obligated balance, start of year	949	3,317	13,752
74.40 Obligated balance, end of year	-3,317	-13,752	-23,013
90.00 Outlays	11,874	10,975	7,000

The Commission on the Bicentennial of the United States Constitution was established by Public Law 98-101 for the purpose of promoting and coordinating activities to commemorate the Bicentennial of the Constitution. The commemoration date of the signing of the Constitution is September 17, 1987. The extended life of the Commission from December 31, 1989 to December 31, 1991, allows the Commission to continue the bicentennial celebrations with the timely commemoration of the ratification of the Bill of Rights.

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
76-0054-0-1-808			
11.1 Personnel compensation: Full-time permanent	2,568	2,910	2,910
11.3 Other than full-time permanent	186	100	100
11.5 Other personnel compensation	120	120	120
11.9 Total personnel compensation	2,874	3,130	3,130
12.1 Civilian personnel benefits	546	626	626
21.0 Travel and transportation of persons	395	400	450
22.0 Transportation of things	191	175	175
23.1 Rental payments to GSA	370		
23.2 Rental payments to others		477	572
23.3 Communications, utilities, and miscellaneous charges	649	700	700
24.0 Printing and reproduction	1,825	2,000	1,180
25.0 Other services	3,170	1,027	1,528
26.0 Supplies and materials	292	225	200
31.0 Equipment	230	150	200
41.0 Grants, subsidies, and contributions	3,700	12,500	7,500
99.9 Total obligations	14,242	21,410	16,261

**Personnel Summary**

Total number of full-time permanent positions	97	100	100
Total compensable workyears: Full-time equivalent employment	97	100	100

**Trust Funds**  
**GIFTS AND DONATIONS**

**Program and Financing** (in thousands of dollars)

Identification code 76-8092-0-7-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	30	30	30
<b>Financing:</b>			
25.00 Unobligated balance restored.....	-34		
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....	-4	30	30
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	30	30	30
77.00 Adjustments in expired accounts.....	-246		
90.00 Outlays.....	-216	30	30

This schedule shows gifts and donations collected to fund expenses associated with Commission activities.

**FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION**  
**SALARIES AND EXPENSES**

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92-332 (86 Stat. 401), \$28,000 to remain available until September 30, [1989] 1990. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing** (in thousands of dollars)

Identification code 76-0700-0-1-808	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	22	28	28
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-22	-5	-5
24.40 Unobligated balance available, end of year.....	5	5	5
40.00 <b>Budget authority (appropriation)</b> .....	5	28	28
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	22	28	28
90.00 Outlays.....	23	28	28

The Commission is formulating plans for a memorial to Franklin Delano Roosevelt. The Commission is continuing its work of coordination prior to finalizing the design of the memorial.

**Object Classification** (in thousands of dollars)

Identification code 76-0700-0-1-808	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons.....		2	2
23.3 Communications, utilities, and miscellaneous charges.....		1	1
24.0 Printing and reproduction.....		1	1
25.0 Other services.....	22	23	23
26.0 Supplies and materials.....		1	1
99.9 Total obligations.....	22	28	28

**INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by Public

Law 99-498, \$2,467,000, of which not to exceed \$250,000 for Federal matching contributions shall be paid to the Institute endowment fund.

**Program and Financing** (in thousands of dollars)

Identification code 95-2900-0-1-502	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Operation of the Institute.....			2,217
00.02 Contribution to Endowment fund.....			250
00.91 Total direct program.....			2,467
01.01 Reimbursable program.....			135
10.00 Total obligations.....			2,602
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			-135
40.00 <b>Budget authority (appropriation)</b> .....			2,467
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			2,467
72.40 Obligated balance, end of year.....			-247
90.00 Outlays.....			2,220

Title XV of Public Law 99-498 established the Institute of American Indian and Alaska Native Culture and Arts Development as an independent successor to the Institute of American Indian Arts operated by the Bureau of Indian Affairs in the Interior Department.

**Operation of the Institute.**—This activity supports a Center for Culture and Arts Studies, a Center for Research and Cultural Exchange, and administrative and facilities costs.

**Contribution to Endowment fund.**—This activity provides for Federal matching contributions to the Institute's Endowment fund, pursuant to section 1518 of Public Law 99-498.

**Object Classification** (in thousands of dollars)

Identification code 95-2900-0-1-502	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....			404
11.3 Other than full-time permanent.....			751
11.9 Total personnel compensation.....			1,155
12.1 Civilian personnel benefits.....			116
21.0 Travel and transportation of persons.....			40
23.3 Communications, utilities, and miscellaneous charges.....			43
25.0 Other services.....			700
26.0 Supplies and materials.....			120
31.0 Equipment.....			43
41.0 Grants, subsidies, and contributions.....			250
99.0 Subtotal, direct obligations.....			2,467
99.0 Reimbursable obligations.....			135
99.9 Total obligations.....			2,602

**Personnel Summary**

Total number of full-time permanent positions.....	42
Total compensable workyears:	
Full-time equivalent employment.....	42
Full-time equivalent of overtime and holiday hours.....	2

**Trust Funds**

**ENDOWMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-8285-0-7-502			
<b>Program by activity:</b>			
10.00 Total obligations (object class 41.0)			500
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite)			500
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			500
90.00 Outlays			500

Gifts, bequests, and contributions received by the Institute of American Indian and Alaska Native Culture and Arts Development are appropriated in this fund and made available for investment outside the Treasury, pursuant to section 1518 of Public Law 99-498. Earnings on investments are returned to the fund and may be used by the Institute to defray operating expenses, or may be reinvested.

**INTELLIGENCE COMMUNITY STAFF**

**Federal Funds**

**General and special funds:**

**INTELLIGENCE COMMUNITY STAFF**

For necessary expenses of the Intelligence Community Staff, **[\$23,057,000]** \$23,745,000. (Department of Defense Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-0400-0-1-054			
<b>Program by activities:</b>			
00.01 Direct program	21,881	23,057	23,745
01.01 Reimbursable program	1,012	81	
10.00 Total obligations	22,893	23,138	23,745
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-1,012	-81	
25.00 Unobligated balance lapsing	12		
40.00 Budget authority (appropriation)	21,893	23,057	23,745
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	21,881	23,057	23,745
72.40 Obligated balance, start of year	8,566	9,551	10,442
74.40 Obligated balance, end of year	-9,551	-10,442	-10,987
77.00 Adjustments in expired accounts	-152		
90.00 Outlays	20,743	22,167	23,200

The Intelligence Community Staff provides support and assistance to the Director of Central Intelligence in his capacity as the leader of the intelligence community. The Staff assists the Director of Central Intelligence in the development of management policy, collection tasking, fiscal guidance, and resource allocation for the intelligence community through the establishment of priorities for intelligence collection and analysis, the development of requirements for these activities, and the eventual assessment of performance.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-0400-0-1-054			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	3,088	3,541	3,729
11.3 Other than full-time permanent	98	145	146
11.5 Other personnel compensation	512	527	600
11.8 Special personal services payments	8,012	9,228	9,445
11.9 Total personnel compensation	11,710	13,441	13,920
12.1 Civilian personnel benefits	325	597	499
21.0 Travel and transportation of persons	289	283	305
22.0 Transportation of things	66	66	94
23.2 Rental payments to others	55	65	68
23.3 Communications, utilities, and miscellaneous charges	1,015	1,167	1,221
25.0 Other services	7,740	7,128	7,312
26.0 Supplies and materials	105	110	116
31.0 Equipment	576	200	210
99.0 Subtotal, direct obligations	21,881	23,057	23,745
99.0 Reimbursable obligations	1,012	81	
99.9 Total obligations	22,893	23,138	23,745

**Personnel Summary**

Total number of full-time permanent positions	76	79	81
<b>Total compensable workyears:</b>			
Full-time equivalent employment	223	240	247
Full-time equivalent of overtime and holiday hours	4	4	4

**INTERGOVERNMENTAL AGENCIES**

**ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended, 42 U.S.C. 4271-79; **[\$1,378,000]** \$1,275,000, and additional amounts not to exceed \$200,000, collected from the sale of publications shall be credited to and used for the purposes of this appropriation. (Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
55-0100-0-1-808			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 General administration	447	395	380
00.02 Intergovernmental research	1,300	978	895
00.91 Total direct program	1,747	1,373	1,275
01.01 Reimbursable program	146	125	95
10.00 Total obligations	1,893	1,498	1,370
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds	-85	-45	-15
14.00 Non-Federal sources	-61	-75	-80
25.00 Unobligated balance lapsing	3		
40.00 Budget authority (appropriation)	1,750	1,378	1,275
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	1,747	1,378	1,275
72.40 Obligated balance, start of year	300	422	366
74.40 Obligated balance, end of year	-422	-366	-351
77.00 Adjustments in expired accounts	-5		
90.00 Outlays	1,620	1,434	1,290

The Advisory Commission on Intergovernmental Relations (ACIR) is a 26-member independent, bipartisan

body. The Commission and its staff examine Federal, State and local trends, events, and programs having an intergovernmental impact. On request, proposed legislation and executive actions are reviewed to determine their overall effect on the Federal system. The Commission also identifies emerging problems of Federal-State-local relations and assists States and localities in anticipating and meeting problems caused by various intergovernmental overlaps and conflicts, and makes recommendations concerning the workings and structural arrangements of governmental units and allocation of responsibilities and revenues among the various levels of government. The recommendations and published reports growing out of the Commission's work are submitted to the executive and legislative branches of Federal, State, and local governments for appropriate action.

Continuing and annual projects of the Commission include assessing changing public attitudes on government and taxes; publishing annual data on the "representative tax system" for all 50 States; analyzing fiscal disparities; publishing a periodic category of Federal aid; surveying and identifying trends in State and local finances; monitoring key intergovernmental legislation of Federal, State, and local governments; and providing educational and technical assistance to Federal, State, and local governments regarding Commission recommendations.

Nonrecurring projects nearing completion include studies on designing a more effective intergovernmental welfare system, State-by-State analysis of proposals to reform the individual income tax, the role of the national judiciary in the Federal system, alternative approaches to providing local public services, and rethinking local self-government in a Federal system.

Research projects just beginning include studies of Federal preemption of State and local laws and authority; the Congress, the States, and federalism; Federal and State compliance with national mandates; interjurisdictional tax and policy completion; an extension of recently completed work on local public economies; boundary review commissions; State law in the Federal system; and State and local taxation and regulation of interlocal and interstate service businesses.

Appropriations finance the personnel and personnel-related expenses incurred in the basic day-to-day operation of the Commission.

Object Classification (in thousands of dollars)			
Identification code 55-0100-0-1-806	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	686	689	729
11.3 Other than full-time permanent .....	17	25	5
11.9 Total personnel compensation .....	703	714	734
12.1 Civilian personnel benefits .....	127	121	121
Travel and transportation of persons:			
21.0 Staff travel .....	16	25	
21.0 Commission .....	22	25	
21.0 Invitational .....	6	10	
22.0 Transportation of things .....	25	30	
23.1 Rental payments to GSA .....	233	230	230
23.3 Communications, utilities, and miscellaneous charges...	53	80	120
24.0 Printing and reproduction .....	32	20	
25.0 Other services .....	418	98	25
26.0 Supplies and materials .....	44	25	45

31.0 Equipment .....	65		
99.0 Subtotal, direct obligations .....	1,744	1,378	1,275
99.0 Reimbursable obligations .....	149	120	95
99.9 Total obligations .....	1,893	1,498	1,370

**Personnel Summary**

Direct:			
Total number of full-time permanent positions .....	19	19	18
Total compensable workyears: Full-time equivalent employment .....	21	20	19
Reimbursable:			
Total compensable workyears: Full-time equivalent employment .....	2	1	1

**Trust Funds**

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code 55-8155-0-7-808	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations .....	33	130	155
Financing:			
17.00 Recovery of prior year obligations .....	-7		
21.40 Unobligated balance available, start of year .....	-8	-104	-104
24.40 Unobligated balance available, end of year .....	104	104	104
60.00 Budget authority (appropriation) (permanent, indefinite) .....	122	130	155
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	33	130	155
72.40 Obligated balance, start of year .....	103	33	33
74.40 Obligated balance, end of year .....	-33	-33	-33
78.00 Adjustments in unexpired accounts .....	-7		
90.00 Outlays .....	97	130	155

Contributions from State and local governments and nonprofit organizations are used to strengthen the Commission's clearinghouse, information and policy education services to State and local governments, and to improve intergovernmental coordination and relations. Specific items financed by this account include the Commission's quarterly publication, *Intergovernmental Perspective*; printing of Commission reports; summaries of full Commission reports published as the *In Brief* series; and reprints of popular out-of-print but timely Commission reports.

Object Classification (in thousands of dollars)

Identification code 55-8155-0-7-806	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons .....	4	5	20
22.0 Transportation of things .....		5	10
23.3 Communications, utilities, and miscellaneous charges .....	3	10	30
24.0 Printing and reproduction .....		30	20
25.0 Other services .....	26	75	75
31.0 Equipment .....		5	
99.9 Total obligations .....	33	130	155

**APPALACHIAN REGIONAL COMMISSION**

**Federal Funds**

General and special funds:

APPALACHIAN REGIONAL COMMISSION

(TRANSFER OF FUNDS)

[For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended,

General and special funds—Continued

APPALACHIAN REGIONAL COMMISSION—Continued  
(TRANSFER OF FUNDS)—Continued

notwithstanding section 405 of said Act, except expenses authorized by section 105 of said Act, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, and for necessary expenses for the Federal Cochairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, to remain available until expended, \$107,000,000: *Provided*, That after the date of enactment of this resolution, appropriations for Appalachian regional programs in this or any other Act may be used for the purposes of the Appalachian Regional Development Act without regard to section 224(b), (2), (3), and (4) of that Act and funds in energy enterprise loan funds may be reapproved by the Commission for similar uses. **Amounts previously made available for Appalachian Regional Development programs shall be transferred to and made part of this appropriation. (Energy and Water Development Appropriation Act, 1988, as included in Public Law 100-202.)**

Program and Financing (in thousands of dollars)

Identification code	46-0200-0-1-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Appalachian regional development programs:				
01.01	Appalachian development highway system	73,700	68,799	
01.02	Area development program	26,736	50,729	
01.03	Distressed counties program	6,850	10,504	
01.04	Local development district and technical assistance program	3,331	4,730	
01.05	Stream clearing and other	640	604	
01.06	Closeout activities			4,000
01.91	Total Appalachian regional development programs	111,256	135,366	4,000
Salaries and expenses:				
02.01	Federal cochairman and staff	448	552	
02.02	Administrative expenses	1,750	1,850	
02.91	Total salaries and expenses	2,198	2,402	
03.00	Total direct program	113,454	137,768	4,000
03.01	Reimbursable program	339	882	
10.00	Total obligations	113,793	138,650	4,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-398	-300	
14.00	Non-Federal sources: Collection of loans		-2	
17.00	Recovery of prior year obligations	-4,891		-4,000
21.40	Unobligated balance available, start of year	-34,852	-31,348	
24.40	Unobligated balance available, end of year	31,348		
25.00	Unobligated balance lapsing	1		
40.00	Budget authority (appropriation)	105,000	107,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	113,395	138,348	4,000
72.40	Obligated balance, start of year	325,748	286,569	295,917
74.40	Obligated balance, end of year	-286,569	-295,917	-183,212
78.00	Adjustments in unexpired accounts	-4,891		-4,000
90.00	Outlays	147,682	129,000	112,705
Distribution of budget authority by account:				
Appalachian Regional Commission:				
	Appalachian regional development programs	105,000	107,000	
Distribution of outlays by account:				
Funds Appropriated to the President:				
	Appalachian regional development programs	92,389	60,394	38,860
	Appalachian housing fund		-2	
Appalachian Regional Commission:				
	Appalachian regional development programs	55,263	68,593	73,845
	Salaries and expenses	30	15	

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	2	2
1251	Repayments: Repayments and prepayments		-2
1290	Outstanding, end of year	2	

The Appalachian Regional Development programs will be discontinued after 1988. Recoveries of prior year obligations will be allocated to other Federal agencies in 1989 to close out Appalachian regional development non-highway projects. The Department of Commerce will be responsible for closeout activities associated with this account.

**Appalachian Development Highway System.**—The Appalachian Development Highway System program will also be discontinued after 1988. The Federal Highway Administration will be responsible for closeout of this program.

**Appalachian Housing Fund.**—The Appalachian Housing Fund has been discontinued; housing grants are funded under the Appalachian regional development program appropriation.

**Appalachian Regional Commission.**—The Appalachian Regional Commission will be responsible for closeout of its own activities and for initial closeout actions in the Appalachian regional development programs and for orderly transition of these programs to the Federal Highway Administration and to the Department of Commerce.

Object Classification (in thousands of dollars)

Identification code	46-0200-0-1-452	1987 actual	1988 est.	1989 est.
APPALACHIAN REGIONAL COMMISSION				
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	372	456	198
12.1	Civilian personnel benefits	36	41	20
21.0	Travel and transportation of persons	26	30	6
25.0	Other services	1,273	1,020	3
26.0	Supplies and materials	4	5	2
41.0	Grants, subsidies, and contributions	15,068	21,739	1,247
99.0	Subtotal, direct obligations	16,779	23,291	1,476
99.0	Reimbursable obligations	339	882	
ALLOCATION ACCOUNTS				
Personnel compensation:				
11.1	Full-time permanent	1,217	1,286	820
11.5	Other personnel compensation	8	18	1
11.9	Total personnel compensation	1,225	1,304	821
12.1	Civilian personnel benefits	146	157	83
21.0	Travel and transportation of persons	114	112	49
22.0	Transportation of things	2		25
23.1	Rental payments to GSA		10	10
23.2	Rental payments to others	21	24	
23.3	Communications, utilities, and miscellaneous charges			49
24.0	Printing and reproduction			110
25.0	Other services	166	209	1,357
26.0	Supplies and materials		1	20
41.0	Grants, subsidies, and contributions	95,001	112,660	
99.0	Subtotal obligations, allocation accounts	96,675	114,477	2,524
99.9	Total obligations	113,793	138,650	4,000
Obligations are distributed as follows:				
	Appalachian Regional Commission	17,118	24,173	1,476
	Department of Agriculture	7,305	15,100	
	Department of Commerce	3,156	7,240	2,029
	Department of Defense	91	973	
	Department of Education	989	4,180	100

Department of Health and Human Services .....	667	1,009	395
Department of Housing and Urban Development .....	8,865	15,000	
Department of Transportation .....	73,602	68,674	
Environmental Protection Agency .....	1,656	2,221	
Tennessee Valley Authority .....	344	80	

**Personnel Summary**

<b>APPALACHIAN REGIONAL COMMISSION</b>			
Total number of full-time permanent positions .....	8	8	
Total compensable workyears: Full-time equivalent employment .....	7	8	
<b>ALLOCATION ACCOUNTS</b>			
Total number of full-time permanent positions .....	32	32	20
Total compensable workyears: Full-time equivalent employment .....	31	33	19

**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 46-9971-0-7-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	3,837	4,240	1,749
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-1,379	-1,042	-502
24.40 Unobligated balance available, end of year .....	1,042	502	
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....	<b>3,500</b>	<b>3,700</b>	<b>1,247</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,837	4,240	1,749
72.40 Obligated balance, start of year .....	1,331	1,338	1,338
74.40 Obligated balance, end of year .....	-1,338	-1,338	
90.00 Outlays .....	3,830	4,240	3,087

As authorized in the Appalachian Regional Development Act, the 13 Appalachian States share with the Federal Government the administrative expenses of the Appalachian Regional Commission. The Commission administrative expenses will be funded from Federal funds made available for the closeout of the Appalachian Regional Development Programs.

**Object Classification (in thousands of dollars)**

Identification code 46-9971-0-7-452	1987 actual	1988 est.	1989 est.
11.8 Personnel compensation: Special personal services payments .....	2,337	2,470	704
12.1 Civilian personnel benefits .....	392	395	520
21.0 Travel and transportation of persons .....	67	80	25
23.2 Rental payments to others .....	465	494	275
23.3 Communications, utilities, and miscellaneous charges .....	148	336	85
24.0 Printing and reproduction .....	53	120	10
25.0 Other services .....	320	295	120
26.0 Supplies and materials .....	41	45	10
31.0 Equipment .....	14	5	
99.9 Total obligations .....	3,837	4,240	1,749

**DELAWARE RIVER BASIN COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), **[\$203,000]** \$205,000. (*Energy and Water Development Appropriation Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 46-0100-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	162	203	205
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	23		
40.00 <b>Budget authority (appropriation)</b> .....	<b>185</b>	<b>203</b>	<b>205</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	162	203	205
72.40 Obligated balance, start of year .....	17	22	14
74.40 Obligated balance, end of year .....	-22	-14	-14
77.00 Adjustments in expired accounts .....	-3		
90.00 Outlays .....	155	211	205

The Delaware River Basin Commission, created by compact (Public Law 87-328) among the basin States, participates jointly in the development of water and related resources of the region drained by the Delaware River and its tributaries.

This appropriation provides for the expenses of the U.S. Commissioner staff.

**Object Classification (in thousands of dollars)**

Identification code 46-0100-0-1-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	118	119	122
11.3 Other than full-time permanent .....		3	3
11.9 Total personnel compensation .....	118	122	125
12.1 Civilian personnel benefits .....	12	29	28
21.0 Travel and transportation of persons .....	7	9	9
23.1 Rental payments to GSA .....	12	14	14
23.3 Communications, utilities, and miscellaneous charges .....	1	5	5
24.0 Printing and reproduction .....	1	4	4
25.0 Other services .....	10	16	16
26.0 Supplies and materials .....	1	4	4
99.9 Total obligations .....	162	203	205

**Personnel Summary**

Total number of full-time permanent positions .....	2	2	2
Total compensable workyears: Full-time equivalent employment .....	2	2	2

**CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION**

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), \$263,000. (*Energy and Water Development Appropriation Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 46-0102-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	200	263	263
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	<b>200</b>	<b>263</b>	<b>263</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	200	263	263
90.00 Outlays .....	200	263	263

This appropriation provides for the Federal share of the annual expenses of the Commission.

**[INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN]**

**Federal Funds**

**General and special funds:**

**[CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN]**

【To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), \$379,000.】 (Energy and Water Development Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 46-0446-0-1-304	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	79	379	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	79	379	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	79	379	
90.00 Outlays	79	379	

The Commission was created by compact among the four States in the basin, and the District of Columbia for the purpose of water pollution abatement and control, and for the management of water and associated land resources. No Federal appropriation is requested for 1989.

**SUSQUEHANNA RIVER BASIN COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), 【\$197,000】 \$192,000. (Energy and Water Development Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 46-0500-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	138	197	192
<b>Financing:</b>			
25.00 Unobligated balance lapsing	41		
40.00 Budget authority (appropriation)	179	197	192
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	138	197	192
72.40 Obligated balance, start of year	11	11	11
74.40 Obligated balance, end of year	-11	-11	-11
77.00 Adjustments in expired accounts	1		
90.00 Outlays	139	197	192

The Susquehanna River Basin Commission, created by compact (Public Law 91-575) among the basin States, participates jointly in the development of water and related resources of the region drained by the Susquehanna River and its tributaries.

This appropriation provides for the expenses of the U.S. Commissioner and staff.

**Object Classification (in thousands of dollars)**

Identification code 46-0500-0-1-301	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	103	119	113
11.3 Other than full-time permanent		3	3
11.9 Total personnel compensation	103	122	116
12.1 Civilian personnel benefits	9	29	29
21.0 Travel and transportation of persons	1	5	5
23.1 Rental payments to GSA	11	13	14
23.3 Communications, utilities, and miscellaneous charges		5	5
24.0 Printing and reproduction	2	4	4
25.0 Other services	11	15	15
26.0 Supplies and materials	1	4	4
99.9 Total obligations	138	197	192

**Personnel Summary**

Total number of full-time permanent positions	2	2	2
Total compensable workyears: Full-time equivalent employment	2	2	2

**CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION**

For payment of the United States share of the current expense of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), 【\$249,000】 \$262,000. (Energy and Water Development Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 46-0501-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	240	249	262
<b>Financing:</b>			
40.00 Budget authority (appropriation)	240	249	262
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	240	249	262
90.00 Outlays	240	249	262

This appropriation provides for the Federal share of the annual expenses of the Commission.

**WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

**Federal Funds**

**General and special funds:**

**INTEREST PAYMENTS**

For necessary expenses for interest payments, to remain available until expended, 【\$49,080,000】 \$51,663,569: Provided, That these funds shall be disbursed pursuant to terms and conditions established by Public Law 96-184 and the Initial Bond Repayment Participation Agreement. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 46-0300-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	51,664	49,080	51,664
<b>Financing:</b>			
40.00 Budget authority (appropriation)	51,664	49,080	51,664
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	51,664	49,080	51,664
72.40 Obligated balance, start of year	39,332	39,332	34,332
74.40 Obligated balance, end of year	-39,332	-34,332	-29,332
90.00 Outlays	51,664	54,080	56,664



The Washington Metropolitan Area Transit Authority (WMATA) is a non-Federal agency established pursuant to an interstate compact among Maryland, Virginia, and the District of Columbia. The Authority's primary functions are to plan, develop, finance, and construct the Metrorail rapid transit system and to operate the bus/rail transit system in the National Capital area. The rail system extends from the District of Columbia into the participating jurisdictions of Maryland and Virginia.

This WMATA account provides the annual Federal share (two-thirds) of interest payments on outstanding WMATA bonds sold in support of the rail construction program. The WMATA bonds, totaling \$997 million, are guaranteed by the Federal Government. In September 1979, WMATA and the Department of Transportation approved an Initial Bond Repayment Participation Agreement providing for an overall two-thirds Federal and one-third local sharing of the interest and principal costs of the bonds. In August 1982, this agreement was reaffirmed in a supplement to the agreement.

In 1988 Congress enacted a level five percent less than what was needed to fulfill the Federal commitment. The 1989 request represents the full Federal share under the terms of the agreement.

**INTERNATIONAL TRADE COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES and EXPENSES**

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$2,500 for official reception and representation expenses, **[\$34,750,000]** \$37,069,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 34-0100-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Research, investigations, and reports .....	30,717	36,658	37,069
01.01 Reimbursable program .....	18	18	
10.00 Total obligations .....	30,735	36,676	37,069
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-18	-18	
21.40 Unobligated balance available, start of year .....		-1,908	
24.40 Unobligated balance available, end of year .....	1,908		
25.00 Unobligated balance lapsing .....	1,275		
40.00 Budget authority (appropriation) .....	33,900	34,750	37,069
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	30,717	36,658	37,069
72.40 Obligated balance, start of year .....	3,475	6,273	7,698
74.40 Obligated balance, end of year .....	-6,273	-7,698	-8,815
77.00 Adjustments in expired accounts .....	-626		
90.00 Outlays .....	27,294	35,233	35,952

The U.S. International Trade Commission is an independent agency created by act of Congress. The Commission's current powers and duties are provided for by the Tariff Act of 1930; the Trade Act of 1974; the Trade Agreements Act of 1979; the Agricultural Adjustment Act; section 1911 of the Financial Institution Regula-

tory and Interest Rate Control Act of 1978, 12 U.S.C. 635a-2; and the Trade and Tariff Act of 1984.

The Commission conducts investigations and, where appropriate, makes determinations and recommendations, or takes action, in cases where (1) serious injury to industries may warrant increases in duties, the imposition of quotas, or the provision of adjustment assistance; (2) imports of goods sold at less than fair value may injure an industry; (3) foreign governments, organizations, or individuals, may have subsidized imports into the United States; (4) unfair methods of competition in the importation or sale of foreign articles may tend to injure an industry or restrain and monopolize trade and commerce in the United States; or (5) imports of agricultural products may materially interfere with certain programs of the Department of Agriculture.

The Commission advises the President as to the probable economic effect on the domestic industry and consumers, of modification of duties and other barriers to trade which may be considered for inclusion in any proposed trade agreement with foreign countries. Further, the Commission, at the request of the President, the Congress, or on the Commission's own motion, undertakes comprehensive studies and provides reports on key issues relating to international trade and economic policy matters.

The Commission, in cooperation with the Secretary of the Treasury and the Secretary of Commerce, establishes for statistical purposes an enumeration of articles imported into the United States and exported from the United States, and seeks to establish comparability of such statistics with statistical programs for domestic production.

The Commission also issues a publication containing U.S. tariff schedules and related matters and considers questions concerning the arrangements of such schedules and the classification of articles.

Pursuant to section 175 of the Trade Act of 1974, the budget estimates for the Commission are included without revision by the President.

**Object Classification** (in thousands of dollars)

Identification code 34-0100-0-1-153	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	16,937	18,474	20,073
11.3 Other than full-time permanent .....	561	628	714
11.5 Other personnel compensation .....	350	100	100
11.8 Special personal services payments .....	127		
11.9 Total personnel compensation .....	17,975	19,202	20,887
12.1 Civilian personnel benefits .....	2,398	2,972	3,238
13.0 Benefits for former personnel .....	14		
21.0 Travel and transportation of persons .....	527	600	636
22.0 Transportation of things .....	11	45	30
23.1 Rental payments to GSA .....	2,169	5,846	6,014
23.3 Communications, utilities, and miscellaneous charges .....	1,017	1,215	1,340
24.0 Printing and reproduction .....	221	310	316
25.0 Other services .....	2,297	2,473	2,465
26.0 Supplies and materials .....	917	915	1,243
31.0 Equipment .....	1,971	1,580	900
32.0 Land and structures .....	1,200	1,500	
99.0 Subtotal, direct obligations .....	30,717	36,658	37,069
99.0 Reimbursable obligations .....	18	18	
99.9 Total obligations .....	30,735	36,676	37,069

**General and special funds—Continued**  
**SALARIES and EXPENSES—Continued**

Personnel Summary			
Total number of full-time permanent positions.....	450	502	502
Total compensable workyears:			
Full-time equivalent employment.....	512	493	521
Full-time equivalent of holiday and overtime hours.....	5	3	3

**INTERSTATE COMMERCE COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Interstate Commerce Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed \$1,500 for official reception and representation expenses, **[\$44,294,000] \$44,216,000: Provided,** That joint board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their official duties as such. (*Department of Transportation and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code 30-0100-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Motor program.....	22,104	22,254	21,465
00.02 Rail program.....	16,243	17,130	17,724
00.03 General management and administration.....	4,488	4,910	5,027
00.91 Total direct program.....	42,835	44,294	44,216
01.01 Reimbursable program.....	125	115	115
10.00 Total obligations.....	42,960	44,409	44,331
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-125	-115	-115
22.40 Unobligated balance transferred, net.....	-53		
25.00 Unobligated balance lapsing.....	4,020		
40.00 Budget authority (appropriation).....	46,802	44,294	44,216
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	42,835	44,294	44,216
72.40 Obligated balance, start of year.....	3,764	3,900	5,653
74.40 Obligated balance, end of year.....	-3,900	-5,653	-5,646
77.00 Adjustments in expired accounts.....	-314		
90.00 Outlays.....	42,385	42,541	44,223

**Status of Guaranteed Loans** (in thousands of dollars)

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	3,360	1,200	
2251 Repayments: Repayments and prepayments.....	-2,160	-1,200	
2290 Outstanding, end of year.....	1,200		

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	1,200		
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**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	46,802	44,294	44,216
Outlays.....	42,385	42,541	44,223
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-29,803
Outlays.....			-31,251

Total:			
Budget authority.....	46,802	44,294	14,413
Outlays.....	42,385	42,541	12,972

The Interstate Commerce Commission is responsible for the regulation of interstate surface transportation. Consistent with the downward trend in the regulation of surface transportation which grew out of the regulatory reform legislation of 1980 and 1982, the Commission has reduced staff by 61 percent since 1981.

*Motor program.*—This includes the regulation of rates, the granting of operating authorities, the regulation of mergers and acquisitions, and the planning, analysis, and policy development associated with these activities as they relate to the Interstate Commerce Act as amended by the Motor Carrier Act of 1980, the Household Goods Transportation Act of 1980, the Bus Regulatory Reform Act of 1982, and the Surface Freight Forwarder Deregulation Act of 1986. The activities of interstate motor freight, bus, and water carriers are monitored, and enforcement actions are instituted to ensure compliance with these regulations.

*Rail program.*—This encompasses the regulation of rates and of mergers, acquisitions, construction and abandonment of railway lines, as well as the planning, analysis, and policy development associated with these activities as provided for in the Interstate Commerce Act, as amended by the Staggers Rail Act of 1980. Staff ensure compliance with railroad regulations in order to protect the public interest.

*General management and administration.*—These activities provide support services, including data processing, budget and financial management, personnel, procurement, and contracting services.

Legislation will be proposed to sunset the Interstate Commerce Commission and to deregulate completely the interstate motor freight carriers, household goods freight forwarders, property brokers, buses, and water carriers by October 1, 1988. The enactment of this legislation would eliminate a major portion of ICC's workload. The remaining activities would be transferred to the Departments of Justice and Transportation and the Federal Trade Commission.

**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
<b>Motor program:</b>			
(a) Rate regulation cases.....	134	110	85
(b) Finance cases.....	1,222	1,200	1,200
(c) Permanent operating rights applications.....	12,342	11,500	11,500
(d) Temporary operating rights applications.....	5,640	5,000	5,000
(e) Investigations.....	359	420	405
(f) Enforcement actions.....	2,453	2,490	2,390
(g) Complaints handled.....	10,140	9,940	9,940
(h) Compliance surveys.....	630	745	610
(i) Tariffs received and filed.....	1,349,484	1,348,100	1,258,100
(j) Interpretations.....	4,965	4,735	4,735
<b>Rail program:</b>			
(a) Rate regulation cases.....	123	124	105
(b) Finance cases.....	665	685	690
(c) Investigations.....	11	10	10
(d) Enforcement actions.....	11	10	10
(e) Complaints handled.....	60	60	60
(f) Compliance surveys.....	10	15	15
(g) Tariffs received and filed.....	131,040	123,300	123,300
(h) Interpretations.....	1,488	1,425	1,425
(i) Audits.....	9	27	18

Object Classification (in thousands of dollars)				
Identification code	30-0100-0-1-401	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	27,846	29,045	28,385
11.3	Other than full-time permanent .....	462	470	477
11.5	Other personnel compensation .....	563	575	564
11.9	Total personnel compensation .....	28,871	30,090	29,426
12.1	Civilian personnel benefits .....	3,404	4,137	4,275
13.0	Benefits for former personnel .....	481	111	100
21.0	Travel and transportation of persons .....	796	810	760
22.0	Transportation of things .....	15	35	35
23.1	Rental payments to GSA .....	4,698	4,650	5,343
23.3	Communications, utilities, and miscellaneous charges .....	1,713	1,710	1,704
24.0	Printing and reproduction .....	390	395	395
25.0	Other services .....	1,819	1,867	1,754
26.0	Supplies and materials .....	301	347	320
31.0	Equipment .....	347	141	103
42.0	Insurance claims and indemnities .....		1	1
99.0	Subtotal, direct obligations .....	42,835	44,294	44,216
99.0	Reimbursable obligations .....	125	115	115
99.9	Total obligations .....	42,960	44,409	44,331

**Personnel Summary**

Total number of full-time permanent positions .....	706	700	700
Total compensable workyears:			
Full-time equivalent employment .....	732	750	724
Full-time equivalent of overtime and holiday hours .....	2	2	2

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	30-0100-2-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Motor program .....			-8,782
00.02	Rail program .....			-17,724
00.03	General management and administration .....			-3,297
00.91	Total direct program .....			-29,803
01.01	Reimbursable program .....			-115
10.00	Total obligations .....			-29,918
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....			115
40.00	<b>Budget authority (appropriation) .....</b>			<b>-29,803</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			-29,803
74.40	Obligated balance, end of year .....			-1,448
90.00	Outlays .....			-31,251

Legislation will be proposed to sunset the Interstate Commerce Commission and to deregulate completely the interstate motor freight, household goods freight forwarder, property broker, bus and water carrier industries by October 1, 1988. The enactment of this legislation would eliminate a major portion of ICC's workload. The remaining rail activities would be transferred to the Departments of Justice and Transportation. Handling of consumer complaints regarding household goods movers would be transferred to the Federal Trade Commission.

Object Classification (in thousands of dollars)				
Identification code	30-0100-2-1-401	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....			-28,385
11.3	Other than full-time permanent .....			-477
11.5	Other personnel compensation .....			-564
11.9	Total personnel compensation .....			-29,426
12.1	Civilian personnel benefits .....			-4,275
13.0	Benefits for former personnel .....			+14,313
21.0	Travel and transportation of persons .....			-760
22.0	Transportation of things .....			-35
23.1	Rental payments to GSA .....			-5,343
23.3	Communications, utilities, and miscellaneous charges .....			-1,704
24.0	Printing and reproduction .....			-395
25.0	Other services .....			-1,754
26.0	Supplies and materials .....			-320
31.0	Equipment .....			-103
42.0	Insurance claims and indemnities .....			-1
99.0	Subtotal, direct obligations .....			-29,803
99.0	Reimbursable obligations .....			-115
99.9	Total obligations .....			-29,918

**Personnel Summary**

Total number of full-time permanent positions .....				-700
Total compensable workyears:				
Full-time equivalent employment .....				-724
Full-time equivalent of overtime and holiday hours .....				-2

**PAYMENTS FOR DIRECTED RAIL SERVICE**

(LIMITATION ON OBLIGATIONS)

None of the funds provided in this Act shall be available for the execution of programs the obligations for which can reasonably be expected to exceed \$475,000 for directed rail service authorized under 49 U.S.C. 11125 or any other Act. (Department of Transportation and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	30-0103-0-1-401	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-53		
22.40	Unobligated balance transferred, net .....	53		
39.00	<b>Budget authority .....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
90.00	Outlays .....			

Once a railroad ceases operations due to a lack of cash or a court order, the Commission may direct other railroads to provide service over the track of the railroad which ceased operations and may compensate the directed rail carrier for its services. The responsibility for this activity would be transferred to the Department of Transportation, as part of the proposal to sunset the ICC.

Legislation will be proposed to sunset the ICC and transfer remaining functions to the Departments of Justice and Transportation and the Federal Trade Commission. Payments for Directed Rail Service will transfer to the Department of Transportation.

**JAMES MADISON MEMORIAL FELLOWSHIP  
FOUNDATION**

*Federal Funds*

**General and special funds:**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
31-20-0200-0-1-502			
<b>Program by activities:</b>			
00.01 Grants to institutions .....		3,200	
00.02 Payment to the trust fund .....		10,000	10,000
10.00 Total obligations .....		13,200	10,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite) .....		13,200	10,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		13,200	10,000
90.00 Outlays .....		13,200	10,000

**Object Classification** (in thousands of dollars)

25.0 Other services .....		10,000	10,000
41.0 Grants, subsidies, and contributions .....		3,200	
99.9 Total obligations .....		13,200	10,000

*Trust Funds*

**JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION**

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
31-20-8282-0-7-502			
<b>Program by activities:</b>			
10.00 Total obligations (Program administration) .....		125	250
<b>Financing:</b>			
21.40 Unobligated balance, start of year: U.S. securities (par) ..			-10,634
24.40 Unobligated balance, end of year: U.S. securities (par) ...		10,634	32,530
60.00 Budget authority (appropriation) (permanent, indefinite) .....		10,759	22,146
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		125	250
90.00 Outlays .....		125	250

Public Laws 99-500 and 99-591 established the James Madison Memorial Fellowship Foundation to operate a fellowship program to encourage graduate study of the American Constitution. The same law provided advance appropriations of \$10 million for 1988 and \$10 million for 1989 to establish the Foundation's trust fund. These funds will be invested by the Secretary of the Treasury in U.S. Treasury securities and interest earned will be available for carrying out the activities of the Foundation. Public Laws 99-500 and 99-591 also appropriated \$3.2 million, to become available in 1988, for grants to four specified law schools to establish constitutional law resource centers.

The Foundation is authorized to award fellowships of up to \$12 thousand to individuals selected for their academic achievement and their potential to become secondary school teachers of social studies and American history. No funds are available for fellowships until at least \$10 million in private contributions have been received. No fellowships are anticipated in 1988 or 1989.

Funds for program administration in 1988 and 1989 will cover costs of planning and fundraising for the new fellowship program.

**Object Classification** (in thousands in dollars)

Identification code	1987 actual	1988 est.	1989 est.
31-20-8282-0-7-502			
11.1 Personnel compensation: Full-time permanent .....		74	150
12.1 Civilian personnel benefits .....		10	21
21.0 Travel and transportation of persons .....		4	8
22.0 Transportation of things .....			1
23.1 Rental payments to GSA .....		10	20
23.3 Communication, utilities, and miscellaneous charges .....		5	10
24.0 Printing and reproduction .....		2	5
25.0 Other services .....		15	32
26.0 Supplies and materials .....		5	2
99.9 Total obligations .....		125	250

**Personnel Summary**

Total of full-time permanent positions .....	2	4
Total compensable workyears: Full-time equivalent employment .....	2	4

**JAPAN-UNITED STATES FRIENDSHIP  
COMMISSION**

*Trust Funds*

**JAPAN-UNITED STATES FRIENDSHIP TRUST FUND**

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, [\$1,200,000] \$1,415,000, to remain available until expended; and an amount of Japanese currency not to exceed the equivalent of \$1,700,000 based on exchange rates at the time of payment of such amounts, to remain available until expended: *Provided*, That not to exceed a total of \$3,500 of such amounts shall be available for official reception and representation expenses. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

**Amounts Available for Appropriation** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year .....	1,746	3,557	4,067
Collections (offsetting receipts) .....	3,219	1,710	2,615
Total available for appropriation .....	4,965	5,267	6,682
Appropriation .....	-1,408	-1,200	-1,415
Unappropriated balance, end of year .....	3,557	4,067	5,267

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
95-8025-0-7-154			
<b>Program by activities:</b>			
Direct program:			
00.01 Administration .....	350	385	396
00.02 Grants .....	1,212	2,100	2,219
00.91 Total direct program .....	1,562	2,485	2,615
01.01 Reimbursable program .....	25	125	75
10.00 Total obligations .....	1,587	2,610	2,690
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-25	-125	-75
17.00 Recovery of prior year obligations .....	-22		
Unobligated balance available, start of year:			
21.40 Treasury balance .....	-1,579	-1,911	-200
21.40 U.S. securities (par) .....	-17,019	-16,555	-16,981
Unobligated balance available, end of year:			
24.40 Treasury balance .....	1,911	200	200
24.40 U.S. securities (par) .....	16,555	16,981	15,781
40.00 Budget authority (appropriation) .....	1,408	1,200	1,415

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,562	2,485	2,615
72.40	Obligated balance, start of year .....	1,808	123	
74.40	Obligated balance, end of year .....	-123		
78.00	Adjustments in unexpired accounts .....	-22		
90.00	Outlays .....	3,225	2,608	2,615

The Japan-United States Friendship Act of 1975 established the Japan-United States Friendship Trust Fund and created the Japan-United States Friendship Commission to make grants from the Fund for the promotion of scholarly, cultural, and artistic activities between Japan and the United States. The Commission is authorized to make expenditures from the appropriated income of the fund and, in an amount not to exceed 5 percent annually of the principal of the fund, to pay the expenses of the Commission and to make grants in support of studies, fellowships, scholarships, book collections, art programs, and other cultural and educational activities, primarily in the United States. The Commission received a contribution in September 1987 of \$1 million from the Government of Japan to be used for the purposes of the Act.

**Object Classification** (in thousands of dollars)

Identification code 95-8025-0-7-154	1987 actual	1988 est.	1989 est.	
<b>Direct obligations</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	179	186	190
11.3	Other than full-time permanent .....	17	23	23
11.5	Other personnel compensation .....	5	5	5
11.9	Total personnel compensation .....	201	214	218
12.1	Civilian personnel benefits .....	28	33	34
21.0	Travel and transportation of persons .....	13	20	20
22.1	Transportation of things .....		10	
23.1	Rental payments to GSA .....	34	41	44
23.3	Communications, utilities, and miscellaneous charges .....	7	7	8
24.0	Printing and reproduction .....	8	8	10
25.0	Other services .....	59	51	60
26.0	Supplies and materials .....		1	2
41.0	Grants, subsidies, and contributions .....	1,212	2,100	2,219
99.0	Subtotal, direct obligations .....	1,562	2,485	2,615
99.0	Reimbursable obligations .....	25	125	75
99.9	Total obligations .....	1,587	2,610	2,690

**Personnel Summary**

Total number of full-time permanent positions .....	3	4	4
Total compensable workyears: Full-time equivalent employment .....	4	5	5

**LEGAL SERVICES CORPORATION**

*Federal Funds*

**General and special funds:**

**PAYMENT TO THE LEGAL SERVICES CORPORATION**

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, \$305,500,000 of which \$261,294,000 is for basic field programs, \$7,022,000 is for Native American programs, \$9,698,000 is for migrant programs, \$1,100,000 is for law school clinics, \$1,000,000 is for supplemental field programs, \$624,000 is for regional training centers, \$7,228,000 is for national support, \$7,843,000 is for State support, \$865,000 is for the Clearinghouse, \$510,000 is for computer assisted legal research regional centers, and \$8,316,000 is for Corporation management and administration: *Provided*, That none of the funds appropriated in this paragraph shall be expended for any purpose prohibited or limited by or contrary to any of the provisions of Public Law 99-180 and section 112 of Public Law 99-130: *Provided further*, That the funds distributed to each grantee funded in fiscal year 1988

pursuant to the number of poor people determined by the Bureau of the Census to be within its geographical area shall be distributed in the following order:

(1) grants from the Legal Services Corporation and contracts entered into with the Legal Services Corporation under section 1006(a)(1) shall be maintained in fiscal year 1988 at not less than 1 per centum more than the annual level at which each grantee and contractor was funded in fiscal year 1987 or \$8.30 per poor person within its geographical area under the 1980 Census, whichever is greater, and

(2) each such grantee shall be increased by an equal percentage of the amount by which such grantee's funding, including the increase under the first priority above, falls below \$14.56 per poor person within its geographical area under the 1980 census:

*Provided further*, That if funds become available because a national support center has been defunded or denied refunding pursuant to section 1011(2) of the Legal Services Corporation Act, as amended by this Act, such funds may be transferred to basic field programs, to be distributed in the manner specified by this paragraph, if the Appropriations Committees of both Houses of Congress have been notified pursuant to section 608 of this Act: *Provided further*, That the Corporation shall utilize the same formula for distribution of fiscal year 1988 migrant funds as was used in fiscal year 1987: *Provided further*, That none of the funds appropriated by this Act or prior Acts may be used by an officer, board member, employee or consultant of the Corporation to implement or enforce provisions in the regulation regarding legislative and administrative advocacy and training (Part 1612, 52 FR 28434 (July 29, 1987)) which impose restrictions on private funds received by a recipient for the provision of legal assistance except to the extent that such restrictions are explicitly authorized by sections 1007 (a)(5), (b)(6), (b)(7), and 1010(c) of the LSC Act: *Provided further*, That the Corporation shall not impose requirements on governing bodies of recipients that are individual to, or more restrictive than, the provisions of Public Law 99-180 and section 1007(c) of the Legal Services Corporation Act including, but not limited to (1) the procedures of appointment, including the political affiliation and the length of terms of, board members and (2) the size, quorum requirements, and committee operations of such governing bodies. ]

*For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, \$250,000,000, of which \$241,000,000 shall be expended for direct delivery of legal services to poor eligible clients and provision of funds for law school clinics, training development and technical assistance, and of which \$9,000,000 shall be for management and administration: Provided, That for the purposes of this paragraph, "direct delivery of services to poor eligible clients" means the provision of basic dispute resolution services to eligible clients through local grant recipients whose purpose is to provide direct delivery of legal assistance to eligible clients: Provided further, That all such grants to local grant recipients shall be awarded competitively at least every three years: Provided further, That none of the funds appropriated in this paragraph shall be expended for any purpose prohibited or limited by or contrary to any of the provisions of Public Law 99-180 or section 112 of Public Law 99-190: Provided further, That none of the funds appropriated in this paragraph may be used by the Corporation or any recipient to participate in any litigation with respect to abortion: Provided further, That funds appropriated in this paragraph shall be subject to 31 U.S.C. 1301: Provided further, That if a Presidential order pursuant to section 252 of Public Law 99-177 is issued for fiscal year 1989, funds provided under this paragraph shall be reduced by the percentage specified in the Presidential order. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)*

**Program and Financing** (in thousands of dollars)

Identification code 20-0501-0-1-752	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
00.01	Delivery of legal assistance .....	275,716	280,114	241,000
00.02	Support and training .....	18,912	17,070	
00.03	Management and administration .....	10,872	8,316	9,000
10.00	Total obligations (object class 41.0) .....	305,500	305,500	250,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	305,500	305,500	250,000

**General and special funds—Continued**

**PAYMENT TO THE LEGAL SERVICES CORPORATION—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 20-0501-0-1-752	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	305,500	305,500	250,000
72.40 Obligated balance, start of year .....	33,624	30,194	39,410
74.40 Obligated balance, end of year .....	-30,194	-39,410	-32,250
90.00 Outlays .....	308,931	296,285	257,160

The Legal Services Corporation (LSC) funds State and local agencies that provide free civil legal assistance to the poor. LSC is a private, non-profit corporation which is outside the Federal Government and acts independently of related social and community services programs. The Administration supports actions to ensure that grantees are involved in cases for individual clients, rather than broader "law reform" activities.

**MARINE MAMMAL COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, **[\$953,000]** **\$933,000.** (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 95-2200-0-1-302	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	908	953	933
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	2		
40.00 <b>Budget authority (appropriation) .....</b>	<b>910</b>	<b>953</b>	<b>933</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	908	953	933
72.40 Obligated balance, start of year .....	322	256	262
74.40 Obligated balance, end of year .....	-256	-262	-259
77.00 Adjustments in expired accounts .....	-14		
90.00 Outlays .....	960	947	936

The Commission coordinates marine mammal policy and programs; reviews the status of marine populations; recommends to the Secretaries of Commerce, Interior, and State steps to conserve marine mammals domestically and internationally; and manages a research program.

**Object Classification (in thousands of dollars)**

Identification code 95-2200-0-1-302	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	393	466	481
11.3 Other than full-time permanent .....	93	102	105
11.9 Total personnel compensation .....	486	568	586
12.1 Civilian personnel benefits .....	59	71	73
21.0 Travel and transportation of persons .....	53	55	57
22.0 Transportation of things .....	17	17	18
23.1 Rental payments to GSA .....	46	55	55
23.3 Communications, utilities, and miscellaneous charges .....	31	36	37
24.0 Printing and reproduction .....	2	2	3
25.0 Other services .....	202	137	90

26.0 Supplies and materials .....	9	9	10
31.0 Equipment .....	3	3	4
99.9 Total obligations .....	908	953	933

**Personnel Summary**

Total number of full-time permanent positions .....	10	11	11
Total compensable workyears: Full-time equivalent employment .....	11	12	12

**MERIT SYSTEMS PROTECTION BOARD**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles; **[\$20,957,000]** **\$20,488,000,** together with not to exceed **[\$1,200,000]** **\$1,400,000** for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board. (Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 41-0100-0-1-805	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Regional operations .....	7,726	8,725	8,689
00.02 Appeals .....	2,199	2,877	2,865
00.03 Legal studies and administration .....	8,609	9,355	8,934
00.91 Total direct program .....	18,534	20,957	20,488
01.01 Reimbursable program .....	1,325	1,325	1,525
10.00 Total obligations .....	19,859	22,282	22,013
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-125	-125	-125
13.00 Trust funds .....	-1,200	-1,200	-1,400
25.00 Unobligated balance lapsing .....	878		
40.00 <b>Budget authority (appropriation) .....</b>	<b>19,412</b>	<b>20,957</b>	<b>20,488</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	18,534	20,957	20,488
72.40 Obligated balance, start of year .....	2,428	2,086	2,296
74.40 Obligated balance, end of year .....	-2,086	-2,296	-2,911
90.00 Outlays .....	18,543	20,747	19,873

The Merit Systems Protection Board performs the adjudicatory functions necessary to maintain the civil service merit system. These include hearing appeals on adverse actions, reduction-in-force actions, and retirement. The Board will report to the President on whether merit systems are sufficiently free from prohibited personnel practices to protect the public interest.

Board workloads are reflected in the following table:

**PRODUCTION COUNT**

	1987 actual	1988 est.	1989 est.
Retirement (legal-disability) .....	1,493	1,500	1,500
Adverse action appeals .....	4,100	4,200	4,200
Reduction-in-force appeals .....	405	400	400
Other .....	3,031	3,100	3,100

Object Classification (in thousands of dollars)

Identification code 41-0100-0-1-805	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	10,658	12,472	12,404
11.3 Other than full-time permanent .....	706	717	731
11.5 Other personnel compensation .....	155	177	181
11.9 Total personnel compensation .....	11,519	13,366	13,316
12.1 Civilian personnel benefits .....	1,279	2,475	1,862
13.0 Benefits for former personnel .....	46	80	83
21.0 Travel and transportation of persons .....	412	620	644
22.0 Transportation of things .....	63	74	77
23.1 Rental payments to GSA .....	1,393	1,648	1,711
23.2 Rental payments to others .....	53	65	67
23.3 Communications, utilities, and miscellaneous charges .....	686	485	503
24.0 Printing and reproduction .....	108	111	115
25.0 Other services .....	1,702	1,496	1,553
26.0 Supplies and materials .....	266	215	223
31.0 Equipment .....	1,007	322	334
99.0 Subtotal, direct obligations .....	18,534	20,957	20,488
99.0 Reimbursable obligations .....	1,325	1,325	1,525
99.9 Total obligations .....	19,859	22,282	22,013

Personnel Summary

Total number of full-time permanent positions .....	330	330	322
Total compensable workyears:			
Full-time equivalent employment .....	302	337	329
Full-time equivalent of overtime and holiday hours .....	1	1	1

OFFICE OF SPECIAL COUNSEL  
SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of the Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978 (Public Law 95-454), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; **[\$4,673,000]** \$4,761,000. (Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 41-0101-0-1-805	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Investigation and prosecution of reprisals for whistleblowing and other prohibited activities .....	4,092	4,229	4,314
00.02 Processing disclosures of waste, fraud, and abuse .....	372	444	447
10.00 Total obligations .....	4,464	4,673	4,761
Financing:			
25.00 Unobligated balance lapsing .....	11		
40.00 Budget authority (appropriation) .....	4,475	4,673	4,761
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	4,464	4,673	4,761
72.40 Obligated balance, start of year .....	360	498	634
74.40 Obligated balance, end of year .....	-498	-634	-682
77.00 Adjustments in expired accounts .....	-3		
90.00 Outlays .....	4,323	4,537	4,713

The Special Counsel is empowered to investigate prohibited personnel practices in Federal agencies and political activities prohibited by the Hatch Act, and to administratively prosecute offending employees and agencies before the Merit Systems Protection Board. The Special Counsel may also transmit "whistleblower" allegations to the agency head concerned and require an agency investigation and a report to the Congress and the President when found appropriate.

Many cases that are referred to the Office are resolved without recourse to formal proceedings before the Board. Efforts to obtain such informal resolutions will continue in 1989.

The following table displays the anticipated workloads:

PRODUCTION COUNT

	1987 actual	1988 est.	1989 est.
Hatch Act cases .....	85	89	93
Prohibited practices complaints .....	1,006	1,056	1,108
Whistleblower allegations .....	116	122	128

Object Classification (in thousands of dollars)

Identification code 41-0101-0-1-805	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent .....	3,135	3,230	3,342
12.1 Civilian personnel benefits .....	404	345	426
21.0 Travel and transportation of persons .....	150	236	236
22.0 Transportation of things .....	8	8	8
23.1 Rental payments to GSA .....	304	356	362
23.3 Communications, utilities, and miscellaneous charges .....	165	165	165
24.0 Printing and reproduction .....	25	20	20
25.0 Other services .....	123	127	127
26.0 Supplies and materials .....	57	40	40
31.0 Equipment .....	93	146	35
99.9 Total obligations .....	4,464	4,673	4,761

Personnel Summary

Total number of full-time permanent positions .....	70	76	81
Total compensable workyears: Full-time equivalent employment .....	77	76	81

NATIONAL AFRO-AMERICAN HISTORY AND  
CULTURE COMMISSION

Federal Funds

General and special funds:

NATIONAL CENTER FOR THE STUDY OF AFRO-AMERICAN HISTORY AND  
CULTURE

Program and Financing (in thousands of dollars)

Identification code 95-3800-0-1-503	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations .....	74	65	
Financing:			
21.40 Unobligated balance, start of year .....		-65	
24.40 Unobligated balance, end of year .....	65		
50.00 Reappropriation .....	139		
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	74	65	
72.40 Obligated balance, start of year .....	19	7	
74.40 Obligated balance, end of year .....	-7		
77.00 Adjustments in expired accounts .....	-15		
90.00 Outlays .....	70	72	

The National Afro-American History and Culture Commission is responsible for making recommendations on the development and operation of the National Center for the Study of Afro-American History and Culture. The Commission will submit its report to the Congress in 1988.

General and special funds—Continued

NATIONAL CENTER FOR THE STUDY OF AFRO-AMERICAN HISTORY AND CULTURE—Continued

Object Classification (in thousands of dollars)			
Identification code	95-3800-0-1-503	1987 actual	1988 est. 1989 est.
21.0	Travel and transportation of persons.....	27	20
23.3	Communications, utilities, and miscellaneous charges.....	2	2
24.0	Printing and reproduction.....	1	20
25.0	Other services.....	44	23
99.9	Total obligations.....	74	65

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Federal Funds

General and special funds:

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, [ \$116,000,000 of which \$4,000,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended, and of which \$6,000,000 for design and planning of a new archival facility in Maryland shall remain available until expended ] \$117,862,000. (1 U.S.C. 106a, 106b, 112, 113, 201; 3 U.S.C. 6, 11-13; 4 U.S.C. 141-146; 5 U.S.C. App. 1; 25 U.S.C. 199a; 44 U.S.C. 710, 711, 729, Chapters 15, 21, 22, 25, 29, 31, 33; Public Law 98-497, Public Law 93-526, Executive Orders 11440, 12356, 10530, 11030, 11490, as amended; Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	88-0300-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Records centers.....	36,984	41,862	43,785
00.02	Archives and related services.....	59,521	75,798	73,062
00.03	National Historical Publications and Records Commission.....	4,630	5,272	1,015
00.91	Total direct program.....	101,135	122,932	117,862
01.01	Reimbursable program.....	18,758	21,144	22,895
10.00	Total obligations.....	119,893	144,076	140,757
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-18,758	-21,144	-22,895
21.40	Unobligated balance available, start of year.....	-7,357	-6,932	
24.40	Unobligated balance available, end of year.....	6,932		
25.00	Unobligated balance lapsing.....	949		
40.00	Budget authority (appropriation).....	101,659	116,000	117,862
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	101,135	122,932	117,862
72.40	Obligated balance, start of year.....	16,229	21,163	31,231
74.40	Obligated balance, end of year.....	-21,163	-31,231	-31,603
77.00	Adjustments in expired accounts.....	-213		
90.00	Outlays.....	95,988	112,864	117,490

The National Archives and Records Administration provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, and for the review for declassification of security classified information.

In 1989, records in the National Archives and Federal records centers will total approximately 17.6 million

cubic feet. The number of reference services expected to be provided will total 32.6 million.

**Records centers.**—In 1989, agencies will transfer 1,692 thousand cubic feet of inactive records to the records centers. The records centers will dispose of 1,103 thousand cubic feet of records in 1989, and 29.3 million reference services will be provided.

**Archives and related services.**—A substantial portion of the workload of the National Archives and related services activity is determined by the volume of reference requests received from Government agencies, the public, and the number of documents sent by Federal agencies to be published in the Federal Register. For 1989 the number of reference services is estimated at 3.3 million and the number of Federal Register pages to be processed will be 740,000.

Through the records declassification program, historically valuable information in the records of the Federal Government and in donated historical materials are made available to the public by declassifying as much information as possible without endangering the national security. In 1989, 15.3 million pages will be reviewed for declassification.

**National Historical Publications and Records Commission.**—This Commission coordinates and provides technical assistance to archival planning and assessment projects in many States and also offers a specialized reference service to Federal, State and local and nongovernment institutions that are publishing significant portions of records from official government files. The Commission also lends its endorsement and support to those specific projects that further the basic objectives stated in its legislation.

Object Classification (in thousands of dollars)

Identification code	88-0300-0-1-804	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	39,601	45,756	46,950
11.3	Other than full-time permanent.....	3,125	3,611	3,711
11.5	Other personnel compensation.....	937	1,083	1,089
11.9	Total personnel compensation.....	43,663	50,450	51,750
12.1	Civilian personnel benefits.....	6,044	7,470	7,733
21.0	Travel and transportation of persons.....	343	412	430
21.0	Motor pool travel.....	71	68	77
22.0	Transportation of things.....	154	235	652
23.1	Rental payments to GSA.....	18,367	22,589	24,837
23.3	Communications, utilities, and miscellaneous charges.....	3,598	3,717	3,862
24.0	Printing and reproduction.....	1,723	1,780	1,849
25.0	Other services.....	17,415	28,897	22,763
26.0	Supplies and materials.....	2,192	2,264	2,402
31.0	Equipment.....	3,033	700	1,457
32.0	Land and structures.....	629		50
41.0	Grants, subsidies, and contributions.....	3,804	4,350	
42.0	Insurance claims and indemnities.....	99		
99.0	Subtotal, direct obligations.....	101,135	122,932	117,862
99.0	Reimbursable obligations.....	18,758	21,144	22,895
99.9	Total obligations.....	119,893	144,076	140,757

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	1,470	1,743	1,758
Total compensable workyears:			
Full-time equivalent employment.....	1,711	2,029	2,044
Full-time equivalent of overtime and holiday hours.....	13		



Reimbursable:			
Total number of full-time permanent positions.....	303	316	326
Total compensable workyears: Full-time equivalent employment.....	683	713	736

**Trust Funds**

**NATIONAL ARCHIVES GIFT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 88-8127-0-7-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Historical research, conferences and publications.....	439	539	626
00.02 Presidential libraries.....	68	20	10
10.00 Total obligations.....	507	559	636
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-592		
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-1,642	-1,748	-1,734
21.40 U.S. securities (par).....	-70		
Unobligated balance available, end of year:			
24.40 Treasury balance.....	1,748	1,734	1,354
24.40 U.S. securities (par).....	70	-70	
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>21</b>	<b>475</b>	<b>256</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	507	559	636
72.40 Obligated balance, start of year.....	-1,412	-1,485	-1,321
74.40 Obligated balance, end of year.....	1,485	1,321	1,146
78.00 Adjustments in unexpired accounts.....	-592		
90.00 Outlays.....	-12	395	461

Grants and donations are deposited into this fund to benefit National Archives' collections and services in accordance with terms of the donor (44 U.S.C. 2305).

**Object Classification (in thousands of dollars)**

Identification code 88-8127-0-7-804	1987 actual	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	11	15	17
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	144	179	202
26.0 Supplies and materials.....	18	20	24
41.0 Grants, subsidies, and contributions.....	332	343	391
99.9 Total obligations.....	507	559	636

**NATIONAL ARCHIVES TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 88-8436-0-8-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Reproduction services.....	6,081	7,198	7,510
00.02 Presidential Libraries.....	1,874	2,147	2,141
10.00 Total obligations.....	7,955	9,345	9,651
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-255	-2,400	-2,490
14.00 Non-Federal sources.....	-9,638	-7,597	-7,884
17.00 Recovery of prior year obligations.....	-72		
Unobligated balance available, start of year:			
21.98 U.S. securities (par).....	-300	3	-300
21.98 Fund balance.....	-4,993	-7,306	-7,655
Unobligated balance available, end of year:			
24.98 U.S. securities (par).....	-3	300	300
24.98 Fund balance.....	7,306	7,655	8,378
39.00 <b>Budget authority.....</b>			

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-1,938	-652	-723
72.98 Obligated balance, start of year: Fund balance.....	-3,859	-6,389	-6,389
74.98 Obligated balance, end of year: Fund balance.....	6,389	6,389	6,389
78.00 Adjustments in unexpired accounts.....	-72		
90.00 Outlays.....	519	-652	-723

The Archivist of the United States furnishes, for a fee, copies of records in the custody of the National Archives except those that are exempt from examination as confidential or protected by existing copyright (44 U.S.C. 2116).

Proceeds from sale of copies of microfilm publications, reproductions, and other publications, and admission fees to Presidential Library museum rooms are deposited to this fund.

**Object Classification (in thousands of dollars)**

Identification code 88-8436-0-8-804	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	967	1,286	1,310
11.3 Other than full-time permanent.....	448	521	532
11.5 Other personnel compensation.....	30	40	40
11.9 Total personnel compensation.....	1,445	1,847	1,882
12.1 Civilian personnel benefits.....	224	314	320
13.0 Benefits for former personnel.....	1	5	5
21.0 Travel and transportation of persons.....	33	44	46
22.0 Transportation of things.....	12	27	28
23.1 Rental payments to GSA.....	94	94	94
23.3 Communications, utilities and miscellaneous charges.....	529	536	557
24.0 Printing and reproduction.....	1,452	1,530	1,556
25.0 Other services.....	2,852	3,573	3,727
26.0 Supplies and materials.....	1,136	1,095	1,126
31.0 Equipment.....	177	280	310
99.9 Total obligations.....	7,955	9,345	9,651

**Personnel Summary**

Total number of full-time permanent positions.....	47	67	67
Total compensable workyears:			
Full-time equivalent employment.....	83	103	103
Full-time equivalent of overtime and holiday hours.....	1		

**NATIONAL CAPITAL PLANNING COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, **[\$2,948,000] \$2,962,000. (Department of the Interior and Related Agencies Appropriations Act, 1988.)**

**Program and Financing (in thousands of dollars)**

Identification code 95-2500-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
0001 Direct program.....	2,671	2,948	2,962
0101 Reimbursable program.....	6		
10.00 Total obligations.....	2,677	2,948	2,962
<b>Financing:</b>			
11.00 Offsetting collections from Federal source.....	-6		
25.00 Unobligated balance lapsing.....	12		
40.00 <b>Budget authority (appropriation).....</b>	<b>2,684</b>	<b>2,948</b>	<b>2,962</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	2,671	2,948	2,962
72.40 Obligated balance, start of year.....	317	470	236
74.40 Obligated balance, end of year.....	-470	-236	-237

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	1987 actual	1988 est.	1989 est.
95-2500-0-1-451			
77.00 Adjustments in expired accounts.....	-6		
90.00 Outlays.....	2,512	3,182	2,961

The National Capital Planning Commission is the central planning agency for the Federal Government in the National Capital Region. During 1989, major emphasis will be placed on the following activities: the maintenance of Federal elements to the Comprehensive Plan for the National Capital, the five-year Federal Capital Improvements program, the review of Federal land acquisition and development proposals in the region, relevant zoning analyses, and continuing Federal interest reviews of the impact of proposed local, State and regional planning efforts on the Federal establishment.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-2500-0-1-451			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	1,598	1,863	1,884
11.3 Other than full-time permanent.....	185	64	66
11.5 Other personnel compensation.....	28	35	35
11.9 Total personnel compensation.....	1,811	1,962	1,985
12.1 Civilian personnel benefits.....	205	235	250
21.0 Travel and transportation of persons.....	18	20	20
23.1 Rental payments to GSA.....	348	414	416
23.3 Commerce, utilities and miscellaneous charges.....	69	71	71
24.0 Printing and reproduction.....	49	36	31
25.0 Other services.....	115	143	148
26.0 Supplies and materials.....	21	27	26
31.0 Equipment.....	35	40	15
99.0 Subtotal, direct obligations.....	2,671	2,948	2,962
99.0 Reimbursable obligations.....	6		
99.9 Total obligations.....	2,677	2,948	2,962

**Personnel Summary**

Total number of full-time permanent positions.....	46	46	46
Total compensable workyears: Full-time equivalent employment.....	45	50	50

**NATIONAL COMMISSION ON AGRICULTURAL FINANCE**

**Federal Funds**

**General and Special Funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-0101-0-1-352			
<b>Program by activities:</b>			
10.00 Total obligations.....	15	85	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-85	
24.40 Unobligated balance available, end of year.....	85		
40.00 <b>Budget authority (appropriation)</b> .....	<b>100</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	15	85	

72.40 Obligated balance available, start of year.....		15	
74.40 Obligated balance available, end of year.....	-15		
90.00 Outlays.....			100

The National Commission on Agricultural Finance was established by section 501(e) of the Farm Credit Act Amendments of 1985 to conduct a study of methods to ensure the availability of adequate credit to agricultural producers and agribusiness, taking into account the long-term financing needs of the agricultural economy; the roles of the commercial banks, the Farm Credit System, and the Farmers Home Administration in meeting those financial needs. Initial funding for the Commission was provided in the Supplemental Appropriations Act of 1987.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-0101-0-1-352			
21.0 Travel and transportation of persons.....	15	64	
24.0 Printing and reproduction.....		1	
25.0 Other services.....		10	
26.0 Supplies and materials.....		10	
99.9 Total obligations.....	15	85	

**NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), **[\$718,000]** \$755,000. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-2700-0-1-503			
<b>Program by activities:</b>			
10.00 Total obligations.....	877	709	755
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-216		
25.00 Unobligated balance lapsing.....	22	9	
40.00 <b>Budget authority (appropriation)</b> .....	<b>683</b>	<b>718</b>	<b>755</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	661	709	755
72.40 Obligated balance, start of year.....	182	332	72
74.40 Obligated balance, end of year.....	-332	-72	-75
77.00 Adjustments in expired accounts.....		-170	
90.00 Outlays.....	512	799	752

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Commission is responsible for developing plans for meeting the library and information needs of the Nation, for coordinating Federal, State, and local activities to meet these needs, and for advising the President and the Congress on national library and information science policy.

Object Classification (in thousands of dollars)			
Identification code 95-2700-0-1-503	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	333	334	345
11.3 Other than full-time permanent .....	35	90	92
11.5 Other personnel compensation .....		10	10
11.9 Total personnel compensation .....	368	434	447
12.1 Civilian personnel benefits .....	42	51	54
21.0 Travel and transportation of persons .....	51	49	70
23.1 Rental payments to GSA .....	59	63	63
23.3 Communications, utilities, and miscellaneous charges .....	27	31	33
24.0 Printing and reproduction .....	11	16	21
25.0 Other services .....	51	41	44
26.0 Supplies and materials .....	23	21	21
31.0 Equipment .....	29	3	2
99.0 Subtotal, direct obligations .....	661	709	755
99.0 Reimbursable obligations .....	216		
99.9 Total obligations .....	877	709	755

**Personnel Summary**

Total number of full-time permanent positions .....	9	9	9
Total compensable workyears: Full-time equivalent employment .....	11	11	11

**Trust Funds**  
CONTRIBUTIONS

**Program and Financing (in thousands of dollars)**

Identification code 95-8078-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1	16	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2		
60.00 Budget authority (appropriation) (permanent, indefinite) .....	-1	16	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1	16	
72.40 Obligated balance, start of year .....	3	6	
74.40 Obligated balance, end of year .....	-6		
77.00 Adjustments in expired accounts .....	-1		
90.00 Outlays .....	1	22	

**Object Classification (in thousands of dollars)**

25.0 Other services .....	1	14	
26.0 Supplies and materials .....		2	
99.9 Total obligations .....	1	16	

**NATIONAL COUNCIL ON THE HANDICAPPED**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for the National Council on the Handicapped as authorized by section 405 of the Rehabilitation Act of 1973, as amended, **[\$892,000]** \$974,000. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)			
Identification code 95-3500-0-1-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	853	872	974
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	7	20	
40.00 Budget authority (appropriation) .....	860	892	974
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	853	872	974
72.40 Obligated balance, start of year .....	206	257	183
74.40 Obligated balance, end of year .....	-257	-183	-234
77.00 Adjustments in expired accounts .....	-9		
90.00 Outlays .....	793	946	923

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The National Council on the Handicapped is composed of 15 members appointed by the President and confirmed by the Senate. Established under the Rehabilitation Act of 1973, as amended, the Council is responsible for reviewing all laws, programs, and policies of the Federal Government affecting disabled individuals, and establishing general policies for the National Institute on Disability and Rehabilitation Research. The Council also makes recommendations on issues affecting people with disabilities to the President, the Congress, the Rehabilitation Services Administration Commissioner, the National Institute on Disability and Rehabilitation Research Director, and other Federal Departments and agencies, as may be appropriate.

**Object Classification (in thousands of dollars)**

Identification code 95-3500-0-1-506	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent .....	256	321	330
11.3 Other than full-time permanent .....	105	102	104
11.5 Other personnel compensation .....	3	5	5
11.9 Total personnel compensation .....	364	428	439
12.1 Civilian personnel benefits .....	51	59	61
21.0 Travel and transportation of persons .....	106	91	114
23.1 Rental payments to GSA .....	51	62	64
23.2 Rental payments to others .....	17	16	17
23.3 Communications, utilities, and miscellaneous charges .....	13	13	14
24.0 Printing and reproduction .....	12	29	30
25.0 Other services .....	227	159	220
26.0 Supplies and materials .....	8	15	15
31.0 Equipment .....	4		
99.9 Total obligations .....	853	872	974

**Personnel Summary**

Total number of full-time permanent positions .....	8	8	8
Total compensable workyears: Full-time equivalent employment .....	9	10	10

**Trust Funds**

**GIFTS AND DONATIONS**

**Program and Financing (in thousands of dollars)**

Identification code 95-8077-0-7-506	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	1		
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-1		

GIFTS AND DONATIONS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.
95-8077-0-7-506			
21.40 Unobligated balance available, start of year.....	-1		
60.00 Budget authority (appropriation) (permanent, indefinite).....	1		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1		
90.00 Outlays.....	2		

NATIONAL CREDIT UNION ADMINISTRATION

Federal Funds

Public enterprise funds:

OPERATING FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
25-4056-0-3-371			
<b>Program by activities:</b>			
Operating expenses:			
00.01 Examination and supervision.....	29,128	37,122	38,336
00.03 Administration.....	13,632	17,469	19,313
00.91 Total operating expenses.....	42,760	54,591	57,649
01.01 Capital investment: Purchase of equipment.....	2,023	300	300
10.00 Total obligations.....	44,783	54,891	57,949
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-21,380	-27,296	-28,824
14.00 Non-Federal sources.....	-22,188	-26,262	-29,324
21.98 Unobligated balance available, start of year: Fund balance.....	-2,600	-1,385	-52
24.98 Unobligated balance available, end of year: Fund balance.....	1,385	52	251
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,215	1,333	-199
72.98 Obligated balance, start of year: Fund balance.....	3,369	1,862	3,906
74.98 Obligated balance, end of year: Fund balance.....	-1,862	-3,906	-3,234
90.00 Outlays.....	2,721	-711	473

Federal credit unions are privately owned, cooperative associations organized for the purpose of promoting thrift among their members and creating a source of credit for provident or productive purposes, authorized by the Federal Credit Union Act of 1934, as amended.

The Administration's activities consist of: (a) chartering new Federal credit unions, (b) supervising established Federal credit unions, (c) making periodic examinations of their financial condition and operating practices, and (d) providing administrative services. The operating fund is reimbursed for the insurance fund's share of the agency's administrative expenses by the insurance fund. The reimbursement percentage, which is reviewed and adjusted periodically, is currently at 50 percent. Data relating to activities are shown below:

Item:	1987 actual	1988 est.	1989 est.
Number of new Federal credit unions chartered.....	21	15	15
Number of operating Federal credit unions.....	9,475	9,460	9,445
Assets of Federal credit unions as of June 30 (in millions).....	114,822	126,304	138,934

Operating results.—Fees from receipts cover the cost of operations. Net operating income is expected to be \$500 thousand in 1989.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	22,188	26,262	29,324
Expense.....	21,380	27,296	28,824
Net operating income (total).....	808	-1,034	500

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	4	15	4	4
Investments.....	5,965	3,233	1,041	1,268
Accounts receivable (net).....	1,315	5,886	3,311	3,713
Equipment (net).....	588	2,612	2,911	2,212
Total assets.....	7,872	11,746	7,267	7,197
<b>Liabilities:</b>				
Accounts payable.....	4,684	7,749	4,304	4,734
Total liabilities.....	4,684	7,749	4,304	4,734
<b>Government equity:</b>				
Unobligated balance.....	2,600	1,385	52	251
Invested capital.....	588	2,612	2,911	2,212
Total Government equity.....	3,188	3,997	2,963	2,463

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
25-4056-0-3-371			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	22,556	29,521	31,934
11.3 Other than full-time permanent.....	496	109	115
11.5 Other personnel compensation.....	542	288	314
11.9 Total personnel compensation.....	23,594	29,918	32,363
12.1 Civilian personnel benefits.....	4,548	5,998	6,370
21.0 Travel and transportation of persons.....	5,788	8,182	8,172
22.0 Transportation of things.....	300	252	204
23.1 Rental payments to GSA.....	657	793	852
23.2 Rental payments to others.....	1,236	1,548	1,702
23.3 Communications, utilities, and miscellaneous charges.....	1,773	2,132	2,137
24.0 Printing and reproduction.....	564	667	666
25.0 Other services.....	2,748	4,232	4,377
26.0 Supplies and materials.....	1,552	869	806
31.0 Equipment.....	2,023	300	300
99.9 Total obligations.....	44,783	54,891	57,949

Personnel Summary

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	806	900	900
Total compensable workyears: Full-time equivalent employment.....	717	878	878

CREDIT UNION SHARE INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
25-4468-0-3-371			
<b>Program by activities:</b>			
Operating expenses:			
00.01 Payments to the Operating fund for services and facilities.....	21,466	27,295	28,824
00.02 Insurance claims expenses.....	71,382	36,000	36,000
00.91 Total operating expenses.....	92,848	63,295	64,824
01.01 Capital investment: Loans and deposits in credit unions.....	2,000	20,000	5,000
10.00 Total obligations.....	94,848	83,295	69,824

Financing:				
Offsetting collections from:				
11.00	Federal funds: Interest on Government securities.....	-112,430	-126,000	-144,400
Non-Federal sources:				
14.00	Deposits from members.....	-155,312	-215,000	-247,000
14.00	Recoveries on assets acquired.....	-340	-500	-500
14.00	Other income.....	-1,154	-100	-100
21.98	Unobligated balance available, start of year: Fund balance.....	-1,369,070	-1,543,458	-1,801,763
24.98	Unobligated balance available, end of year: Fund balance.....	1,543,458	1,801,763	2,123,939
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-174,387	-258,305	-322,176
72.98	Obligated balance, start of year: Fund balance.....	8,441	31,695	50,390
74.98	Obligated balance, end of year: Fund balance.....	-31,695	-50,390	-48,214
90.00	Outlays.....	-197,641	-277,000	-320,000

## Status of Direct Loans (in thousands of dollars)

Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....			
1131	Direct loan obligations exempt from limitation.....	2,000	20,000	5,000
1150	Total direct loan obligations.....	2,000	20,000	5,000
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	22,396	5,031	20,031
1231	Disbursements: Direct loan disbursements.....	2,000	20,000	5,000
1251	Repayments: Repayments and prepayments.....	-15,965	-4,000	-6,000
1264	Adjustments: Other adjustments, net.....	-3,400	-1,000	
1290	Outstanding, end of year.....	5,031	20,031	19,031
Estimate of direct loan subsidy:				
1320	Subsidy amount (in percent).....	50.0	50.0	50.0
1330	Subsidy amount (in thousands of dollars).....	1,000	10,000	2,500

Note.—Other adjustments reflect outstanding balance included in the total financial assets acquired from credit unions and loans made in prior years.

## Status of Guaranteed Loans (in thousands of dollars)

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.....	62,194	5,000	4,000
2150	Total guaranteed loan commitments.....	62,194	5,000	4,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	4,900	5,572	4,500
2231	Disbursements: Disbursements of new guaranteed loans.....	62,194	5,000	4,000
2251	Repayments: Repayments and prepayments.....	-61,522	-6,072	-5,500
2290	Outstanding, end of year.....	5,572	4,500	3,000

## MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	5,572	4,500	3,000
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent).....	100.0	100.0	100.0
2330	Subsidy amount (in thousands of dollars).....	62,194	5,000	4,000

The insurance fund is used to carry out a program of insurance for member accounts in Federal credit unions and State-chartered credit unions which apply and qualify for insurance, authorized by Public Law 91-468, enacted October 19, 1970.

**Budget program.**—The activities consist of: (a) providing member account insurance, (b) formulating standards and requirements for insured credit unions, and (c) providing for liquidation or other disposition of the assets and liabilities of solvent and insolvent, insured credit unions. The fund also reimburses the operating

fund for its share of the Agency's administrative costs. The reimbursement percentage which is reviewed and adjusted periodically, is currently at fifty percent.

The extent of the program is estimated as follows:

Item:	1987 actual	1988 est.	1989 est.
Number of insured credit unions.....	14,466	14,200	14,000
Insured shares of member institutions as of June 30 (in millions of dollars).....	147,400	167,150	183,500

It is estimated that approximately 5,000 State-chartered credit unions will be enrolled in the program by the end of 1989.

**Financing.**—For calendar year 1988, the credit union's required annual insurance premium of one-twelfth of 1 percent of their total member share accounts has been waived. However, as a result of Public Law 98-369 (July 18, 1985), each insured credit union is required to deposit and maintain in the insurance fund 1 percent of its member share accounts. The fund is structured to be entirely self supporting through the monies paid by member credit unions. The monies received plus the income generated from their investment are expected to cover all administrative and financial costs, as well as increase the fund balance proportionate to insured share growth. It is anticipated that the capital generated from the 1 percent deposit will eliminate the need to assess the annual premium except in years of extraordinary credit union losses. The fund has \$100 million in borrowing authority from the Treasury for use in unforeseen emergencies.

**Operating results.**—Anticipated net income of \$80,176 thousand will be retained in the fund, raising the balance for unforeseen emergencies to \$2.1 billion by the end of 1989.

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	112,746	126,100	145,000
Expense.....	77,198	63,295	64,824
Net income for year.....	35,548	62,805	80,176

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury.....	67	17,854	10	10
U.S. securities (par).....	1,377,444	1,557,298	1,852,142	2,172,142
Assets acquired (net).....	2,769	27,415	20,606	22,500
Loans and deposits in credit unions (net).....	1,058	852	18,000	25,000
Accounts receivable.....	49,052	32,996	22,491	21,896
Other assets.....	42,321	58,793	52,400	48,400
Total assets.....	1,472,711	1,695,208	1,965,649	2,289,948
<b>Liabilities:</b>				
Accounts payable.....	49,529	58,886	68,327	72,521
Shareholders payable.....	11,791	34,071	43,159	45,088
Total liabilities.....	61,320	92,957	111,486	117,609
<b>Government equity:</b>				
Unobligated balance.....	1,369,070	1,543,458	1,801,763	2,123,939
Total fund balance.....	1,369,070	1,543,458	1,801,763	2,123,939
Invested capital.....	42,321	58,793	52,400	48,400
Total Government equity.....	1,411,391	1,602,251	1,854,163	2,172,339

Public enterprise funds—Continued

CREDIT UNION SHARE INSURANCE FUND—Continued

Object Classification (in thousands of dollars)

Identification code	25-4468-0-3-371	1987 actual	1988 est.	1989 est.
25.0	Other services .....	21,466	27,295	28,824
33.0	Investments and loans .....	2,000	20,000	5,000
42.0	Insurance claims and indemnities .....	71,382	36,000	36,000
99.9	Total obligations .....	94,848	83,295	69,824

CENTRAL LIQUIDITY FACILITY

During fiscal year [1988] 1989, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795) shall not exceed \$600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year [1988] 1989 shall not exceed [\$813,000] \$880,000. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	25-4470-0-3-371	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Administrative expenses .....	797	813	880
00.02	Interest on borrowings .....	6,417	6,651	7,053
00.03	Dividends on capital stock .....	18,047	18,736	19,867
00.91	Total operating expenses .....	25,261	26,200	27,800
Capital investment:				
01.01	Net loans to credit unions, total capital investment, funded .....	325,009	299,247	335,900
01.02	Redemption of capital stock .....	1,777	2,000	2,000
01.03	Withdrawal of member deposits .....	21,968	8,500	8,500
01.91	Total capital investment .....	348,754	309,747	346,400
10.00	Total obligations .....	374,015	335,947	374,200
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-368,239	-309,246	-348,700
21.98	Unobligated balance available, start of year: Fund balance .....	-311,492	-305,716	-279,015
24.98	Unobligated balance available, end of year: Fund balance .....	305,716	279,015	253,515
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,776	26,701	25,500
72.10	Receivables in excess of obligations, start of year .....	-3,694	-5,260	-3,559
74.10	Receivables in excess of obligations, end of year .....	5,260	3,559	3,059
90.00	Outlays .....	7,342	25,000	25,000

Status of Direct Loans (in thousands of dollars)

Identification code	25-4470-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans .....	600,000	600,000	600,000
1112	Unobligated direct loan limitation .....	-494,052	-472,554	-455,900
1150	Total direct loan obligations .....	105,948	127,446	144,100
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	105,550	111,544	136,544
1231	Disbursements: Direct loan disbursements .....	105,948	127,446	144,100
1251	Repayments: Repayments and prepayments .....	-99,954	-102,446	-119,100
1290	Outstanding, end of year .....	111,544	136,544	161,544
<b>Estimate of direct loan subsidy:</b>				
1320	Subsidy amount (in percent) .....	3.0	3.0	3.0
1330	Subsidy amount (in thousands of dollars) .....	3,178	3,823	4,323

The National Credit Union Central Liquidity Facility was established under Public Law 95-630. It began operations on October 1, 1979. The Central Liquidity Facility provides loans to member credit unions for seasonal and emergency needs.

The two primary sources of funds for the Facility are stock subscriptions from credit unions and borrowings from the Federal Financing Bank. Credit unions, which choose to become members of the Facility, are required to purchase stock equal to one-half of 1 percent of their assets. One-half of the subscription in stock is forwarded to the Facility and deposited in the fund. The remaining half of the subscription remains on call in the credit union in investments as approved by the NCUA Board.

The Facility may borrow funds from any source to relend to member credit unions. This amount of borrowings is limited to twelve times the amount of capital stock subscriptions by the authorizing statute (Public Law 95-630). In 1989, an appropriation limitation on new loans of \$600 million is proposed, of which it is currently anticipated that \$144.1 million will be used.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue .....	25,851	26,800	28,400
Expense .....	25,261	26,200	27,800
Net income .....	590	600	600

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Cash .....	4	6	2	2
Investments .....	298,902	363,197	371,276	375,361
Accounts receivable .....	4,574	6,746	5,286	5,859
Loans receivable (net) .....	105,550	111,544	136,544	161,544
Total assets .....	409,030	481,493	513,108	542,766
<b>Liabilities:</b>				
Borrowings: FFB .....	105,550	111,544	136,544	161,544
Accounts payable .....	880	1,486	1,727	2,800
Other liabilities .....	16,388	14,083	8,793	6,189
Total liabilities .....	122,818	127,113	147,064	170,533
<b>Government equity:</b>				
Unexpended balance .....	309,992	368,463	374,837	378,422
Invested capital .....	-23,780	-14,083	-8,793	-6,189
Total Government equity .....	286,212	354,380	366,044	372,233

Object Classification (in thousands of dollars)

Identification code	25-4470-0-3-371	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent positions .....	215	218	234
12.1	Civilian personnel benefits .....	32	26	37
21.0	Travel and transportation of persons .....	21	40	40
22.0	Transportation of things .....	1	1	1
23.3	Communications, utilities, and miscellaneous charges .....	63	56	70
24.0	Printing and reproduction .....	10	9	9
25.0	Other services .....	452	460	483
26.0	Supplies and materials .....	3	3	6
33.0	Investments and loans .....	325,009	299,247	335,900
43.0	Interest and dividends .....	24,464	25,387	26,920
44.0	Redemptions and withdrawals .....	23,745	10,500	10,500
99.9	Total obligations .....	374,015	335,947	374,200

**Personnel Summary**

Total number of full-time permanent positions.....	5	5	5
Total compensable workyears: Full-time equivalent employment .....	5	5	5

**COMMUNITY DEVELOPMENT CREDIT UNION REVOLVING LOAN FUND**

*During fiscal year 1989, there shall be no new obligations for direct loans.*

**Program and Financing (in thousands of dollars)**

Identification code 25-4472-0-3-452	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Loan collections.....	-1,850	-67	
21.98 Unobligated balance available, start of year: Fund balance.....	-4,128	-5,978	-6,045
24.98 Unobligated balance available, end of year: Fund balance.....	5,978	6,045	6,045
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-1,850	-67	
72.98 Obligated balance, start of year: Fund balance.....	500		
74.98 Obligated balance, end of year: Fund balance.....			
90.00 Outlays.....	-1,350	-67	
<b>Status of Direct Loans (in thousands of dollars)</b>			
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,917	67	
1251 Repayments: Repayments and prepayments.....	-1,850	-67	
1290 Outstanding, end of year.....	67		

Public Law 99-609, enacted on November 6, 1986, transferred the Community Development Credit Union Revolving Loan Fund from the Department of Health and Human Services to the National Credit Union Administration. No new loans will be made in 1988 and 1989.

**NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES**

**NATIONAL ENDOWMENT FOR THE ARTS  
Federal Funds**

**General and special funds:**

**GRANTS AND ADMINISTRATION**

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$139,311,000]** \$140,531,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act: *Provided*, That, 20 U.S.C. 974(b) is amended as follows: strike "\$650,000,000" and insert "\$1,200,000,000": *Provided further*, That, 20 U.S.C. 974(c) is amended as follows: strike "\$75,000,000" and insert "\$125,000,000".

**MATCHING GRANTS**

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$28,420,000]** \$27,200,000, to remain available until September 30, **[1989]** 1990, to the National Endowment for the Arts, of which **[\$19,420,000]** \$18,200,000 shall be available for purposes of section 5(d): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the

Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 59-0100-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Promotion of the arts.....	151,064	160,815	147,571
00.02 Administration.....	15,081	16,140	17,443
00.91 Total direct program .....	166,145	176,955	165,014
01.01 Reimbursable program.....	504	134	130
10.00 Total obligations.....	166,648	177,089	165,144
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-528	-134	-130
17.00 Recovery of prior year obligations.....	-149		
21.40 Unobligated balance available, start of year.....	-20,354	-19,481	-10,257
24.40 Unobligated balance available, end of year.....	19,481	10,257	12,974
25.00 Unobligated balance lapsing.....	183		
40.00 <b>Budget authority (appropriation)</b> .....	<b>165,281</b>	<b>167,731</b>	<b>167,731</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	166,120	176,955	165,014
72.40 Obligated balance, start of year.....	136,316	144,531	151,809
74.40 Obligated balance, end of year.....	-144,531	-151,809	-139,444
77.00 Adjustments in expired accounts.....	-3,267		
78.00 Adjustments in unexpired accounts.....	-149		
90.00 Outlays.....	154,490	169,677	177,380

The National Endowment for the Arts provides grants to, or contracts with, groups, individuals of exceptional talent, and State or regional organizations engaged in or concerned with the arts. Programs encourage individual and institutional development of the arts, preservation of the American artistic heritage, wider availability of the arts, leadership in the arts, and the stimulation of non-Federal sources of support for the Nation's artistic activities.

**Object Classification (in thousands of dollars)**

Identification code 59-0100-0-1-503	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	7,901	8,233	8,627
11.3 Other than full-time permanent.....	583	555	558
11.5 Other personnel compensation.....	97	90	95
11.8 Special personal services.....	51	64	77
11.9 Total personnel compensation.....	8,632	8,942	9,357
12.1 Civilian personnel benefits.....	1,153	1,306	1,439
13.0 Benefits for former personnel.....	4	30	40
21.0 Travel and transportation of persons.....	370	305	380
22.0 Transportation of things.....	22	22	25
23.1 Rental payments to GSA.....	1,469	1,728	1,751
23.3 Communications, utilities, and miscellaneous charges.....	806	828	961
24.0 Printing and reproduction.....	252	270	270
25.0 Other services.....	7,438	8,834	9,302
26.0 Supplies and materials.....	142	115	135
31.0 Equipment.....	33	10	33
41.0 Grants, subsidies, and contributions.....	145,824	154,565	141,321
99.0 Subtotal, direct obligations.....	166,145	176,955	165,014
99.0 Reimbursable obligations.....	504	134	130
99.9 Total obligations.....	166,648	177,089	165,144

NATIONAL ENDOWMENT FOR THE ARTS—Continued  
General and special funds—Continued  
MATCHING GRANTS—Continued

Personnel Summary

Total number of full-time permanent positions.....	228	229	233
Total compensable workyears:			
Full-time equivalent employment .....	257	257	261
Full-time equivalent of overtime and holiday hours .....	1	1	1

ARTS AND ARTIFACTS INDEMNITY FUND

Program and Financing (in thousands of dollars)

Identification code 59-0101-0-1-503	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-285	-285	-285
24.40 Unobligated balance available, end of year.....	285	285	285
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
90.00 Outlays.....			

The Arts and Artifacts Indemnity Act of 1975, as amended, authorizes the Federal Council on the Arts and Humanities to enter into indemnity agreements to cover certain eligible works of art while on traveling exhibition in the United States or abroad. Loss or damage claims certified by the Council are paid from this fund.

Trust Funds

GIFTS AND DONATIONS (ARTS)

Program and Financing (in thousands of dollars)

Identification code 59-8040-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	46	45	30
<b>Financing:</b>			
17.00 Recoveries of prior year obligations.....	-2		
21.40 Unobligated balance available, start of year.....	-36	-30	-15
24.40 Unobligated balance available, end of year.....	30	15	15
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....	<b>38</b>	<b>30</b>	<b>30</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	44	45	30
72.40 Obligated balance, start of year .....	105	118	18
74.40 Obligated balance, end of year .....	-118	-18	-11
78.00 Adjustments in unexpired accounts .....	-2		
90.00 Outlays.....	31	144	37

The National Foundation on the Arts and the Humanities Act of 1965, as amended, authorizes the Arts Endowment to receive money and other donated property. Such gifts may be used, sold, or otherwise disposed of to support arts projects and activities. Budget authority in this schedule reflects cash received each year by the Arts Endowment.

NATIONAL ENDOWMENT FOR THE HUMANITIES  
Federal Funds

General and special funds:

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$111,935,000] \$111,735,000** shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$28,500,000] \$28,700,000**, to remain available until September 30, **[1989] 1990**, of which **[\$16,500,000] \$16,700,000** shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 59-0200-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Promotion of the humanities.....	124,376	125,190	124,585
00.02 Administration.....	14,573	15,245	15,850
00.91 Total direct program .....	138,949	140,435	140,435
01.01 Reimbursable program.....	104	125	125
10.00 Total obligations.....	139,053	140,560	140,560
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-104	-125	-125
17.00 Recovery of prior year obligations .....	-86		
25.00 Unobligated balance lapsing .....	27		
40.00 <b>Budget authority (appropriation)</b> .....	<b>138,890</b>	<b>140,435</b>	<b>140,435</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	138,949	140,435	140,435
72.40 Obligated balance, start of year .....	100,624	106,674	101,428
74.40 Obligated balance, end of year .....	-106,674	-101,428	-101,987
77.00 Adjustments in expired accounts.....	-1,724		
78.00 Adjustments in unexpired accounts .....	-86		
90.00 Outlays.....	131,088	145,681	139,876

Note.—Funding for the National Capital Arts and Cultural Affairs program, previously shown in this account, now appears under the Commission of Fine Arts.

The National Endowment for the Humanities funds activities intended to improve the quality of education and teaching in the humanities, to strengthen the scholarly foundation for humanities study and research, and to advance understanding of the humanities among general audiences.

Support is provided through outright grants, matching grants, and a combination of the two. Eligible applicants include schools, higher education institutions, libraries, museums, historical organizations, professional associations, other cultural institutions, and individuals.



Object Classification (in thousands of dollars)			
Identification code	1987 actual	1988 est.	1989 est.
59-0200-0-1-503			
Direct obligations:			
Personnel compensation:			
11.1	7,492	7,855	7,985
11.3	473	495	502
11.5	161	160	163
11.8	4		
11.9	8,130	8,510	8,650
12.1	1,189	1,470	1,565
21.0	312	320	325
23.1	1,272	1,497	1,517
23.3	818	840	905
24.0	335	325	330
25.0	2,699	2,458	2,590
26.0	147	130	133
31.0	65	90	230
41.0	123,982	124,795	124,190
99.0	138,949	140,435	140,435
99.0	104	125	125
99.9	139,053	140,560	140,560

Personnel Summary

Total number of full-time permanent positions.....	243	244	243
Total compensable workyears: Full-time equivalent employment .....	250	255	253

Trust Funds

GIFTS AND DONATIONS (HUMANITIES)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
59-8050-0-7-503			
Program by activities:			
10.00	96	80	580
Financing:			
17.00	-15		
21.40	-6	-3	
24.40	3		
60.00	77	77	580
Relation of obligations to outlays:			
71.00	96	80	580
72.40	103	42	20
74.40	-42	-20	-145
78.00	-15		
90.00	141	102	455

The National Foundation on the Arts and the Humanities Act of 1965, as amended, authorizes the Humanities Endowment to receive money and other donated property. Such gifts may be used, sold, or otherwise disposed of to support humanities projects and activities. Budget authority in this schedule reflects cash received each year by the Endowment.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
59-8050-0-7-503			
25.0	32	32	33
41.0	64	48	547
99.9	96	80	580

INSTITUTE OF MUSEUM SERVICES

Federal Funds

General and special funds:

GRANTS AND ADMINISTRATION

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, \$21,944,000, including **[\$100,000]** not to exceed \$250,000 as authorized by 20 U.S.C. 965(b): *Provided, That [none of these funds shall be available for the compensation of Executive Level V or higher positions: Provided further, That] the Museum Services Board shall not meet more than three times during fiscal year [1988] 1989. (Department of the Interior and Related Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
59-0300-0-1-503			
Program by activities:			
00.01	20,279	20,893	20,826
00.02	970	1,051	1,118
10.00	21,249	21,944	21,944
Financing:			
25.00	1		
40.00	21,250	21,944	21,944
Relation of obligations to outlays:			
71.00	21,249	21,944	21,944
72.40	17,180	17,869	17,765
74.40	-17,869	-17,765	-17,966
77.00	-120		
90.00	20,441	22,048	21,743

The Institute of Museum Services provides competitive grants to a broad range of museums which exhibit both living and non-living collections. The program funding helps museums improve the quality of their methods and facilities to better conserve our cultural, historic, and scientific heritage.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
59-0300-0-1-503			
Personnel compensation:			
11.1	386	451	465
11.3	33	29	31
11.5	6	7	7
11.9	425	487	503
12.1	81	98	104
13.0	2		
21.0	52	55	55
22.0	5	5	5
23.1	81	97	97
23.3	36	38	40
24.0	33	37	40
25.0	236	226	264
26.0	4	5	7
31.0	15	3	3
41.0	20,279	20,893	20,826
99.9	21,249	21,944	21,944

Personnel Summary

Total number of full-time permanent positions.....	15	15	15
Total compensable workyears: Full-time equivalent employment .....	14	16	16

INSTITUTE OF MUSEUM SERVICES—Continued

General and special funds—Continued

GIFTS AND DONATIONS (MUSEUM SERVICES)

Program and Financing (in thousands of dollars)

Identification code	59-8080-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	13	55	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-7	-4	
24.40	Unobligated balance available, end of year	4		
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite)	10	51	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	13	55	
72.40	Obligated balance, start of year	2	2	
74.40	Obligated balance, end of year	-2		
90.00	Outlays	13	57	

The National Foundation on the Arts and Humanities Act of 1965, as amended, authorizes the Institute of Museum Services to receive money and other donated property. Such gifts may be used, sold or otherwise disposed of to support the activities of the Institute. Budget authority in this schedule reflects donations received each year by the Institute.

Object Classification (in thousands of dollars)

Identification code	59-8080-0-7-503	1987 actual	1988 est.	1989 est.
24.0	Printing	1	29	
25.0	Other services	12	24	
26.0	Supplies and materials		2	
99.9	Total obligations	13	55	

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

NATIONAL INSTITUTE OF BUILDING SCIENCES

Trust Funds

NATIONAL INSTITUTE OF BUILDING SCIENCES TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	95-8222-0-7-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	753	374	500
<b>Financing:</b>				
Unobligated balance, start of year:				
21.40	Treasury balance	-253	126	
21.40	U.S. securities	-5,000	-5,000	-5,000
Unobligated balance, end of year:				
24.40	Treasury balance	-126		
24.40	U.S. securities	5,000	5,000	5,000
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite)	374	500	500

Relation of obligations to outlays:				
71.00	Obligations incurred, net	753	374	500
90.00	Outlays	753	374	500

The National Institute of Building Sciences is a non-profit, nongovernmental corporation authorized by the Housing and Community Development Act of 1974. The purpose of the Institute is to support the development and maintenance of nationally recognized building performance criteria for maintenance of life, safety, health, and public welfare. In 1984, the Institute received a payment from the Federal Government and a National Institute of Building Sciences Trust Fund was established. Until 1990, the Institute can receive up to \$500,000 of interest generated by the trust fund annually if matching funds of an equal amount are raised from the private sector.

NATIONAL LABOR RELATIONS BOARD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, **[\$133,097,000] \$138,647,000: Provided**, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used by farming purposes. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	63-0100-0-1-505	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Field investigation	97,992	99,209	103,846
00.02	Administrative law judge hearing	9,289	9,404	9,844
00.03	Board adjudication	11,906	12,054	12,617
00.04	Securing compliance with Board orders	11,644	11,789	12,340
00.91	Total direct programs	130,831	132,456	138,647
01.01	Reimbursable program	187	300	600
10.00	Total obligations	131,018	132,756	139,247
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-187	-300	-600
25.00	Unobligated balance lapsing	1,416	641	
40.00	<b>Budget authority (appropriation)</b>	132,247	133,097	138,647
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	130,831	132,456	138,647
72.40	Obligated balance, start of year	9,514	12,353	10,896
74.40	Obligated balance, end of year	-12,353	-10,896	-9,707
77.00	Adjustments in expired accounts	-1,400		
90.00	Outlays	126,592	133,913	139,836

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Board resolves representation disputes in industry and remedies and prevents specified unfair labor

practices by employers or labor organizations. Case intake in 1987 was 32,243 unfair labor practice cases and 7,645 representation cases. Estimates for unfair labor practice cases are 32,941 for 1988 and 33,638 for 1989. Representation case estimates are 7,712 for 1988 and 7,814 for 1989.

**Field investigation.**—Charges of unfair labor practices and petition for elections to resolve representation disputes are investigated by regional office personnel. Over 94 percent of the unfair labor practice cases and about 82 percent of the representation cases are closed by settlement, dismissal, or withdrawal. The remainder are prepared for public hearing. The agency strives to maximize the voluntary settlement of all cases and the avoidance of litigation.

**Administrative law judge hearing.**—Administrative law judges conduct public hearings in unfair labor practice cases. Their findings and recommendations are set forth in their decisions. In 1987 there were 631 hearings closed, 37 proceedings adjusted after close of hearing, and 575 decisions issued. The estimate for 1988 is for 693 hearings to be closed, 13 adjusted after hearing, and 684 decisions. The estimate for 1989 is for 700 hearings to be closed, 13 adjusted after hearing, and 691 decisions.

**Board adjudication.**—In an unfair labor practice case a judge's decision becomes a Board order if no exceptions are filed. About 30 percent of these decisions become automatic Board orders or are complied with voluntarily. The remainder with exceptions filed requires contested Board decision. In 1987, 715 such Board decisions were issued; the estimates for 1988 and 1989 are 841 and 883 respectively. In representation cases, regional directors initially decide the issues by Board delegation. In 1987 regional directors issued 1,017 such decisions; and the estimate is 1,059 for 1988 and 1,111 in 1989. The Board itself decides representation issues on referral from regional directors or by granting a request for review of a regional director's decision. In 1987 the Board issued 85 representation decisions; the estimates for 1988 and 1989 are 149 and 152 respectively. The Board also ruled on 218 objection and challenge questions in election cases in 1987; it is estimated that 236 such rulings will be required in 1988 and 246 in 1989.

**Securing compliance with Board orders.**—If the parties do not voluntarily comply with the Board's order involving unfair labor practices, the Board must request the appellate courts to enforce its decisions. In 1987 a total of 194 Board decisions of all kinds required such litigation; the estimate for 1988 is 246, and for 1989 it is 237.

**Object Classification** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
63-0100-0-1-505			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	86,520	90,072	93,456
11.3 Other than full-time permanent .....	1,547	1,604	1,665
11.5 Other personnel compensation .....	874	865	900
11.8 Special personal services payments .....	208	200	250
11.9 Total personnel compensation .....	89,149	92,741	96,271
12.1 Civilian personnel benefits .....	12,072	12,265	13,856
13.0 Benefits to former employees .....	12		
21.0 Travel and transportation of persons .....	3,336	2,658	3,350

22.0 Transportation of things .....	281	161	253
23.1 Rental payments to GSA .....	12,950	14,400	13,924
23.3 Communications, utilities, and miscellaneous charges .....	4,811	4,519	4,600
24.0 Printing and reproduction .....	566	322	495
25.0 Other services .....	4,137	4,280	4,400
26.0 Supplies and materials .....	1,533	895	1,058
31.0 Equipment .....	1,818	75	300
42.0 Insurance claims and indemnities .....	166	140	140
99.0 Total direct obligations .....	130,831	132,456	138,647
99.0 Reimbursable obligations .....	187	300	600
99.9 Total obligations .....	131,018	132,756	139,247

**Personnel Summary**

Total number of full-time permanent positions .....	3,000	3,000	3,000
Total compensable workyears:			
Full-time equivalent employment .....	2,256	2,276	2,310
Full-time equivalent of overtime and holiday hours <sup>1</sup> .....	5	5	5

<sup>1</sup> Excludes terminal leave.

**NATIONAL MEDIATION BOARD**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, **[\$7,004,000] \$6,551,000.** (*Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1988.*)

**Program and Financing** (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
95-2400-0-1-505			
<b>Program by activities:</b>			
00.01 Mediator services .....	3,195	3,474	3,598
00.02 Voluntary arbitration and emergency disputes .....	85	569	584
Adjustment of railroad grievances:			
00.03 Referee services .....	2,215	2,298	1,800
00.04 Administrative costs .....	462	563	569
10.00 Total obligations .....	5,957	6,904	6,551
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	547	100	
40.00 Budget authority (appropriation) .....	6,505	7,004	6,551
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	5,957	6,904	6,551
72.40 Obligated balance, start of year .....	1,391	1,502	2,340
74.40 Obligated balance, end of year .....	-1,502	-2,340	-2,289
77.00 Adjustments in expired accounts .....	-366		
90.00 Outlays .....	5,480	6,066	6,602

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

**Mediator services.**—The Board mediates disputes over wages, hours, and working conditions for some 650 rail and air carriers and approximately 700,000 employees in the two industries.

The Board also provides technical assistance to enable labor and industry representatives to explore informally the relevant economic and noneconomic problems that condition collective bargaining in the railroad and airline industries.

Mediation cases:	1987 actual	1988 est.	1989 est.
Pending, start of year .....	396	335	305
Received during year .....	123	160	160
Closed during year .....	184	190	210
Pending, end of year .....	335	305	255

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

The Board investigates representation disputes involving the various crafts or classes of railroad and airline employees to determine their choice of representatives for the purpose of collective bargaining.

Representation cases:	1987 actual	1988 est.	1989 est.
Pending, start of year	19	11	16
Received during year	75	85	90
Closed during year	83	80	85
Pending, end of year	11	16	21
Freedom of Information Act (FOIA) requests received	89	110	110
Investigation cases closed	19	15	16

**Voluntary arbitration and emergency disputes.**—When the parties fail to resolve their disputes through mediation, they are urged to submit their differences to arbitration. If neither mediation nor voluntary arbitration is successful, the President, when notified of disputes which threaten seriously to interrupt service, may appoint emergency boards to investigate and report on the disputes under section 160 of the Railway Labor Act (RLA). Such reports usually serve as a basis for resolving the disputes.

The Northeast Rail Service Act of 1981 amended the Railway Labor Act by adding a new emergency dispute procedure covering disputes between a publicly funded and operated commuter carrier and its employees. The 1981 act requires the Board to appoint the public members of factfinding panels on Conrail.

Boards/panels created:	1987 actual	1988 est.	1989 est.
Arbitration	17	15	15
Factfinding		2	2
Emergency (sec. 160)		2	1
Emergency (sec. 159a)		4	2

**Adjustment of Railroad Grievances.**—Railroad employee grievances resulting from disputes over the interpretation or application of collective bargaining contracts may be brought for settlement to the National Railroad Adjustment Board (NRAB). The divisions of the Board are composed of an equal number of carrier and union representatives compensated by the party or parties they represent. Public Law 89-456 provides for the adjustment of disputes involving grievances resulting from interpretation or application of bargaining agreements in the railroad industry otherwise referable to the NRAB.

Administrative direction and support for the public law boards, special boards of adjustment, and the NRAB are provided by Federal employees who are compensated by the National Mediation Board.

Public law boards caseload:	1987 actual	1988 est.	1989 est.
Pending, start of year	15,235	8,293	7,293
Received during year	4,706	4,000	3,500
Closed during year	<sup>1</sup> 11,648	5,000	5,000
Pending, end of year	8,293	7,293	5,793
Special boards of adjustment caseload:			
Pending, start of year	3,428	3,249	3,049
Received during year	992	1,000	900
Closed during year	1,171	1,200	1,200
Pending, end of year	3,249	3,049	2,749
Number of boards convened:			
Special boards of adjustment	39	40	40
Public law boards	320	340	340
NRAB caseload:			
Pending, start of year	1,699	1,738	1,358
Received during year	912	1,110	1,064
Closed during year	<sup>2</sup> 873	1,490	985
Pending, end of year	1,738	1,358	1,437

<sup>1</sup> Includes 6,458 cases withdrawn.

<sup>2</sup> Includes 838 awards of referees, 3 awards by NRAB members, and 32 cases withdrawn.

Object Classification (in thousands of dollars)

Identification code 95-2400-0-1-505	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent	2,429	2,570	2,649
11.5 Other personnel compensation	8	21	21
11.8 Special personal services payments	2,040	2,530	2,035
11.9 Total personnel compensation	4,477	5,121	4,705
12.1 Civilian personnel benefits	300	352	372
21.0 Travel and transportation of persons	456	443	502
23.1 Rental payments to GSA	301	406	420
23.3 Communications, utilities, and miscellaneous charges	194	249	234
24.0 Printing and reproduction	27	47	58
25.0 Other services	92	172	184
26.0 Supplies and materials	40	50	50
31.0 Equipment	70	64	26
99.9 Total obligations	5,957	6,904	6,551

Personnel Summary

Total number of full-time permanent positions	56	58	58
Total compensable workyears: Full-time equivalent employment	57	58	58

NATIONAL SCIENCE FOUNDATION

Federal Funds

General and special funds:

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880-1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of one aircraft; hire of passenger motor vehicles; not to exceed **[\$2,500] \$6,000** for official reception and representation expenses; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; **[\$1,453,000,000] \$1,603,000,000**, to remain available until September 30, **[1989] 1990: Provided**, That **[of the funds appropriated in this Act, \$1,000,000 shall be available only for the International Institute for Applied Systems Analysis, and that, notwithstanding any other provision of law, the Director may choose not to obligate these funds for that purpose: Provided further**, That of the funds appropriated in this Act, or from funds appropriated previously to the Foundation, not more than \$84,480,000 shall be available for program development and management in fiscal year 1988: **Provided further**, That none of the funds appropriated in this Act may be used, directly or through grants, contracts, or other awards mechanisms, for agreements executed after enactment of this Act, to pay or to provide reimbursement for the Federal portion of the salary of any individual functioning as a Federal employee at more than the daily equivalent of the maximum rate paid for ES-6 for assignments to Senior Executive Service positions, unless specifically authorized by law: **Provided further**, That **]** contracts may be entered into under the program development and management **[limitation] activity** in fiscal year **[1988] 1989** for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: **Provided further**, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: **Provided further**, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionately. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)				
Identification code	49-0100-0-1-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Mathematical and physical sciences .....	464,656	473,044	502,761
00.02	Engineering .....	163,077	171,478	194,964
00.03	Biological, behavioral, and social sciences .....	259,313	265,958	288,737
00.04	Geosciences .....	285,215	291,340	320,876
00.05	Scientific, technological, and international affairs .....	43,782	44,047	50,986
00.06	Computer and information sciences and engineering .....	116,862	123,918	149,126
00.07	Program development and management .....	77,768	84,480	95,550
00.91	Total direct program .....	1,410,673	1,454,265	1,603,000
01.01	Reimbursable program .....	38,315	70,000	70,000
10.00	Total obligations .....	1,448,988	1,524,265	1,673,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-38,315	-70,000	-70,000
17.00	Recovery of prior year obligations .....	-4,476		
21.40	Unobligated balance available, start of year .....	-1,480	-1,265	
24.40	Unobligated balance available, end of year .....	1,265		
25.00	Unobligated balance lapsing .....	168		
40.00	Budget authority (appropriation) .....	1,406,150	1,453,000	1,603,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,410,673	1,454,265	1,603,000
72.40	Obligated balance, start of year .....	831,941	880,609	914,600
74.40	Obligated balance, end of year .....	-880,609	-914,600	-991,496
77.00	Adjustments in expired accounts .....	-4,183		
78.00	Adjustments in unexpired accounts .....	-4,476		
90.00	Outlays .....	1,353,346	1,420,274	1,526,104

The major research program activities of the Foundation are:

**Mathematical and physical sciences.**—Research in this activity is directed at increasing understanding of natural laws and phenomena. It includes research in mathematics, astronomy, physics, chemistry, and materials science. Studies deal with a broad range of significant science areas such as new amorphous materials and materials of limited dimensionality, organometallic chemistry and catalysis, the fundamental forces and constituents of physical matter, studies of galaxies, planets, and stars, and new mathematical structures and techniques. Provision of modern research instrumentation and facilities and support of young scientists is stressed in all programs.

**Engineering.**—Research supported by this activity aims to increase U.S. engineering capability and strength, and focus that capability and strength on areas which are relevant to national problems and long-term needs. Topics supported include: electrical, communications, and systems engineering; chemical, biochemical, and thermal engineering; mechanics, structures, and materials engineering; science based development in design, manufacturing, and computer integrated engineering; fundamental research underpinning emerging and critical engineering systems; and cross-disciplinary research, including Engineering Research Centers.

**Biological, behavioral, and social sciences.**—This activity supports research in cellular biology, molecular biology, behavioral and neural sciences, environmental biology, and social and economic sciences. Research covers: inquiry into the mechanisms underlying the ways living organisms develop, grow, reproduce, maintain themselves, and age; studies in environmental biology, including the behavior of biological communities and ecological and physiological adaptations of popula-

tions to natural environments; attempts to understand the biological, environmental, and cultural factors that underlie the behavior of human beings and animals, with explicit emphasis on nervous system structure and function; and analysis of the underlying forms and processes affecting economies, organizations and societies, as well as the development of scientific data bases and the improvement of measurement methodology.

**Geosciences.**—This research advances knowledge of the properties and dynamics of the planet Earth. The program includes studies of geologic forces and their history; ocean dynamics and resources; the influence of the Arctic; and, the physics and chemistry of the atmosphere.

**Scientific, technological, and international affairs.**—This activity facilitates international scientific cooperation; provides policy-oriented data, information and analysis; and supports cross-disciplinary activities that strengthen the Nation's scientific and engineering research base. Programs cover small business innovation research; cooperative scientific activities between the U.S. and advanced and developing countries; policy research and analysis; science resources studies; and special research initiation and improvement activities.

**Computer and information sciences and engineering.**—Research is directed at "information processing" in the broadest sense of the term, ranging from fundamental theory to systems engineering. In addition, significant attention is devoted to advanced computer and communication facilities and services for the general U.S. scientific and engineering research community. Research activities include fundamental computing research, information systems applications, and microelectronics information processing systems. Service activities include access to national supercomputer centers and support for national research networking, and the research and development required to make them maximally productive.

**Program development and management.**—This activity provides for the operation, support, management, and direction of all NSF programs and activities and includes necessary funds to develop, manage, and coordinate these program activities.

Object Classification (in thousands of dollars)				
Identification code	49-0100-0-1-251	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	40,682	42,915	46,031
11.3	Other than full-time permanent .....	6,590	6,935	7,089
11.5	Other personnel compensation .....	1,038	1,330	1,380
11.8	Special personal services payments .....	259	250	250
11.9	Total personnel compensation .....	48,569	51,430	54,750
12.1	Civilian personnel benefits .....	6,178	6,500	7,555
21.0	Travel and transportation of persons .....	2,880	3,250	3,500
22.0	Transportation of things .....	167	222	270
23.1	Rental payments to GSA .....	6,057	7,138	7,250
23.3	Communications, utilities, and miscellaneous charges .....	3,333	3,793	4,880
24.0	Printing and reproduction .....	616	620	650
25.0	Other services .....	157,886	163,900	183,950
26.0	Supplies and materials .....	592	950	1,065
31.0	Equipment .....	4,753	4,172	5,000
41.0	Grants, subsidies, and contributions .....	1,179,641	1,212,290	1,334,130
99.0	Subtotal, direct obligations .....	1,410,672	1,454,265	1,603,000

General and special funds—Continued

RESEARCH AND RELATED ACTIVITIES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 49-0100-0-1-251	1987 actual	1988 est.	1989 est.
99.0 Reimbursable obligations .....	38,315	70,000	70,000
99.9 Total obligations .....	1,448,988	1,524,265	1,673,000

Personnel Summary

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions .....	1,058	1,064	1,068
Total compensable workyears:			
Full-time equivalent employment .....	1,141	1,174	1,204
Full-time equivalent of overtime and holiday hours .....	6	4	4

SCIENCE AND TECHNOLOGY CENTERS

For necessary expenses to establish and provide operational support for Science and Technology Research Centers for the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), \$150,000,000, to remain available until expended: Provided, That funds here appropriated shall be available only for centers and related activities selected on the basis of merit using established Foundation procedures. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 49-0400-0-1-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....			150,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			150,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			150,000
74.40 Obligated balance, end of year .....			-135,000
90.00 Outlays .....			15,000

Science and Technology Research Centers pursue opportunities in science and technology where the complexity of research problems or the resources needed to solve these problems require advantages of scale, duration, equipment and facilities that can only be provided by a campus-based research center. By involving students, research scientists and engineers from academia, industry and Federal laboratories, Centers will contribute to the rapid transfer of new knowledge and to the training of professionals with an awareness of potential applications of scientific discoveries. Approximately 10 to 15 centers will be fully funded for five years.

UNITED STATES ANTARCTIC PROGRAM ACTIVITIES

For necessary expenses in carrying out the research and operational support for the United States Antarctic Program pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875); purchase, maintenance, and operation of aircraft and purchase of flight services for research and operations support; maintenance and operation of research ships and charter or lease of ships for research and operations support; hire of passenger motor vehicles; not to exceed \$1,000 \$1,500 for official reception and representation expenses; \$124,800,000 \$141,000,000, to remain available until expended: Provided, That receipts for support services and materials provided to individuals for non-Federal activities may be credited to this appropriation: Provided further, That no funds in this account shall be used for the purchase of aircraft. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 49-0200-0-1-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 U.S. Antarctic research program .....	12,617	13,500	15,500
00.02 Antarctic operations .....	76,959	85,402	92,200
00.03 Major construction and procurement .....	27,700	25,900	33,300
10.00 Total obligations .....	117,276	124,802	141,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-198		
21.40 Unobligated balance available, start of year .....	-81	-2	
24.40 Unobligated balance available, end of year .....	2		
40.00 Budget authority (appropriation) .....	117,000	124,800	141,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	117,276	124,802	141,000
72.40 Obligated balance, start of year .....	61,130	71,772	73,790
74.40 Obligated balance, end of year .....	-71,772	-73,790	-81,751
78.00 Adjustments in unexpired accounts .....	-198		
90.00 Outlays .....	106,437	122,784	133,039

U.S. Antarctic research program.—The Foundation manages the U.S. program in the Antarctic and supports a multidisciplinary research program on weather and climate, earth sciences, glaciology and other physical and biological characteristics of Antarctica and its surrounding seas. This activity is the major expression of U.S. interest and presence in Antarctica.

Antarctic operations.—Includes logistical support and maintenance for equipment and living accommodations at Antarctic bases.

Major construction and procurement.—Includes procurement of aircraft and laboratory facilities at three Antarctic bases.

Object Classification (in thousands of dollars)

Identification code 49-0200-0-1-251	1987 actual	1988 est.	1989 est.
25.0 Other services .....	103,906	110,500	125,000
41.0 Grants, subsidies, and contributions .....	13,370	14,302	16,000
99.9 Total obligations .....	117,276	124,802	141,000

SCIENTIFIC ACTIVITIES OVERSEAS

(SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code 49-0102-0-1-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	725		
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-39		
21.40 Unobligated balance available, start of year .....	-25		
25.00 Unobligated balance lapsing .....	39		
40.00 Budget authority (appropriation) .....	700		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	725		
72.40 Obligated balance, start of year .....	5,454	3,911	948
74.40 Obligated balance, end of year .....	-3,911	-948	-346
77.00 Adjustments in expired accounts .....	-1,015		
78.00 Adjustments in unexpired accounts .....	-39		
90.00 Outlays .....	1,214	2,963	602

The special foreign currency program utilized U.S.-owned excess currencies in certain foreign countries to support cooperative scientific projects, seminars, and the travel of U.S. and foreign scientists involved in mutually beneficial efforts. Payments for this program were made in foreign currencies which the Department of the Treasury determines to be excess to the requirements of the United States. This program was terminated at the end of 1987.

Object Classification (in thousands of dollars)

Identification code	49-0102-0-1-251	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	2		
41.0	Grants, subsidies, and contributions.....	723		
99.9	Total obligations.....	725		

SCIENCE AND ENGINEERING EDUCATION ACTIVITIES

For necessary expenses in carrying out science and engineering education programs and activities pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), including [award of graduate fellowships,] services as authorized by 5 U.S.C. 3109 [,] and rental of conference rooms in the District of Columbia, [ \$139,200,000 ] \$156,000,000, to remain available until September 30, [1989] 1990: Provided, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	49-0106-0-1-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Research career development.....	27,267	34,000	31,000
00.02	Materials development and informal science education.....	29,480	37,541	43,500
00.03	Teacher preparation and enhancement.....	30,493	45,520	53,500
00.04	Studies and program assessment.....	2,199	3,200	4,500
00.05	Undergraduate science, engineering and mathematics education.....	9,500	19,000	23,500
00.91	Total direct program.....	98,939	139,261	156,000
01.01	Reimbursable program.....	2,740	5,000	5,000
10.00	Total obligations.....	101,679	144,261	161,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-2,740	-5,000	-5,000
17.00	Recovery of prior year obligations.....	-16		
21.40	Unobligated balance available, start of year.....	-36	-61	
24.40	Unobligated balance available, end of year.....	61		
25.00	Unobligated balance lapsing.....	52		
40.00	Budget authority (appropriation).....	99,000	139,200	156,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	98,939	139,261	156,000
72.40	Obligated balance, start of year.....	115,903	128,762	157,106
74.40	Obligated balance, end of year.....	-128,762	-157,106	-186,110
77.00	Adjustments in expired accounts.....	-569		
78.00	Adjustments in unexpired accounts.....	-16		
90.00	Outlays.....	85,494	110,917	126,996

The major science and engineering education activities of the Foundation are:

**Research career development.**—Promotes the future strength of the Nation's scientific endeavors by awarding graduate research fellowships to some of the most promising graduate students in science and engineer-

ing, and by supporting enrichment activities for talented high school students.

**Materials development research and informal science education.**—Promotes improvement in science and mathematics education for the Nation's schools through the development of instructional materials for students and teachers, through development of programs of informal science education using museums, the media and other out-of-school organizations, and through research to better understand the process of teaching and learning.

**Teacher preparation and enhancement.**—Focuses on upgrading the quality of faculty and the teaching of science and mathematics across the Nation. Supports projects for pre-professional programs, continuing education, and professional development of teachers, and the Presidential Awards for Excellence in Science and Mathematics teaching. Supports development of resource centers at institutions with significant minority enrollment and other model programs for women, minorities and the handicapped.

**Studies and program assessment.**—Supports studies and analyses to provide a systematic and current understanding of the condition of science and mathematics education in the United States.

**Undergraduate science, engineering, and mathematics education.**—Supports and coordinates all NSF undergraduate education efforts, including instrumentation; curriculum development; faculty revitalization; comprehensive regional center for minorities; and research experiences for undergraduate sites. These efforts strengthen the undergraduate experience at 2- and 4-year colleges and universities.

Object Classification (in thousands of dollars)

Identification code	49-0106-0-1-251	1987 actual	1988 est.	1989 est.
Direct obligations:				
25.0	Other services.....	1,286	1,761	2,000
41.0	Grants, subsidies, and contributions.....	97,653	137,500	154,000
99.0	Subtotal, direct obligations.....	98,939	139,261	156,000
99.0	Reimbursable obligations.....	2,740	5,000	5,000
99.9	Total obligations.....	101,679	144,261	161,000

Trust Funds

DONATIONS

Program and Financing (in thousands of dollars)

Identification code	49-8960-0-7-251	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Ocean drilling programs.....	15,381	17,190	15,550
00.02	Gifts and donations.....	364	407	368
00.03	U.S.-Spain scientific and technological program.....	72	88	82
10.00	Total obligations.....	15,817	17,685	16,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-15		
21.40	Unobligated balance available, start of year.....	-1,779	-1,685	
24.40	Unobligated balance available, end of year.....	1,685		
60.00	Budget authority (appropriation) (permanent, indefinite).....	15,708	16,000	16,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	15,817	17,685	16,000
72.40	Obligated balance, start of year.....	12,323	12,220	13,905

DONATIONS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1987 actual	1988 est.	1989 est.	
49-8960-0-7-251				
74.40	Obligated balance, end of year.....	-12,220	-13,905	-13,905
78.00	Adjustments in unexpired accounts.....	-15		
90.00	Outlays.....	15,905	16,000	16,000

Activities funded are:

U.S. dollars which are advanced from foreign governments as contributions to the cost of the international phase of ocean drilling (IPOD) under the National Science Foundation ocean drilling programs.

Gifts and donations are used for costs associated with meetings for visiting foreign scientists and certain special functions of the National Science Board. These funds are not otherwise available.

Complementary Agreement Seven of the Agreement on Friendship, Defense and Cooperation, between the United States and Spain, provides for the establishment of a research grant program to promote cooperative efforts in basic research between these countries. Principal activities supported include: cooperative research, joint seminars, exchange of senior scientists and short-term research development visits.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
49-8960-0-7-251				
24.0	Printing and reproduction.....	248	300	300
25.0	Other services.....	15,569	17,385	15,700
99.9	Total obligations.....	15,817	17,685	16,000

NATIONAL TRANSPORTATION SAFETY BOARD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902), **[\$24,000,000]** \$24,617,000, of which not to exceed \$500 may be used for official reception and representation expenses. (*Department of Transportation and Related Agencies Appropriations Act, 1988; additional authorizing legislation has been proposed.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.	
95-0310-0-1-407				
<b>Program by activities:</b>				
00.01	Policy and direction.....	3,010	3,205	3,305
00.02	Accident investigation.....	10,540	11,210	11,510
00.03	Technology.....	5,145	5,475	5,600
00.04	Safety programs.....	1,570	1,670	1,762
00.05	Administration.....	1,670	1,780	1,780
00.06	Administrative law judges.....	620	660	660
10.00	Total obligations.....	22,555	24,000	24,617
<b>Financing:</b>				
22.40	Unobligated balance transferred, net.....	-315		
40.00	Budget authority (appropriation).....	22,240	24,000	24,617

Relation of obligations to outlays:

71.00	Obligations incurred, net.....	22,555	24,000	24,617
72.40	Obligated balance, start of year.....	2,498	2,341	2,517
74.40	Obligated balance, end of year.....	-2,341	-2,517	-2,638
77.00	Adjustments in expired accounts.....	-87		
90.00	Outlays.....	22,625	23,824	24,496

The National Transportation Safety Board, as an independent nonregulatory agency, is charged with promoting transportation safety through the investigation of accidents, the conduct of special studies, the development of recommendations to prevent accidents, the evaluation of the effectiveness of other Government agencies in preventing transportation accidents, and the review of appeals on actions taken against transportation certificates and licenses.

*Policy and direction.*—This activity provides Board-wide policy and program guidance, the determination of probable cause of transportation accidents, the issuance of safety recommendations, the approval of accident reports, the final review of appeals involving airman and seaman certificates and licenses, the implementation and direction of policies and programs, liaison with the Congress and other Government agencies, and legal and public affairs advice and services.

*Accident investigation.*—This activity provides for the management of accident investigations, the development of their probable cause, the development of recommendations, and the preparation of reports on aviation, railroad, highway, marine, pipeline, and hazardous materials accidents.

*Technology.*—This activity provides specialized advice and services for the Board's accident investigation, accident prevention, and safety promotion activities in the areas of human, vehicular, environmental, and operational factors. It develops recommendations, provides laboratory support, and conducts special investigations.

*Safety programs.*—This activity provides oversight of other transportation agencies through the conduct of evaluations of their safety programs. This activity also provides oversight of transportation systems through the conduct of safety studies. In addition, it manages the development and follow-up of the Board's safety recommendations and the Board's responses to Notices of Proposed Rulemaking. It provides statistical analysis of transportation accident and incident data, and it acts as program manager for some of the Board's safety objectives to insure action is taken on certain transportation safety problems not being addressed by Government or industry.

*Administration.*—This activity provides administrative support to assure accomplishment of Board programs through financial management, personnel management and training, procurement and facilities services, automated data processing services, equal employment opportunity, and other administrative support.

*Administrative law judges.*—These judges conduct hearings on appeal from the suspension, amendment, modification, revocation, or denial of any operating certificate or license issued by the Secretary of Transportation under the Federal Aviation Act of 1958.



**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
Major accident investigation reports .....	34	36	36
Other accident investigation reports .....	3,084	3,175	3,175
Safety recommendations .....	383	400	400
Safety studies .....	6	6	6
Certificate and license appeals .....	783	790	790

**Object Classification (in thousands of dollars)**

Identification code 95-0310-0-1-407	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	13,260	13,766	13,916
11.3 Other than full-time permanent .....	202	210	217
11.5 Other personnel compensation .....	507	518	510
11.8 Special personal services payments .....	15	15	15
11.9 Total personnel compensation .....	13,984	14,509	14,658
12.1 Civilian personnel benefits .....	1,906	2,047	2,212
21.0 Travel and transportation of persons .....	1,226	1,261	1,304
22.0 Transportation of things .....	76	78	79
23.1 Rental payments to GSA .....	1,731	2,030	2,088
23.2 Rental payments to others .....	91	93	97
23.3 Communications, utilities, and miscellaneous charges .....	855	1,120	1,107
24.0 Printing and reproduction .....	349	361	362
25.0 Other services .....	1,579	1,718	1,924
26.0 Supplies and materials .....	187	193	194
31.0 Equipment .....	570	589	591
42.0 Insurance claims and indemnities .....	1	1	1
99.9 Total obligations .....	22,555	24,000	24,617

**Personnel Summary**

Total compensable workyears:			
Full-time equivalent employment .....	324	324	324
Full-time equivalent of overtime and holiday hours .....	8	8	8

**EMERGENCY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 95-0311-0-1-407	1987 actual	1988 est.	1989 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	649	649	649
24.40 Unobligated balance available, end of year .....	-649	-649	-649
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
72.40 Obligated balance, start of year .....	60	60	60
74.40 Obligated balance, end of year .....	-60	-60	-60
90.00 <b>Outlays</b> .....			

The National Transportation Safety Board is mandated by Congress to investigate all catastrophic transportation accidents and, therefore, has no control over the frequency of costly accident investigations. The emergency fund provides a funding mechanism by which periodic accident investigation cost fluctuations can be met without delaying critical phases of the investigations.

**NEIGHBORHOOD REINVESTMENT CORPORATION**

*Federal Funds*

**General and special funds:**

**PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION**

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101-8197),

[\$18,720,000] \$19,094,000. (Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 82-1300-0-1-451	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	19,000	18,720	19,094
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	19,000	18,720	19,094
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	19,000	18,720	19,094
90.00 <b>Outlays</b> .....	19,000	18,720	19,094

The major activities of the Corporation include the establishment of Neighborhood Partnership Programs, providing technical services to, and assistance in the expansion to other neighborhoods of Neighborhood Housing Services (NHS), including multi-family housing strategies, in older, declining residential neighborhoods; identifying, evaluating, and supporting neighborhood preservation projects that show promise as strategies for reversing neighborhood decline; replicating successful neighborhood preservation projects; and, promoting a national secondary market for local NHS revolving loan funds.

The Corporation receives both Federal and non-Federal funding to finance its program activities. The program and financing schedule above reflects only direct Federal appropriations to the Corporation. For 1989, \$19,094,000 is requested. The following business-type tables reflect the total program activity of the Corporation and include all sources of financing, both Federal and non-Federal.

**BUDGET ACTIVITY**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Neighborhood Partnership Programs:</b>			
1. Establishing new, supplementing existing programs .....	13,577	13,702	13,800
2. Research and pilot replication .....	1,957	2,050	2,079
3. General administration .....	4,851	4,900	4,925
Total corporate obligations .....	20,385	20,652	20,804
<b>Sources of financing:</b>			
1. Federal appropriation .....	19,000	18,720	19,094
2. Reimbursements for services provided .....	223	450	450
3. Other sources .....	1,180	1,282	960
Unused balance, start of year .....	482	500	300
Net obligations incurred .....	20,385	20,652	20,804
Unused balance, end of year .....	500	300	
Obligated balances, start of year .....	6,262	6,508	5,350
Obligated balances, end of year .....	6,508	5,350	5,500
Net corporate outlay .....	20,139	21,810	20,654

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue .....	20,185	20,152	20,504
Expense .....	20,167	20,352	20,804
Net gain (loss) for the year .....	18	-200	-300

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance .....	5,747	5,802	4,420	4,270
Receivables .....	845	1,087	1,100	1,100

General and special funds—Continued

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION—  
Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
Property and equipment.....	443	442	443	443
Other assets.....	152	119	130	130
Total assets.....	7,187	7,450	6,093	5,943
Liabilities:				
Accounts payable.....	1,689	1,950	1,950	2,000
Other liabilities.....	4,573	4,557	3,400	3,500
Total liabilities.....	6,262	6,508	5,350	5,500
Analysis of change in corporate equity:				
Opening balance.....	562	925	943	743
Net change.....	363	18	-200	-300
Closing balance.....	925	943	743	443

Object Classification of Corporation Obligations (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Salaries and benefits.....	8,735	9,375	9,375
Occupancy.....	1,155	1,225	1,225
Professional services.....	789	805	805
Travel and transportation of persons.....	1,504	1,786	1,786
Conferences and workshops.....	456	273	413
Telephone, postage and delivery.....	585	675	675
Printing and supplies.....	400	490	490
Grants and grant commitments.....	5,409	4,390	4,440
Other general and administrative.....	705	682	670
Local project development.....	647	951	925
Total obligations.....	20,385	20,652	20,804

Personnel Summary

Non-Federal employees:			
Total number of full-time permanent positions.....	215	220	215
Total compensable workyears:			
Full-time equivalent employment.....	207	215	206
Full-time equivalent of overtime and holiday hours.....	8	9	9

NUCLEAR REGULATORY COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act, as amended, including the employment of aliens; services authorized by section 3109 of title 5, United States Code; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms, official representation expenses (not to exceed \$20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, **[\$392,800,000]** \$450,000,000, to remain available until expended: *Provided*, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs including criminal history checks under section 149 of the Atomic Energy Act, as amended, may be retained and used for salaries and expenses associated with those activities, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections estimated at **[\$196,400,000]** \$202,500,000 in fiscal year

**[1988]** 1989 shall be retained and used for necessary salaries and expenses in this account, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year **[1988]** 1989 from licensing fees, inspection services and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year **[1988]** 1989 appropriation estimated at not more than **[\$196,400,000]** \$247,500,000. (*Energy and Water Development Appropriation Act, 1988.*)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....			
Receipts.....		176,700	202,500
Proposed legislation.....			45,000
Total available for appropriation.....		176,700	247,500
Appropriation.....		-176,700	-202,500
Unappropriated balance, end of year.....			45,000

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
31-0200-0-1-276			
<b>Program by activities:</b>			
Direct program:			
00.01 Reactor safety and safeguards regulation.....	142,309	147,362	153,440
00.02 Nuclear safety research.....	122,468	111,611	135,655
00.03 Nuclear material safety and safeguards regulation.....	24,896	24,467	28,749
00.04 Nuclear waste regulation.....	20,381	20,948	23,072
00.05 Special and independent reviews, investigations, and enforcement.....	35,346	34,307	41,591
00.06 Nuclear safety management and support.....	61,573	62,323	67,493
00.91 Total direct program.....	406,973	401,018	450,000
01.01 Reimbursable program.....	902	2,500	2,500
10.00 Total obligations.....	407,875	403,518	452,500
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-460	-2,500	-2,500
17.00 Recovery of prior year obligations.....	-5,359		
21.40 Unobligated balance available, start of year.....	-9,274	-8,218	
24.40 Unobligated balance available, end of year.....	8,218		
39.00 Budget authority.....	401,000	392,800	450,000
Budget authority:			
40.00 Appropriation (special fund).....		176,700	202,500
40.00 Appropriation (general fund).....	401,000	216,100	247,500
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	407,415	401,018	450,000
72.40 Obligated balance, start of year.....	120,019	129,452	126,260
74.40 Obligated balance, end of year.....	-129,452	-126,260	-140,560
78.00 Adjustments in unexpired accounts.....	-5,359		
90.00 Outlays.....	392,624	404,210	435,700

*Reactor safety and safeguards regulation.*—Reactor safety and safeguards regulation encompasses all NRC licensing and inspection of civilian reactor facilities and designs as required by the Atomic Energy Act of 1954, as amended. This includes the responsibility for evaluating the public health effects, safety, environmental, safeguards, and antitrust aspects of reactor facilities and for ensuring that reactor facilities are designed, constructed, operated, and decommissioned safely and are in compliance with agency regulations. Reactor safety and safeguards regulation is carried out through the following seven major programs: reactor licensing-application reviews and inspections; reactor operations reviews; human performance in reactor safety; reactor

operations inspections; operating reactor license maintenance and regulatory improvements; reactor accident management; and reactor safeguards. During fiscal year 1989, these programs will continue to shift their emphasis from reviews of applications for nuclear power plant construction and operation to reviews of plant operations and maintenance of over 100 existing licensed commercial nuclear power plants with their principal focus on operational safety.

**Nuclear safety research.**—Work carried out in nuclear safety research has two major purposes. The first is to provide independent information and expertise needed to support the Commission's decision-making process. Such information must be independent in the sense that it is not derived solely from the information provided by licensees or license applicants and that it has received, or is capable of validation through scientific peer review by impartial experts. Research of this type is generally oriented toward the resolution of near-term safety issues that have been identified or those which can be readily anticipated. The second purpose of the research program is to identify and characterize technical questions which may become important safety issues in the future. Through this process, work can be initiated early to resolve these new problems and thereby reduce the risk to the public health and avoid unnecessary plant shutdowns in the future. Research of this type is generally longer range in nature, requiring effort over a period of five years or more. Nuclear safety research is carried out through the following five major programs: integrity of reactor components; preventing damage to reactor cores; reactor containment performance and public protection from radiation; confirming the safety of nuclear waste disposal; and resolving safety issues and developing regulations. Three principal areas that will be emphasized during fiscal year 1989 are plant aging, accident management, and severe accident risk reduction.

**Nuclear material safety and safeguards regulation.**—Nuclear material safety and safeguards regulation encompasses all NRC licensing and inspection of nuclear fuel-cycle facilities, users of nuclear materials, and the transport of nuclear materials. This includes the responsibility for evaluating the public health effects, safety, safeguards, and environmental aspects of a variety of licensees, ranging from very complex operations such as the manufacturing of reactor fuel and the production of medical radiopharmaceuticals, to relatively simple operations, such as the use of small quantities of radioisotopes in medical diagnostics.

It also includes the safeguards review for all NRC licensing activities involving the export of special nuclear material. Nuclear material safety and safeguards regulation is carried out through two major programs: nuclear material safety and nuclear material transportation and safeguards. The nuclear material safety program affects approximately 8,200 licensees across the United States. During fiscal year 1989, additional emphasis will be placed on improving licensee performance, particularly fuel-cycle facilities, radiographers, and medical licensees.

**Nuclear waste regulation.**—Nuclear waste regulation encompasses all NRC public health and safety licensing and inspection for the safe management and disposal of

high-level and low-level radioactive wastes, and for uranium recovery activities and related remedial actions. In addition, it includes the establishment of an integrated agency program for the decontamination and decommissioning of nonreactor materials licensees. Nuclear waste regulation is carried out through two major programs: high-level waste and low-level waste. The major emphasis during fiscal year 1989 will continue to be focused on the implementation of the Nuclear Waste Policy Act of 1982, as amended in 1987; the Low-Level Radioactive Waste Policy Act of 1980, as amended in 1985; and the Uranium Mill Tailings Radiation Control Act of 1978.

**Special and independent reviews, investigations, and enforcement.**—Special and independent reviews, investigations, and enforcement encompasses the review, evaluation, and investigation of NRC's licensees and NRC's internal operations; the conduct of diagnostic evaluations of individual reactor plant safety; evaluation of both foreign and domestic operational events; ensuring licensee compliance with regulatory requirements through a comprehensive enforcement policy; and providing advice to the Commission on license applications and amendments. In addition, the NRC maintains an emergency operations center to receive calls of reportable events and determine appropriate regulatory response, and a technical training center to assure that NRC technical employees are well prepared to carry out their responsibilities. Special and independent reviews, investigations, and enforcement is carried out through the following seven major programs: special safety reviews; operational experience evaluation; independent safety reviews and advice; independent adjudicatory reviews; external investigations; internal investigations and audits; and enforcement.

Object Classification (in thousands of dollars)

Identification code	31-0200-0-1-276	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	148,597	152,896	150,515
11.3	Other than full-time permanent .....	3,785	4,003	3,941
11.5	Other personnel compensation .....	2,601	2,882	2,837
11.8	Special personal services payments .....	322	319	314
11.9	Total personnel compensation .....	155,305	160,100	157,607
12.1	Civilian personnel benefits .....	20,291	26,010	25,558
13.0	Benefits for former personnel .....	13	27	35
21.0	Travel and transportation of persons .....	11,226	10,861	11,242
22.0	Transportation of things .....	732	1,179	647
23.1	Rental payments to GSA .....	10,532	15,058	15,260
23.3	Communications, utilities, and miscellaneous charges .....	12,278	10,960	15,923
24.0	Printing and reproduction .....	2,156	2,283	2,512
25.0	Other services .....	183,673	165,567	211,049
26.0	Supplies and materials .....	7,396	5,905	4,287
31.0	Equipment .....	2,457	2,093	4,630
41.0	Grants, subsidies, and contributions .....	900	800	1,200
42.0	Insurance claims and indemnities .....	14	175	50
99.0	Subtotal, direct obligations .....	406,973	401,018	450,000
99.0	Reimbursable obligations .....	902	2,500	2,500
99.9	Total obligations .....	407,875	403,518	452,500

Personnel Summary

Total number of full-time permanent positions .....	3,218	3,130	3,060
Total compensable workyears:			
Full-time equivalent employment .....	3,376	3,250	3,180
Full-time equivalent of overtime and holiday hours .....	64	62	62

**OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For the expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), **[\$5,885,000]** \$6,002,000. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

**Program and Financing** (in thousands of dollars)

Identification code 95-2100-0-1-554	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Commission review.....	2,197	2,451	2,499
00.02 Administrative law judge determinations.....	2,055	2,264	2,326
00.03 Executive direction.....	1,040	1,153	1,177
10.00 Total obligations.....	5,292	5,868	6,002
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	458	17	.....
40.00 Budget authority (appropriation).....	5,750	5,885	6,002
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,292	5,868	6,002
72.40 Obligated balance, start of year.....	511	702	718
74.40 Obligated balance, end of year.....	-702	-718	-785
77.00 Adjustments in expired accounts.....	25	.....	.....
90.00 Outlays.....	5,126	5,852	5,935

Note.—The unobligated balance lapsing in 1988 represents the amount unavailable for obligation pursuant to section 512 of the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.

The Review Commission, established by the Occupational Safety and Health Act of 1970, adjudicates contested enforcement actions of the Secretary of Labor. The Commission holds factfinding hearings and issues orders affirming, modifying, or vacating the Secretary's enforcement actions.

**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
<b>Commission review activities:</b>			
Cases pending beginning of year.....	65	39	33
Cases called for review.....	34	50	69
Cases decided.....	60	56	61
<b>Administrative law judge activities:</b>			
Cases pending beginning of year.....	807	665	580
New cases received.....	1,671	2,090	2,480
<b>Case dispositions:</b>			
Prior to assignment to judge.....	19	40	60
After assignment but without hearing.....	1,604	1,875	2,230
Heard and decided by judge.....	190	260	320

**Object Classification** (in thousands of dollars)

Identification code 95-2100-0-1-554	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent.....	3,459	3,661	4,068
12.1 Civilian personnel benefits.....	410	423	474
13.0 Benefits for former personnel.....	8	.....	.....
21.0 Travel and transportation of persons.....	89	119	110
22.0 Transportation of things.....	1	50	1
23.1 Rental payments to GSA.....	579	706	762
23.3 Communications, utilities, and miscellaneous charges.....	56	124	114
24.0 Printing and reproduction.....	18	25	10
25.0 Other services.....	470	450	358
26.0 Supplies and materials.....	125	165	95
31.0 Equipment.....	77	145	10
99.9 Total obligations.....	5,292	5,868	6,002

**Personnel Summary**

	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	90	90	90
Total compensable workyears: Full-time equivalent employment.....	73	79	90

**PANAMA CANAL COMMISSION**

*Federal Funds*

**Public enterprise funds:**

**[OPERATING EXPENSES] PANAMA CANAL REVOLVING FUND**

[For operating expenses necessary for the Panama Canal Commission, including hire of passenger motor vehicles and aircraft; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); not to exceed \$10,000 for official reception and representation expenses of the Board; operation of guide services; residence for the Administrator, disbursements by the Administrator for employee and community projects; not to exceed \$4,000 for official reception and representation expenses of the Secretary; not to exceed \$25,000 for official reception and representation expenses of the Administrator, and to employ services as authorized by law (5 U.S.C. 3109); \$407,088,000, to be derived from the Panama Canal Commission Fund: *Provided*, That there may be credited to this appropriation funds received from the Panama Canal Commission's capital outlay account for expenses incurred for supplies and services provided for capital projects.]

**[CAPITAL OUTLAY]**

[For acquisition, construction, replacement, and improvement of facilities, structures, and equipment required by the Panama Canal Commission, including the purchase of not to exceed 42 passenger motor vehicles for replacement only (including large heavy-duty vehicles used to transport Commission personnel across the Isthmus of Panama, the purchase price of which shall not exceed \$14,000 per vehicle); and to employ services authorized by law (5 U.S.C. 3109); \$33,715,000, to be derived from the Panama Canal Commission Fund and to remain available until expended.]

*Not to exceed \$50,287,000 of the funds available to the Panama Canal Commission shall be available for obligation during fiscal year 1989 for administrative expenses, including not to exceed \$10,000 for official reception and representation expenses of the Board; not to exceed \$5,000 for official reception and representation expenses of the Secretary; and not to exceed \$33,000 for official reception and representation expenses of the Administrator. Funds available to the Panama Canal Commission shall be available for the purchase of not to exceed forty-four passenger motor vehicles for replacement only (including large heavy-duty vehicles used to transport Commission personnel across the Isthmus of Panama, the purchase price of which shall not exceed \$15,000 per vehicle). (Department of Transportation and Related Agencies Appropriations Act, 1988.)*

**Amounts Available for Appropriation** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	167,715	176,898	.....
Receipts: Tolls and other revenue.....	441,233	112,765	.....
Total: Available for appropriation.....	608,948	289,663	.....
Appropriation.....	-446,186	-289,663	.....
Unobligated balance returned to unappropriated receipts.....	5,915	.....	.....
Adjustment to prior year obligations.....	8,221	.....	.....
Unappropriated balance, end of year.....	176,898	.....	.....

Note.—Pursuant to Public Law 100-203, the Panama Canal Commission was converted from a special fund account to a revolving fund on January 1, 1988. The budget schedules consolidate the data and present it on a three-year comparable basis.

**Program and Financing** (in thousands of dollars)

Identification code 95-4061-0-3-403	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Transit operations.....	279,896	283,102	290,015
00.02 Supporting services.....	56,886	65,014	64,269
00.03 Administrative expense.....	41,960	47,005	50,287
00.04 Interest expense.....	7,021	75,153	13,085
00.05 Special retirement costs.....	19,560	19,560	19,560
00.06 Other general.....	10,657	9,521	10,119
00.07 Contingency payment to Panama.....	2,013	.....	.....
00.08 Reimbursement to general fund.....	.....	85,583	.....
00.91 Total operating expenses.....	417,993	584,938	447,335

Capital investment:				
02.01	Transit operation projects	22,836	25,680	29,479
02.02	General support projects	5,466	6,840	5,826
02.03	Utilities projects	3,356	4,480	4,195
02.91	Total capital investment	31,658	37,000	39,500
10.00	Total obligations	449,651	621,938	486,835
Financing:				
Offsetting collections from:				
11.00	Federal funds	-2,125	-152	
14.00	Non-Federal sources	-343,916	-480,560	
17.00	Recovery of prior year obligations	-392	-65	
21.40	Unobligated balance available, start of year	-19,170	-12,307	-24,165
24.40	Unobligated balance available, end of year	12,307	24,165	17,890
25.00	Unobligated balance lapsing	5,915		
39.00	Budget authority	446,186	289,663	
Budget authority:				
Current:				
40.00	Appropriation (special fund)	439,186	287,962	
Permanent:				
60.00	Appropriation (indefinite, special fund, P.L. 99-195)	7,000	1,701	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	447,526	277,870	6,275
Obligated balance, start of year:				
72.40	Appropriation	96,973	79,437	13,770
72.98	Fund balance			66,553
Obligated balance, end of year:				
74.40	Appropriation	-79,437	-13,770	-941
74.98	Fund balance			-82,802
77.00	Adjustments in expired accounts	-8,221		
78.00	Adjustments in unexpired accounts	-392	-65	
90.00	Outlays	456,449	276,919	2,855

Note.—Authority to borrow is available to the Panama Canal Commission on a permanent indefinite basis. This authority is limited only in that the amount of borrowing outstanding at any time cannot exceed \$100 million.

The Panama Canal Act of 1979 established the Panama Canal Commission to operate and maintain the interoceanic waterway. The Commission is self-sufficient in its operations and makes payments to the Republic of Panama as specified in the Panama Canal Treaty of 1977. Legislation was enacted (Public Law 100-203) in fiscal year 1988 which provided for a change in the financing of Commission programs from a special fund appropriation to a revolving fund. Effective January 1, 1988, all receipts will be credited to the revolving fund.

**Budget program—Transit operations.**—The services performed by this activity are (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Maintenance of channels and dams	49,272	39,173	42,666
Navigation service and control	73,409	79,298	82,739
Lock operations	46,578	49,898	51,271
General repairs, engineering, and maintenance services	55,751	48,065	51,648
Fire and facility protection services	10,327	11,264	12,083
Public service payments to Panama	10,000	10,000	10,000
Payments to Panama	68,073	69,551	71,472
General canal expense	17,002	19,318	19,130
Total operating expenses	330,412	326,567	341,009
Less intra-agency recoveries	-32,437	-30,485	-31,984
Net operating expenses	297,975	296,082	309,025

Payments to Panama include a public service payment, a fixed annuity of \$10 million, and an annuity based on net tonnage of vessels transiting the canal. These payments are prescribed in paragraph 5 of article III and paragraphs 4(a) and 4(b) of article XIII of the Panama Canal Treaty of 1977.

In 1989, the Transit Reservation System, which is designed to partially finance the capital program, is

projected to generate \$8.0 million. Vessel traffic volume and other indices of workload are as follows:

	1987 actual	1988 est.	1989 est.
Ship transits (over 300 net Panama Canal tons)	12,313	12,365	12,365
Tolls (in thousands of dollars)	329,859	339,000	358,590

Capital obligations for 1989 include the following major projects: replacement of one tugboat, replacement of one dredge tender, replacement and addition of transit equipment, installation of a fire protection system at locks facilities, replacement of transformers containing PCB at locks facilities, and other improvements to transit facilities.

**Supporting services.**—The services performed by these support activities are (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Supporting services	37,293	34,196	35,957
Utilities	36,148	40,884	42,697
Other supporting services	13,531	11,214	11,557
Total operating expenses	86,972	86,294	90,211
Less intra-agency recoveries	-24,402	-20,578	-21,660
Net operating expenses	62,570	65,716	68,551

Capital obligations for 1989 include several projects for electric power and communication systems improvements.

**Administrative.**—This category includes the overall direction and administrative expenses of the Commission; the costs of the employee health benefits program; the cost of health and education services provided to Commission employees and dependents at Department of Defense facilities; and certain employment costs of the Commission.

**Interest expense.**—Interest expense on the investment of the U.S. Government in the Canal is being paid into miscellaneous receipts of the U.S. Treasury.

**Special retirement costs.**—This provides for the Commission costs for amortizing the expense for the special retirement provision of the treaty implementation legislation.

**Other general.**—This includes other miscellaneous expenses not under limitation.

**Reimbursement to general fund.**—This provides for the transfer of the unreimbursed balance of the 1980 appropriation that came from the General Fund of the U.S. Treasury.

**Financing.**—Effective January 1, 1988, the Panama Canal Commission became a revolving fund agency pursuant to Public Law 100-203. As a result, the funds associated with the remaining portion of the first year's general fund appropriation (\$85,583 thousand) and the accumulated interest receipts collected from October 1, 1980 to December 31, 1985 (\$61,653 thousand) were transferred to the general fund of the U.S. Treasury. In addition, Public Law 100-203 provides that the Commission may borrow from the U.S. Treasury, with interest, not more than \$100 million outstanding at any time. Although the latter authorization is available to the Commission in fiscal years 1988 and 1989, no backstopping of obligations or cash withdrawals are anticipated at the end of those periods. The Commission's budget for fiscal year 1989 reflects the requirement for a modest toll rate increase.

Public enterprise funds—Continued

[OPERATING EXPENSES] PANAMA CANAL REVOLVING FUND—Continued

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Transit operations:			
Revenue .....	397,983	410,461	432,971
Expense .....	297,975	296,082	309,025
Net operating income or loss (—) transit operations ..	100,008	114,379	123,946
Supporting Services:			
Revenue .....	37,741	38,195	39,047
Expense .....	62,570	65,716	68,551
Net operating income or loss (—) supporting serv- ices .....	-24,829	-27,521	-29,504
General expenses:			
Revenue .....	410	425	442
Administrative .....	41,692	46,809	49,611
Interest .....	6,945	13,500	13,085
Special retirement costs .....	19,560	19,560	19,560
Other general expenses .....	7,982	7,414	12,038
Net operating income or loss (—) general expenses ..	-75,769	-86,858	-93,852
Recovery of prior year loss .....			-590
Net operating income, total .....	-590		

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury .....	116,864	92,966	104,488	101,633
Accounts receivable, net .....	9,956	9,703	10,685	10,685
Inventories, net .....	34,453	35,139	41,753	41,591
Properties, plant and equipment, net .....	463,190	468,571	479,377	490,928
Other assets .....	263,747	243,884	224,060	203,247
Total assets .....	888,210	850,263	860,363	848,084
<b>Liabilities:</b>				
Accounts payable and accrued liabilities .....	98,848	83,496	83,139	84,655
Long-term liabilities (unfunded) .....	317,428	298,408	285,010	269,896
Total liabilities .....	416,276	381,904	368,149	354,551
Reserves .....	18,078	24,567	22,130	26,013
Total liabilities and reserves .....	434,354	406,471	390,279	380,564
<b>Government equity:</b>				
Unexpended budgetary resources: Unobligated balance .....	19,170	12,307	24,165	17,890
Undelivered orders:				
Operations .....	20,993	18,893	22,902	25,030
Capital outlay .....	18,788	21,045	20,038	22,538
Total unexpended budgetary resources ..	58,951	52,245	67,105	65,458
Invested capital .....	394,905	391,547	402,979	402,062
Total Government equity .....	453,856	443,792	470,084	467,520

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
95-4061-0-3-403			
Personnel compensation:			
11.1 Full-time permanent .....	152,732	165,556	151,800
11.3 Other than full-time permanent .....	11,313	9,721	8,623
11.5 Other personnel compensation .....	33,257	28,430	29,783
11.8 Special personal services payments .....	230	231	158
11.9 Total personnel compensation .....	197,532	203,938	190,364
12.1 Civilian personnel benefits .....	22,673	24,648	14,389
13.0 Benefits for former personnel .....	21,504	21,489	21,396
21.0 Travel and transportation of persons .....	2,481	3,315	1,412
22.0 Transportation of things .....	2,515	2,708	2,010
23.1 Rental payments to GSA .....	69	71	
23.3 Communications, utilities, and miscellaneous charges .....	4,300	4,552	2,273
24.0 Printing and reproduction .....	270	303	81
25.0 Other services .....	37,487	32,040	25,168
26.0 Supplies and materials .....	51,289	52,429	46,781
31.0 Equipment .....	26,102	22,680	24,575

32.0 Land and structures .....	5,214	13,537	13,570
41.0 Grants, subsidies, and contributions .....	70,354	69,576	71,472
42.0 Insurance claims and indemnities .....	826	9,916	9,972
43.0 Interest and dividends .....	7,035	75,153	13,085
44.0 Refunds: Reimbursement to General Fund .....		85,583	
93.0 Expenses under limitation .....			50,287
99.9 Total obligations .....	449,651	621,938	486,835

Personnel Summary

Total number of full-time permanent positions .....	7,927	8,142	7,462
Total compensable workyears:			
Full-time equivalent employment .....	8,243	8,665	7,905
Full-time equivalent of overtime and holiday hours .....	1,122	752	740

LIMITATION ON ADMINISTRATIVE EXPENSES

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Administrative and general:			
1. Executive direction .....			11,511
2. Operations direction .....			2,294
3. Financial management .....			13,754
4. Personnel administration .....			4,187
5. Employment costs .....			18,541
Total obligations under limitation .....			50,287
<b>Financing:</b>			
Limitation .....			50,287
Relation of obligations to outlays:			
Obligations incurred, net .....			50,287
Obligated balance, end of year .....			-2,514
Outlays from limitation .....			47,773

The limitation on administrative expenses provides for salaries and expenses associated with the overall direction and administration of the Commission.

**Executive direction.**—Executive direction provides for the management planning, direction and control of overall Commission activities and operations. It also provides for Congressional liaison through the Secretary's Office in Washington, and implements policies and directives of the Commission's Board.

**Operations direction.**—Operations direction provides for the bureau-level direction and coordination of the non-administrative operations of the Commission. Included in this function are the costs associated with administering the director's offices for the various non-administrative Commission operating activities including the Marine Bureau, Engineering and Construction Bureau, and General Services Bureau.

**Financial management.**—The Financial Management function is responsible for the development of financial, accounting and rate-making policies; development of financial systems and procedures; maintenance of the general books of account and the preparation of financial statements and reports; establishment of systems of internal control; collection, custody and disbursement of funds and related fiscal matters; and financial planning and manpower control.

**Personnel administration.**—This function has the overall agency responsibility for personnel administration and management, and the joint personnel program that provides staffing services for participating federal

agencies in the Panama Canal area on a cost-sharing basis.

**Employment costs.**—Included in this activity are certain employment costs of the Commission which are general in nature and not identifiable with other specific activities. The estimates include provisions for employees' States travel, repatriation, reimbursement to Department of Defense for education and hospital services, employer's contributions to Federal Employees' Health Benefit Act (FEHBA), and certain other statutory costs required by the U.S. Government.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
95-4061-0-3-403			
<b>Personnel compensation:</b>			
11.1 Full-time permanent			22,241
11.3 Other than full-time permanent			747
11.5 Other personnel compensation			368
11.8 Special personal services payments			62
11.9 Total personnel compensation			23,418
12.1 Civilian personnel benefits			12,089
13.0 Benefits for former personnel			35
21.0 Travel and transportation of persons			2,272
22.0 Transportation of things			714
23.1 Rental payments to GSA			73
23.3 Communications, utilities, and miscellaneous charges			2,817
24.0 Printing and reproduction			236
25.0 Other services			6,997
26.0 Supplies and materials			1,241
31.0 Equipment			370
41.0 Grants, subsidies, and contributions			25
93.0 Limitation expenses included in schedule of fund as a whole			-50,287
99.0 Total obligations			

**Personnel Summary**

Total number of full-time permanent positions	727
Total compensable workyears:	
Full-time equivalent employment	760
Full-time equivalent of overtime and holidays	10

**PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, as authorized by section 17(a) of Public Law 92-578, as amended, [**\$2,516,000**] **\$2,353,000**, for operating and administrative expenses of the Corporation. (*Department of the Interior and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.*)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
42-0100-0-1-451			
<b>Program by activities:</b>			
10.00 Total obligations	2,246	2,516	2,353
<b>Financing:</b>			
25.00 Unobligated balance lapsing	151		
40.00 Budget authority (appropriation)	2,397	2,516	2,353
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,246	2,516	2,353
72.40 Obligated balance, start of year	404	372	478
74.40 Obligated balance, end of year	-372	-478	-686
77.00 Adjustments in expired accounts	-64		
90.00 Outlays	2,214	2,410	2,145

This appropriation provides funds for the Corporation's basic operating expenses that are not directly related to land acquisition and development activities.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
42-0100-0-1-451			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	1,203	1,328	1,170
11.3 Other than full-time permanent	17	50	50
11.5 Other personnel compensation	43	40	40
11.9 Total personnel compensation	1,263	1,418	1,260
12.1 Civilian personnel benefits	156	251	210
21.0 Travel and transportation of persons	14	20	20
22.0 Transportation of things		2	1
23.1 Rental payments to GSA	262	275	312
23.3 Communications, utilities, and miscellaneous charges	61	60	60
24.0 Printing and reproduction	40	65	65
25.0 Other services	332	355	355
26.0 Supplies and materials	46	45	45
31.0 Equipment	72	25	25
99.9 Total obligations	2,246	2,516	2,353

**Personnel Summary**

Total number of full-time permanent positions	29	37	39
Total compensable workyears: Full-time equivalent employment	30	39	41

**PUBLIC DEVELOPMENT**

For public development activities and projects in accordance with the development plan as authorized by section 17(b) of Public Law 92-578, as amended, [**\$3,000,000**] **\$3,095,000**, to remain available until expended. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
42-0102-0-1-451			
<b>Program by activities:</b>			
00.01 Operating expenses: Relocation assistance	210	400	500
<b>Capital investment:</b>			
01.01 Public improvements	2,749	2,500	4,700
01.02 Historic preservation	300	1,400	700
01.03 Federal Triangle/ICTC		1,600	1,200
10.00 Total obligations	3,259	5,900	7,100
<b>Financing:</b>			
14.00 Non-Federal sources	-74		
17.00 Recovery of prior year obligations	-2,176		
21.40 Unobligated balance available, start of year	-3,343	-6,258	-7,858
22.40 Unobligated balance transferred, net		-4,500	
24.40 Unobligated balance available, end of year	6,258	7,858	3,853
40.00 Budget authority (appropriation)	3,924	3,000	3,095
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	3,185	5,900	7,100
72.40 Obligated balance, start of year	13,058	7,967	8,617
74.40 Obligated balance, end of year	-7,967	-8,617	-9,446
78.00 Adjustments in unexpired accounts	-2,176		
90.00 Outlays	6,100	5,250	6,271

**Relocation assistance.**—The Corporation provides assistance to business tenants displaced from their existing locations within the PADC project area.

**Public improvements.**—Pennsylvania Avenue and adjoining public areas are being progressively reconstructed and improved, creating a thoroughfare having new sidewalks, curbs, lighting, landscaping, and street furniture.

**Historic preservation.**—Buildings of architectural merit are being restored and retained.

General and special funds—Continued

PUBLIC DEVELOPMENT—Continued

*Federal Triangle/International Cultural and Trade Center Building (ICTC).*—The Corporation develops the plan for construction of a joint-use Federal and private international cultural and trade center and selects the developer of the project. In 1988, \$4,500 thousand will be transferred to PADC from the General Services Administration pursuant to Public Law 100-113.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
42-0102-0-1-451			
25.0 Other services .....	1,054	1,000	1,000
32.0 Land and structures .....	1,995	4,500	5,600
42.0 Insurance claims and indemnities .....	210	400	500
99.9 Total obligations .....	3,259	5,900	7,100

Public enterprise funds:

LAND ACQUISITION AND DEVELOPMENT FUND

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
42-4084-0-3-451			
<b>Program by activities:</b>			
10.00 Total obligations .....	23,872	20,000	10,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-5,253	-27,000	-3,000
17.00 Recovery of prior year obligations .....	-4		
Unobligated balance available, start of year:			
21.47 Authority to borrow .....	-23,746	-23,746	-23,746
21.98 Fund balance .....	-21,128	-8	-7,008
Unobligated balance available, end of year:			
24.47 Authority to borrow .....	23,746	23,746	23,746
24.98 Fund balance .....	8	7,008	8
31.00 Redemption of debt .....	2,504		
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	18,619	-7,000	7,000
72.98 Obligated balance, start of year: Fund balance .....	2	16,343	8,343
74.98 Obligated balance, end of year: Fund balance .....	-16,343	-8,343	-10,343
78.00 Adjustments in unexpired accounts .....	-4		
90.00 Outlays .....	2,274	1,000	5,000

*Property acquisition.*—The Corporation will continue to acquire private property to accelerate redevelopment in the project area in accordance with the approved PADC plan. Such property will be acquired through borrowings from the U.S. Treasury, and from revenues earned by the Corporation from the lease or sale of property.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss:			
Revenue .....	5,253	27,000	3,000
Expense .....	-10,660	-30,000	-15,000
Net operating income or loss (-) .....	-5,407	-3,000	-12,000

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance:				
Accounts receivable .....	282	76	100	100

Cash .....	5,495	8	7,007	
U.S. Securities (par) .....	15,632	-7		
Property, plant, and equipment (net) .....	60,563	84,287	104,000	114,000
Total assets .....	81,972	84,364	111,107	114,100
<b>Liabilities:</b>				
Other liabilities .....	62	83	90	90
Debt issued under authority to borrow: Intra-governmental debt .....	84,852	92,310	122,034	118,020
Total liabilities .....	84,914	92,393	122,124	118,110
<b>Equity:</b>				
Unobligated balance .....	23,747	23,746	23,746	23,746
Borrowing authority .....	-23,746	-23,746	-23,746	-23,746
Invested capital .....	-2,943	-8,029	-11,017	-4,010
Total equity .....	-2,942	-8,029	-11,017	-4,010

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
42-4084-0-3-451			
25.0 Other services .....	63	100	100
32.0 Land and structures .....	12,895	15,000	5,000
43.0 Interest and dividends .....	10,914	4,900	4,900
99.9 Total obligations .....	23,872	20,000	10,000

Trust Funds

GIFTS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
42-8112-0-7-451			
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0) .....	1,052	158	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-8	-158	
24.40 Unobligated balance available, end of year .....	158		
60.00 Budget authority (appropriation) (permanent, indefinite) .....	1,202		
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,052	158	
72.40 Obligated balance, start of year .....		297	
74.40 Obligated balance, end of year .....	-297		
90.00 Outlays .....	755	455	

The gifts to the Corporation will be used to pay various expenses of the public improvements activity and sponsor events in the parks and plazas within the PADC area.

POSTAL SERVICE

Federal Funds

General and special funds:

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsection (c) of section 2401 of title 39, United States Code; ~~["\$517,000,000"]~~ *\$527,482,000*: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free *["Provided further*, That six-day delivery and rural delivery of mail shall continue at the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or



close small rural and other small post offices in the fiscal year ending on September 30, 1988.]

**[PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES]**

[For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004, \$1,000.]

**[UNITED STATES POSTAL SERVICE—ADMINISTRATIVE PROVISIONS]**

**[SECTION 1.** None of the funds appropriated in this Act or made available by 39 U.S.C. 2401(a) shall be used by the United States Postal Service or any other governmental agency for the purpose of locating a regional mail distribution center in the Westchester Business Park on Westpark Drive in the Town of North Castle, New York, for a period of one hundred and eighty days.]

**[Sec. 2.** Funds made available to the United States Postal Service pursuant to section 2401(a) of title 39, United States Code, shall be used hereafter to continue full postal service to the people of Holly Springs proper, including upgrading, remodeling, and improving the United States Post Office building located at 110 North Memphis Street, Holly Springs, Mississippi.] *(Postal Service Appropriations Act, 1988.)*

**Program and Financing (in thousands of dollars)**

Identification code	18-1001-0-1-372	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Payment to the Postal Service fund for:				
00.01	Previous nonfunded liabilities of the Post Office Department.....		1	
00.02	Free and reduced-rate mail.....	591,024	535,545	580,479
00.03	Reconciliation adjustment—free and reduced-rate mail.....	58,976		
10.00	<b>Total obligations (object class 41.0).....</b>	<b>650,000</b>	<b>535,546</b>	<b>580,479</b>
<b>Financing:</b>				
11.00	Offsetting collection from: Federal funds.....		—18,545	—52,997
40.01	<b>Budget authority (appropriation).....</b>	<b>650,000</b>	<b>517,001</b>	<b>527,482</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	650,000	517,001	527,482
90.00	Outlays.....	650,000	517,001	527,482

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	650,000	517,001	527,482
Outlays.....	650,000	517,001	527,482
Proposed for later transmittal under proposed legislation:			
Budget authority.....			—508,459
Outlays.....			—508,459
<b>Total:</b>			
Budget authority.....	650,000	517,001	19,023
Outlays.....	650,000	517,001	19,023

The Budget includes the impact of implementing some of the recommendations made by the Postal Rate Commission in its June 1986 Preferred Rate Study, in addition to recommendations of the Office of Management and Budget.

The appropriation for former Post Office Department workers' compensation liabilities is requested directly by the Department of Labor.

**PAYMENT TO THE POSTAL SERVICE FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	18-1001-2-1-372	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			—508,459

<b>Financing:</b>			
40.00	Budget authority (appropriation).....		—508,459
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....		—508,459
90.00	Outlays.....		—508,459

Legislation will be proposed that would virtually eliminate the Revenue Forgone Appropriation while continuing lower rates for most religious and charitable organizations. The postal overhead costs formerly covered by appropriations for these mailers would become a responsibility of other mail categories. The proposal would continue appropriations for free mail for the blind and overseas voters.

Herewith transmitted without change, as required by Public Law 93-328, is the appropriation request of the U.S. Postal Service for 1989 as submitted to the Office of Management and Budget.

**Program and Financing (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Payment to the Postal Service fund for:			
1.	Previous nonfunded liabilities of the Post Office Department.....	1	37,436
2.	Free and reduced-rate mail.....	591,024	535,545
3.	Reconciliation adjustment—free and reduced-rate mail....	58,976	
	<b>Total payments to the Postal Service Fund (total obligations).....</b>	<b>650,000</b>	<b>617,915</b>
<b>Financing:</b>			
	Offsetting collections from: Federal funds.....	—18,545	—52,997
	<b>Budget authority (appropriations).....</b>	<b>650,000</b>	<b>517,001</b>
Relation of obligations to outlays:			
	Obligations incurred, net.....	650,000	517,001
	Outlays.....	650,000	564,918

**POSTAL SERVICE ESCROW FUND**

**Program and Financing (in thousands of dollars)**

Identification code	18-1003-0-1-372	1987 actual	1988 est.	1989 est.
<b>Financing:</b>				
22.98	Unobligated balance transferred, net.....			—465,000
24.98	Unobligated balance available, end of year.....			465,000
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

Public Law 100-203 established this Fund for the deposit of \$465 million out of funds currently available to the Postal Service no later than October 31, 1988. The amounts in this Fund are not available for obligation. This Fund will cease to exist on October 1, 1989 at which time the \$465 million will be returned to the Postal Service Fund.

**Public enterprise funds:**

**POSTAL SERVICE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 18-4020-0-3-372	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Postal field operations.....	25,656,233	28,002,705	29,387,638
00.02	Transportation.....	2,290,619	2,420,428	2,512,697
00.03	Building occupancy.....	810,567	880,013	917,905
00.04	Supplies and services.....	856,841	1,010,689	1,036,848
00.05	Research and development.....	13,867	16,419	19,209
00.06	Administration and regional operations.....	2,360,705	3,275,468	3,213,841
00.07	Interest.....	296,704	513,238	559,280
00.08	Service-wide expenses.....	251,220	102,451	109,377
00.90	Capital investment.....	2,134,523	625,000	1,995,000
01.01	Post Office Department Workers' Compensation.....		1	37,436
02.00	Total direct program.....	34,671,279	36,846,412	39,789,231
02.01	Reimbursable program.....	168,057	195,410	197,047
10.00	Total obligations.....	34,839,336	37,041,822	39,986,278
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-2,055,301	-2,143,216	-1,657,386
14.00	Non-Federal sources.....	-30,625,882	-33,977,686	-36,819,030
21.98	Unobligated balance available, start of year:			
	Fund balance.....	-241,903	337,446	-337,446
22.98	Unobligated balance transferred, net.....			465,000
24.98	Unobligated balance available, end of year: Fund balance.....	337,446	-337,446	337,446
25.00	Unobligated balance restored.....	-95,543		
31.00	Redemption of debt.....	135,800	261,200	261,200
67.10	<b>Budget authority (authority to borrow) (permanent, indefinite).....</b>	<b>2,293,953</b>	<b>1,182,120</b>	<b>2,236,062</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,158,153	920,920	1,509,862
	Obligated balance, start of year:			
72.47	Authority to borrow.....	6,275,546	6,934,499	6,616,619
72.98	Fund balance.....	3,410,090	3,966,661	3,499,701
	Obligated balance, end of year:			
74.47	Authority to borrow.....	-6,934,499	-6,616,619	-6,746,681
74.98	Fund balance.....	-3,966,661	-3,499,701	-4,223,922
90.00	Outlays.....	942,629	1,705,760	655,579

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	2,293,953	1,182,120	2,236,062
Outlays.....	942,629	1,705,760	655,579
Proposed for later transmittal under proposed legislation:			
Budget authority.....			157,000
Outlays.....			
Total:			
Budget authority.....	2,293,953	1,182,120	2,393,062
Outlays.....	942,629	1,705,760	655,579

The Postal Reorganization Act of 1970, Public Law 91-375, converted the Post Office Department into the U.S. Postal Service, an independent establishment within the executive branch. The Postal Service commenced operations July 1, 1971. This agency is charged with providing patrons with reliable mail service at reasonable rates and fees.

The U.S. Postal Service is governed by an 11-member Board of Governors, including 9 Governors appointed by the President, a Postmaster General who is selected by the Governors, and a Deputy Postmaster General who is selected by the Governors and the Postmaster General.

Decisions on changes in domestic rates of postage and fees for postal services are recommended to the Governors of the Postal Service by the independent Postal

Rate Commission after a hearing on the record under the Administrative Procedure Act. The Commission also recommends decisions on changes in the domestic mail classification schedule to the Governors. Decisions of the Governors on rates of postage, fees for postal services, and mail classification are final, subject to judicial review.

**Programs.**—Included are all postal activities providing window services; processing, delivery, and transportation of mail; research and development; administration of postal field activities; and associated expenses of providing facilities and financing.

**Financing.**—The activities of the U.S. Postal Service are financed from the following sources: (1) mail and services revenue, (2) reimbursements from Federal and non-Federal sources, (3) proceeds from borrowing, (4) interest from U.S. securities and other investments, and (5) appropriations by the Congress. All receipts and deposits are made to the Postal Service Fund and are available without fiscal year limitation for payment of all expenses incurred, retirement of obligations, investment in capital assets, and investment in obligations and securities.

Public Law 100-203 established a separate account in the U.S. Treasury, the "Postal Service Escrow Fund." The Postal Service is required to deposit \$465 million in this Fund no later than October 31, 1988. These funds will not be available for expenditure during the existence of the Fund. The Fund will cease to exist on October 1, 1989, at which time the \$465 million will be returned to the Postal Service Fund.

Section 2005 of title 39, United States Code, authorizes the Postal Service to borrow by issuing obligations which may not exceed \$10 billion outstanding at any one time. In any one fiscal year, the net increase in amounts outstanding may not exceed \$1.5 billion in obligations issued for the purpose of capital improvements and \$500 million for the purpose of defraying operating expenses. As of September 30, 1989, it is expected that the total debt instruments issued and outstanding pursuant to this authority will amount to \$7.222 billion.

**Operating.**—Estimated revenue will total \$38.2 billion in 1989. This includes \$38.0 billion from mail and services revenue, \$295 million from investment income, and a net reconciliation and revenue forgone appropriation payment of \$34 million.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue and operating receipts:			
Mail and service revenues.....	31,528,112	34,406,891	37,923,307
Total appropriations.....	650,000	517,001	564,918
Less: POD transitional costs.....		-1	-37,436
Net appropriations.....	650,000	517,000	527,482
Total revenues.....	32,178,112	34,923,891	38,450,789
Operating expenses:			
Payable from the Postal Service fund, funded:			
Postal field operations.....	25,656,233	28,002,705	29,387,638
Transportation.....	2,290,619	2,420,428	2,512,697
Building occupancy.....	810,567	880,013	917,905
Supplies and services.....	856,841	1,010,689	1,036,848
Research and development.....	13,867	16,419	19,209
Administration and regional operations.....	2,360,705	3,275,468	3,213,841

Service-wide expenses.....	111,017	106,709	113,773
Total accrued costs.....	32,099,849	35,712,431	37,201,911
Other operating expenses (nonfunded):			
Depreciation and amortization of fixed assets <sup>1</sup> .....	416,053	474,879	531,262
Expendable equipment and other write-offs.....	3,787	3,678	3,678
Total other operating expenses (nonfunded) ..	419,840	478,557	534,940
Total operating expenses.....	32,519,689	36,190,988	37,736,851
Net operating income or loss.....	-341,577	-1,267,097	713,938
Investment income.....	327,186	319,100	272,700
Interest expense.....	208,295	423,238	463,280
Net income or loss.....	-222,686	-1,371,235	523,358

<sup>1</sup> Includes net losses from the sale of assets of the following amounts: \$1,763 thousand in 1987, \$725 thousand in 1988, and \$825 thousand in 1989.

Impact of Administration's Recommendations (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Estimated net impact of earlier rate implementation.....		657,000	-39,000
Mail and service revenues <sup>1</sup> .....			90,000
Appropriations.....			-561,456
Investment income.....		18,500	22,000
Retirement cost increase.....			-157,000
Net change.....		675,500	-645,456
Adjusted net income or loss (-).....	-222,686	-695,735	-122,098

<sup>1</sup> Note that the Administration's estimate of mail and service revenues is \$200,000.

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Fund balance with Treasury and cash..	138,863	39,140	184,996	237,673
Accounts receivable (net).....	562,539	583,835	601,835	621,835
Advances and prepayments.....	23,718	24,553	26,553	28,553
Investments: Federal securities at par value.....	3,803,416	4,588,316	3,300,000	4,350,000
Property, plant, and equipment (net) ..	7,093,605	8,341,762	9,305,842	10,495,378
Other assets (net).....	18,192,041	18,509,607	20,341,649	20,484,373
Total assets.....	29,814,182	32,087,213	33,760,875	36,217,812
<b>Liabilities:</b>				
Accounts payable.....	2,462,947	2,666,724	2,867,730	2,772,730
Interest payable.....	52,747	104,518	189,518	242,518
Funded accrued liabilities.....	1,370,634	1,614,715	1,321,313	1,307,840
Unfunded liabilities.....	300,000	300,000	300,000	300,000
Unearned revenue (advances).....	1,338,276	1,467,472	1,572,472	1,692,472
Debt issued under authority to borrow:				
Gross Federal debt.....	250,000	250,000	250,000	250,000
Intergovernmental debt.....	2,854,200	4,353,400	5,592,200	6,972,000
Other debt.....	130,249	124,423	32,423	26,423
Actuarial liabilities.....	20,678,261	21,052,734	22,853,227	23,348,479
Other liabilities.....	15,000	15,000	15,000	15,000
Total liabilities.....	29,452,314	31,948,986	34,993,883	36,927,462
<b>Equity:</b>				
Unexpended financed budget authority.....	-3,234,628	-3,483,685	-2,749,103	-3,108,782
Invested capital.....	3,596,496	3,621,912	1,516,095	2,399,132
Total equity.....	361,868	138,227	-1,233,008	-709,650
Total liabilities and equity.....	29,814,182	32,087,213	33,760,875	36,217,812

Object Classification (in thousands of dollars)

Identification code 18-4020-0-3-372	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	17,184,898	18,029,237	18,803,185
11.3 Other than full-time permanent.....	2,936,155	3,420,862	3,600,399
11.5 Other personnel compensation.....	1,949,392	2,106,615	2,190,219
11.8 Special personal services payments.....	67	67	67
11.9 Total personnel compensation.....	22,070,512	23,556,781	24,593,870
12.1 Civilian personnel benefits.....	4,228,051	5,885,618	6,041,562
13.0 Benefits for former personnel.....	28,650	31,584	70,619
21.0 Travel and transportation of persons.....	87,959	133,968	138,725

22.0 Transportation of things.....	2,732,424	2,908,856	3,027,257
23.1 Rental payments to GSA.....	37,167	38,208	40,004
23.2 Rental payments to others.....	408,137	435,369	455,545
23.3 Communications, utilities, and miscellaneous charges.....	372,053	396,989	404,261
24.0 Printing and reproduction.....	73,337	92,581	95,758
25.0 Other services.....	626,311	652,661	690,638
26.0 Supplies and materials.....	779,773	789,059	801,260
31.0 Equipment.....	658,795	270,163	1,118,885
32.0 Land and structures.....	1,476,508	355,654	877,000
42.0 Insurance claims and indemnities.....	58,988	59,413	60,718
43.0 Interest and dividends: Notes and bonds.....	296,704	513,238	559,280
43.0 Interest—CS unfunded liabilities.....	903,967	921,680	1,010,796
99.9 Total obligations.....	34,839,336	37,041,822	39,986,278

Personnel Summary

POSTAL SERVICE			
Total number of full-time permanent positions.....	635,288	647,393	640,239
Total compensable workyears:			
Full-time equivalent employment.....	767,997	791,603	778,558
Full-time equivalent of overtime and holiday hours.....	37,030	38,390	37,652

POSTAL RATE COMMISSION			
Total number of full-time permanent positions.....	59	59	59
Total compensable workyears: Full-time equivalent employment.....	58	58	58

POSTAL SERVICE FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 18-4020-2-3-372	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.06 Administration and regional operations.....			157,000
00.07 Interest.....			
10.00 Total obligations (object class 12.1).....			157,000
<b>Financing:</b>			
47.10 Authority to borrow (indefinite).....			157,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			157,000
74.47 Obligated balance, end of year: Authority to borrow.....			-157,000
90.00 Outlays.....			

Legislation will be proposed to make the Postal Service liable for future payments to postal annuitants for CSRS COLA increases each year beginning with the January 1989 COLA adjustment paid during fiscal year 1989. The initial payment, which would include the COLA payments for both fiscal year 1989 and fiscal year 1990, would be due on September 30, 1990. The Postal Service would be required to use the proceeds from the Postal Escrow Fund to make its initial payment. An annual payment would be required each year thereafter on September 30.

Herewith transmitted without change is the program and financing schedule of the U.S. Postal Service as submitted to the Office of Management and Budget.

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Postal field operations.....	25,656,233	28,002,705	29,387,638
Transportation.....	2,290,619	2,420,428	2,512,697
Building occupancy.....	810,567	880,013	917,905
Supplies and services.....	856,841	1,010,689	1,036,848
Research and development.....	13,867	16,419	19,209
Administration and regional operations.....	2,360,705	3,275,468	3,213,841
Interest.....	296,704	513,238	559,280
Service-wide expenses.....	251,220	102,451	109,377

Public enterprise funds—Continued

POSTAL SERVICE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

	1987 actual	1988 est.	1989 est.
Capital investment.....	2,134,523	625,000	1,995,000
Post Office Department Workers' Compensation.....		1	37,436
Total direct program .....	34,671,279	36,846,412	39,789,231
Reimbursable program .....	168,057	195,410	197,047
Total obligations.....	34,839,336	37,041,822	39,986,278
<b>Financing:</b>			
Offsetting collections from:			
Federal funds .....	-2,055,301	-2,124,716	-2,196,842
Non-Federal sources .....	-30,625,882	-33,320,686	-36,768,030
Unobligated balance available, start of year: Fund balance.....	-241,903	-337,446	-337,446
Unobligated balance transferred, net .....			465,000
Unobligated balance available, end of year: Fund balance .....	337,446	337,446	337,446
Unobligated balance restored.....	-95,543		
Redemption of debt .....	135,800	261,200	261,200
<b>Budget authority (authority to borrow) (permanent, indefinite) .....</b>	<b>2,293,953</b>	<b>1,857,620</b>	<b>1,747,606</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	2,158,153	1,596,420	1,021,406
Obligated balance, start of year:			
Authority to borrow .....	6,275,546	6,934,499	7,292,119
Fund balance.....	3,410,090	3,966,661	2,824,201
Obligated balance, end of year:			
Authority to borrow .....	-6,934,499	-7,292,119	-6,933,725
Fund balance.....	-3,966,661	-2,824,201	-3,926,878
Outlays.....	942,629	2,381,260	277,123

RAILROAD RETIREMENT BOARD

Federal Funds

General and special funds:

[DUAL BENEFITS PAYMENTS ACCOUNT] FEDERAL WINDFALL SUBSIDY

For payment to the Dual Benefits Payments Account, [authorized under section 15(d) of the Railroad Retirement Act of 1974, \$352,323,000, all of which shall be credited to the account in 12 approximately equal amounts on the first day of each month in the fiscal year] \$336,185,000, of which such sums shall first be derived and obligated from amounts available in fiscal year 1989 pursuant to sections 224(c)(1)(A) and 224(c)(1)(B) of Public Law 98-76: Provided, That no funds shall be available to pay annuities in excess of the amount any individual received, or would have received, if eligible, in September, 1988: Provided further, That, of the sums made available, \$6,000,000 shall be apportioned only to the extent that the number of recipients exceeds that anticipated in the budget estimates: Provided further, That the total amount provided herein shall be credited to the account in 12 approximately equal amounts on the first day of each month in the fiscal year. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.) (Legislative action required.)

Program and Financing (in thousands of dollars)

Identification code 60-0111-0-1-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	373,338	352,323	330,185
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	6,719	312	6,162
39.00 <b>Budget authority</b> .....	<b>380,057</b>	<b>352,635</b>	<b>336,347</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	380,000	352,323	47,185
42.00 Transferred from other accounts .....	57	312	162
42.00 Transferred from other accounts .....			261,000

43.00	Appropriation (adjusted) .....	380,057	352,635	308,347
60.00	Appropriation .....			
62.00	Transferred from other accounts.....			28,000
63.00	<b>Appropriation (adjusted).....</b>			<b>28,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	373,338	352,323	330,185
90.00	Outlays.....	373,338	352,323	330,185

This appropriation is a Federal subsidy to the rail industry pension for costs not financed by the railroad sector. The American taxpayer subsidy annually exceeds \$1,000 per rail employee.

*Subsidy for windfall payments.*—When first authorized in 1974, the windfall subsidy appropriation was estimated at \$250 million annually for 25 years, or a total subsidy of \$6.25 billion. In two years, the annual windfall subsidy estimate increased by 45 percent and, within five years, the Railroad Retirement Board reported that the original 1974 estimate had doubled to \$500 million and would continue to increase if there were any inflation after 1980.

The Carter administration, faced with increasingly large projected subsidy costs, sought to limit to \$350 million annually the general taxpayers' liability to subsidize this rail industry pension, a position also reflected in the March revisions to the 1982 budget. Based on their collectively-bargained agreement and assuming a \$350 million subsidy appropriation, rail labor and management successfully sought congressional restructuring of the rail industry windfall in Public Law 97-35. The rail sector sought to limit windfall payments to the appropriated subsidy amounts rather than rely on the rail industry funded retirement account. This extended the subsidy well beyond the year 2000.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for unnegotiated checks, \$3,100,000, to remain available through September 30, [1989] 1990, which shall be the maximum amount available for payments pursuant to section 417 of Public Law 98-76.

Further, for the foregoing purposes for fiscal year 1990, \$3,100,000, to remain available through September 30, 1991, which shall be the maximum amount available for payments pursuant to section 417 of Public Law 98-76. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.) (Legislative action required.)

Program and Financing (in thousands of dollars)

Identification code 60-0113-0-1-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.02 Unnegotiated check reimbursement.....	1,407	5,809	2,938
00.03 Tier I tax subsidy .....	-23,000	14,000	56,000
00.04 Tier II tax subsidy .....	112,000	259,000	
00.05 Windfall tax subsidy .....	1,000	30,000	
00.06 Repayable benefit advances.....	2,319,169	2,422,700	2,569,300
10.00 Total obligations (object class 42.0) .....	2,410,576	2,731,509	2,628,238
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,200	-3,021	
24.40 Unobligated balance available, end of year.....	3,021		
25.00 Unobligated balance lapsing .....	815		
39.00 <b>Budget authority</b> .....	<b>2,412,212</b>	<b>2,728,488</b>	<b>2,628,238</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	3,100	3,100	3,100

41.00	Transferred to other accounts .....	- 57	- 312	-261,162
43.00	<b>Appropriation (adjusted) .....</b>	<b>3,043</b>	<b>2,788</b>	<b>-258,062</b>
60.00	<b>Appropriation (permanent, indefinite) .....</b>	<b>2,409,169</b>	<b>2,725,700</b>	<b>2,914,300</b>
61.00	<b>Transferred to other accounts .....</b>			<b>-28,000</b>
63.00	<b>Appropriation (adjusted) .....</b>	<b>2,409,169</b>	<b>2,725,700</b>	<b>2,886,300</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2,410,576	2,731,509	2,628,238
90.00	Outlays .....	2,410,576	2,731,509	2,628,238

This account funds temporary direct Federal subsidies to the rail pension fund, and other payments to the railroad social security equivalent benefit fund. In 1988, the rail industry pension fund will receive \$289 million in direct Federal payments from the American taxpayer.

MILWAUKEE RAILROAD RESTRUCTURING, ADMINISTRATION

Program and Financing (in thousands of dollars)

Identification code 60-0108-0-1-603	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00	Benefits payments funded by DOT transfer (total obligations) (object class 42.0) .....	3,392	
<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	-3,449	-57
24.40	Unobligated balance available, end of year .....	57	57
39.00	<b>Budget authority .....</b>		
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	3,392	
72.40	Obligated balance, start of year .....	37	1,796
74.40	Obligated balance, end of year .....	-1,796	-1,796
90.00	Outlays .....	1,633	

Under the Milwaukee Railroad Restructuring Act and the Rock Island Railroad Transition and Employee Assistance Act, this appropriation provides the Railroad Retirement Board with funds to administer certain aspects of an employee protection agreement, benefit schedule, and other functions.

Trust Funds

LIMITATION ON RAILROAD UNEMPLOYMENT INSURANCE ADMINISTRATION FUND

For further expenses necessary for the Railroad Retirement Board, for administration of the Railroad Unemployment Insurance Act, not [less] more than [\$13,830,000] \$13,678,000 shall be apportioned for fiscal year [1988] 1989 from moneys credited to the railroad unemployment insurance administration fund[: Provided, That such portion of the foregoing amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 303 full-time equivalent employees], of which \$1,000,000 shall be derived from contributions credited to the rail unemployment account and shall be credited to the railroad unemployment insurance administration fund, as authorized by section 11(a)(iv) of the Railroad Unemployment Insurance Act. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Maintenance of rail earnings accounts .....	216	199	213
Processing of rail unemployment insurance claims .....	4,904	4,716	3,507
Processing of rail sickness claims .....	4,866	4,680	6,516

Rail claimant placement services .....	211	171	92
Administration .....	3,602	3,878	3,206
Facility management .....	22	142	144
Total obligations .....	13,821	13,786	13,678
<b>Financing:</b>			
Unobligated balance available, start of year .....	-9,276	-6,372	-1,908
Appropriation from Railroad Unemployment Insurance Trust Fund .....	-2,106		-1,000
Unobligated balance transferred, net .....	4,013	2,478	
Unobligated balance available, end of year .....	6,372	1,908	230
<b>Limitation .....</b>	<b>12,824</b>	<b>11,800</b>	<b>11,000</b>
Relation of obligations to outlays:			
Obligations incurred, net .....	13,821	13,786	13,678
Obligated balance, start of year .....	3,635	8,351	8,337
Obligated balance, end of year .....	-8,351	-8,337	-8,015
Outlays from limitation .....	9,105	13,800	14,000

The Board administers a separate fund for unemployment and sickness insurance payments. Administrative expenses are financed from employer unemployment taxes.

*Maintenance of rail earnings accounts.*—Unemployment and sickness payments are based on individual records of rail earnings and daily wage rates.

*Processing of rail unemployment insurance claims.*—Claims for unemployment compensation are filed with employers and certified for payment through the headquarters office. Unemployment claims are projected to decline by 66 percent from 1983 to 1989, resulting in a proportionate reduction in workloads and staffing requirements. The budget proposes to increase unemployment and sickness insurance administrative resources above the levels justified by declining workloads to enhance the prevention and detection of waste, fraud, and abuse.

WORKLOAD

	1986 actual	1987 actual	1988 est.	1989 est.	1990 est.	1991 est.
Unemployment claims .....	746,500	636,300	712,000	655,000	583,000	519,000
Cumulative workload decline (%) .....		-15	-5	-12	-22	-30
Sickness claims .....	356,500	341,800	294,000	284,000	274,000	265,000
Cumulative workload decline (%) .....		-4	-18	-20	-23	-26
Unemployment claims processed per staff year by RRB .....	1,964	1,976	2,350	2,176		

*Processing of rail sickness claims.*—These claims are filed by mail and certified for payment through the headquarters office. Sickness claims are also projected to decline by 20 percent, from 356,500 in 1986 to 284,000 in 1989.

*Rail claimant placement services.*—The Board conducts an employment service for unemployment benefit claimants.

*Administration.*—The costs of administration are shared between this and the rail pension program on an allocated basis, which is periodically revised for actual experience.

Object Classification (in thousands of dollars)

Identification code 20-8042-0-7-999	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	8,023	7,931
11.3	Other than full-time permanent .....	172	149
11.5	Other personnel compensation .....	368	294
11.9	Total personnel compensation .....	8,563	8,374
12.1	Civilian personnel benefits .....	1,092	1,574
13.0	Benefits for former personnel .....	34	24

LIMITATION ON RAILROAD UNEMPLOYMENT INSURANCE  
ADMINISTRATION FUND—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	20-8042-0-7-999	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	178	146	185
22.0	Transportation of things.....	15	41	50
23.3	Rent, communications, and utilities.....	1,574	1,860	1,800
24.0	Printing and reproduction.....	66	127	80
25.0	Other services.....	1,854	1,288	1,327
26.0	Supplies and materials.....	272	196	200
31.0	Equipment.....	173	156	133
93.0	Administrative expenses included in schedule of fund as a whole.....	-13,821	-13,786	-13,678
99.0	Subtotal, direct obligations.....			
Reimbursable obligations:				
11.1	Personnel compensation: Full-time permanent.....	22		
12.1	Civilian personnel benefits.....	3		
23.3	Rent, communications, and utilities.....	135		
25.0	Other services.....	230		
31.0	Equipment.....	5		
93.0	Administrative expenses included in schedule of fund as a whole.....	-395		
99.0	Subtotal, reimbursable obligations.....			
99.0	Total obligations.....			

Personnel Summary

Direct:				
	Total number of full-time permanent positions.....	327	307	305
	Total compensable workyears:			
	Full-time equivalent employment.....	320	302	303
	Full-time equivalent of overtime and holiday hours.....	8	7	7
Reimbursable:				
	Total number of full-time permanent positions.....	1		
	Total compensable workyears: Full-time equivalent employment.....	1		

RAIL INDUSTRY PENSION FUND

Program and Financing (in thousands of dollars)

Identification code	60-8011-0-7-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Retirement, disability, and survivor benefit payments.....	2,221,660	2,342,785	2,452,537
00.02	Administrative expenses.....	27,188	27,239	27,533
00.03	Interest on refund of taxes.....	25	25	25
00.91	Total direct program.....	2,248,873	2,370,049	2,480,095
01.01	Reimbursable program.....	3,426	1,500	1,978
10.00	Total obligations.....	2,252,299	2,371,549	2,482,073
Financing:				
13.00	Offsetting collections from: Trust funds.....	-3,426	-1,500	-1,978
21.40	Unobligated balance available, start of year: U.S. securities (par).....	-5,856,276	-6,446,287	-7,173,396
22.40	Unobligated balance transferred, net.....	-28,462		
24.40	Unobligated balance available, end of year: U.S. securities (par).....	6,446,287	7,173,396	-7,376,438
60.00	Budget authority (appropriation) (permanent, indefinite).....	2,810,422	3,097,158	2,683,137
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,248,813	2,370,049	2,480,095
Obligated balance, start of year:				
72.40	Treasury balance.....	154,941	68,770	4,778
72.40	U.S. securities (par).....	-251,853	-170,112	-94,635
Obligated balance, end of year:				
74.40	Treasury balance.....	-68,770	-4,778	-4,778
74.40	U.S. securities (par).....	170,112	94,635	83,098
90.00	Outlays.....	2,253,303	2,358,564	2,468,558

Railroad retirees generally receive the equivalent to a social security benefit and a rail industry pension collectively bargained like other private pension plans but embedded in Federal law. About 276,000 individuals also receive a "windfall" benefit.

STATUS OF FUNDS

(In thousands of dollars)

Unexpended balance brought forward:	1987 actual	1988 est.	1989 est.
U.S. securities (par).....	5,604,423	6,276,175	7,078,761
Cash.....	154,941	68,770	4,778
Balance of fund, start of year.....	5,759,364	6,344,945	7,083,539
Cash income during the year:			
Governmental receipts:			
Industry pension contribution:			
Employer pension contribution.....	1,610,021	1,548,500	1,513,700
Employee pension contributions.....	459,244	466,700	460,700
Supplemental taxes.....	45,000	47,000	47,800
Refund of contribution.....	-17,888	-200	-200
RUI repayment tax.....	156,739	141,600	68,100
Payments from:			
Interest and profit on investments.....	468,396	602,400	592,200
Income tax on tier I.....	-33,000		
Income tax on tier II.....	112,000	259,000	
Income tax on windfall.....	1,000	30,000	
Unnegotiated checks.....	602	2,158	1,037
RUI interest repayment.....	8,308		
Total annual income.....	2,810,422	3,097,158	2,683,137
Cash outgo during year:			
Payments and claims:			
Industry pension:			
Retirement annuities.....	1,469,099	1,555,800	1,655,800
Disability annuities.....	87,115	92,600	98,300
Survivor annuities.....	447,239	437,300	425,900
Occupational disability annuities.....	224,463	245,600	261,000
Advances from FOASDI Fund.....	-801,470		
OASDI certifications.....	798,083		
Administrative expenses (net of reimbursements from other funds): Authorized program.....	28,749	27,239	27,533
Interest on refunds of taxes.....	25	25	25
Total annual outgo, current law.....	2,253,303	2,358,564	2,468,558
Lending (net) to RUI and Social Security equivalent benefit account.....	28,462		
Unexpended balance carried forward:			
U.S. securities (par).....	6,276,175	7,078,761	7,293,340
Cash.....	68,770	4,778	4,778
Balance of fund, end of year (current law).....	6,344,945	7,083,539	7,298,118

**Income.**—Railroad industry pension fund revenues are derived from pension contributions by railroad employers and employees; interest on investments; various temporary subsidies; and payments from the Federal old-age, survivors and disability insurance trust funds. The railroad retirement system has an annual financial interchange with social security. Under this arrangement, social security paid railroad retirement some \$26 billion, with annual payments exceeding \$2 billion. It was designed by the rail sector to help finance the rail industry pension, placing social security in the same position in which it would have been if railroad employment had been directly covered by social security.

**Retirement, disability, and survivor benefit payments.**—Estimates reflect the increases in benefit rates provided by law.

**Administrative expenses.**—These expenses are subject to annual limitations in appropriation acts (see Limitation on Administration and Limitation on Review Activity).

Object Classification (in thousands of dollars)			
Identification code 60-8011-0-7-601	1987 actual	1988 est.	1989 est.
Direct obligations:			
42.0 Insurance claims and indemnities .....	2,221,660	2,342,785	2,452,537
43.0 Interest and dividends .....	25	25	25
93.0 Administrative expenses (see separate schedule) .....	27,188	27,239	27,533
99.0 Subtotal, direct obligations .....	2,248,873	2,370,049	2,480,095
99.0 Reimbursable obligations: Administrative expenses .....	3,426	1,500	1,978
99.9 Total obligations .....	2,252,299	2,371,549	2,482,073

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board, **[\$57,860,000] not more than \$58,012,000**, to be derived from the railroad retirement accounts: **[Provided**, That such portion of the foregoing amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 1,254 full-time equivalent employees: **] Provided [further]**, That \$479,000 of the foregoing amount shall be available only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the existing limitation has been achieved: **Provided further**, That notwithstanding any other provision of law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j); 45 U.S.C. 228a-r) **[Provided further**, That not to exceed \$2,500,000 of funds provided under this head in Public Law 99-591 shall remain available until September 30, 1988, only for retirement claims processing automation activities]. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
Rail Industry Pension Fund:			
Maintenance of rail earnings accounts .....	467	473	449
Processing rail applications .....	7,210	7,043	6,458
Maintenance of rail beneficiary rolls .....	10,530	10,233	9,754
Medicare .....	934	993	892
Administration .....	6,769	7,213	7,137
Facility management .....	26	199	243
Total, Rail Industry Pension Fund .....	25,936	26,154	24,933
Railroad Social Security Equivalent Benefit:			
Maintenance of rail earnings accounts .....	519	522	549
Processing rail applications .....	8,020	7,772	7,900
Maintenance of rail beneficiary rolls .....	11,713	11,513	12,017
Medicare .....	1,039	1,015	1,007
Administration .....	7,529	7,975	8,753
Facility management .....	29	203	274
Total, Railroad Social Security Equivalent Benefit .....	28,849	29,000	30,500
Supplemental Annuity Pension Fund:			
Maintenance of rail earnings accounts .....	38	38	38
Processing rail applications .....	578	563	544
Maintenance of rail beneficiary rolls .....	919	907	897
Administration .....	545	592	621
Total, Supplemental Annuity Pension Fund .....	2,080	2,100	2,100
Total direct program .....	56,865	57,254	57,533
Reimbursable program .....	3,426	1,500	1,978
Total obligations .....	60,291	58,754	59,511
<b>Financing:</b>			
Offsetting collections from: Trust funds .....	-3,426	-1,500	-1,978
Unobligated balance lapsing .....	1,655	606	479
<b>Limitation .....</b>	<b>58,520</b>	<b>57,860</b>	<b>58,012</b>
Relation of obligations to outlays:			
Obligations incurred, net .....	56,865	57,254	57,533

Obligated balance, start of year .....	16,437	15,719	15,719
Obligated balance, end of year .....	-15,719	-15,719	-15,719
Outlays from limitation .....	57,583	57,254	57,533

**Maintenance of rail earnings accounts.**—Eligibility for retirement and the amount of rail benefits paid are based on individual rail earnings records.

**Processing rail applications.**—This activity includes processing annuity claims under the Railroad Retirement Act of 1974. Based on amendments enacted in Public Law 97-35, benefit computations were simplified. Coupled with the continued decline in railroad retirement applications and automation of previously manual procedures, the Board's workload devoted to this activity is expected to continually decrease each year. The table below shows the continued decline anticipated in major workloads.

	1987 actual	1988 est.	1989 est.
Pending, start of year .....	25,619	23,284	22,718
New Railroad Retirement applications .....	81,967	80,000	79,000
New Social Security certifications .....	11,910	12,000	12,000
Total dispositions (excluding partial awards) .....	96,212	92,566	89,000
Pending, end of year .....	23,284	22,718	24,718

**Maintenance of rail beneficiary rolls.**—The Board will explore and adopt new approaches to improve service to beneficiaries.

As shown below, the Board projects this workload will continue to decline, as the number of beneficiaries on the rolls continues to decline.

Total beneficiaries .....	928,383	913,000	895,000
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**Medicare.**—This activity includes on a reimbursable basis processing applications for the Social Security and Health Care Financing Administrations of the Department of Health and Human Services to establish eligibility for health and medical insurance benefits under title XVIII of the Social Security Act for rail beneficiaries.

**Administration.**—The cost of administration is shared between the rail pension, social security, and the railroad unemployment insurance programs.

In recognition of the continuing decline in virtually all its major workloads, the Board will explore and adopt new approaches to improve service to beneficiaries.

Object Classification (in thousands of dollars)

Identification code 60-8011-0-7-601	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	30,548	33,188	33,237
11.3 Other than full-time permanent .....	627	760	790
11.5 Other personnel compensation .....	923	1,040	1,050
11.9 Total personnel compensation .....	32,098	34,988	35,077
12.1 Civilian personnel benefits .....	4,302	6,088	5,064
13.0 Benefits for former personnel .....	61	54	64
21.0 Travel and transportation of persons .....	570	538	665
22.0 Transportation of things .....	99	199	250
23.1 Rental payments to GSA .....	2,805	2,630	2,936
23.3 Communications, utilities, and miscellaneous changes .....	3,804	4,068	4,237
24.0 Printing and reproduction .....	549	494	570
25.0 Other services .....	11,472	6,646	7,197
26.0 Supplies and materials .....	973	774	800
31.0 Equipment .....	852	775	646
93.0 Administrative expenses included in schedule of fund as a whole .....	-56,865	-57,254	-57,533
99.0 Subtotal, direct obligations .....			

LIMITATION ON ADMINISTRATION—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 60-8011-0-7-601	1987 actual	1988 est.	1989 est.
<b>Reimbursable obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,240	1,002	1,172
11.1 Full-time permanent.....	71		
11.3 Other full-time permanent.....	300	28	35
11.5 Other personnel compensation.....	100	29	30
11.9 Total personnel compensation.....	1,640	1,059	1,237
11.9 Total personnel compensation.....	71		
12.1 Civilian personnel benefits.....	136	146	250
12.1 Civilian personnel benefits.....	11		
13.0 Benefits for former personnel.....		2	2
21.0 Travel and transportation of persons.....	10	22	23
22.0 Transportation of things.....		5	6
23.2 Communications, utilities, and miscellaneous charges.....	340	148	202
23.3 Communications, utilities, and miscellaneous charges.....	428		
24.0 Printing and reproduction.....	42	15	19
25.0 Other services.....	64	81	
25.0 Other services.....	665		212
26.0 Supplies and materials.....	10	15	13
26.0 Supplies and materials.....	9		
31.0 Equipment.....		8	13
93.0 Administrative expenses included in schedule of fund as a whole.....	-2,242	-1,500	-1,978
93.0 Administrative expenses included in schedule of fund as a whole.....	-1,184		
99.0 Subtotal, reimbursable obligations.....			
99.9 Total obligations.....			

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,198	1,214	1,204
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,188	1,200	1,188
Full-time equivalent of overtime and holiday hours.....	29	26	26
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	58	55	44
Total compensable workyears: Full-time equivalent employment.....	57	54	43

LIMITATION ON REVIEW ACTIVITY

For expenses necessary for the Railroad Retirement Board for audit, investigatory and review activities, as authorized by section 418 of Public Law 98-76, not more than **[\$2,212,000] \$5,200,000**, to be derived from the railroad retirement accounts and railroad unemployment insurance account. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operations (total obligations).....	1,252	2,196	5,200
<b>Financing:</b>			
Unobligated balance lapsing.....	37	16	
<b>Limitation.....</b>	<b>1,289</b>	<b>2,212</b>	<b>5,200</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	1,252	2,196	5,200
Obligated balance, start of year.....		156	156
Obligated balance, end of year.....	-156	-156	-156
Outlays from limitation.....	1,096	2,196	5,200

*Office of Inspector General.*—The Office of the Inspector General of the Railroad Retirement Board was established by Public Law 98-76. In 1989, 86 full-time equivalent staff will be devoted to this activity, 19 of

whom shall be funded from the railroad unemployment accounts, and 67 of whom shall be funded by the railroad retirement accounts. All audit, investigatory, and review activities will be brought under this office's direction.

Object Classification (in thousands of dollars)

Identification code 60-8011-0-7-601	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	826	1,125	2,876
11.3 Other than full-time permanent.....			8
11.5 Other personnel compensation.....	24	48	105
11.9 Total personnel compensation.....	850	1,173	2,989
12.1 Civilian personnel benefits.....	121	241	651
13.0 Benefits for former personnel.....			12
21.0 Travel and transportation of persons.....	87	235	441
22.0 Transportation of things.....	1	1	39
23.3 Communications, utilities, and miscellaneous charges.....	14	13	14
24.0 Printing and reproduction.....	1	2	9
25.0 Other services.....	69	257	875
26.0 Supplies and materials.....	15	30	68
31.0 Equipment.....	94	244	102
93.0 Administrative expenses included in schedule of fund as whole.....	-1,252	-2,196	-5,200
99.0 Total obligations.....			
<b>Personnel Summary</b>			
Total number of full-time permanent positions.....	23	46	87
Total compensation workyears: Full-time equivalent employment....	22	45	86

SUPPLEMENTAL ANNUITY PENSION FUND

Program and Financing (in thousands of dollars)

Identification code 60-8012-0-7-602	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Supplemental payments.....	113,654	114,200	111,800
00.02 Administrative expenses.....	2,080	2,175	2,256
10.00 Total obligations.....	115,734	116,375	114,056
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: U.S. securities (par).....	-42,127	-51,287	-55,178
22.40 Unobligated balance transferred, net.....	1,860		
24.40 Unobligated balance available, end of year: U.S. securities (par).....	51,287	55,178	58,808
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>126,753</b>	<b>120,266</b>	<b>117,686</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	115,734	116,375	114,056
<b>Obligated balance, start of year:</b>			
72.40 Treasury balance.....	2,623	-922	-922
72.40 U.S. securities (par).....	-3,736	-120	-120
<b>Obligated balance, end of year:</b>			
74.40 Treasury balance.....	922	922	922
74.40 U.S. securities (par).....	120	120	120
90.00 Outlays.....	115,663	116,375	114,056

In addition to rail social security, rail industry pensions and special windfalls, the Railroad Retirement Board pays supplemental annuities to rail workers retiring at age 60 with 30 years of creditable rail service or at age 65 with 25-29 years of creditable service. Monthly benefit amounts are calculated from a base of \$23, adding \$4 for every year of service over 25, up to a maximum monthly benefit of \$43. Employers finance benefits on a pay-as-you-go basis by a cents-per-hour tax, currently established at 26 cents per hour.



**STATUS OF FUNDS**

[In thousands of dollars]

Unexpended balance carried forward:	1987 actual	1988 est.	1989 est.
U.S. securities (par).....	38,391	51,167	55,058
Cash.....	2,623	-922	-922
Balance of fund, start of year.....	41,014	50,245	54,136
Cash income during the year:			
Supplemental taxes.....	123,943	116,300	113,900
Interest.....	2,786	3,800	3,700
Uncashed checks.....	24	166	86
Total annual income.....	126,753	120,266	117,686
Transfer of balances.....	-1,860		
Cash outgo during the year:			
Benefit payments.....	113,009	114,200	111,800
Administrative expenses.....	2,654	2,175	2,256
Total outgo.....	115,663	116,375	114,056
Unexpended balance carried forward:			
U.S. securities (par).....	51,167	55,058	58,688
Cash.....	-922	-922	-922
Balance of fund, end of year.....	50,245	54,136	57,766

**Object Classification (in thousands of dollars)**

Identification code 60-8012-0-7-601	1987 actual	1988 est.	1989 est.
42.0 Insurance claims and indemnities.....	113,654	114,200	111,800
93.0 Administrative expenses (see separate schedule).....	2,080	2,175	2,256
99.9 Total obligations.....	115,734	116,375	114,056

**RAILROAD SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 60-8010-0-7-601	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Social security equivalent benefits.....	3,859,313	3,934,600	4,079,900
00.02 Repayment of benefit advances.....	2,548,000	2,642,300	2,786,300
00.03 Repayment of interest on loans from RR account.....			
00.04 Administrative expenses.....	28,849	30,036	32,944
10.00 Total obligations.....	6,436,162	6,606,936	6,899,144
<b>Financing:</b>			
Unobligated balances, start of year:			
21.40 Treasury balance.....		-71,528	
21.40 U.S. securities (par).....	-385,429	-208,686	-270,463
22.40 Unobligated balances transferred, net.....	8,432		
Unobligated balances, end of year:			
24.40 Treasury balance.....	71,528		
24.40 U.S. securities (par).....	208,686	270,463	248,234
60.00 Budget authority (appropriation) (permanent, indefinite).....	6,339,379	6,597,185	6,876,915
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	6,436,162	6,606,936	6,899,144
Receivables in excess of obligations, start of year:			
72.10 Treasury balance.....	-83,109	-80,804	
72.10 U.S. securities (par).....	-30,211		
Obligated balance, start of year:			
72.40 Treasury balance.....			4,778
72.40 U.S. securities (par).....		152,365	181,583
Receivables in excess of obligations, end of year:			
74.10 Treasury balance.....	80,804		
74.10 U.S. securities (par).....			
Obligated balance, end of year:			
74.40 Treasury balance.....		-4,778	-4,778
74.40 U.S. securities (par).....	-152,365	-181,583	-328,383
90.00 Outlays.....	6,251,281	6,492,136	6,752,344

All railroad retirees receive the equivalent of a social security benefit, and they may also receive other add-

ons including rail industry pension payments, windfall payments, and supplemental annuities. Social security benefits for former railroad employees are funded by the social security trust funds, and rail industry pension payments are the responsibility of the rail sector. The combination of both these payments in a single trust fund gave rise to serious concerns that social security payments to railroad retirees might be jeopardized by the continuing financial problems of the rail industry pension fund. To ensure and protect the integrity of social security benefits to railroad retirees, the Railroad Retirement Solvency Act of 1983 mandated that beginning in 1985, the financing and payment of Federal social security benefits be separated from the rail industry pension trust fund.

**STATUS OF FUNDS**

[In thousands of dollars]

Unexpended balance carried forward:	1987 actual	1988 est.	1989 est.
U.S. securities (par).....	355,218	361,051	452,046
Cash.....	-83,109	-9,276	4,778
Balance of fund, start of year.....	272,109	351,775	456,824
Cash income during the year:			
Government receipts:			
Social security equivalent taxes:			
Railroad employees.....	871,752	798,800	776,800
Railroad employers.....	871,751	798,700	776,800
Transfer of taxes to Federal hospital insurance fund.....	-329,900	-324,000	-309,700
Income taxes:			
Received.....	10,000	14,000	56,000
Payments from:			
Federal old-age and survivors insurance trust fund.....	2,557,282	2,841,500	2,961,300
Federal disability insurance trust fund.....	56,895	49,000	47,500
Interest transferred to Federal hospital insurance funds.....	-38,105	-27,500	-29,300
Unnegotiated checks.....	781	3,485	1,815
Advances against the financial interchange:			
Principal.....	2,312,700	2,414,900	2,561,900
Interest.....	6,469	7,800	7,400
Interest and profit on investments.....	19,754	20,500	26,400
Total annual income.....	6,339,379	6,597,185	6,876,915
Net transfers.....	-8,432		
Cash outgo year:			
Payments and claims:			
Social security equivalent benefits.....	3,807,054	3,921,900	4,068,200
Advances from FOASDI Trust Fund.....		-850,000	-875,000
Old-age and survivors and disability insurance certifications.....		850,000	875,000
Repayment of advances against the financial interchange:			
Principal.....	2,177,700	2,312,600	2,424,200
Interest.....	239,154	227,600	227,000
Repayments to the RR account interest.....	97		
Administrative expenses.....	27,276	30,036	32,944
Total annual outgo.....	6,251,281	6,492,136	6,752,344
Unexpended balance carried forward:			
U.S. securities (par).....	361,051	452,046	576,617
Cash.....	-9,276	4,778	4,778
Balance of fund, end of year.....	351,775	456,824	581,395

**Object Classification (in thousands of dollars)**

Identification code 60-8010-0-7-601	1987 actual	1988 est.	1989 est.
42.0 Insurance claims and indemnities.....	3,859,313	3,934,600	4,079,900
92.0 Repayment of benefit advances and loans.....	2,548,000	2,642,300	2,786,300
93.0 Administrative expenses (see separate schedule).....	28,849	30,036	32,944
99.9 Total obligations.....	6,436,162	6,606,936	6,899,144

## SECURITIES AND EXCHANGE COMMISSION

## Federal Funds

## General and special funds:

## SALARIES AND EXPENSES

For necessary expenses of the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed **[\$9,000] \$3,000** for official reception and representation expenses, **[\$135,221,000] \$160,925,000**, of which not to exceed \$10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners. (15 U.S.C. 78kk; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

## Program and Financing (in thousands of dollars)

Identification code 50-0100-0-1-376	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Full disclosure.....	26,782	37,067	49,564
00.02 Prevention and suppression of fraud.....	37,144	43,787	47,722
00.03 Supervision and regulation of securities markets.....	13,405	15,566	18,190
00.04 Investment management regulation.....	11,911	13,736	17,458
00.05 Legal services.....	6,698	7,860	8,581
00.06 Economic and statistical analysis.....	2,354	2,588	2,836
00.07 Program direction.....	12,848	14,617	16,574
00.91 Total direct program.....	111,142	135,221	160,925
01.01 Reimbursable program.....	113	60	60
10.00 Total obligations.....	111,255	135,281	160,985
Financing:			
11.00 Offsetting collections from: Federal funds.....	-113	-60	-60
25.00 Unobligated balance lapsing.....	3,358		
40.00 Budget authority (appropriation).....	114,500	135,221	160,925
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	111,142	135,221	160,925
72.40 Obligated balance, start of year.....	10,416	13,134	15,081
74.40 Obligated balance, end of year.....	-13,134	-15,081	-17,445
90.00 Outlays.....	108,425	133,274	158,561

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	114,500	135,221	160,925
Outlays.....	108,425	133,274	158,561
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-1,089
Outlays.....			-1,048
Total:			
Budget authority.....	114,500	135,221	159,836
Outlays.....	108,425	133,274	157,513

The primary purpose of the Commission is to protect the interests of the investing public.

**Full disclosure.**—To insure that investors will be provided with material facts concerning securities offered for public sale, issuers who propose to offer new securities for public sale are required to file registration statements with the Commission at its home or regional offices. Issuers conducting such offerings, as well as issuers having total assets and security-holder populations of specified sizes, are also required to furnish comparable information on a continuing basis in annual and other periodic reports. Filings containing proxy and tender offer materials must also contain adequate information for informed decision-making. Commission staff review these filings to insure full and fair disclosure and to prevent fraud and misrepresentation.

**Electronic filing project (Edgar).**—In 1984, the SEC began a pilot project that has successfully tested the

feasibility of receiving, analyzing and disseminating full disclosure filings electronically. Through the end of 1987, the pilot has received approximately 24,000 filings electronically.

In late 1988, the SEC plans to select a contractor to develop an operational system. The operational system will provide the Commission with a capability for electronic receipt, analysis and dissemination of most of the full disclosure filings currently filed in paper. Transition from the pilot to the operational system will occur during 1989. The operational contract will be for eight years with an \$18 million requirement in 1989.

## SELECTED WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Filings of initial 1933 Act registration statements—other than investment companies.....	2,233	1,965	1,965
Filings of repeat 1933 Act registration statements—other than investment companies.....	5,475	5,740	5,660
Filings of preliminary proxy statements and statements to stockholders—other than investment companies filed.....	9,525	4,575	4,675
Filings of annual and periodic reports filed—other than investment companies.....	55,903	56,600	57,300
Filings of Director and Officer ownership and transaction reports filed.....	129,472	134,300	140,700

**Prevention and suppression of fraud.**—Suspected fraud and manipulation in the purchase, sale, and trading of securities, illegal distributions of unregistered securities, and other unlawful conduct is prevented, minimized, or eliminated by investigating complaints, questionable trading activities, and other indications of possible violations of the Federal securities laws. In addition, remedies through civil, criminal and administrative legal actions are sought as appropriate.

## SELECTED WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Investigations initiated.....	333	370	380
Administrative proceedings opened.....	146	155	160
Injunctive actions initiated.....	157	165	170

**Supervision and regulation of securities markets.**—Trading in the securities markets of the United States is regulated to prevent fraud and manipulation, and to insure the maintenance of fair, efficient, orderly, and competitive markets. To perform this regulation, the Commission oversees the work of self-regulatory organizations, monitors securities market and broker-dealer operations, and develops regulatory strategies for coping with market stress, promoting compliance, and meeting changing domestic and international conditions.

## SELECTED WORKLOAD DATA

	1987 actual	1988 est.	1989 est.
Review of changes in the rules and procedures of self-regulatory organizations.....	357	440	450
Inspections of self-regulatory organizations.....	23	25	29
Broker-dealers registered.....	11,148	12,200	13,400
Broker-dealer oversight examinations.....	452	470	500

**Investment Management Regulation.**—This program insures that investment companies (IC) and investment advisers (IA) carry out their fiduciary obligations and fully and fairly disclose their activities to investors. The program also seeks to reduce investor loss by examining registrations, analyzing filings, maintaining regular inspections of registered entities, and referring violations for enforcement. A further function of this program is to protect the public's interest in interstate public utili-

ty holding company systems by ensuring that such companies operate with sound financial structures.

**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
IC and IA registration statements processed.....	4,641	5,099	5,591
Proxy statements processed.....	1,494	1,729	2,016
Investment company inspections.....	739	800	950
Investment advisors inspections.....	1,294	1,500	1,700
Exemptive orders issued.....	376	410	425
Public utility financial transactions reviewed.....	167	175	175
Examination of Public utility annual and periodic reports.....	1,325	1,433	1,542

**Legal services.**—This program provides legal and adjudicatory services for the Commission. Included are: litigation, legal advisory services, legislation, administration of Government-wide statutes, administrative proceedings, and court assistance in corporate bankruptcy reorganizations.

**SELECTED WORKLOAD DATA**

	1987 actual	1988 est.	1989 est.
Advisory comments/memoranda.....	239	270	285
Litigation closed.....	112	120	125
Administrative proceedings completed.....	138	155	160
Legislative comments and testimony.....	151	170	185
New Chapter 11 cases in which the Commission has appeared.....	32	35	35

**Economic and Statistical Research.**—This program provides the Commission with research studies concerning economic and regulatory issues, such as those arising from the October 1987 market break, proposed changes to the Glass-Steagall Act and the internationalization of the world's securities markets. Economic and financial data are produced for these special studies and on an on-going basis for the overall Federal economic statistical program. The economics staff within this program provide the objective data and technical support needed to evaluate such complex issues.

**Program Direction.**—This program assists the Commission in fulfilling its statutory requirements and responding to changes in the securities marketplace by carefully evaluating priorities, implementing policies and managing agency resources. This program provides management direction and analysis, financial, personnel, data processing, public affairs, records, library and general administrative services.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
50-0100-0-1-376			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	70,038	77,404	85,195
11.3 Other than full-time permanent.....	469	450	450
11.5 Other personnel compensation.....	1,146	1,235	1,399
11.9 Total personnel compensation.....	71,653	79,089	87,044
12.1 Civilian personnel benefits.....	10,433	14,223	16,744
13.0 Benefits for former personnel.....	126	198	198
21.0 Travel and transportation of persons.....	3,215	3,742	4,214
22.0 Transportation of things.....	63	61	61
23.1 Rental payments to GSA.....	8,460	10,801	11,768
23.3 Communications, utilities, and miscellaneous charges.....	4,758	5,652	6,499
24.0 Printing and reproduction.....	945	1,116	1,116
25.0 Other services.....	7,608	16,337	25,447
26.0 Supplies and materials.....	1,757	2,233	3,120
31.0 Equipment.....	2,100	1,769	4,714
42.0 Insurance claims and indemnities.....	24		
99.0 Subtotal, direct obligations.....	111,142	135,221	160,925
99.0 Reimbursable obligations.....	113	60	60
99.9 Total obligations.....	111,255	135,281	160,985

**Personnel Summary**

Total number of full-time permanent positions.....	2,086	2,267	2,420
Total compensable workyears:			
Full-time equivalent employment.....	1,930	2,086	2,242
Full-time equivalent of overtime and holiday hours.....	13	13	13

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
50-0100-2-1-376			
<b>Program by activities:</b>			
10.00 Public utility holding company regulation (total obligations).....			-1,089
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			-1,089
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-1,089
74.40 Obligated balance, end of year.....			41
90.00 Outlays.....			-1,048

Legislation will be proposed to repeal the Public Utility Holding Company Act of 1935.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
50-0100-2-1-376			
11.1 Personnel compensation: Full-time permanent.....			-882
12.1 Civilian personnel benefits.....			-97
23.1 Rental payments to GSA.....			-70
23.2 Communications, utilities, and other rent.....			-39
26.0 Supplies and materials.....			-1
99.9 Total obligations.....			-1,089

**Personnel Summary**

Total number of full-time permanent positions.....	-20
Total compensable workyears: Full-time equivalent employment.....	-20

**Public enterprise funds:**

**INVESTMENT IN SECURITIES INVESTOR PROTECTION CORPORATION**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.
50-4068-0-3-376			
<b>Financing:</b>			
21.47 Unobligated balance available, start of year: Authority to borrow.....	-1,000,000	-1,000,000	-1,000,000
24.47 Unobligated balance available, end of year: Authority to borrow.....	1,000,000	1,000,000	1,000,000
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

The Securities and Exchange Commission is authorized to make loans to the Securities Investor Protection Corporation (SIPC) in the event that the fund maintained by SIPC is insufficient to satisfy the claims of customers of failing brokerage firms. To date, SIPC has not needed these loans.

**SELECTIVE SERVICE SYSTEM**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101-4118) for civilian employees; and not to exceed \$1,000 for official reception and representation expenses; **[\$25,459,000] \$26,113,000. Provided,** That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further,* That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States. (*Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 90-0400-0-1-054	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Direct program.....	26,075	25,459	26,113
01.01 Reimbursable program.....		20	20
10.00 Total obligations.....	26,075	25,479	26,133
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....		-20	-20
25.00 Unobligated balance lapsing.....	53		
40.00 Budget authority (appropriation).....	26,128	25,459	26,113
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	26,075	25,459	26,113
72.40 Obligated balance, start of year.....	13,367	12,656	12,536
74.40 Obligated balance, end of year.....	-12,656	-12,536	-12,653
77.00 Adjustments in expired accounts.....	-3,220		
90.00 Outlays.....	23,566	25,579	25,996

In 1989, the Selective Service System will continue to register men as they reach age 18, conduct a non-registrant identification program to insure compliance with the law, and maintain a data base of registrant records. The System will continue to enhance its capability to respond rapidly and efficiently from its standby posture.

Mobilization readiness remains one of the System's major objectives. Activities in support of this objective include all facets of National and Regional operational planning, maintenance of automated registration information, a comprehensive training program for the Selective Service Reserve Forces, a training program for the standby board members, and administrative functions. The processing procedures of the Registrant Information Management System will continue to be tested and refined to insure that it can fully satisfy the emergency manpower needs of the Armed Forces.

Reserve and National Guard officers are trained for mobilization assignments in specific positions with the Selective Service System. Special focus of the program is on the exercise of the mobilization plans to ensure a high readiness capability in the event of mobilization.

In 1989, registration improvement activities will continue to concentrate on target cities in the geographical areas where the registration shortfalls are the greatest. Public awareness efforts, enhanced compliance, Federal and State legislation requiring registration for employ-

ment, and student financial assistance all contribute toward improved compliance with the law.

**Object Classification (in thousands of dollars)**

Identification code 90-0400-0-1-054	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	6,605	6,978	7,113
11.3 Other than full-time permanent.....	347	462	464
11.5 Other personnel compensation.....	117	127	128
11.8 Special personal services payments.....	6,784	6,596	6,633
11.9 Total personnel compensation.....	13,853	14,163	14,338
12.1 Civilian personnel benefits.....	1,105	1,123	1,167
13.0 Benefits for former personnel.....	40	40	40
21.0 Travel and transportation of persons.....	598	602	698
22.0 Transportation of things.....	1	2	2
23.1 Rental payments to GSA.....	841	936	1,016
23.3 Communications, utilities, and miscellaneous charges.....	2,563	2,242	2,312
24.0 Printing and reproduction.....	655	579	597
25.0 Other services.....	5,114	5,294	5,450
26.0 Supplies and materials.....	284	334	345
31.0 Equipment.....	1,017	144	148
42.0 Indemnities.....	4		
99.0 Subtotal, direct obligations.....	26,075	25,459	26,113
99.0 Reimbursable obligations.....		20	20
99.9 Total obligations.....	26,075	25,479	26,133

**Personnel Summary**

Total number of full-time permanent positions.....	281	284	284
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	267	277	277
Full-time equivalent of overtime and holiday hours.....	2	2	2

**SMITHSONIAN INSTITUTION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed ten years), and protection of buildings, facilities, and approaches; not to exceed \$100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; **[\$201,432,000] \$216,214,000, of which not to exceed \$1,206,000 for the instrumentation program shall remain available until expended and,** including such funds as may be necessary to support American overseas research centers: *Provided,* That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations. (*20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 33-0100-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Research.....	35,530	36,906	39,494
00.02 Museums.....	72,135	74,909	79,856
00.03 Public service.....	2,436	2,493	2,551
00.04 International activities.....	622	787	805
00.05 Special programs.....	7,708	6,907	7,409
00.06 Administrative and support activities.....	70,200	79,430	86,099
00.91 Total direct program.....	188,631	201,432	216,214
01.01 Reimbursable program.....	93	100	100
10.00 Total obligations.....	188,724	201,532	216,314

<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	- 93	- 100	- 100
25.00	Unobligated balance lapsing .....	343		
40.00	<b>Budget authority (appropriation) .....</b>	<b>188,974</b>	<b>201,432</b>	<b>216,214</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	188,631	201,432	216,214
72.40	Obligated balance, start of year .....	29,134	35,294	36,752
74.40	Obligated balance, end of year .....	- 35,294	- 36,752	- 38,481
77.00	Adjustments in expired accounts .....	- 1,257		
90.00	<b>Outlays .....</b>	<b>181,213</b>	<b>199,974</b>	<b>214,485</b>

The Smithsonian Institution conducts research in the natural and physical sciences and in the history of cultures, technology, and the arts; acquires and preserves for reference and study purposes over one hundred million items of scientific, cultural, and historic importance; maintains public exhibits representative of the arts, American history, aeronautics and astronautics, technology, anthropology, geology, and biology (including living animal exhibits); presents performances of American arts and crafts; undertakes education programs at all levels; and participates in the exchange of scholarly information.

The Institution is responsible for the operation and maintenance of 12 major exhibition buildings; a zoological park and animal conservation and research center; the Museum Support Center and other collections storage and preservation facilities at Silver Hill, MD; two natural preserves, in Panama and on the Chesapeake Bay; an astrophysical observatory on Mount Hopkins, AZ; and supporting administrative, laboratory, and storage areas. The new facilities of the National Museum of African Art, the Arthur M. Sackler Gallery and the S. Dillon Ripley Center, located in the Quadrangle, opened to the public in September 1987. Visitor attendance to buildings on and off the Mall, including the National Zoological Park, is expected to total approximately 30 million in 1988. Millions more will view traveling exhibitions.

In 1989, emphasis will be placed on strengthening research capabilities; reinforcing the Institution's safety programs; improving the maintenance of the physical plant; and providing collections management support. Resources are included for program planning and development for the commemoration of the Columbus Quincentenary. Funding is also requested to provide for the basic facility caretaking responsibilities required as a result of the transfer of the General Post Office Building, located in the District of Columbia, to the Smithsonian (pursuant to Public Law 98-523).

Beginning in 1989, funding for major scientific instrumentation is included as no-year funding within this account for the reconfiguration of existing instrumentation and the fabrication of new instrumentation.

**Object Classification (in thousands of dollars)**

Identification code	33-0100-0-1-503	1987 actual	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	94,193	102,845	107,079
11.3	Other than full-time permanent .....	8,425	9,098	9,402
11.5	Other personnel compensation .....	4,181	3,389	3,502
11.9	<b>Total personnel compensation .....</b>	<b>106,799</b>	<b>115,332</b>	<b>119,983</b>

12.1	Civilian personnel benefits .....	14,906	19,052	24,002
13.0	Benefits for former personnel .....	161	398	398
21.0	Travel and transportation of persons .....	1,422	1,550	1,750
22.0	Transportation of things .....	569	725	725
23.1	Rental payments to GSA .....	4		
23.2	Rental payments to others .....	2,705	2,027	2,100
23.3	Communications, utilities, and miscellaneous charges .....	14,821	17,797	18,752
24.0	Printing and reproduction .....	1,612	1,920	1,940
25.0	Other services .....	24,115	20,205	22,321
26.0	Supplies and materials .....	10,964	9,968	10,491
31.0	Equipment .....	9,678	12,433	13,717
32.0	Land and structures .....	864	9	19
41.0	Grants, subsidies, and contributions .....		11	11
42.0	Insurance claims and indemnities .....	11	5	5
99.0	Subtotal, direct obligations .....	188,631	201,432	216,214
99.0	Reimbursable obligations .....	93	100	100
99.9	<b>Total obligations .....</b>	<b>188,724</b>	<b>201,532</b>	<b>216,314</b>

**Personnel Summary**

Total number of full-time permanent positions .....	3,500	4,066	4,208
Total compensable workyears:			
Full-time equivalent employment .....	3,783	4,110	4,110
Full-time equivalent of overtime and holiday hours .....	107	68	68

**MUSEUM PROGRAMS AND RELATED RESEARCH**

**(SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code	33-0102-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	1,183	178	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	- 1,361	- 178	
24.40	Unobligated balance available, end of year .....	178		
39.00	<b>Budget authority .....</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,183	178	
72.40	Obligated balance, start of year .....	12,576	11,253	10,029
74.40	Obligated balance, end of year .....	- 11,253	- 10,029	- 8,029
90.00	<b>Outlays .....</b>	<b>2,506</b>	<b>1,402</b>	<b>2,000</b>

This account supports a program of grants payable in excess U.S.-owned foreign currencies to U.S. universities, museums, and other institutions of higher learning, including the Smithsonian itself, for field research in areas of traditional Smithsonian competence in those countries where excess local currencies are available. Areas of research include archeology and related disciplines, systematic and environmental biology, astrophysics and Earth sciences, and museum programs.

**CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK**

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, **[\$8,150,000]** \$5,305,000, to remain available until expended. (20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	33-0129-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	5,557	7,000	5,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	- 4,377	- 1,320	- 2,470

General and special funds—Continued

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK—  
Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	33-0129-0-1-503	1987 actual	1988 est.	1989 est.
24.40	Unobligated balance available, end of year.....	1,320	2,470	2,775
40.00	<b>Budget authority (appropriation)</b> .....	<b>2,500</b>	<b>8,150</b>	<b>5,305</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	5,557	7,000	5,000
72.40	Obligated balance, start of year.....	1,831	2,933	4,181
74.40	Obligated balance, end of year.....	-2,933	-4,181	-3,753
90.00	Outlays.....	4,454	5,752	5,428

This account is used to finance repairs, alterations, and improvements to existing National Zoological Park facilities, including exhibits, located in Rock Creek Park; to prepare plans and specifications for construction; to perform renovations, restorations, and new construction implementing the master plan approved by the Commission of Fine Arts and the National Capital Planning Commission in 1973; and to make repairs, modifications, and improvements to the animal conservation and research center at Front Royal, VA. Funds requested in 1989 will continue major facility renovations and improvements at the Rock Creek Park location, and support essential programs for renovation, repair and preventive maintenance of existing facilities at Rock Creek and Front Royal.

Object Classification (in thousands of dollars)

Identification code	33-0129-0-1-503	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	13	16	12
23.2	Rental payments to others.....	26	32	23
24.0	Printing and reproduction.....	44	55	40
25.0	Other services.....	4,923	6,203	4,429
26.0	Supplies and materials.....	547	689	492
32.0	Land and structures.....	4	5	4
99.9	Total obligations.....	5,557	7,000	5,000

REPAIR AND RESTORATION [AND RENOVATION] OF BUILDINGS

For necessary expenses of repair and restoration [and renovation] of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed \$10,000 for services as authorized by 5 U.S.C. 3109, [ \$19,254,000 ] \$20,835,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or [renovation] restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price. (20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	33-0132-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	9,097	18,000	22,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-6,916	-10,794	-12,048
24.40	Unobligated balance available, end of year.....	10,794	12,048	10,883
40.00	<b>Budget authority (appropriation)</b> .....	<b>12,975</b>	<b>19,254</b>	<b>20,835</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	9,097	18,000	22,000

72.40	Obligated balance, start of year.....	9,832	11,153	14,225
74.40	Obligated balance, end of year.....	-11,153	-14,225	-18,249
90.00	Outlays.....	7,775	14,928	17,976

This account encompasses repairs, improvements, and restorations of a long-term nature and utility; and facilities planning and studies. In 1989, funds are sought to support the cyclical replacement of major building systems and equipment; continue comprehensive programs to keep Smithsonian facilities, including roofs, facades, and terraces, in good repair and efficient operating condition; provide for the safety and security of visitors, staff and collections by upgrading existing and installing new fire detection and suppression systems; remove hazardous materials such as asbestos; upgrade heating, ventilating and air-conditioning systems to provide the proper environmental conditions for the National Collections and to improve energy efficiency; provide for the needs of disabled visitors and staff; and advance planning for such projects.

Object Classification (in thousands of dollars)

Identification code	33-0132-0-1-503	1987 actual	1988 est.	1989 est.
22.00	Transportation of things.....	7	14	17
23.20	Rental payments to others.....	6	12	15
24.00	Printing and reproduction.....	1	2	2
25.0	Other services.....	8,843	17,497	21,386
26.0	Supplies and materials.....	110	218	266
31.0	Equipment.....	26	52	63
32.00	Land and structures.....	104	205	251
99.9	Total obligations.....	9,097	18,000	22,000

CONSTRUCTION

For necessary expenses to design and construct a base camp at the Fred L. Whipple Observatory, [ \$1,315,000 ] to design and construct a research laboratory and growing facilities on Barro Colorado Island at the Smithsonian Tropical Research Institute, to begin planning the renovation of the General Post Office Building located in the District of Columbia, to provide for minor construction, to expand and improve the use of space in existing buildings through alterations and modifications, and to conduct future facility planning and design activities, \$10,150,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, the Institution is authorized to transfer to the State of Arizona, the counties of Santa Cruz and/or Pima, a sum not to exceed \$150,000 for the purpose of assisting in the construction or maintenance of an access to the Whipple Observatory. (20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	33-0133-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	National Air and Space.....	2	125	.....
00.02	Museum Support Center.....	.....	197	.....
00.03	Quadrangle.....	3,425	4,248	.....
00.04	Hirshhorn Museum and Sculpture Garden.....	117	.....	.....
00.05	Tropical Research Institute.....	2,780	.....	2,750
00.06	Astrophysical Observatory.....	.....	1,315	3,200
00.07	Alterations and Modifications.....	.....	.....	3,200
00.08	Facility Planning and Design.....	.....	.....	1,000
10.00	Total obligations.....	6,324	5,885	10,150
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-1	.....	.....
21.40	Unobligated balance available, start of year.....	-4,798	-4,570	.....
24.40	Unobligated balance available, end of year.....	4,570	.....	.....
40.00	<b>Budget authority (appropriation)</b> .....	<b>6,095</b>	<b>1,315</b>	<b>10,150</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	6,325	5,885	10,150
72.40	Obligated balance, start of year .....	6,860	4,354	6,056
74.40	Obligated balance, end of year .....	-4,354	-6,056	-11,357
78.00	Adjustments in unexpired accounts .....	-1		
90.00	Outlays .....	8,829	4,183	4,849

**National Air and Space.**—The National Air and Space Museum was completed and opened to the public on July 1, 1976. Necessary repairs to the building's facade and terrace will continue.

**Museum Support Center.**—The Institution accepted beneficial occupancy of the Museum Support Center in early 1983. These facilities will provide additional space for the care, curation, conservation, deposit, preparation, and study of the National Collections, for the related documentation of the collections, and for the training of museum conservators. Space presently used for storage will be returned to its intended use for public exhibition.

**Quadrangle.**—The new facility, opened to the public in September 1987, houses the National Museum of African Art, the Arthur M. Sackler Gallery, and the S. Dillon Ripley Center.

**Hirshhorn Museum and Sculpture Garden.**—The Museum conducts an active exhibition program that draws upon its collection, as well as other collections. The balance of the construction account, returned to the Institution by GSA, was used in 1987.

**Smithsonian Tropical Research Institute.**—Replacement laboratory facilities will be designed and constructed on Barro Colorado Island.

**Smithsonian Astrophysical Observatory.**—A base camp will be designed and constructed at the Fred L. Whipple Observatory, Mt. Hopkins, AZ.

**Alterations and Modifications.**—Space will be more effectively configured and improvements made in order to meet the research, exhibition, educational and conservation program objectives of Smithsonian organizations.

**Facility Planning and Design.**—Necessary renovations for the General Post Office Building, located in the District of Columbia, will be planned. Feasibility studies, planning and conceptual designs, establishment of operating and logistical support requirements, and required environmental impact assessments for future construction projects will also be provided.

Object Classification (in thousands of dollars)

Identification code 33-0133-0-1-503	1987 actual	1988 est.	1989 est.	
<b>SMITHSONIAN INSTITUTION</b>				
23.2	Rental payments to others .....	3	2	4
24.0	Printing and reproduction .....	77	72	123
25.0	Other services .....	5,205	4,845	8,356
26.0	Supplies and materials .....	434	405	700
31.0	Equipment .....	402	374	644
32.0	Land and structures .....	201	187	323
99.0	Subtotal obligations, Smithsonian Institution .....	6,322	5,885	10,150
<b>ALLOCATION TO GENERAL SERVICES ADMINISTRATION</b>				
32.0	Land and structures .....	2		
99.9	Total obligations .....	6,324	5,885	10,150

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; [purchase of one passenger motor vehicle for replacement only;] and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, [ \$37,352,000 ] \$38,543,000, of which not to exceed \$2,420,000 for the special exhibition program shall remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 33-0200-0-1-503	1987 actual	1988 est.	1989 est.	
<b>Program by activities:</b>				
10.00	Total obligations .....	35,012	37,632	39,323
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-118		
21.40	Unobligated balance available, start of year .....	-2,315	-2,056	-1,776
22.40	Unobligated balance transferred, net .....	718		
24.40	Unobligated balance available, end of year .....	2,056	1,776	996
25.00	Unobligated balance lapsing .....	75		
40.00	Budget authority (appropriation) .....	35,427	37,352	38,543
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	35,012	37,632	39,323
72.40	Unobligated balance available, start of year .....	3,831	5,041	5,596
73.40	Obligated balance transferred, net .....	-659		
74.40	Obligated balance, end of year .....	-5,041	-5,596	-6,547
77.00	Adjustments in expired accounts .....	-70		
78.00	Adjustments in unexpired accounts .....	-118		
90.00	Outlays .....	32,955	37,077	38,372

The National Gallery of Art receives, holds, and administers works of art acquired for the Nation by the Gallery's board of trustees. It also maintains and administers the Gallery buildings so as to give maximum care and protection to art treasures and to enable these works of art to be exhibited regularly to the public without charge. During 1987 there were 6,986,465 visitors to the Gallery and 7,400,000 visitors are expected in 1988 and 1989.

Object Classification (in thousands of dollars)

Identification code 33-0200-0-1-503	1987 actual	1988 est.	1989 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	15,137	17,554	18,266
11.3	Other than full-time permanent .....	1,969	1,192	1,216
11.5	Other personnel compensation .....	1,954	1,682	1,716
11.9	Total personnel compensation .....	19,060	20,428	21,198
12.1	Civilian personnel benefits .....	2,558	3,933	4,122
21.0	Travel and transportation of persons .....	154	240	240
22.0	Transportation of things .....	241	581	581
23.1	Rental payments to GSA .....	87	51	
23.3	Communications, utilities, and miscellaneous charges .....	4,932	5,677	5,588
24.0	Printing and reproduction .....	227	224	231
25.0	Other services .....	3,344	3,236	4,008

**General and special funds—Continued**  
**NATIONAL GALLERY OF ART—Continued**  
**SALARIES AND EXPENSES—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code 33-0200-0-1-503	1987 actual	1988 est.	1989 est.
26.0 Supplies and materials .....	2,240	2,207	2,300
31.0 Equipment .....	1,288	1,055	1,055
32.0 Land and structures .....	881		
99.9 Total obligations .....	35,012	37,632	39,323

**Personnel Summary**

Total number of full-time permanent positions.....	872	878	878
Total compensable workyears:			
Full-time equivalent employment .....	788	847	847
Full-time equivalent of overtime and holiday hours .....	68	60	60

**REPAIR, RESTORATION AND RENOVATION OF BUILDINGS**

*For necessary expenses of repair, restoration and renovation of buildings, grounds, and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, \$1,000,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price. (20 U.S.C. 41 et seq.)*

**Program and Financing (in thousands of dollars)**

Identification code 33-0201-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	905	3,800	2,534
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-18		
21.40 Unobligated balance available, start of year .....	-3,103	-5,334	-1,534
22.40 Unobligated balance transferred, net .....	-718		
24.40 Unobligated balance available, end of year .....	5,334	1,534	
40.00 Budget authority (appropriation) .....	2,400		1,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	905	3,800	2,534
72.40 Obligated balance, start of year .....		569	1,599
73.40 Obligated balance transferred, net .....	659		
74.40 Obligated balance, end of year .....	-569	-1,599	-2,693
78.00 Adjustments in unexpired accounts .....	-18		
90.00 Outlays .....	977	2,770	1,440

This account encompasses repairs, alterations, and improvements; additions, renovations, and restorations of a long-term nature and utility; and facilities planning and study. The funds are used to keep National Gallery of Art facilities in good repair and efficient operating condition, and to continue with needed renovation and restoration.

**Object Classification (in thousands of dollars)**

Identification code 33-0201-0-1-503	1987 actual	1988 est.	1989 est.
11.3 Personnel compensation: Other than full-time permanent..		60	65
12.1 Civilian personnel benefits .....		4	5
25.0 Other services .....	101	350	300
26.0 Supplies and materials .....		100	80
31.0 Equipment .....		120	80
32.0 Land and structures .....	804	3,166	2,004
99.9 Total obligations .....	905	3,800	2,534

**SALARIES AND EXPENSES, WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS**

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356), including hire of passenger vehicles, *lease of office and storage space (for terms not to exceed ten years)*, and services as authorized by 5 U.S.C. 3109, **[\$4,028,000] \$4,285,000.** (Department of the Interior and Related Agencies Appropriations Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code 33-0400-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	3,271	4,028	4,285
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	91		
40.00 Budget authority (appropriation) .....	3,362	4,028	4,285
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,271	4,028	4,285
72.40 Obligated balance, start of year .....	1,282	1,435	1,692
74.40 Obligated balance, end of year .....	-1,435	-1,692	-1,791
90.00 Outlays .....	3,119	3,771	4,186

The objectives of the Woodrow Wilson Center are to produce scholarship of the highest quality on subjects that matter to our civilization and to communicate that scholarship to a wider audience within and beyond Washington through publication and dialog.

The Center has chosen to fulfill these objectives through its fellowship and guest scholar program. Each year the Center conducts a major open international competition for a limited number of fellowships. The scholars and the scholarly work they produce constitute the memorial to Woodrow Wilson. Virtually all of the Center's expenditures derive from the basic decision to create a resident body of fellows.

The Center is directed by its congressional statute to raise both public and private funds, and the Center's major objectives could not be attained by an exclusive reliance on either Federal appropriation or private contribution.

**Object Classification (in thousands of dollars)**

Identification code 33-0400-0-1-503	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent .....	1,166	1,370	1,435
12.1 Civilian personnel benefits .....	163	190	198
21.0 Travel and transportation of persons .....	100	100	100
22.0 Transportation of things .....	2	2	2
23.2 Rental payments to others .....	21	120	120
23.3 Communications, utilities, and miscellaneous charges .....	56	69	69
24.0 Printing and reproduction .....	5	3	3
25.0 Other services .....	391	646	855
26.0 Supplies and materials .....	66	30	30
31.0 Equipment .....	139	191	140
41.0 Grants, subsidies, and contributions .....	1,162	1,307	1,333
99.9 Total obligations .....	3,271	4,028	4,285

**Personnel Summary**

Total number of full-time permanent positions.....	33	37	37
Total compensable workyears: Full-time equivalent employment .....	33	37	37

**PAYMENT TO ENDOWMENT CHALLENGE FUND**

*For payment to the Endowment challenge fund for the Woodrow Wilson International Center for Scholars, \$350,000, to remain available until September 30, 1990: Provided, That such sums shall be*



transferred only to the extent matched on a three-to-one basis by private funds. (Additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 33-0401-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	189	497	658
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-994	-805	-308
24.40 Unobligated balance available, end of year	805	308	
40.00 <b>Budget authority (appropriation)</b>			<b>350</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net	189	497	658
90.00 Outlays	189	497	658

This schedule reflects the appropriation from the general fund to the Endowment Challenge Fund.

**Trust Funds**

**ENDOWMENT CHALLENGE FUND**

All funds deposited in the Endowment Challenge Fund may be invested in securities approved by the Board of Trustees and the income from such investments may be used to support programs of the Center deemed appropriate by the Trustees and by the Director of the Center.

**Amounts Available for Appropriation** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year		794	3,814
<b>Receipts:</b>			
Federal payment	189	497	658
Private contributions	567	2,415	600
Interest income	38	158	236
Total available for appropriation	794	3,864	5,308
<b>Appropriation:</b>			
Endowment challenge fund		-50	-60
Unappropriated balance, end of year	794	3,814	5,248

The Endowment Challenge Fund was established to stimulate private contributions to the Center. Income derived from the Fund may be used in support of the Center's activities.

**Program and Financing** (in thousands of dollars)

Identification code 33-8188-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		50	60
<b>Financing:</b>			
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite)		<b>50</b>	<b>60</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net		50	60
90.00 Outlays		50	60

This schedule shows the utilization of interest income from the Endowment Challenge Fund for the educational and administrative activities of the Woodrow Wilson International Center for Scholars.

**CANAL ZONE BIOLOGICAL AREA FUND**

**Program and Financing** (in thousands of dollars)

Identification code 33-8190-0-7-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	116	140	130
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-44	-74	-84
24.40 Unobligated balance available, end of year	74	84	104
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite)	<b>146</b>	<b>150</b>	<b>150</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net	116	140	130
72.40 Obligated balance, start of year	10	-3	7
74.40 Obligated balance, end of year	3	-7	-7
90.00 Outlays	129	130	130

Donations, subscriptions, and fees are appropriated and used to defray part of the expenses of maintaining and operating the Canal Zone biological area (60 Stat. 1101; 20 U.S.C. 79, 79a).

**Object Classification** (in thousands of dollars)

Identification code 33-8190-0-7-503	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent	85	86	88
12.1 Civilian personnel benefits	12	12	13
24.0 Printing and reproduction	7	7	7
25.0 Other services	7	30	17
26.0 Supplies and materials	4	4	4
31.0 Equipment	1	1	1
99.9 Total obligations	116	140	130

**Personnel Summary**

Total number of full-time permanent positions	6	6	6
Total compensable workyears: Full-time equivalent employment	6	6	6

**OTHER TEMPORARY STUDY COMMISSIONS**

**Federal Funds**

**General and special funds:**

**AVIATION SAFETY COMMISSION**

**SALARIES AND EXPENSES**

**Program and Financing** (in thousands of dollars)

Identification code 48-0053-0-1-402	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	474	1,526	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-1,526	
24.40 Unobligated balance available, end of year	1,526		
40.00 <b>Budget authority (appropriation)</b>	<b>2,000</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net	474	1,526	
72.40 Obligated balance, start of year		292	
74.40 Obligated balance, end of year	-292		
90.00 Outlays	182	1,818	

The Aviation Safety Commission was authorized by Public Law 99-591, section 502(a) to make a complete study of the organization and functions of the Federal Aviation Administration and the means by which the

General and special funds—Continued

AVIATION SAFETY COMMISSION—Continued

SALARIES AND EXPENSES—Continued

Administration may most efficiently and effectively perform its responsibilities and increase aviation safety.

Object Classification (in thousands of dollars)

Identification code 48-0053-0-1-402	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	112	300	
11.3 Other than full-time permanent.....	4	75	
11.9 Total personnel compensation.....	116	375	
12.1 Civilian personnel benefits.....	6	20	
21.0 Travel and transportation of persons.....	22	100	
23.1 Rental payments to GSA.....		40	
23.3 Communications, utilities and miscellaneous charges.....	9	83	
24.0 Printing and reproduction.....	3	75	
25.0 Other services.....	293	800	
26.0 Supplies and materials.....	9	8	
31.0 Equipment.....	16	25	
99.9 Total obligations.....	474	1,526	

Personnel Summary

Total number of full-time permanent positions.....	10	10	
Total compensable workyears: Full-time equivalent employment.....	2	11	

COMMISSION FOR THE STUDY OF INTERNATIONAL MIGRATION AND COOPERATIVE ECONOMIC DEVELOPMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Commission for the Study of International Migration and Cooperative Economic Development as authorized by title VI of Public Law 99-603, [“\$870,000”] \$890,000, to remain available until expended. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 48-1400-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	120	967	890
<b>Financing:</b>			
21.40 Unobligated balance, start of year.....		-97	
24.40 Unobligated balance, end of year.....	97		
40.00 Budget authority (appropriation).....	217	870	890
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	120	967	890
72.40 Obligated balance, start of year.....		79	87
74.40 Obligated balance, end of year.....	-79	-87	-89
90.00 Outlays.....	41	959	888

The Commission for the Study of International Migration and Cooperative Economic Development was established by the Immigration Reform and Control Act of 1986. Congress tasked this three-year Commission to examine the conditions in Mexico and other “sending” countries in the Western Hemisphere which contribute to unauthorized migration to the United States and to develop proposals for economic programs to alleviate such conditions. The Commission will submit its report to the President and Congress in 1990.

Object Classification (in thousands of dollars)

Identification code 48-1400-0-1-153	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	38	191	198
11.3 Other than full-time permanent.....	30	101	81
11.8 Special personnel services payments.....		76	95
11.9 Total personnel compensation.....	68	368	374
12.1 Civilian personnel benefits.....	3	50	51
21.0 Travel and transportation of persons.....	16	105	90
23.1 Rental payments to GSA.....			66
23.3 Communications, utilities, and miscellaneous charges.....	4	58	50
24.0 Printing and reproduction.....	1	10	10
25.0 Other services.....	8	360	234
26.0 Supplies and materials.....	20	16	15
99.9 Total obligations.....	120	967	890

Personnel Summary

Total number of full-time permanent positions.....	7	7	7
Total compensable workyears: Full-time equivalent employment.....	2	7	7

COMMISSION ON EDUCATION OF THE DEAF

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code 48-0200-0-1-503	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	383	367	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-367	
24.40 Unobligated balance available, end of year.....	367		
40.00 Budget authority (appropriation).....	750		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	383	367	
72.40 Obligated balance, start of year.....		96	
74.40 Obligated balance, end of year.....	-96		
90.00 Outlays.....	287	463	

This Commission is studying the availability and quality of education programs provided to deaf individuals. The Commission expires ninety days after it makes its final report, due early 1988. All activities are financed from a one-time 1987 appropriation.

Object Classification (in thousands of dollars)

Identification code 48-0200-0-1-503	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	41	29	
11.3 Other than full-time permanent.....	128	105	
11.8 Special personal services payments.....	26	31	
11.9 Total personnel compensation.....	195	165	
12.1 Civilian personnel benefits.....	25	28	
21.0 Travel and transportation of persons.....	38	20	
23.1 Rental payments to GSA.....		38	
23.2 Communications, utilities and other rent.....	13	6	
24.0 Printing and reproduction.....	15	50	
25.0 Other services.....	70	57	
26.0 Supplies and materials.....	8	3	
31.0 Equipment.....	19		
99.9 Total obligations.....	383	367	

Personnel Summary

Total number of full-time permanent positions.....	2	2	
Total compensable workyears: Full-time equivalent employment.....	4	4	

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES  
*Federal Funds*

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code 48-2800-0-1-805	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	10	16	
<b>Financing:</b>			
17.00 Recovery of prior year obligations	1		
21.40 Unobligated balance available, start of year	-27	-16	
24.40 Unobligated balance available, end of year	16		
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	10	16	
72.40 Obligated balance, start of year	1	2	
74.40 Obligated balance, end of year	-2		
78.00 Adjustments in unexpired accounts	-1		
90.00 Outlays	8	18	

The Commission was established to review and recommend to the President at 4-year intervals the appropriate pay levels for upper level positions in the executive, legislative, and judicial branches of the Federal Government.

Object Classification (in thousands of dollars)

Identification code 48-2800-0-1-805	1987 actual	1988 est.	1989 est.
24.0 Printing and reproduction	3		
25.0 Other services	7	16	
99.9 Total obligations	10	16	

COMMISSION ON FEDERAL PAPERWORK

Program and Financing (in thousands of dollars)

Identification code 48-1200-0-1-804	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	5		
<b>Financing:</b>			
21.40 Unobligated balance, start of year	-5		
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	5		
90.00 Outlays	5		

COMMISSION ON THE UKRAINE FAMINE  
*Federal Funds*

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code 48-0050-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations	224	87	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-311	-87	
24.40 Unobligated balance available, end of year	87		
39.00 <b>Budget authority</b>			

Relation of obligations to outlays:			
71.00 Obligations incurred, net	224	87	
72.40 Obligated balance, start of year	14	16	
74.40 Obligated balance, end of year	-16		
90.00 Outlays	223	102	

The Commission on the Ukraine Famine was established to conduct a study of the 1932-1933 famine in the Ukraine. The study will be completed and the Commission will terminate in 1988.

Object Classification (in thousands of dollars)

Identification code 48-0050-0-1-153	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	83	68	
11.3 Other than full-time permanent	8		
11.9 Total personnel compensation	91	68	
12.1 Civilian personnel benefits	17	17	
21.0 Travel and transportation of persons	44	2	
23.3 Communications, utilities, and miscellaneous charges	20		
24.0 Printing and reproduction	17		
25.0 Other services	77		
99.9 Total obligations	224	87	

Personnel Summary

Total number of full-time permanent positions	3	3	
Total compensable workyears: Full-time equivalent employment	3	3	

Trust Fund

GIFTS AND CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code 48-8033-0-7-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations		63	
<b>Financing:</b>			
60.00 <b>Budget authority</b> (permanent, indefinite)		60	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		60	
90.00 Outlays		60	

This schedule shows gifts and donations collected to fund expenses associated with commission activities.

Object Classification (in thousands of dollars)

Identification code 48-8033-0-7-153	1987 actual	1988 est.	1989 est.
<b>ALLOCATION ACCOUNTS</b>			
21.0 Travel and transportation of persons		10	
23.1 Rental payments to GSA		10	
23.3 Communications, utilities, and miscellaneous charges		14	
24.0 Printing and reproduction		10	
25.0 Other services		15	
26.0 Supplies and material		1	
99.9 Total obligations		60	

INTERAGENCY COUNCIL ON THE HOMELESS

*Federal Funds*

General and special funds:

For necessary expenses of the Interagency Council on the Homeless, not otherwise provided for, as authorized by Title II of the Stewart B.

General and special funds—Continued

INTERAGENCY COUNCIL ON THE HOMELESS—Continued

McKinney Homeless Assistance Act (42 U.S.C. 11311-11319), \$1,200,000, to remain available until expended: Provided, That the Council shall carry out its duties in the 10 standard Federal regions under section 203(a)(4) of such Act only through detail, on a non-reimbursable basis, of employees of the departments and agencies represented on the Council pursuant to section 202(a) of such Act. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
48-1300-0-1-604			
<b>Program by activities:</b>			
10.00 Total obligations		950	1,200
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds: Non-operating receipts: Health and Human Services		-200	
39.00 Budget authority		750	1,200
<b>Budget authority:</b>			
40.00 Appropriation			1,200
42.00 Transferred from other accounts		750	
43.00 Appropriation (adjusted)		750	1,200
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		750	1,200
90.00 Outlays		750	1,200

The Interagency Council on the Homeless was authorized in the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77). The Council is an independent establishment, composed of 15 designated Federal agencies. Its purpose is to review Federal activities and programs to help the homeless, to work with State and local governments and private organizations on homeless-related efforts, to collect and disseminate information, and to prepare reports on the homeless issue for the President and Congress.

The appropriation request of \$1,200,000 for 1989 shall be used to cover Council headquarters staff and related expenses; field staff support will be provided on a non-reimbursable basis from member agencies of the Council.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
48-1300-0-1-604			
11.1 Personnel compensation: Full-time permanent		200	335
12.1 Personnel benefits: Civilian		30	45
21.0 Travel and transportation of persons		150	175
22.0 Transportation of things		5	5
23.3 Communications, utilities, and miscellaneous charges		35	40
24.0 Printing and reproduction		30	40
25.0 Other services		450	500
26.0 Supplies and materials		10	10
31.0 Equipment		40	50
99.9 Total obligations		950	1,200

Personnel Summary

Total number of full-time permanent positions	8	8
Total compensable work-years: Full-time equivalent employment	6	8

INTERNATIONAL CULTURAL AND TRADE CENTER COMMISSION

The International Cultural and Trade Center Commission was established by the Federal Triangle Development Act (Public Law 100-113). The purpose of the Commission is to operate the International Cultural and Trade Center which will be located in a building constructed by the Pennsylvania Avenue Development Corporation.

Funding for the Commission will come from transfers of Federal funds which are not to exceed \$1,000,000 annually from the date the first transfer is received. The Commission will be self-sufficient after its initial two years of operation.

NATIONAL ALCOHOL FUELS COMMISSION  
Federal Funds

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
48-1700-0-1-271			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1	-1	-1
24.40 Unobligated balance, end of year	1	1	1
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

The Commission submitted its final report in January 1981 and terminated its activities on June 27, 1981.

NATIONAL COMMISSION TO PREVENT INFANT MORTALITY  
OPERATING EXPENSES

[Funds appropriated for operating expenses of the National Commission to Prevent Infant Mortality in the Supplemental Appropriations Act, 1987 (Public Law 100-71) shall remain available until expended.] (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
48-1500-0-1-808			
<b>Program by activities:</b>			
10.00 Total obligations	68	713	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-100		
21.40 Unobligated balance available, start of year		-732	-19
24.40 Unobligated balance available, end of year	732	19	19
25.00 Unobligated balance lapsing		732	
39.00 Budget authority	700	732	
<b>Budget authority:</b>			
40.00 Appropriation	700		
50.00 Reappropriation		732	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-32	713	
72.40 Obligated balance, start of year		15	
74.40 Obligated balance, end of year	-15		
90.00 Outlays	-48	728	

The National Commission to Prevent Infant Mortality was authorized by Public Law 99-660, section 201, to recommend a national policy designed to reduce and prevent infant mortality. The Commission will complete its mandate in fiscal year 1988.

Object Classification (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
48-1500-0-1-808			
11.1 Personnel compensation: Full-time permanent	48	247	
12.1 Civilian personnel benefits	6	50	
21.0 Travel and transportation of persons	4	86	

23.3	Communications, utilities, and miscellaneous charges .....	1	30	.....
24.0	Printing and reproduction .....	1	47	.....
25.0	Other services .....	6	245	.....
26.0	Supplies and materials .....	2	8	.....
99.9	Total obligations .....	68	713	.....

NATIONAL COUNCIL ON PUBLIC WORKS IMPROVEMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code	48-1900-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	2,628	1,141	.....
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-20	.....	.....
21.40	Unobligated balance available, start of year .....	-2,323	-1,465	.....
24.40	Unobligated balance available, end of year .....	1,465	.....	.....
25.00	Unobligated balance lapsing .....	.....	324	.....
40.00	<b>Budget authority (appropriation) .....</b>	<b>1,750</b>	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2,628	1,141	.....
72.40	Obligated balance, start of year .....	262	542	.....
74.40	Obligated balance, end of year .....	-542	.....	.....
78.00	Adjustments in unexpired accounts .....	-20	.....	.....
90.00	Outlays .....	2,328	1,683	.....

The Council will conclude its research in 1988 with the publication of *Fragile Foundations: A Report on America's Public Works* in February 1988. The report will present the Council's suggestions for improving the state of the nation's public works to the President and to the Congress as mandated in the Public Works Improvement Act of 1984. Having completed its work, the Council will cease to exist in April 1988 as specified in the enabling legislation.

Object Classification (in thousands of dollars)

Identification code	48-1900-0-1-806	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Personnel compensation: Full-time permanent .....	597	330	.....
11.5	Other personnel compensation .....	17	10	.....
11.9	Total personnel compensation .....	614	340	.....
12.1	Civilian personnel benefits .....	98	58	.....
21.0	Travel and transportation of persons .....	210	85	.....
22.0	Transportation of things .....	50	27	.....
23.1	Rental payments to GSA .....	.....	61	.....
23.3	Communications, utilities, and miscellaneous charges .....	11	27	.....
24.0	Printing and reproduction .....	100	128	.....
25.0	Other services .....	1,515	405	.....
26.0	Supplies and materials .....	16	10	.....
31.0	Equipment .....	13	.....	.....
99.9	Total obligations .....	2,628	1,141	.....

Personnel Summary

Total number of full-time permanent positions .....	12	11	.....
Total compensable workyears: Full-time equivalent employment .....	14	6	.....

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Navajo and Hopi Indian Relocation Commission as authorized by Public Law 93-531, **[\$25,270,000]** \$22,973,000, to remain available until expended, for operating expenses of the Commission: *Provided*, That none of the funds contained in this or any other Act may be used to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Commission shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	48-1100-0-1-806	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01	Operation of relocation commission .....	3,098	3,854	3,424
00.02	Assistance payments (bonus) .....	987	2,327	1,034
00.03	Relocation payments (housing) .....	15,139	18,820	15,000
00.04	Discretionary fund payments .....	2,038	2,813	3,515
10.00	Total obligations .....	21,262	27,814	22,973
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-803	.....	.....
21.40	Unobligated balance available, start of year .....	-669	-2,544	.....
24.40	Unobligated balance available, end of year .....	2,544	.....	.....
40.00	<b>Budget authority (appropriation) .....</b>	<b>22,335</b>	<b>25,270</b>	<b>22,973</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	21,262	27,814	22,973
72.40	Obligated balance, start of year .....	6,693	11,198	14,828
74.40	Obligated balance, end of year .....	-11,198	-14,828	-13,978
78.00	Adjustments in unexpired accounts .....	-803	.....	.....
90.00	Outlays .....	15,954	24,184	23,823

The Navajo and Hopi Indian Relocation Commission was established by Public Law 93-531 to plan and conduct relocation activities associated with the settlement of a land dispute between the two tribes.

Bonuses are paid to clients who volunteered for relocation prior to July 7, 1982. Relocation of clients includes such activities as certification, housing acquisition and construction, and land acquisition. Discretionary funds will be used for activities which will facilitate and expedite the overall relocation effort.

Object Classification (in thousands of dollars)

Identification code	48-1100-0-1-806	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent .....	1,745	1,950	1,989
12.1	Civilian personnel benefits .....	255	257	268
21.0	Travel and transportation of persons .....	199	160	240
22.0	Transportation of things .....	3	5	5
23.2	Rental payments to others .....	135	145	145
23.3	Communications, utilities, and miscellaneous charges .....	150	155	155
24.0	Printing and reproduction .....	72	50	50
25.0	Other services .....	475	1,052	492
26.0	Supplies and materials .....	64	50	50
31.0	Equipment .....	.....	30	30
32.0	Land and structures .....	15,139	18,820	15,000
41.0	Grants, subsidies, and contributions .....	3,025	5,140	4,549
99.9	Total obligations .....	21,262	27,814	22,973

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION—Continued

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Personnel Summary

Total number of full-time permanent positions.....	59	59	59
Total compensable workyears: Full-time equivalent employment .....	62	62	62

STATE JUSTICE INSTITUTE

[SALARIES AND EXPENSES]

[For necessary expenses of the State Justice Institute, as authorized by Public Law 98-620, \$10,980,000 to remain available until expended.] (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 48-0052-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 General administration.....	742	892	
00.02 Grants.....	<sup>1</sup> 1,114	15,432	
10.00 Total obligations.....	1,856	16,324	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-5,344	
24.40 Unobligated balance available, end of year.....	5,344		
40.00 Budget authority (appropriation).....	7,200	10,980	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,856	16,324	
72.40 Obligated balance, start of year.....		1,170	8,015
74.40 Obligated balance, end of year.....	-1,170	-8,015	-329
90.00 Outlays.....	686	9,479	7,686

<sup>1</sup> The grant obligation figure was \$2.3 million by Dec. 31, 1987. An additional \$5.3 million from FY '87 funds is scheduled for obligation beginning in March, 1988.

The State Justice Institute was established by the Congress in 1984 as a private, non-profit corporation, to make grants and undertake other activities designed to improve the administration of justice in the United States. The administration proposes no additional appropriations for the Institute in 1989.

Object Classification (in thousands of dollars)

Identification code 48-0052-0-1-752	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent positions ....	289	506	
12.1 Civilian personnel benefits.....	30	90	
21.0 Travel and transportation of persons.....	23	65	
22.0 Transportation of things.....	2	1	
23.2 Rental payments to GSA <sup>1</sup> .....	49	89	
23.3 Communications, utilities, and miscellaneous charges.....	27	26	
24.0 Printing and reproduction.....	23	15	
25.0 Other services.....	120	50	
26.0 Supplies and materials.....	17	20	
31.0 Equipment.....	162	30	
41.0 Grants, subsidies, and contributions.....	1,114	15,432	
99.9 Total obligations.....	1,856	16,324	

<sup>1</sup> The grant obligation figure was \$2.3 million by Dec. 31, 1987. An additional \$5.3 million from FY '87 funds is scheduled for obligation beginning in March 1988.

Personnel Summary

Total number of full-time permanent positions.....	12	14
Total compensable workyears: Full-time equivalent employment .....	9	13

TENNESSEE VALLEY AUTHORITY

Federal Funds

Public enterprise funds:

TENNESSEE VALLEY AUTHORITY FUND

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, and for entering into contracts and making payments under section 11 of the National Trails System Act, as amended, [ \$103,000,000 ] \$75,973,000, to remain available until expended: *Provided*, That this appropriation and other moneys available to the Tennessee Valley Authority may be used hereafter for payment of the allowances authorized by section 5948 of title 5, United States Code: *Provided further*, That the official of the Tennessee Valley Authority referred to as the "inspector general of the Tennessee Valley Authority" is authorized, during the fiscal year ending September 30, [1988] 1989, to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and other documentary evidence necessary in the performance of the audit and investigation functions of that official, which subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of any appropriate United States district court: *Provided further*, That procedures other than subpoenas shall be used by the inspector general to obtain documents and evidence from Federal agencies. (*Energy and Water Development Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 64-4110-0-3-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Natural resources:</b>			
00.01 Water resources.....	30,281	30,654	24,425
00.02 Land and forest resources.....	3,750	3,679	550
00.03 Resource management.....	4,615	4,353	3,160
00.04 Land Between The Lakes.....	8,208	7,766	7,815
00.10 Economic resources.....	11,809	14,085	250
00.20 Agricultural Institute.....	4,205	3,931	3,781
00.21 National fertilizer development.....	48,992	50,386	49,450
00.23 Power program: Power supply and use.....	4,502,232	4,369,800	4,493,300
00.24 General services.....	82,611	58,398	21,519
00.25 Jobs program.....	2		
00.91 Total operating expenses.....	4,696,705	4,543,052	4,604,250
<b>Capital investment:</b>			
<b>Natural resources:</b>			
01.01 Water resources.....	5,398	7,848	6,665
01.02 Land and forest resources.....	10	15	400
01.03 Land Between The Lakes.....	92	91	
01.20 National fertilizer development.....	4,464	4,142	3,600
01.21 National energy demonstrations.....	299		
01.22 Power program: Power supply and use.....	1,797,557	2,106,900	1,648,500
01.23 General services.....	985	2,083	2,048
01.91 Total capital investment.....	1,808,805	2,121,079	1,661,213
10.00 Total obligations.....	6,505,510	6,664,131	6,265,463
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-608,875	-676,981	-702,269
14.00 Non-Federal sources.....	-4,816,194	-4,992,725	-4,729,266
21.98 Unobligated balance available, start of year:			
Fund balance.....	-7,760	-3,561	-1,055
24.98 Unobligated balance available, end of year: Fund balance.....	3,561	1,055	1,100
<b>Capital transfer to general fund:</b>			
27.00 Dividend.....	74,463	68,381	69,300
27.00 Repayment of Government investment.....	20,000	20,000	20,000
31.00 Redemption of debt.....	171,800	291,600	10,800
39.00 Budget authority.....	1,342,504	1,371,900	934,073
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation.....	100,000	103,000	75,973
<b>Permanent:</b>			
67.10 Authority to borrow (indefinite) (Public Law 96-97).....	1,086,765	1,057,300	678,500

67 10	Authority to borrow (indefinite) (12 U.S.C. 2281-96)	155,739	211,600	179,600
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,080,441	994,425	833,928
Obligated balance, start of year:				
72.47	Authority to borrow	585,464	608,229	590,629
72.98	Fund balance	115,726	82,233	102,559
Obligated balance, end of year:				
74.47	Authority to borrow	-608,229	-590,629	-575,329
74.98	Fund balance	-82,233	-102,559	-89,287
90.00	Outlays	1,091,168	991,700	862,500

Note.—Authority to borrow available to the Tennessee Valley Authority continues to be available on a permanent, indefinite basis. This authority is limited only in that the amount of borrowing outstanding at any time cannot exceed \$30 billion.

SUMMARY OF AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority	1,342,504	1,371,900	934,073
Outlays	1,071,168	991,700	862,500
Credit reform:			
Budget authority			-45,492
Outlays			-45,492
Total:			
Budget authority	1,342,504	1,371,900	888,581
Outlays	1,091,168	991,700	817,008

Status of Direct Loans (in thousands of dollars)

Identification code 64-4110-0-3-999	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2,947	2,947	2857
1251 Repayments: Repayments and prepayments		-90	-170
1290 Outstanding, end of year	2,947	2,857	2,687

POWER PROGRAM

Position with respect to appropriations act limitation on obligations:

1111 Limitation on direct loans			
1131 Direct loan obligations not subject to limitation	97,281	71,738	69,633
1150 Total direct loan obligations	97,281	71,738	69,633

Cumulative balance of direct loans outstanding:

1210 Outstanding, start of year	251,058	266,576	260,993
1231 Disbursements: Direct loan disbursements	97,281	71,738	69,633
1251 Repayments: Repayments and prepayments	-80,188	-76,121	-91,688
1262 Adjustments:			
Write-offs for default	-1,512	-1,200	-1,200

1264 Other	-63		
1290 Outstanding, end of year	266,576	260,993	237,738
Estimate of direct loan subsidy:			
1320 Subsidy amount (in percent)	3.3	5.1	5.0
1330 Subsidy amount (in thousands of dollars)	2,906	2,924	2,724

SEVEN STATES ENERGY CORPORATION

FEDERAL FINANCING BANK DIRECT LOANS

Position with respect to appropriations act limitation of obligations:

1111 Limitation on direct loans			
1131 Direct loan obligations not subject to limitation	155,739	211,600	179,600
1150 Total direct loan obligations	155,739	211,600	179,600

Cumulative balance of direct loans outstanding:

1210 Outstanding, start of year	1,839,736	1,823,675	1,743,675
1231 Disbursements: Direct loan disbursements	155,739	211,600	179,600
1251 Repayments: Repayments and prepayments	-171,800	-291,600	-10,800
1290 Outstanding, end of year	1,823,675	1,743,675	1,912,475

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:

2210 Outstanding, start of year	1,150	1,150	575
2231 Disbursements: Disbursements of new guaranteed loans	1,000	1,300	1,425
2251 Repayments: Repayments and prepayments	-1,000	-1,875	-1,425
2290 Outstanding, end of year	1,150	575	575

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year	1,150	575	575
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The Tennessee Valley Authority (TVA) was created in 1933 as a Government-owned corporation for the unified development of a river basin comprised of parts of seven States. Its program in 1989 will be financed from three sources: (1) appropriations by the Congress; (2) proceeds available from current power operations and borrowings against future power revenues; and (3) proceeds available from nonpower activities.

The following table provides detailed information on programs financed by power proceeds and borrowings and programs financed by appropriations and nonpower proceeds.

Program by activities:	POWER PROGRAM Power proceeds and borrowings			Seven States Energy Corporation Federal Financing Bank Direct Loans		
	1987 actual	1988 estimate	1989 estimate	1987 actual	1988 estimate	1989 estimate
Operating expenses:						
Power program: Power supply and use (total operating expenses)	4,502,232	4,369,800	4,493,300			
Capital investment:						
Power program: Power supply and use (total capital investment)	1,641,818	1,895,300	1,468,900	155,739	211,600	179,600
Total obligations	6,144,050	6,265,100	5,962,200	155,739	211,600	179,600
Financing:						
Offsetting collections from:						
Federal funds	-594,823	-666,948	-695,594			
Non-Federal sources	-4,556,767	-4,629,052	-4,677,206	-171,800	-291,600	-10,800
Capital transfers (payments to Treasury):						
Dividend	74,305	68,200	69,100			
Repayment of Government investment	20,000	20,000	20,000			
Redemption of debt				171,800	291,600	10,800
Authority to borrow:	1,086,765	1,057,300	678,500	155,739	211,600	179,600
Relation of obligations to outlays:						
Obligations incurred, net	992,460	969,100	589,400	-16,061	-80,000	168,800
Obligated balance, start of year:						
Authority to borrow	585,464	608,229	590,629			
Fund balance	31,736	6,584	-6,584			
Obligated balance, end of year:						
Authority to borrow	-608,229	-590,629	-575,329			

Public enterprise funds—Continued

TENNESSEE VALLEY AUTHORITY FUND—Continued

Fund balance.....	POWER PROGRAM—Continued Power proceeds and borrowings			Seven States Energy Corporation Federal Financing Bank Direct Loans		
	1987 actual	1988 estimate	1989 estimate	1987 actual	1988 estimate	1989 estimate
	6,584	6,584	6,584			
Outlays.....	994,847	986,700	604,700	-16,061	-80,000	168,800

APPROPRIATIONS AND NONPOWER PROCEEDS

Program by activities:

Operating expenses:	1987 actual	1988 est.	1989 est.
1. Natural resources:			
(a) Water resources.....	30,281	30,654	24,425
(b) Land and forest resources.....	3,750	3,679	550
(c) Resource management.....	4,615	4,353	3,160
(d) Land Between The Lakes.....	8,208	7,766	7,815
2. Economic resources.....	11,809	14,085	250
3. Agricultural Institute.....	4,205	3,931	3,781
4. National fertilizer development.....	48,992	50,386	49,450
5. General services.....	82,611	58,398	21,519
6. Jobs program.....	2		
Total operating expenses.....	194,473	173,252	110,950
Capital investment:			
1. Natural resources:			
(a) Water resources.....	5,398	7,848	6,665
(b) Land and forest resources.....	10	15	
(d) Land Between The Lakes.....	92	91	400
4. National fertilizer development.....	4,464	4,142	3,600
5. National energy demonstrations.....	299		
6. General services.....	985	2,083	2,048
Total capital investment.....	11,248	14,179	12,713
Total obligations.....	205,721	187,431	123,663
Financing:			
Offsetting collections from:			
Federal funds.....	-14,052	-10,033	-6,675
Non-Federal sources.....	-87,627	-72,073	-41,260
Unobligated balance available, start of year: Fund balance.....	-7,760	-3,561	-1,055
Unobligated balance available, end of year: Fund balance.....	3,561	1,055	1,100
Capital transfers (payments to Treasury): Dividend.....	157	181	200
Appropriation.....	100,000	103,000	75,973
Relation of obligations to outlays:			
Obligations incurred, net.....	104,042	105,325	75,728
Obligated balance, start of year: Fund balance.....	83,990	75,650	95,975
Obligated balance, end of year: Fund balance.....	-75,650	-95,975	-82,703
Outlays.....	112,382	85,000	89,000

**Budget program—natural resources.**—TVA concentrates its efforts on programs in navigation, flood control, dam safety, and maintenance of the waterway.

**Water resources.**—Includes operation and continuing development of the navigation channel from Paducah, KY, to Knoxville, TN.

For flood control, TVA operates a system of multi-purpose reservoirs to retain excessive seasonal runoff and regulate discharges at flow rates that can be accommodated by downstream channels and reservoirs. As a result, flood crests are reduced along the Tennessee River and its tributaries and also the lower Ohio and Mississippi Rivers.

Dam safety modifications and maintenance activities ensure that the waterway system meets Federal safety guidelines in the event of severe flood conditions and maintenance is performed to keep the system in good and safe operating condition.

**Land and forest resources.**—This program consists of operation of dewatering areas associated with TVA's reservoir system.

**Resource management.**—The program contains two major areas of effort: Protection of public lands and waters under TVA trust; and valley mapping and demonstrations of remote sensing in support of TVA activities as well as the regional mapping needs of the U.S. Geological Survey.

**Land Between The Lakes.**—Work will continue on the development on this 170,000-acre area in Western Kentucky and Tennessee situated between TVA's Kentucky Reservoir and the Corps of Engineers' Barkley Reservoir.

**Economic resources.**—TVA will study State and local laws and policies to determine what economic incentives might be developed to interest additional industrial and commercial concerns to locate in Valley States.

**Agricultural Institute.**—TVA's agricultural programs are being targeted and packaged so that responsiveness and flexibility to current issues can be more easily accomplished. The primary functions of the institute will be to identify problems related to agricultural development and environmental quality, marshal skills and other resources from Federal, State, local and private organizations to demonstrate practical solutions to problems, and disseminate information and encourage adoption by others.

**National fertilizer development.**—The National Fertilizer Development Center in Muscle Shoals, AL, is active in two program areas: Research and development and technology development.

Research and development consists of basic chemical and agronomic research and development of fertilizer products and processes. This is accomplished in cooperation with the Department of Agriculture, the land-grant universities, and industry.

Technology development is conducted with the land-grant universities and the fertilizer industry. It includes small-plot demonstrations, tests and demonstrations of fertilizer materials and practices on selected operating farms.

Limited operation of the pilot test facility will continue research into improving the yield and economics of producing ethanol from the acid hydrolysis of hardwoods.

**Power program: Power supply and use.**—TVA is the sole supplier of electric power to an area of 80,000 square miles in the seven Tennessee Valley States. Income from power operations, net of interest charges and depreciation, and other operating expenses is estimated at \$563,300 thousand in 1989.

The power generating facilities presented in the capital investment table are financed from power proceeds and borrowings.

**General services.**—Operating costs for general service activities include bridge maintenance, fallout shelter



maintenance, and reimbursable services furnished at the request and expense of other agencies.

**Financing.**—Amounts estimated to become available in 1989 are to be derived from (1) the requested appropriation of \$75,973 thousand; (2) nonpower revenues and receipts of \$47,935 thousand; and (3) power revenues and receipts of \$5,372,800 thousand. In addition, the budget program anticipates financing from borrowings of \$693,800 thousand backed by future revenues. A summary of the application of appropriations follows:

**APPLICATION OF APPROPRIATIONS**

[In thousands of dollars]

	1987 actual	1988 est.	1989 est.
<b>Operations:</b>			
1. Natural resources:			
(a) Water resources	29,275	29,847	23,860
(b) Land and forest resources	3,700	3,708	550
(c) Resource management	4,400	4,409	3,160
(d) Land Between The Lakes	6,250	6,258	6,200
2. Economic resources	11,700	14,138	250
3. Agricultural Institute	4,000	3,990	3,781
4. National fertilizer development	29,735	29,663	25,081
6. General services	956	775	915
<b>Total operations</b>	<b>90,016</b>	<b>92,788</b>	<b>63,797</b>
<b>Capital investment:</b>			
1. Natural resources:			
(a) Water resources:			
Dam safety modifications	2,400	2,560	4,400
Additions and improvements	1,474	1,797	1,853
(b) Land and forest resources: Recreation facilities		25	
(d) Land Between The Lakes	90	93	400
4. National fertilizer development:			
Fertilizer test facilities	4,350	4,340	3,600
6. General services	1,670	1,397	1,923
<b>Total capital investment</b>	<b>9,984</b>	<b>10,212</b>	<b>12,176</b>
<b>Total appropriations</b>	<b>100,000</b>	<b>103,000</b>	<b>75,973</b>
Unobligated balance brought forward	6,655	3,359	
Unobligated balance carried forward	-3,359		
<b>Obligations, appropriated funds</b>	<b>103,296</b>	<b>106,359</b>	<b>75,973</b>

**Operating results and financial conditions.**—Only the power program and fertilizer introduction are intended to be self-supporting; the net expense of nonpower programs is covered largely by appropriation funding. Payments to the Treasury from power proceeds in 1989 are estimated at \$89,100 thousand—\$69,100 thousand as a dividend (return on the appropriation investment in the power program) and \$20,000 thousand as a reduction in the appropriation investment in the power program. Outstanding borrowings for the power program are expected to increase by \$693,800 thousand during 1989.

Total assets are estimated to increase by \$1,331,731 thousand during 1989. A total of \$1,354,700 thousand of the increase in assets is in the power program. This is offset by -\$22,969 thousand in nonpower programs. The estimate of liabilities at September 30, 1989, is \$860,792 thousand more than the estimate at September 30, 1988. Total Government equity at September 30, 1989, is estimated to be \$470,939 thousand greater than that at September 1988. This change includes the requested appropriation for 1989 and the net income from power operations, less payments to the Treasury and the net expense of nonpower programs.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>POWER PROGRAM</b>			
Power supply and use: Power operations:			
Revenue and receipts	5,133,104	5,289,800	5,366,800
Expense	-4,749,581	-4,733,200	-4,803,500
<b>Net income, power operations</b>	<b>383,523</b>	<b>556,600</b>	<b>563,300</b>
<b>NONPOWER PROGRAMS</b>			
Natural resources:			
Water resources:			
Revenue	792	668	565
Expense	-29,721	-39,210	-33,226
<b>Net operating expense, water resources</b>	<b>-28,929</b>	<b>-38,542</b>	<b>-32,661</b>
Land and forest resources:			
Revenue	181	200	200
Expense	-12,727	-3,679	-548
<b>Net operating expense, land and forest resources</b>	<b>-12,546</b>	<b>-3,479</b>	<b>-348</b>
Resource management:			
Revenue			
Expense	-4,797	-4,433	-3,219
<b>Net operating expense, resource management</b>	<b>-4,797</b>	<b>-4,433</b>	<b>-3,219</b>
Land Between The Lakes:			
Revenue	1,623	1,622	1,615
Expense	-9,488	-9,069	-9,218
<b>Net operating expense, Land Between The Lakes</b>	<b>-7,865</b>	<b>-7,447</b>	<b>-7,603</b>
Economic resources:			
Revenue			
Expense	-19,824	-14,518	-651
<b>Net operating expense, economic resources</b>	<b>-19,824</b>	<b>-14,518</b>	<b>-651</b>
Agricultural Institute:			
Revenue			
Expense	-4,149	-4,214	-3,994
<b>Net operating expense, Agricultural Institute</b>	<b>-4,149</b>	<b>-4,214</b>	<b>-3,994</b>
National fertilizer development:			
Revenue	15,113	20,011	22,863
Expense	-85,700	-56,524	-54,594
<b>Net operating expense, national fertilizer development</b>	<b>-70,587</b>	<b>-36,513</b>	<b>-31,731</b>
General services:			
Revenue	83,970	59,605	22,692
Expense	-89,507	-58,398	-21,519
<b>Net operating expense, general services</b>	<b>-5,537</b>	<b>1,207</b>	<b>1,173</b>
<b>Net expense, nonpower programs</b>	<b>-154,234</b>	<b>-107,939</b>	<b>-79,034</b>
<b>Net income for the period</b>	<b>229,289</b>	<b>448,661</b>	<b>484,266</b>

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 actual	1988 est.	1989 est.
<b>POWER PROGRAM</b>				
<b>Assets:</b>				
Fund balance with Treasury	31,736	6,584	6,584	6,584
Accounts receivable, net	520,975	603,445	611,445	622,245
Inventories	514,383	570,950	532,550	551,950
Real property and equipment, net	18,271,770	19,634,590	21,221,690	22,662,190
Deferred charges:				
Unamortized investment in cancelled nuclear units	2,341,779	2,134,706	1,884,606	1,605,806
Other deferred charges	322,132	262,254	245,036	219,436
Loans and other long-term receivables	279,574	296,560	291,260	266,860
Bond retirement and decommissioning funds	523,388	710,598	908,998	1,121,798
<b>Total assets</b>	<b>22,805,737</b>	<b>24,219,687</b>	<b>25,702,169</b>	<b>27,056,869</b>

Public enterprise funds—Continued

TENNESSEE VALLEY AUTHORITY FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	898,928	922,567	909,767	890,667
Debt issued under borrowing authority:				
Borrowings from the public.....	1,625,000	1,380,000	1,380,000	1,380,000
Borrowings from Federal Financing Bank.....	15,077,000	16,386,000	17,460,900	18,154,700
Borrowings from Treasury.....	150,000	150,000	150,000	150,000
Unamortized discount and premium, net.....	-3,435	-2,643	-2,243	-1,843
Accruals for cancelled nuclear units.....	15,394			
Capital lease obligations.....	2,103,811	2,116,561	2,032,261	2,201,961
Accumulated provisions for decommissioning of nuclear plants, and reclamation of coal properties.....	112,013	150,925	186,807	222,507
<b>Total liabilities.....</b>	<b>19,978,711</b>	<b>21,103,410</b>	<b>22,117,492</b>	<b>22,997,992</b>
<b>Government equity:</b>				
Appropriated capital.....	808,282	788,315	768,315	748,315
Cumulative results.....	2,018,744	2,327,962	2,816,362	3,310,562
<b>Total Government equity.....</b>	<b>2,827,026</b>	<b>3,116,277</b>	<b>3,584,677</b>	<b>4,058,877</b>
<b>NONPOWER PROGRAMS</b>				
<b>Assets:</b>				
Fund balance with Treasury.....	93,799	79,631	97,030	83,803
Accounts receivable, net.....	13,493	17,880	9,880	12,880
Loans and other long-term receivables.....	46,940	48,339	48,339	48,339
Inventories.....	14,773	9,749	8,947	8,897
Real property and equipment, net.....	1,142,421	1,102,224	1,101,338	1,098,646
<b>Total assets.....</b>	<b>1,311,426</b>	<b>1,257,823</b>	<b>1,265,534</b>	<b>1,252,565</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	81,723	82,536	95,787	86,079
<b>Government equity:</b>				
Unexpended financed budget authority:				
Invested capital.....	25,569	14,975	11,123	10,604
Invested capital.....	1,204,134	1,160,312	1,158,624	1,155,882
<b>Total Government equity.....</b>	<b>1,229,703</b>	<b>1,175,287</b>	<b>1,169,747</b>	<b>1,166,486</b>
<b>TOTAL</b>				
<b>Assets:</b>				
Fund balance with Treasury.....	125,535	86,215	103,614	90,387
Accounts receivable, net.....	534,468	621,325	621,325	635,125
Loans and long-term receivables.....	326,514	344,899	339,599	315,199
Inventories.....	529,156	580,699	541,497	560,847
Real property and equipment, net.....	19,414,191	20,736,814	22,323,028	23,760,836
Deferred charges:				
Unamortized investment in cancelled nuclear units.....	2,341,779	2,134,706	1,884,606	1,605,806
Other deferred charges.....	322,132	262,254	245,036	219,436
Bond retirement and decommissioning funds.....	523,388	710,598	908,998	1,121,798
<b>Total assets.....</b>	<b>24,117,163</b>	<b>25,477,510</b>	<b>26,967,703</b>	<b>28,309,434</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	980,651	1,005,103	1,005,554	976,746
Debt issued under borrowing authority:				
Borrowings from the public.....	1,625,000	1,380,000	1,380,000	1,380,000
Borrowings from Federal Financing Bank.....	15,077,000	16,386,000	17,460,900	18,154,700
Borrowings from Treasury.....	150,000	150,000	150,000	150,000
Unamortized discount and premium, net.....	-3,435	-2,643	-2,243	-1,843
Accruals for cancelled nuclear units.....	15,394			
Capital lease obligations.....	2,103,811	2,116,561	2,032,261	2,201,961
Accumulated provisions for decommissioning of nuclear plants, and reclamation of coal properties.....	112,013	150,925	186,807	222,507
<b>Total liabilities.....</b>	<b>20,060,434</b>	<b>21,185,946</b>	<b>22,213,279</b>	<b>23,084,071</b>
<b>Government equity:</b>				
Appropriated fund equity:				
Unexpended financed budget authority.....	25,569	14,975	11,123	10,604
Invested capital.....	1,204,134	1,160,312	1,158,624	1,155,882
Revolving fund equity:				
Appropriated capital.....	808,282	788,315	768,315	748,315
Cumulative results.....	2,018,744	2,327,962	2,816,362	3,310,562
<b>Total Government equity.....</b>	<b>4,056,729</b>	<b>4,291,564</b>	<b>4,754,424</b>	<b>5,225,363</b>

Note.—Not included in these figures are the following undelivered orders (in thousands of dollars):

	1986 actual	1987 actual	1988 est.	1989 est.
Coal.....	3,729,684	3,574,526	3,574,526	3,574,526
Nuclear fuel.....	2,594,267	384,599	384,599	384,599
Materials and supplies.....	18,861	22,134	22,134	22,134
<b>Total.....</b>	<b>6,342,812</b>	<b>3,981,259</b>	<b>3,981,259</b>	<b>3,981,259</b>

Object Classification (in thousands of dollars)

Identification code 64-4110-0-3-999	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	777,628	844,514	884,368
11.3 Other than full-time permanent.....	173,859	182,598	191,215
11.5 Other personnel compensation.....	108,909	114,123	119,509
11.9 Total personnel compensation.....	1,060,396	1,141,235	1,195,092
12.1 Civilian personnel benefits.....	305,518	315,546	333,786
21.0 Travel and transportation of persons.....	27,061	30,191	30,758
22.0 Transportation of things.....	72,880	100,340	96,404
23.1 Rental payments to GSA.....	2	3	3
23.3 Communications, utilities, and miscellaneous charges.....	68,439	77,462	77,390
24.0 Printing and reproduction.....	430	598	702
25.0 Other services.....	827,695	1,061,040	819,200
26.0 Supplies and materials.....	1,451,507	1,350,283	1,109,003
31.0 Equipment.....	358,905	236,806	166,112
32.0 Land and structures.....	80,148	45,885	26,383
33.0 Investments and loans.....	271,482	250,139	260,411
41.0 Grants, subsidies, and contributions.....	203,117	218,000	237,100
42.0 Insurance claims and indemnities.....	1,015	603	619
43.0 Interest and dividends.....	1,776,915	1,836,000	1,912,500
99.9 Total obligations.....	6,505,510	6,664,131	6,265,463

Personnel Summary

Total number of full-time permanent positions.....	22,458	24,000	23,600
Total compensable workyears:			
Full-time equivalent employment.....	28,739	29,500	29,500
Full-time equivalent of overtime and holiday hours.....	2,750	3,000	3,000

TENNESSEE VALLEY AUTHORITY FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 64-4110-6-3-999	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.23 Power program: power supply and use.....			2,749
00.91 Total operating expenses.....			2,749
<b>Capital investment:</b>			
01.22 Power program: power supply and use.....			-48,241
01.91 Total capital investment.....			-48,241
10.00 Total obligations.....			-45,492
<b>Financing:</b>			
47.10 Authority to borrow (indefinite).....			-45,492
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-45,492
90.00 Outlays.....			-45,492

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations or guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)			
Identification code	1987 actual	1988 est.	1989 est.
64-4110-6-3-999			
33.0			Investments and loans..... -48,241
41.0			Grants, subsidies, and contributions..... 2,749
99.9			Total obligations..... -45,492

22.0	Transportation of things.....	1		
23.3	Communications, utilities, and miscellaneous charges.....	190	214	234
24.0	Printing and reproduction.....	66	154	154
25.0	Other services.....	467	720	715
26.0	Supplies and materials.....	91	59	42
31.0	Equipment.....	43	70	79
99.9	Total obligations.....	2,073	2,171	2,209

**UNITED STATES HOLOCAUST MEMORIAL COUNCIL**

*Federal Funds*

**General and special funds:**

**HOLOCAUST MEMORIAL COUNCIL**

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388, **[\$2,171,000] \$2,209,000**. *Provided*, That hereafter persons other than members of the United States Holocaust Memorial Council may be designated as members of committees associated with the United States Holocaust Memorial Council subject to appointment by the Chairman of the Council: *Provided further*, That any persons so designated shall serve without cost to the Federal Government: *Provided further*, That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further*, That hereafter the Chairman of the Council may waive any Council bylaw when the Chairman determines such waiver will be in the best interest of the Council: *Provided further*, That hereafter immediately after taking such action the Chairman shall send written notice to every voting member of the Council and such waiver shall become final if 30 days after the Chairman has sent such notice, a majority of Council members do not disagree in writing with the action taken: *Provided further*, That \$35,000 of the amount appropriated is to go to the Holocaust Council's Committee to Remember the Children for a demonstration project to be undertaken with the Capital Children's Museum to determine the feasibility of establishing a children's museum in the principal Holocaust Memorial Museum. (36 U.S.C. 1401; Department of the Interior and Related Agencies Appropriations Act, 1988; additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
95-3300-0-1-806				
<b>Program by activities:</b>				
10.00	Total obligations.....	2,073	2,171	2,209
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	2		
40.00	<b>Budget authority (appropriation)</b> .....	<b>2,075</b>	<b>2,171</b>	<b>2,209</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,073	2,171	2,209
72.40	Obligated balance, start of year.....	437	693	454
74.40	Obligated balance, end of year.....	-693	-454	-462
77.00	Adjustments in expired accounts.....	-7		
90.00	Outlays.....	1,810	2,410	2,201

The Council formulates plans for a permanent living memorial museum to the victims of the holocaust. It also provides for appropriate ways for the Nation to commemorate the Days of Remembrance.

**Object Classification (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
95-3300-0-1-806				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	654	627	679
11.3	Other than full-time permanent.....	289	61	66
11.5	Other personnel compensation.....	23	23	23
11.9	Total personnel compensation.....	965	711	768
12.1	Civilian personnel benefits.....	116	120	93
21.0	Travel and transportation of persons.....	134	123	124

**Personnel Summary**

Total number of full-time permanent positions.....	29	29	29
Total compensable workyears: Full-time equivalent employment.....	27	29	29

**Trust Funds**

**GIFTS AND DONATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	1987 actual	1988 est.	1989 est.	
95-8279-0-7-806				
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	41	43	50
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-14	-3	
24.40	Unobligated balance available, end of year.....	3		
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>30</b>	<b>40</b>	<b>50</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	41	43	50
90.00	Outlays.....	41	43	50

The United States Holocaust Memorial Council may solicit and accept donations to aid or facilitate the construction, maintenance, and operation of the memorial, as per section 7 of Public Law 96-388.

**UNITED STATES INFORMATION AGENCY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities, and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed \$270,000, of which \$250,000 is to facilitate United States participation in exhibitions and international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928 and 22 U.S.C. 287e-1; and entertainment, including official receptions, within the United States, not to exceed \$20,000; **[\$620,347,000] \$622,400,000**, none of which shall be restricted from use for the purposes appropriated herein and of which **[\$36,900,000] \$41,054,000** shall be available for the Television and Film Service: *Provided*, That not to exceed **[\$1,070,000] \$1,132,000** may be used for representation abroad: *Provided further*, That not to exceed **[\$14,557,000] \$9,546,300** of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided further*, That not to exceed \$500,000 shall remain available until expended, for expenses (including those authorized by the Foreign Service Act of 1980) and equipment necessary for maintenance and operation of such data processing and administrative services as the

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Director determines may be performed advantageously and more economically as central services: *Provided further*, That not to exceed **[\$3,650,000]** \$4,650,000 may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion picture, and television programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended: *Provided further*, That the funds appropriated by this paragraph shall be available notwithstanding section 201(2) and 204 of [H.R. 1777 (the Foreign Relation Authorization Act of fiscal years 1988 and 1989)] *Public Law 100-204* [whenever it or alternative authorization legislation is enacted] and notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act. 1988.*)

Program and Financing (in thousands of dollars)

Identification code 67-0201-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Overseas missions.....	226,358	236,277	236,639
00.02 Voice of America .....	173,818	185,185	189,151
00.03 Educational and cultural affairs .....	40,521	39,348	34,366
00.04 Program coordination, production, and support .....	44,761	47,855	50,864
00.05 Television and film service.....	31,526	40,783	45,871
00.06 Agency direction and management .....	68,343	71,705	69,176
00.91 Total direct program .....	585,327	621,153	626,061
01.01 Reimbursable program.....	6,930	7,903	8,911
10.00 Total obligations.....	592,257	629,056	634,972
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-6,930	-7,903	-8,911
17.00 Recovery of prior year obligations .....	-290		
21.40 Unobligated balance available, start of year.....	-6,419	-4,467	-3,661
24.40 Unobligated balance available, end of year.....	4,467	3,661	
25.00 Unobligated balance lapsing.....	5,147		
40.00 Budget authority (appropriation).....	588,232	620,347	622,400
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	585,327	621,153	626,061
72.40 Obligated balance, start of year .....	124,097	114,003	127,232
74.40 Obligated balance, end of year.....	-114,003	-127,232	-145,753
77.00 Adjustments in expired accounts.....	-10,601		
78.00 Adjustments in unexpired accounts.....	-290		
90.00 Outlays.....	584,530	607,924	607,540

Status of Direct Loans (in thousands of dollars)

Identification code 67-0201-0-1-154	1987 actual	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	757	573	490
1251 Repayments: Repayments and prepayments.....	-184	-83	-7
1290 Outstanding, end of year.....	573	490	483

The United States Information Agency conducts the international communication, educational, cultural and exchange programs of the United States. The Agency advises the President, the National Security Council, and the Secretary of State on the above areas, and assists in the development and execution of a national policy on international communications.

Agency operations are largely financed from this appropriation and consist of the following major elements:

**Overseas missions.**—The Agency currently operates 205 posts in 127 countries. These posts administer the exchange-of-persons program and conduct informational and other cultural programs using materials prepared locally and by the media services in Washington.

**Voice of America.**—This activity produces radio broadcasts in English and in 43 languages. Programs are broadcast from transmitters at 4 domestic and 13 overseas locations.

**Educational and cultural affairs.**—This activity covers the staff that administers educational and cultural exchanges between the United States and over 140 countries. It also provides program and support costs for the President's International Youth Exchange program, American-sponsored schools abroad, binational centers, U.S.-operated libraries and reading rooms abroad and other educational and cultural activities. Grant costs for Academic and Visitor Exchanges, and the Humphrey Fellowship, Private Sector, and Congress-Bundestag exchange programs are funded separately in the Educational and Cultural Exchanges account.

**Program coordination, production, and support.**—This activity serves primarily to support overseas missions by coordinating program planning and by producing, acquiring, and adapting various program materials for their use.

**Television and film service.**—This Service acquires and produces programs for distribution overseas and for direct telecasts via satellite. This activity also includes the Agency's new television service, WORLDNET, which has opened a new era in worldwide communication.

**Agency direction and management.**—This activity encompasses managerial staffs and centralized servicing functions for the Agency as a whole.

The 1989 request for this account will provide funds to partially cover added operating costs, principally overseas employee wage scales and inflationary increases for rents, utilities, diesel fuel, and other overseas goods and services.

Object Classification (in thousands of dollars)

Identification code 67-0201-0-1-154	1987 actual	1988 est.	1989 est.
UNITED STATES INFORMATION AGENCY			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	241,122	256,801	262,110
11.3 Other than full-time permanent.....	6,303	6,713	6,852
11.5 Other personnel compensation.....	14,176	15,098	15,410
11.8 Special personal services payments.....	568	605	617
11.9 Total personnel compensation .....	262,169	279,217	284,989
12.1 Civilian personnel benefits .....	38,361	39,377	40,564
13.0 Benefits for former personnel .....	2,062	2,162	2,148
21.0 Travel and transportation of persons .....	16,315	18,240	18,725
22.0 Transportation of things.....	14,181	14,866	14,773
23.1 Rental payments to GSA.....	21,414	26,682	27,310
23.3 Communications, utilities, and miscellaneous charges.....	61,718	65,437	64,652
24.0 Printing and reproduction .....	2,076	2,177	2,163
25.0 Other services.....	85,086	88,714	85,825
26.0 Supplies and materials.....	35,413	36,986	36,616
31.0 Equipment.....	23,073	25,101	26,202
41.0 Grants, subsidies, and contributions .....	20,951	20,048	19,854
42.0 Insurance claims and indemnities .....	259	271	269
99.0 Subtotal, direct obligations, United States Information Agency .....	583,078	619,238	624,090
99.0 Reimbursable obligations, United States Information Agency.....	6,930	7,903	8,911

ALLOCATION TO DEPARTMENT OF STATE				
41.0	Grants, subsidies, and contributions.....	2,250	1,915	1,971
99.0	Subtotal obligations, Department of State.....	2,250	1,915	1,971
99.9	Total obligations.....	592,257	629,056	634,972

**Personnel Summary**

Direct:				
	Total number of full-time permanent positions.....	9,145	9,037	8,957
	Total compensable workyears: Full-time equivalent employment.....	8,713	8,766	8,698
Reimbursable:				
	Total compensable workyears: Full-time equivalent employment.....	19	19	19

**SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code	67-0205-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	136	207	
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-343		
21.40	Unobligated balance available, start of year.....		-207	
24.40	Unobligated balance available, end of year.....	207		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	136	207	
72.40	Obligated balance, start of year.....	1,383	631	
74.40	Obligated balance, end of year.....	-631		
78.00	Adjustments in unexpired accounts.....	-343		
90.00	Outlays.....	545	838	

An appropriation, together with the balances available from prior years, was formerly used for payment of local program expenses in U.S.-owned foreign currencies in those countries where the Department of the Treasury had determined that the supply of such currencies was in excess to the normal requirements of the U.S. Government. Since 1986, new appropriations for these payments in excess of available balances were budgeted for in the Salaries and expenses account.

**Object Classification (in thousands of dollars)**

Identification code	67-0205-0-1-154	1987 actual	1988 est.	1989 est.
21.0	Travel and transportation of persons.....	16	24	
22.0	Transportation of things.....	3	5	
23.2	Rental payments to others.....	31	47	
24.0	Printing and reproduction.....	3	5	
25.0	Other services.....	15	23	
26.0	Supplies and materials.....	2	3	
31.0	Equipment.....	1	1	
41.0	Grants, subsidies, and contributions.....	65	99	
999.9	Total obligations.....	136	207	

**EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS**

Notwithstanding section 301(a)(1) through (7) of [H.R. 1777 (the Foreign Relations Authorization Act, fiscal years 1988 and 1989)] Public Law 100-204, for expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), [\$142,310,000: *Provided*, That not less than \$540,000 shall be made available to the Institute for Representative Government for a pilot program for exchanges of persons and other exchange-related activities with legislators and legislatures of developing democracies:

*Provided further*, That not less than \$2,000,000 shall be made available for a grant to the Oregon Historical Society to assist in the establishment of the North Pacific Research Center in Portland, Oregon.] \$138,614,000. For the Private Sector Exchange Programs, [\$7,730,000 of which \$500,000 shall be available only for the Seattle Goodwill Games Organizing Committee for Cultural Exchange and other exchange-related activities associated with the 1990 Goodwill Games to be held in Seattle, Washington.] \$7,486,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	67-0209-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Academic and visitor exchanges.....	124,180	137,166	131,032
00.02	Hubert Humphrey fellowships.....	4,275	5,389	5,063
00.03	Private sector programs.....	8,994	11,270	8,315
00.04	Congress-Bundestag Exchange Program.....	2,409	2,426	2,519
00.91	Total direct program.....	139,857	156,251	146,929
01.01	Reimbursable program.....	1,729	2,000	2,000
10.00	Total obligations.....	141,586	158,251	148,929
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,729	-2,000	-2,000
21.40	Unobligated balance available, start of year.....	-1,966	-7,041	-829
24.40	Unobligated balance available, end of year.....	7,041	829	
25.00	Unobligated balance lapsing.....	68		
40.00	<b>Budget authority (appropriation)</b> .....	146,000	150,040	146,100
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	139,857	156,251	146,929
72.40	Obligated balance, start of year.....	97,778	100,074	114,084
74.40	Obligated balance, end of year.....	-100,074	-114,084	-121,857
77.00	Adjustments in expired accounts.....	478		
90.00	Outlays.....	138,039	142,241	139,156

This appropriation provides funding for programs authorized by the Mutual Educational and Cultural Exchanges Act of 1961, as amended, including academic exchanges and grants for foreign leaders and professionals to make short-term visits to the United States. USIA operates a variety of cooperative exchange programs with the private sector. It also arranges special programs for selected foreign individuals and groups visiting the United States under other than U.S. Government sponsorship.

The Agency also manages other exchange related activities funded from the Agency's S&E appropriation, i.e.: international youth exchange, Board of Foreign Scholarships, student support, studies of the U.S. and libraries, reading rooms, cultural centers, and related resources.

The staff costs to operate the exchange programs funded by this appropriation are included in the salaries and expenses account.

*Academic and visitor exchanges.*—This activity consists of academic exchange of American and foreign graduate students, teachers, scholars and specialists; and officially invited international visitors as well as important foreign visitors who are not U.S. Government-sponsored.

*Hubert H. Humphrey fellowships.*—This activity provides for one year of graduate training to promising mid-career professionals from third world countries.

*Private sector programs.*—This activity supports traditional and other exchange programs conducted by non-governmental organizations.

General and special funds—Continued

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS—Continued

**Congress-Bundestag Exchange Program.**—This activity provides mutual full scholarships for year-long academic homestay programs between Germany and the United States. This project is co-funded with each country providing half of the necessary funds to support these exchanges.

Object Classification (in thousands of dollars)

Identification code 67-0209-0-1-154	1987 actual	1988 est.	1989 est.
41.0 Grants, subsidies, and contributions .....	139,857	156,251	146,929
99.0 Reimbursable obligations .....	1,729	2,000	2,000
99.9 Total obligations .....	141,586	158,251	148,929

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, **[\$16,875,000]** \$15,800,000. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 67-0210-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	15,000	16,875	15,800
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	15,000	16,875	15,800
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	15,000	16,875	15,800
72.40 Obligated balance, start of year .....	14,534	10,199	10,125
74.40 Obligated balance, end of year .....	-10,199	-10,125	-9,480
90.00 Outlays .....	19,336	16,949	16,445

The National Endowment for Democracy is a private, nonprofit corporation established in the District of Columbia to encourage and strengthen the development of democratic institutions and processes internationally, including activities which promote individual rights and freedom, through private sector initiatives, exchanges, training programs, and other activities.

The National Endowment for Democracy Act provides that the U.S. Information Agency will make an annual grant to the Endowment to enable the Endowment to fulfill the purposes of the Act. The Endowment does not carry out programs directly but provides funding for activities of the Free Trade Union Institute of the AFL-CIO, the National Chamber Foundation of the U.S. Chamber of Commerce and other private organizations and groups.

RADIO BROADCASTING TO CUBA

For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti Program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, **[\$12,759,000]** \$11,175,000 to remain available until expended[, of which not to exceed \$100,000 shall be available for the Advisory Board on Radio Broadcasting to Cuba for a feasibility study

on television broadcasting to Cuba]. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 67-0208-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
00.01 Program operations .....	12,299	12,003	12,282
00.02 Acquisition and construction of facilities .....	581	700	.....
10.00 Total obligations .....	12,880	12,703	12,282
<b>Financing:</b>			
17.00 Recoveries of prior-year obligations .....	-525	.....	.....
21.40 Unobligated balance available, start of year .....	-771	-1,051	-1,107
24.40 Unobligated balance available, end of year .....	1,051	1,107	.....
25.00 Unobligated balance lapsing .....	124	.....	.....
40.00 Budget authority (appropriation) .....	12,759	12,759	11,175
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	12,880	12,703	12,282
72.40 Obligated balance, start of year .....	2,369	3,299	3,554
74.40 Obligated balance, end of year .....	-3,299	-3,554	-4,390
78.00 Adjustments in unexpired accounts .....	-525	.....	.....
90.00 Outlays .....	11,425	12,448	11,446

The Voice of America: Radio Marti Program was created by the Radio Broadcasting to Cuba Act (Public Law 98-111). The programs are normally transmitted via the Radio Marti transmitter facility at Marathon, Florida, but during the current modernization of this facility, the emergency back-up site at Saddlebunch, Florida, is being used.

The objectives of the Radio Marti Program are: (1) to support the right of the people of Cuba to seek, receive, and impart information and ideas through any media and regardless of frontiers; (2) to be effective in furthering the open communication of information and ideas through use of radio broadcasting to Cuba; (3) to serve as a consistently reliable and authoritative source of accurate, objective, and comprehensive news; and (4) to function in accordance with all Voice of America standards, and to broadcast programs which present a variety of views.

**Program operations.**—These funds provide for program operations which include personnel compensation, research, transmission costs and other programming requirements. The Radio Marti Program began broadcasting on May 20, 1985, from studios in Washington, D.C. The program currently broadcasts 17.5 hours each day, seven days per week. When the current upgrading of the Marathon facility has been completed, we plan to broadcast 24 hours per day.

**Acquisition and construction of facilities.**—In 1988, funding is provided for construction of a four-tower antenna array at the transmitter site at Marathon, Florida.

Object Classification (in thousands of dollars)

Identification code 67-0208-0-1-154	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	4,745	5,060	5,307
11.3 Other than full-time permanent .....	330	335	337
11.5 Other personnel compensation .....	325	310	310
11.9 Total personnel compensation .....	5,400	5,705	5,954
12.1 Civilian personnel benefits .....	1,002	1,181	1,247
21.0 Travel and transportation of persons .....	161	265	286
22.0 Transportation of things .....	16	24	26
23.1 Rental payments to GSA .....	1,196	1,051	1,065

23.3	Communications, utilities, and miscellaneous charges .....	573	518	539
24.0	Printing and reproduction .....	1	11	12
25.0	Other services .....	3,044	3,361	2,648
26.0	Supplies and materials .....	304	354	368
31.0	Equipment .....	190	233	137
42.0	Insurance claims and indemnities .....	993		
99.9	<b>Total obligations</b> .....	<b>12,880</b>	<b>12,703</b>	<b>12,282</b>

**Personnel Summary**

Total number of full-time permanent positions .....	185	181	181
Total compensable workyears:			
Full-time equivalent employment .....	151	165	172
Full-time equivalent of overtime and holiday hours .....	6	6	6

**EAST-WEST CENTER**

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, \$20,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988.*)

**Program and Financing (in thousands of dollars)**

Identification code 67-0202-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	20,000	20,000	20,000
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	20,000	20,000	20,000
72.40 Obligated balance, start of year .....	189	3,433	1,100
74.40 Obligated balance, end of year .....	-3,433	-1,100	-1,100
90.00 <b>Outlays</b> .....	<b>16,756</b>	<b>22,333</b>	<b>20,000</b>

The Center for Cultural and Technical Interchange between East and West is a national educational institution administered on behalf of the United States Information Agency by a public, nonprofit educational corporation under a grant from the Agency. The Center promotes better relations and understanding between the United States and the nations of Asia and the Pacific through cooperative programs of research, study, and training, which bring qualified persons from the countries of the area to work jointly on problems of mutual concern.

No increase is requested for 1989. Although mandatory cost increases will occur, the Center anticipates that they will be offset by additional revenues generated from outside sources.

The funds requested in 1989 will provide for 2,215 participant awards for an average of ten weeks each.

**RADIO CONSTRUCTION**

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, \$65,000,000, to remain available until expended.

**Program and Financing (in thousands of dollars)**

Identification code 67-0204-0-1-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Acquisition and construction of facilities .....	51,380	91,276	107,000
00.02 Maintenance and improvement of existing facilities .....	13,747	4,287	8,000
00.03 Advanced engineering and technical development .....	10,838	2,063	
00.91 Total direct program .....	75,965	97,626	115,000
01.01 Reimbursable program .....	1,033	1,000	1,000
10.00 <b>Total obligations</b> .....	<b>76,998</b>	<b>98,626</b>	<b>116,000</b>
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,033	-1,000	-1,000
17.00 Recovery of prior year obligations .....	-15,531		
21.40 Unobligated balance available, start of year .....	-142,061	-147,626	-50,000
24.40 Unobligated balance available, end of year .....	147,626	50,000	
39.00 <b>Budget authority</b> .....	<b>66,000</b>		<b>65,000</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>46,000</b>		<b>65,000</b>
40.00 <b>Appropriation (indefinite)</b> .....	<b>20,000</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	75,965	97,626	115,000
72.40 Obligated balance, start of year .....	56,784	57,928	67,930
74.40 Obligated balance, end of year .....	-57,928	-67,930	-99,520
78.00 Adjustments in unexpired accounts .....	-15,531		
90.00 <b>Outlays</b> .....	<b>59,290</b>	<b>87,625</b>	<b>83,410</b>

**Acquisition and construction of facilities.**—In 1989, the Agency will continue the multi-year effort of modernizing and expanding the technical transmission capability of the Voice of America (VOA). The scope and pace of these modernization efforts have been streamlined to focus on the two highest priority projects. In 1989, \$107,000 thousand will be applied to this program.

**Maintenance and improvement of existing facilities.**—This program will provide \$8,000 thousand in 1989 for the continuing repairs and improvements required to maintain the VOA's existing global radio network.

**Advanced engineering and technical development.**—This category provides for the continuing program of engineering development, equipment design and radio propagation techniques specifically applicable to the VOA.

**Object Classification (in thousands of dollars)**

Identification code 67-0204-0-1-154	1987 actual	1988 est.	1989 est.
<b>UNITED STATES INFORMATION AGENCY</b>			
<b>Direct obligations:</b>			
21.0 Travel and transportation of persons .....	13	10	27
22.0 Transportation of things .....	235	142	183
23.2 Rental payments to others .....	1,444	1,500	1,500
24.0 Printing and reproduction .....		9	12
25.0 Other services .....	31,372	50,025	65,478
26.0 Supplies and materials .....	370	200	300
31.0 Equipment .....	7,606	39,800	47,500
42.0 Claims and indemnities .....	20,000		
99.0 <b>Subtotal, direct obligations</b> .....	<b>61,040</b>	<b>91,686</b>	<b>115,000</b>
99.0 <b>Reimbursable obligations</b> .....	<b>1,033</b>	<b>1,000</b>	<b>1,000</b>
<b>ALLOCATION TO ARMY CORPS OF ENGINEERS</b>			
11.1 Personnel compensation: Full-time permanent .....	495	118	
21.0 Travel and transportation of persons .....	113	90	
22.0 Transportation of things .....	25	10	
24.0 Printing and reproduction .....	32	9	
25.0 Other services .....	6,920	1,500	
26.0 Supplies and materials .....	285	128	

General and special funds—Continued

RADIO CONSTRUCTION—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 67-0204-0-1-154	1987 actual	1988 est.	1989 est.
32.0 Land and structures .....	7,055	4,085	
99.0 Subtotal, Army Corps of Engineers .....	14,925	5,940	
99.9 Total obligations .....	76,998	98,626	116,000

Personnel Summary

ALLOCATION TO CORPS OF ENGINEERS

Total number of full-time permanent positions .....	21	5	
Total compensable workyears: Full-time equivalent employment .....	20	5	

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 67-9971-0-7-154	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	1,669	1,760	1,680
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance .....	-3,164	-2,938	-2,928
24.40 Unobligated balance available, end of year: Treasury balance .....	2,938	2,928	2,708
60.00 Budget authority (appropriation) (permanent, indefinite) .....	1,443	1,750	1,460
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,669	1,760	1,680
72.40 Obligated balance, start of year .....	1,858	2,163	2,413
74.40 Obligated balance, end of year .....	-2,163	-2,413	-2,793
90.00 Outlays .....	1,363	1,510	1,300
<b>Distribution of budget authority by account:</b>			
Proprietary receipts .....	745	903	755
Contributions, educational and cultural exchange .....	628	762	635
Interest, educational and cultural exchange .....	70	85	70
<b>Distribution of outlays by account:</b>			
Proprietary receipts .....	693	768	660
Contributions, educational and cultural exchange .....	670	742	640

Funds advanced by other governments, business concerns, and private organizations are used to send experts abroad to perform requested services; to give foreign nationals scientific, technical, or other training; to purchase films and other products owned or controlled by the United States Information Agency; to replace damaged or destroyed United States Information Agency property; and for international exhibitions (22 U.S.C 1431-1479; 70 Stat. 778).

Funds contributed by private individuals and concerns, foreign governments, and international organizations are used for the purposes of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455) and for carrying out other functions of the Agency (22 U.S.C. 809a and 22 U.S.C. 2697).

Object Classification (in thousands of dollars)

Identification code 67-9971-0-7-154	1987 actual	1988 est.	1989 est.
22.0 Transportation of things .....	19	20	19
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
24.0 Printing and reproduction .....	14	15	14
25.0 Other services .....	770	813	776
26.0 Supplies and materials .....	163	172	164
31.0 Equipment .....	23	23	23
41.0 Grants, subsidies, and contributions .....	679	716	683
99.9 Total obligations .....	1,669	1,760	1,680

ADMINISTRATIVE PROVISION—UNITED STATES INFORMATION AGENCY

The United States Information Agency and the Voice of America shall pursue all relevant information relating to the availability of transmitters and antennas, spare parts, and other technical equipment to determine whether such items can be procured at reasonable prices and in a timely manner under all foreseeable circumstances. The agency and the Voice of America shall purchase American-manufactured equipment and materials to the fullest extent reasonably possible under the law in carrying out the facilities modernization program. This provision shall apply to all funds which are obligated for the facilities modernization program during fiscal year 1988. Where a foreign bidder receives any governmental subsidy, the price bid of each foreign bidder shall be increased by the amount of that subsidy as determined by the Department of Commerce for purposes of this procurement.

GENERAL PROVISIONS—RELATED AGENCIES

Funds appropriated to the United States Information Agency for radio construction and to the Board for International Broadcasting for facility modernization, including for both agencies balances available from prior years, may be transferred between the two agencies to meet priority broadcasting facility improvement needs as mutually agreed to by the Director of the United States Information Agency and the Chairman of the Board for International Broadcasting: *Provided*, That such transfers will be subject to the approval of the Committees on Appropriations of the House of Representatives and the United States Senate pursuant to the reprogramming provisions of section 608 of this Act.

UNITED STATES INSTITUTE OF PEACE

Federal Funds

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, **[\$4,308,000]** \$3,376,000. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 95-1300-0-1-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	625	4,290	3,376
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....		18	
40.00 Budget authority (appropriation) .....	625	4,308	3,376
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	625	4,290	3,376
72.40 Obligated balance, start of year .....	3,569		
77.00 Adjustments in expired accounts .....	235		
90.00 Outlays .....	4,429	4,290	3,376

The United States Institute of Peace (USIP) was established by Congress to conduct and support research



and scholarship in the fields of peace, arms control, and conflict resolution.

1988 program activity includes continuing grant and fellowship programs, a survey of the field of peace studies, the development of an educational television documentary and classroom material on U.S.-Soviet summitry, and sponsoring a national student essay contest. The funds requested in 1989 will permit USIP to continue its programs at levels consistent with its current program planning and administrative experience.

**Object Classification** (in thousands of dollars)

Identification code 95-1300-0-1-153	1987 actual	1988 est.	1989 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	299	586	930
11.3 Other than full-time permanent.....		153	208
11.9 Total personnel compensation.....	299	739	1,138
12.1 Civilian personnel benefits.....	53	139	177
21.0 Travel and transportation of persons.....	6	57	90
22.0 Transportation of things.....	2	12	12
23.1 Rental payments to GSA.....	25	16	
23.2 Rental payments to others.....		285	335
23.3 Communications, utilities, and miscellaneous charges.....	14	70	75
24.0 Printing and reproduction.....	10	85	110
25.0 Other services.....	48	210	226
26.0 Supplies and materials.....	11	25	25
31.0 Equipment.....		210	70
41.0 Grants, subsidies, and contributions.....	157	2,442	1,118
99.9 Total obligations.....	625	4,290	3,376

**Personnel Summary**

Total number of full-time permanent positions.....	10	14	14
Total compensable workyears: Full-time equivalent employment.....	8	11	14

**Trust Fund**

**GIFTS AND CONTRIBUTIONS**

**Program and Financing** (in thousands of dollars)

Identification code 95-8283-0-7-153	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	657	230	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-1,003		
25.00 Unobligated balance lapsing.....	346		
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....		230	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-346	230	
90.00 Outlays.....	-346	230	

Miscellaneous contributed funds received by gift or contribution from government at all levels are used in furtherance of the Institute's program (Public Law 98-525).

**Object Classification** (in thousands of dollars)

Identification code 95-8283-0-7-153	1987 actual	1988 est.	1989 est.
<b>Personal compensation:</b>			
11.1 Full-time permanent.....	59	84	
11.3 Other than full-time permanent.....	119	50	
11.9 Total personnel compensation.....	178	134	
12.1 Civilian personnel benefits.....	21	17	
21.0 Travel and transportation of persons.....	35	13	

22.0 Transportation of things.....	5	2
23.1 Rental payments to GSA.....	25	
23.2 Rental payments to others.....	1	2
23.3 Communications, utilities, and miscellaneous charges.....	11	6
24.0 Printing and reproduction.....	42	
25.0 Other services.....	164	39
26.0 Supplies and materials.....	8	1
31.0 Equipment.....	167	16
99.9 Total obligations.....	657	230

**Personnel Summary**

Total compensable workyears: Full-time equivalent employment.....	3	3
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**UNITED STATES RAILWAY ASSOCIATION**

**Federal Funds**

**General and special funds:**

**ADMINISTRATIVE EXPENSES**

**Program and Financing** (in thousands of dollars)

Identification code 98-0100-0-1-401	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	632		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-55	-468	
24.40 Unobligated balance available, end of year.....	468		
25.00 Unobligated balance lapsing.....		468	
39.00 <b>Budget authority (appropriation)</b> .....	1,045		
<b>Budget authority:</b>			
40.00 Appropriation.....	2,200		
41.00 Transferred to other accounts.....	-1,155		
43.00 <b>Appropriation (adjusted)</b> .....	1,045		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	632		
72.40 Obligated balance, start of year.....	545		
90.00 Outlays.....	1,177		

USRA was created as a temporary agency in 1973 to oversee the formation of Conrail, monitor its performance, and act as a conduit for Federal assistance. These activities have been completed and, pursuant to the Conrail Privatization Act, USRA was abolished on April 1, 1987. Conrail is currently a profitable corporation operating without government subsidy that has been returned to the private sector. Unobligated balances of this account will be withdrawn in 1988.

Two other USRA accounts, Payments for Purchase of Conrail Securities and Regional Rail Reorganization Program, have been transferred to the Department of Transportation and are shown under the Federal Railroad Administration.

**Object Classification** (in thousands of dollars)

Identification code 98-0100-0-1-401	1987 actual	1988 est.	1989 est.
11.8 Personnel compensation: Special personal services payments.....	498		
21.0 Travel and transportation of persons.....	2		
23.2 Rental payments to others.....	112		
23.3 Communications, utilities, and miscellaneous charges.....	4		
25.0 Other services.....	13		
26.0 Supplies and materials.....	3		
99.9 Total obligations.....	632		

**UNITED STATES SENTENCING COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, **[\$5,129,000] \$5,350,000.** (The Judiciary Appropriation Act, 1988.)

**Program and Financing (in thousands of dollars)**

Identification code	10-0938-0-1-752	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations	3,135	6,269	5,350
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-1,200	-1,140	
24.40	Unobligated balance available, end of year	1,140		
25.00	Unobligated balance lapsing	2,725		
40.00	<b>Budget authority (appropriation)</b>	<b>5,800</b>	<b>5,129</b>	<b>5,350</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	3,135	6,269	5,350
72.40	Obligated balance, start of year	91	279	558
74.40	Obligated balance, end of year	-279	-558	-476
90.00	<b>Outlays</b>	<b>2,948</b>	<b>5,990</b>	<b>5,432</b>

The United States Sentencing Commission was established pursuant to provisions of the Comprehensive Crime Control Act of 1984 (Public Law 98-473, Title II). The purposes of the Commission are to establish sentencing guidelines for the United States district courts and other sentencing policies and practices for the Federal criminal justice system. The Commission is also charged with developing means of measuring the degree to which the sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing as set forth in new section 3553(a)(2) of Title 18, United States Code, by section 212(a) of the Act.

**Object Classification (in thousands of dollars)**

Identification code	10-0938-0-1-752	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	1,696	2,495	3,016
11.3	Other than full-time permanent	28		

11.5	Other personnel compensation	12		
11.9	Total personnel compensation	1,736	2,495	3,016
12.1	Civilian personnel benefits	305	375	580
21.0	Travel and transportation of persons	170	446	446
22.0	Transportation of things	9		
23.2	Rental payments to others	398	396	580
23.3	Communications, utilities, and miscellaneous charges	157	44	65
24.0	Printing and reproduction	95	201	100
25.0	Other services	200	2,204	455
26.0	Supplies and materials	32	38	38
31.0	Equipment	33	70	70
99.9	<b>Total obligations</b>	<b>3,135</b>	<b>6,269</b>	<b>5,350</b>

**Personnel Summary**

Total number of full-time permanent positions	54	54	69
Total compensable workyears: Full-time equivalent employment	38	54	69

**WATER RESOURCES COUNCIL**

*Federal Funds*

**General and special funds:**

**WATER RESOURCES PLANNING**

**Program and Financing (in thousands of dollars)**

Identification code	85-0100-0-1-301	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	515		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-2,001	-1,486	
24.40	Unobligated balance available, end of year	1,486		
25.00	Unobligated balance lapsing		1,486	
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	515		
72.40	Obligated balance, start of year	59	59	
74.40	Obligated balance, end of year	59		
90.00	<b>Outlays</b>	<b>515</b>	<b>59</b>	

All Water Resources Council activities were terminated March 1981.

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PART II

**SUPPLEMENTALS**

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II-1

## TREATMENT OF SUPPLEMENTALS IN FISCAL YEAR 1988

The November 20, 1987 bipartisan budget agreement on deficit reduction between the President and the joint leadership of Congress specifies that for fiscal year 1988 neither the Congress nor the President shall initiate supplemental appropriations except in the case of dire emergency. Consequently, only the language proposals shown below, which would have no effect on fiscal year 1988 resource levels, are included in the budget.

The Administration anticipates transmitting to the Congress during fiscal year 1988 only three types of supplementals: (1) requests necessitated by true emergencies; (2) requests for essential mandatory programs where insufficient funds are available to provide for the program levels mandated by authorizing legislation; and (3) requests for transfers or reprogramming actions where the effect of such proposed action would be deficit neutral.

### PROPOSED SUPPLEMENTALS

#### Department of Education OFFICE OF POSTSECONDARY EDUCATION

##### STUDENT FINANCIAL ASSISTANCE

(Supplemental language now requested, existing legislation)

*Notwithstanding section 411(g) of the Higher Education Act, as amended, if the funds appropriated for payments under this heading in the Department of Education Appropriations Act, 1988, when added to funds available from prior year appropriations, are insufficient to satisfy fully all grants as calculated under section 411(b), the Secretary shall determine the amount to be paid to each eligible student based on a formula in which all awards for the 1988-89 award year are reduced by a uniform amount established by the Secretary.*

*In the language under this heading in the Department of Education Appropriations Act, 1988, insert "D," after "parts C".*

The appropriation for the Pell grant program for 1988 is insufficient to fund fully the 1988 appropriations act policy of a \$2,200 maximum award. Insufficient funding requires the implementation of the statutorily mandated linear reduction, eliminating awards to some

students and reducing awards to others. The first paragraph of proposed language would permit the Secretary of Education to implement a uniform dollar reduction in the Pell grant program, currently estimated at \$31 per award, instead of linear reduction. The Secretary believes this method of reduction is a more equitable treatment of Pell grant recipients.

The second paragraph of proposed language would correct a technical error in 1988 appropriations language and allow orderly obligation and expenditure of funds made available for the income contingent loan program.

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#### Department of Transportation MARITIME ADMINISTRATION

##### FEDERAL SHIP FINANCING FUND

*During fiscal year 1988, no new commitments to guarantee loans shall be made.*

The proposed language would prohibit new loan guarantee commitments from being made in fiscal year 1988.

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PART III

**OTHER MATERIALS**

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III-1

## EXPLANATION OF OTHER MATERIALS

This section includes the following material:

(a) A list of advance appropriations, as required by the Congressional Budget Act of 1974 (31 U.S.C. 1105(a)(17)), including those resulting from multi-year appropriations requests, a list of appropriations with advance funding provisions, and a list of appropriations with forward funding provisions.

(b) A statement of amendments and revisions, if any,

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to 1988 budget authority requests that were transmitted to the Congress after the 1988 Budget but prior to the transmittal of the 1989 Budget, as required by section 601 of the Congressional Budget Act of 1974.

(c) A statement of the amounts of appropriations requested for Offices of Inspectors General, as required by section 3 of the Federal Managers' Financial Integrity Act of 1982 (Public Law 97-255).

## ADVANCE APPROPRIATIONS, ADVANCE FUNDING, AND FORWARD FUNDING FOR 1989

*I. An advance appropriation* is one made to become available one fiscal year or more beyond the fiscal year for which the appropriation act is passed. Advance appropriations in 1989 appropriations Acts will become available for programs in 1990 or beyond. Since these appropriations are not available until after 1989, the amounts will not be included in 1989 budget totals, but will be reflected in the budget totals for the fiscal year for which they are requested. In certain cases, these amounts represent the second or a subsequent year request for appropriations on a multi-year basis.

The Congressional Budget Act of 1974 (31 U.S.C. 1105(a)(17)) requires inclusion in the budget of "information on estimates of appropriations for the fiscal year following the fiscal year for which the budget is submitted for grants, contracts, and other payments under each program for which there is an authorization of appropriations for that following fiscal year when the appropriations are authorized to be included in an appropriation law for the fiscal year before the fiscal year in which the appropriation is to be available for obligation." In fulfillment of this requirement, the table below lists those accounts authorized to receive, in 1989, advance appropriations for 1990 and beyond and cites the authorizing statute. Also listed in Part A are accounts presented on a multi-year basis that have no specific legal authority. The listing is in two parts: Part A shows the amounts of advance appropriations included in the 1989 budget. Part B is a listing of accounts for which advance appropriations are authorized but not requested in the 1989 budget.

**A. Accounts for which advance appropriations are included in the 1989 budget:**

- Department of Energy: Clean coal technology, \$575,000 thousand for 1990, \$600,000 thousand for 1991, and \$600,000 thousand for 1992.
- Department of Health and Human Services, except Social Security:
  - Program expenses, \$471,930 thousand for 1990.
  - Health resources and services, \$1,196,857 thousand for 1990.
  - Health care improvement, \$15,000 thousand for 1990.
  - Medical facilities guarantee and loan fund, \$21,000 thousand for 1990.
  - Tribal and Federal health services, \$1,003,007 thousand for 1990.
  - Disease control, research and training, \$521,503 thousand for 1990.
  - National Cancer Institute, \$1,496,978 thousand for 1990.
  - National Heart, Lung and Blood Institute, \$1,035,024 thousand for 1990.
  - National Institute of Dental Research, \$129,401 thousand for 1990.
  - National Institute of Diabetes and Digestive and Kidney Diseases, \$572,906 thousand for 1990.
  - National Institute of Neurological and Communicative Disorders and Stroke, \$568,131 thousand for 1990.
  - National Institute of Allergy and Infectious Diseases, \$443,123 thousand for 1990.
  - National Institute of General Medical Sciences, \$689,465 thousand for 1990.

- National Institute of Child Health and Human Development, \$405,139 thousand for 1990.
- National Eye Institute, \$233,397 thousand for 1990.
- National Institute of Environmental Health Services, \$222,768 thousand for 1990.
- National Institute on Aging, \$208,702 thousand for 1990.
- National Institute of Arthritis and Musculoskeletal and Skin Disease, \$161,311 thousand for 1990.
- Research resources, \$326,286 thousand for 1990.
- National Center for Nursing Research, \$23,822 thousand for 1990.
- John E. Fogarty International Center, \$11,516 thousand for 1990.
- National Library of Medicine, \$71,595 thousand for 1990.
- Office of the Director, \$53,016 thousand for 1990.
- Buildings and facilities, \$5,000 thousand for 1990.
- Alcohol, drug abuse, and mental health, \$1,314,652 thousand for 1990.
- Federal subsidy for Saint Elizabeths Hospital, \$18,000 thousand for 1990.
- Public health service management, \$195,944 thousand for 1990.
- Fund for acquired immune deficiency syndrome research and education, \$1,350,000 thousand for 1990.
- Retirement pay and medical benefits for commissioned officers, \$110,712 thousand for 1990.
- Grants to States for Medicaid (42 U.S.C., sec. 1396) \$35,814,639 thousand for 1990 and \$9,800,000 thousand for 1991.
- Program management, \$1,846 thousand for 1990.
- Payments to Health Care Trust Funds, \$30,306,000 thousand for 1990.
- Payments to Social Security Trust funds, \$85,275 thousand for 1990.
- Special benefits for disabled coal miners (30 U.S.C., sec. 921) \$847,755 thousand for 1990 and \$203,000 thousand for 1991.
- Supplemental security income program (42 U.S.C., sec. 1381) \$12,300,201 thousand for 1990 and \$3,234,000 thousand for 1991.
- Family support administration: Program administration, \$77,041 thousand for 1990.
- Family support payments to States (42 U.S.C., secs. 601 and 651) \$10,574,268 thousand for 1990 and \$2,730,000 thousand for 1991.
- Community services block grant (42 U.S.C., sec. 9901) \$245,000 thousand for 1990.
- Interim assistance to States for Legalization (Public Law 99-603, sec. 204) \$744,000 thousand for 1990, and \$733,000 thousand for 1991.<sup>1</sup>
- Social services block grant, \$2,700,000 thousand for 1990.
- Human Development Services, \$2,505,023 thousand for 1990.
- Payments to States for foster care and adoption assistance, \$1,034,501 thousand for 1990.
- General departmental management, \$76,500 thousand for 1990.
- Policy research, \$5,100 thousand for 1990.
- Office of the Inspector General, \$87,100 thousand for 1990.
- Office for Civil Rights, \$21,300 thousand for 1990.
- Office of Consumer Affairs, \$1,750 thousand for 1990.
- Department of Health and Human Services, Social Security Administration: Limitation on administrative expenses, \$3,765,870 thousand for 1990.
- National Aeronautics and Space Administration: Research and development (Space Station), \$2,130,200 thousand for 1990, and \$2,912,500 thousand for 1991.
- Department of Transportation: Operations (Airport and airway trust fund), \$750 thousand for 1989.
- Consumer Product Safety Commission: Salaries and expenses, \$33,005 thousand for 1990.

Corporation for Public Broadcasting: Public broadcasting fund, \$228,000 thousand for 1989 and \$232,648 thousand for 1990.  
 Railroad Retirement Board: Federal payments to the railroad retirement accounts, \$3,100 thousand for 1990.

**B. Accounts authorized to receive advance appropriations but for which none are requested in the 1989 budget:**

**Department of Agriculture:**

Food program administration (42 U.S.C., sec. 1752).  
 Food donations program (Public Law 93-29, sec. 209).  
 Child nutrition programs (42 U.S.C., sec. 1752).

**Department of Education.** The following activities are authorized to receive advance appropriations (20 U.S.C. 1223 and 29 U.S.C. 703):<sup>2</sup>

Compensatory education for the disadvantaged.  
 Impact aid.  
 School improvement programs.  
 Indian education.  
 Bilingual education.  
 Immigrant and refugee education.  
 Education for the handicapped.  
 Special institutions for the handicapped.  
 Rehabilitation services and handicapped research.  
 Vocational and adult education.  
 Student financial assistance.  
 Guaranteed student loans.  
 Higher education.  
 Higher education facilities loans and insurance.  
 College housing and academic facilities loans.  
 Howard University.  
 Education research and statistics.  
 Libraries.  
 Education and research overseas (special foreign currency program).

<sup>1</sup> Amounts identified for 1989 through 1991 may be adjusted based on reestimating at the time the budget is submitted for each year. However, the annual amount cannot exceed \$1 billion pursuant to Public Law 99-603.

<sup>2</sup> These statutes erroneously refer to "advance funding". Since these statutes describe and clearly intend to provide advance appropriations, the affected accounts are listed here and not in section I.

**II. Advance funding** is budget authority that is to be charged to the appropriation in the succeeding year but which authorizes obligations to be incurred in the last quarter of the fiscal year if necessary to meet higher than anticipated benefit payments in excess of the specific amount appropriated for the year. When such budget authority is used, an adjustment is made to increase the budget authority for the fiscal year in which it is used and to reduce the budget authority of the succeeding fiscal year. Essentially, this is a device for avoiding supplemental requests late in the fiscal year for certain entitlement programs, should the appropriations for the current year prove to be too low. The table below lists those accounts for which advance funding authority is requested in the 1989 budget.

**Department of Labor:**

Special benefits.  
 Black lung disability trust fund.

**Veterans Administration:**

Compensation.  
 Pensions.  
 Burial benefits and miscellaneous assistance.  
 Readjustment benefits.  
 Veterans insurance and indemnities.  
 Loan guaranty revolving fund.

**III. Forward funding** is budget authority that is made available for obligation beginning in the last quarter of the fiscal year for the financing of ongoing grant programs of grantees during the next succeeding fiscal year. The budget authority for such programs is included in the budget totals for the year in which it is appropriated. This device is often used for education programs, so that grants can be made prior to the start of the school year. The language providing forward funding for education programs will specify that amounts appropriated will not be available until some time into the year of the appropriation (e.g., July 1, 1989) and in most cases will specify that such amounts will remain available until the end of the succeeding fiscal year. The table below lists those accounts for which forward funding exists or is requested in whole or in part in the 1989 budget.

**Department of Education:**

Compensatory education for the disadvantaged.  
 School improvement programs.  
 Education for the handicapped.  
 Vocational and adult education.  
 Indian education.

In the training and employment area, forward funding is provided in some accounts by providing appropriations for a program year that starts in the fiscal year of the appropriation and extends into the following fiscal year. Program years running from July 1 to June 30 are authorized for training programs under the Job Training Partnership Act, State Employment Service operations under section 6 of the Wagner-Peyser Act, and senior citizen employment programs under Title V of the Older Americans Act. The table below lists those accounts for which such forward funding is requested in the 1989 budget.

**Department of Labor:**

Training and employment services.  
 Community service employment for older Americans.  
 State Unemployment Insurance and Employment Service Operations.



## STATEMENT OF AMENDMENTS TO AND REVISIONS IN BUDGET AUTHORITY FOR 1988

(Between the Transmittal of the 1988 and 1989 Budgets)

A statement of all amendments to or revisions in budget authority requested between transmittal of the 1988 budget and the 1989 budget is presented below. This statement is being included in the budget in accordance with the Congressional Budget Act of 1974 (31 U.S.C. 1105(d)).

The modifications to requests for 1988 budget authority that were made through the course of the past year took three forms. If the Congress had not yet acted on a pending request, the President sent amendments to the budget requests transmitted in January 1987. If appropriations had been enacted, the President proposed

either supplemental budget authority or rescission of enacted appropriations.

Amendments and requests for supplemental appropriations are printed in the documents of the House of Representatives and the Senate that are identified in part A of the following listing. The President's proposals for rescissions are included in special messages to the Congress under the Impoundment Control Act of 1974 (Public Law 93-344). Both the special messages and monthly cumulative reports on the items they cover are printed in the Federal Register.

### PART A. AMENDED AND SUPPLEMENTAL REQUESTS RELATING TO 1988 BUDGET AUTHORITY

Transmitted to Congress on	Agencies affected	Printed as
Mar. 12, 1987.....	International Security Assistance, International Development Assistance, Overseas Private Investment Corporation, Department of Agriculture, Department of Education, Department of Health and Human Services, Department of Housing and Urban Development, Department of the Interior, Department of State, Department of Transportation, Small Business Administration, Veterans Administration, Export-Import Bank of the U.S., Tennessee Valley Authority.	H. Doc. 100-48
Mar. 20, 1987.....	Department of Education, Federal Emergency Management Agency.....	H. Doc. 100-51
Apr. 4, 1987.....	Department of Agriculture, Department of Energy, Environmental Protection Agency.....	H. Doc. 100-59
Apr. 21, 1987.....	Legislative Branch, Department of Defense—Military.....	H. Doc. 100-67
Apr. 29, 1987.....	Legislative Branch, Executive Office of the President, Funds Appropriated to the President, Department of State, General Services Administration, Small Business Administration.	H. Doc. 100-71
June 2, 1987.....	Department of Defense—Military, Department of the Interior, Department of Transportation.....	H. Doc. 100-80
June 26, 1987.....	The Judiciary, Department of Labor.....	H. Doc. 100-86
June 30, 1987.....	Legislative Branch, Department of Health and Human Services, Department of Transportation.....	H. Doc. 100-87
July 9, 1987.....	Legislative Branch, Executive Office of the President.....	H. Doc. 100-91
July 22, 1987.....	Department of State.....	S. Doc. 100-11
July 31, 1987.....	International Security Assistance, Department of Defense—Military, National Aeronautics and Space Administration.	S. Doc. 100-12
Sept. 17, 1987.....	Legislative Branch, Department of Energy, Department of the Interior.....	S. Doc. 100-14
Sept. 18, 1987.....	All agencies.....	S. Doc. 100-15
Sept. 23, 1987.....	Department of Defense—Civil.....	S. Doc. 100-16
Sept. 29, 1987.....	Legislative Branch, Department of the Interior.....	S. Doc. 100-17
Oct. 6, 1987.....	Department of Defense—Civil.....	S. Doc. 100-18
Oct. 14, 1987.....	Department of the Treasury.....	H. Doc. 100-115
Oct. 29, 1987.....	Legislative Branch, Department of Defense—Military, Department of Health and Human Services....	H. Doc. 100-122
Dec. 11, 1987.....	Executive Office of the President, Department of Health and Human Services.....	H. Doc. 100-46
Dec. 18, 1987.....	Department of Defense—Military, Veterans Administration.....	H. Doc. 100-150

**PART B. REQUESTS FOR RESCISSION OF BUDGET AUTHORITY**

There are no rescissions currently pending before the Congress.

**APPROPRIATIONS REQUESTED FOR OFFICES OF INSPECTORS GENERAL**

A statement of the amounts of appropriations requested for the Offices of Inspectors General for Federal departments or establishments is provided. This statement is submitted in accordance with section 201 of the Budget and Accounting Act, 1921, as amended by section 3 of the Federal Managers' Financial Integrity Act of 1982, Public Law 97-255. The following table shows the amount of budget authority provided in 1987 and 1988, and requested for 1989 for the Offices of Inspectors General.

[In millions of dollars]

Agency	1987 actual	1988 est.	1989 est.
Agriculture .....	45.4	48.8	51.4
Agency for International Development .....	21.3	24.0	23.1
Commerce .....	13.0	14.0	14.5

Defense .....	80.0	84.6	84.8
Education .....	16.4	17.6	17.9
Energy .....	21.5	20.6	21.0
Environmental Protection Agency .....	19.5	22.7	23.3
General Services Administration .....	21.7	24.3	25.4
Health and Human Services <sup>1</sup> .....	70.5	74.1	86.4
Housing and Urban Development <sup>1</sup> .....	21.0	25.8	27.2
Interior .....	16.7	17.8	18.8
Labor .....	42.2	43.3	45.2
National Aeronautics and Space Administration .....	6.0	7.9	9.4
Railroad Retirement Board .....	1.3	2.2	5.2
Small Business Administration .....	6.5	7.4	7.7
State .....	10.3	14.9	16.7
Transportation .....	27.2	27.9	29.6
Treasury .....	5.0	5.7	5.7
USIA .....	2.6	2.9	2.9
Veterans Administration .....	19.2	19.9	20.8
<b>Total .....</b>	<b>467.3</b>	<b>506.4</b>	<b>537.0</b>

<sup>1</sup> Obligational level.



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PART IV

**GOVERNMENT-SPONSORED ENTERPRISES**

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IV-1

## GOVERNMENT-SPONSORED ENTERPRISES

This part contains descriptions of and data on the Government-sponsored enterprises listed below. These enterprises were established and chartered by the Federal Government. They are not included in the Federal budget because they are generally privately owned and financed. However, because of their relationship to the Government, detailed statements of financial operations and condition are presented, to the extent such information is available, on a basis that is as consistent as practicable with the basis for the budget data of Government agencies. These statements are not reviewed by the President; they are presented as submitted by the enterprises. The relationship of these enterprises to the Government is discussed further in the *Budget* volume (Part 6b, "Federal Credit") and in the *Special Analyses* volume (Special Analysis E, "Borrowing and Debt" and Special Analysis F, "Federal Credit Programs").

Several enterprises have been created so recently that data on their operations are not available, but descriptions of the enterprises are provided.

- The Student Loan Marketing Association assists in financing college student loans. It is sponsored by the Department of Education.
- The College Construction Loan Insurance Association is organized as a private, for-profit insurance corporation to guarantee and insure bonds and loans made for construction and renovation of college and university facilities.
- The Federal National Mortgage Association provides supplementary assistance to the secondary market for home mortgages. It is supervised by the Department of Housing and Urban Development.
- The banks for cooperatives, Federal intermediate credit banks, and Federal land banks provide finan-

cial assistance to agriculture. They are supervised by the Farm Credit Administration.

- The Farm Credit Capital Corporation was created to provide assistance to and protection for the stock of borrowers of the institutions of the Farm Credit System. Its charter has been revoked.
- The Farm Credit System Financial Assistance Corporation was created to carry out a program to provide capital to institutions of the Farm Credit System that are experiencing financial difficulty.
- The Farm Credit System Insurance Corporation was created to insure the timely payment of principal and interest on Farm Credit System Bank obligations.
- The Federal Agricultural Mortgage Corporation, a mortgage finance corporation, under the supervision of the Farm Credit Administration Board, was created to provide a secondary mortgage market for agricultural real estate and certain rural housing loans.
- The Federal Home Loan Banks, which assist thrift institutions, and the Federal Home Loan Mortgage Corporation, which provides a secondary market for mortgage lenders, are supervised by the Federal Home Loan Bank Board.
- The Financing Corporation was created to act as a financing vehicle for recapitalizing the Federal Savings and Loan Corporation.

The Board of Governors of the Federal Reserve System is not a Government-sponsored enterprise, but its transactions also are not included in the budget because of its unique status in the conduct of monetary policy. The Board provides data on its administrative budget on a calendar year basis, which is included here for information. Its budget schedules and statements are not subject to review by the President.

GOVERNMENT-SPONSORED ENTERPRISES

DEPARTMENT OF EDUCATION

STUDENT LOAN MARKETING ASSOCIATION

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
Interest expense.....	1,160,885	1,277,000	1,405,000
Administrative expenses and taxes.....	189,306	208,000	229,000
Total operating expenses.....	1,350,191	1,485,000	1,634,000
Capital investment:			
Loans, etc.....	5,260,441	5,786,000	6,365,000
Investments, dividends, and other assets.....	2,630,963	2,894,000	3,183,000
Total capital investment.....	7,891,404	8,680,000	9,548,000
Total obligations.....	9,241,595	10,165,000	11,182,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-3,249,577	-4,001,000	-4,548,000
<b>Authority to borrow (permanent, indefinite)....</b>	<b>5,992,018</b>	<b>6,164,000</b>	<b>6,634,000</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	5,992,018	6,164,000	6,634,000
Receivables in excess of obligations, start of year.....	-243,237	-225,424	-286,716
Receivables in excess of obligations, end of year.....	225,424	286,716	352,716
Outlays.....	5,974,205	6,225,292	6,700,000

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
99-1500-0-3-502			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Direct loan obligations exempt from limitation....	5,260,441	5,786,000	6,365,000
1150 Total direct loan obligations.....	5,260,441	5,786,000	6,365,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	14,189,153	17,728,656	21,622,000
1231 Disbursements: Direct loan disbursements.....	5,260,441	5,786,000	6,365,000
1251 Repayments: Repayments and prepayments.....	-1,726,381	-1,899,000	-2,089,000
1264 Adjustments: Other adjustments, net <sup>1</sup> .....	5,443	6,344	7,000
1290 Outstanding, end of year.....	17,728,656	21,622,000	25,905,000

<sup>1</sup> Amortization of discount on purchased loans.

The Student Loan Marketing Association (Sallie Mae), a shareholder-owned corporation, was created by the Education Amendments of 1972 to expand funds available for student loans by providing liquidity to lenders engaged in the guaranteed student loan program (GSLP).

Sallie Mae provides liquidity through direct purchase of insured student loans from eligible lenders and through warehousing advances, which are loans to lenders secured by insured student loans, Government or agency securities, or other acceptable collateral. In capital shortage areas, Sallie Mae is authorized, at the request of appropriate State and Federal officials, to make insured loans directly to students and to advance funds to States that will provide loans to students. Sallie Mae is also authorized to provide a secondary market for noninsured loans; to serve as a guarantee agency in support of loan availability at the request of the Secretary of Education; to purchase and underwrite student loan revenue bonds; to provide certain additional services as determined by its board of directors to be

supportive of the credit needs of students generally; and to provide financing for academic facilities and equipment.

Sallie Mae is authorized by the Health Professions Educational Assistance Act of 1976 to provide a secondary market for federally insured loans to graduate health professions students.

**Operations.**—The forecast data with respect to operations are based on certain general economic and specific GSLP loan volume assumptions and should not be relied upon as an official forecast of the corporation's future business.

ANNUAL LOAN ACTIVITY

	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Guaranteed student loans:			
Regular:			
Purchased.....	2,385,348	2,624,000	2,886,000
Warehouse.....	2,402,197	2,642,000	2,906,000
PLUS/SL: Purchased.....	173,901	191,000	210,000
Subtotal, Guaranteed student loans.....	4,961,446	5,457,000	6,002,000
Health professions loans: Purchased.....	180,725	199,000	219,000
Other.....	118,270	130,000	144,000
Total.....	5,260,441	5,786,000	6,365,000

**Financing.**—Between 1974 and early 1982, Sallie Mae borrowed through the Federal Financing Bank. The Secretary of Education was authorized by the Education Amendments of 1980 to guarantee principal and interest on such obligations issued prior to October 1, 1985. Under an agreement with the Department of the Treasury reached in early 1981, Sallie Mae began borrowing directly in the private capital markets. Its last borrowing through the FFB and its last issuance of federally guaranteed obligations occurred in January 1982. Its obligations today have certain characteristics, provided by charter, which give them "agency" status, but they are not federally insured or guaranteed.

**Management.**—At its annual meeting in May 1987, the shareholders of Sallie Mae elected a board of directors to serve until May 1988. The shareholders of Sallie Mae are entitled to elect 14 members to the board. Pursuant to the Education Amendments of 1972, seven public directors are appointed by the President, who also names the chairman from among the 21 members.

Revenue and Expense (in thousands of dollars) <sup>1</sup>

	1986 actual	1987 actual	1988 est.	1989 est.
Revenue.....	1,374,598	1,520,677		
Expense less taxes.....	-1,145,440	-1,280,801		
Gross income before taxes.....	229,158	239,876		
Federal income taxes.....	-89,088	-69,390		
Net income.....	140,070	170,486		

<sup>1</sup> The Sallie Mae Board of Directors does not consider it appropriate to forecast corporate revenue in a public document since such forecasts could be used for speculative purposes.

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Cash.....	14,966	5,038	6,000	7,000
Short-term investments.....	2,007,492	4,310,163	6,588,000	8,946,000

## STUDENT LOAN MARKETING ASSOCIATION—Continued

## Financial Condition (in thousands of dollars)—Continued

	1986 actual	1987 actual	1988 est.	1989 est.
Loans receivable (net):				
Loans to eligible borrowers:				
Secured by insured student loans.....	6,343,802	8,165,116	9,798,000	11,758,000
Insured student loans.....	7,845,351	9,563,540	11,824,000	14,147,000
Other assets (net).....	387,892	529,851	583,000	641,000
Total assets.....	16,599,503	22,573,708	28,799,000	35,499,000
Liabilities:				
Selected liabilities: Accounts payable, accrued expenses, and Federal income taxes payable..	441,256	600,428	660,000	726,000
Debt issued under borrowing authority: Sallie Mae notes payable to Federal Financing Bank	4,970,000	4,940,000	4,910,000	4,910,000
Nonguaranteed debt obligations.....	10,556,123	16,388,735	22,520,000	29,113,000
Total liabilities.....	15,967,379	21,929,163	28,090,000	34,749,000
Equity:				
Stockholders' equity.....	632,124	644,545	709,000	750,000
Total liabilities and stockholders' equity.....	16,599,503	22,573,708	28,799,000	35,499,000

## Object Classification (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation: Full-time permanent.....	26,159	29,000	32,000
Civilian personnel benefits.....	4,369	5,000	5,000
Travel and transportation of persons.....	1,945	2,000	2,000
Communications, utilities, and miscellaneous charges.....	885	1,000	1,000
Other services.....	85,564	94,000	104,000
Equipment.....	994	1,000	1,000
Loans.....	5,260,441	5,786,000	6,365,000
Interest, dividends, and taxes.....	3,861,238	4,247,000	4,672,000
Total obligations.....	9,241,595	10,165,000	11,182,000

## Personnel Summary

NON-FEDERAL EMPLOYEES			
Total number of full-time permanent positions.....	1,110	1,221	1,343

## COLLEGE CONSTRUCTION LOAN INSURANCE ASSOCIATION

The College Construction Loan Insurance Association (Connie Lee) was authorized by Public Law 99-498 on October 17, 1986. It was organized as a private, for-profit insurance corporation to guarantee and insure bonds and loans made for construction and renovation of college and university facilities. The Association was incorporated in February 1987. It is not yet operational and statements of its finances and activities are not available.

Connie Lee's authorizing statute states that "no obligation which is insured, guaranteed, or otherwise backed by the corporation, shall be deemed to be an obligation which is guaranteed by the full faith and credit of the United States."

In order to provide the initial capitalization, the Secretary of Education, the Student Loan Marketing Association (Sallie Mae), and other investors are authorized to purchase stock in the corporation. Sallie Mae purchased \$2 million in Connie Lee stock in fiscal year 1987. The Secretary of Education has purchased \$19 million in stock with funds appropriated for this purpose in fiscal year 1988.

Initially, the Board of Directors will be composed of 11 members, of whom four are appointed by the Federal government, three by Sallie Mae, and the rest by voting

stockholders. Under the law, the Secretary of Education is authorized to sell this stock after five years from the date of Connie Lee's incorporation, and must give Sallie Mae the right of first refusal to purchase the stock before offering it to other persons. If Sallie Mae acquires sufficient stock from the Secretary to own more than 50 percent of the corporation's voting common stock, all eleven members of the Connie Lee Board would be elected by the voting stockholders.

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## FEDERAL NATIONAL MORTGAGE ASSOCIATION

## PORTFOLIO PROGRAMS

## Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Program by activities:			
Operating expenses:			
Mortgage servicing fees.....	192,000	198,000	204,000
Interest on borrowings from the public.....	9,070,000	9,004,000	9,509,000
Other costs.....	796,000	961,000	865,000
Total operating expenses.....	10,058,000	10,163,000	10,578,000
Capital investment:			
Mortgage purchases and loans.....	23,925,000	21,493,000	18,196,000
Less purchase discounts.....	-153,000	-68,000	-75,000
Total capital investment.....	23,772,000	21,425,000	18,121,000
Changes in selected resources (undelivered orders).....	-1,625,000	-281,000	676,000
Total obligations.....	32,205,000	31,307,000	29,375,000
Financing:			
Offsetting collections from:			
Federal funds.....	34,000	33,000	32,000
Non-Federal sources.....	35,065,000	23,166,000	22,415,000
Unobligated balance available, start of year: Corporate borrowing authority.....	-27,827,000	-31,898,000	-38,198,000
Unobligated balance available, end of year: Corporate borrowing authority.....	31,898,000	38,198,000	15,422,000
Net increase in limited borrowing authorities.....	1,389,000	14,419,000	-15,828,000
Net increase or decrease in unlimited borrowing authorities.....	-212,000	-11,000	-20,000
Relation of obligations to outlays:			
Obligations incurred, net.....	-2,894,000	8,108,000	6,928,000
Obligated balance, start of year:			
Corporate borrowing authority.....	19,910,000	4,721,000	6,724,000
Fund balance.....	748,000	2,773,000	1,000,000
Obligated balance, end of year:			
Corporate borrowing authority.....	-4,721,000	-6,724,000	-7,938,000
Fund balance.....	-2,773,000	-1,000,000	-1,000,000
Outlays.....	10,270,000	7,878,000	5,714,000

## Status of Direct Loans (in thousands of dollars)

Identification code 99-2500-0-3-371	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans.....	22,171,000	20,308,000	20,769,000
1131 Direct loan obligations exempt from limitation.....	22,171,000	20,308,000	20,769,000
1150 Total direct loan obligations.....	22,171,000	20,308,000	20,769,000
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year.....	97,717,000	95,929,000	103,644,000
Disbursements:			
1231 Direct loan disbursements.....	22,690,000	21,293,000	17,996,000
1233 Purchases of loan assets from the public.....	1,235,000	200,000	200,000
1251 Repayments: Repayments and prepayments.....	-25,480,000	-13,578,000	-12,020,000



1264	Adjustments: Other liquidations .....	- 233,000	- 200,000	- 180,000
1290	Outstanding, end of year .....	95,929,000	103,644,000	109,640,000

The Federal National Mortgage Association (Fannie Mae) is a Government-sponsored private corporation. Its purpose is to provide supplementary assistance to the secondary market for home mortgages by supplying a degree of liquidity for mortgage investments, thereby improving the distribution of investment capital available for home mortgage financing.

Fannie Mae purchases mortgages at market prices pursuant to commitments issued to sellers through a variety of programs. It finances these purchases through the issuance of debt securities. Fannie Mae's debt instruments are characterized as "Agency Issues" in the securities market, but not in the Federal Government's budget.

The common stock of the Corporation is owned by the public, is fully transferable and is listed on major stock exchanges.

The forecast data contained in this material has been developed based on certain general economic assumptions prevalent in November 1987 and should not be construed as an official forecast of the Corporation's position.

The Corporation has three separate authorities to borrow money from private sources. It may issue subordinated obligations. It may, in addition, borrow amounts not in excess of the sum of its defined capital and subordinated obligations outstanding multiplied by a factor established by the Secretary of Housing and Urban Development. This factor is currently set at 25 and is scheduled to decline to 20 by December 31, 1988. These borrowings usually take the form of debentures and short-term discount notes. Finally, Fannie Mae may issue bonds secured by mortgages. Such bonds may be guaranteed by the Government National Mortgage Association. There is no statutory limitation on the amount of such bonds that may be outstanding.

Income and retained earnings for the years ended September 30, 1986 and 1987 follow (in thousands of dollars):

	1986 actual	1987 actual
Gross revenue .....	10,634,000	9,940,000
Gross expenses .....	10,354,000	9,569,000
Income before Federal income tax .....	280,000	371,000
Federal income tax .....	127,000	135,000
Net income .....	153,000	236,000
Retained earnings, beginning of year .....	494,000	635,000
Dividends on common stock .....	- 12,000	- 25,000
Retained earnings, end of year .....	635,000	846,000

**Financial Condition** (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Cash .....	16,000	33,000	25,000	25,000
U.S. securities (par) .....	732,000	2,740,000	975,000	975,000
Accounts receivable (net) .....	2,177,000	3,487,000	3,420,000	3,365,000
Deferred charges .....	119,000	142,000	152,000	156,000
Loans receivable (net) .....	94,677,000	93,152,000	101,474,000	107,705,000
Fixed assets (net) .....	64,000	58,000	60,000	65,000
Total assets .....	97,785,000	99,612,000	106,106,000	112,291,000

<b>Liabilities:</b>				
Selected liabilities: Current liabilities .....	4,614,000	5,273,000	5,728,000	6,231,000
Marketable securities issued .....	91,629,000	92,618,000	98,468,000	103,940,000
Total liabilities .....	96,243,000	97,891,000	104,196,000	110,171,000
<b>Equity:</b>				
Selected equities:				
Unexpended authority:				
Undelivered orders .....	17,928,000	5,627,000	5,346,000	6,022,000
Unobligated balance .....	27,827,000	31,898,000	38,198,000	15,422,000
Total unexpended balance .....	45,755,000	37,525,000	43,544,000	21,444,000
Unfinanced authority: Borrowing authority .....	- 47,444,000	- 36,538,000	- 44,852,000	- 23,310,000
Invested capital and earnings .....	3,236,000	734,000	3,218,000	3,986,000
Total equity .....	1,547,000	1,721,000	1,910,000	2,120,000

**Object Classification** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation .....	82,000	87,000	88,000
Personnel benefits .....	29,000	31,000	31,000
Travel and transportation of persons .....	6,000	6,000	6,000
Communications, utilities, and miscellaneous charges .....	6,000	6,000	6,000
Printing and reproduction .....	2,000	2,000	2,000
Supplies and materials .....	7,000	7,000	8,000
Building and equipment costs .....	28,000	30,000	30,000
Other services .....	19,000	20,000	20,000
Interest on borrowing from the public .....	9,070,000	9,004,000	9,509,000
Investments and loans .....	23,772,000	21,425,000	18,121,000
Mortgage servicing fees .....	192,000	198,000	204,000
Other costs .....	617,000	772,000	674,000
Change in resources (undelivered orders) .....	- 1,625,000	- 281,000	676,000
Total obligations .....	32,205,000	31,307,000	29,375,000

**Personnel Summary**

Total number of full-time permanent positions .....	2,419	2,540	2,670
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**MORTGAGE-BACKED SECURITIES**

**Program and Financing** (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Capital investment: Commitments to issue MBS .....	80,944,000	43,067,000	42,266,000
Expired commitments .....	2,100,000	4,307,000	4,227,000
Total obligations .....	78,844,000	38,760,000	38,039,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources .....	22,818,000	15,796,000	15,333,000
<b>Corporate borrowing authority .....</b>	<b>56,026,000</b>	<b>22,964,000</b>	<b>22,706,000</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	56,026,000	22,964,000	22,706,000
Obligated balance, start of year: Corporate borrowing authority .....	14,210,000	26,055,000	27,255,000
Obligated balance, end of year: Corporate borrowing authority .....	- 26,055,000	- 27,255,000	- 28,433,000
Outlays .....	44,181,000	21,764,000	21,528,000

**Status of Direct Loans** (in thousands of dollars)

Identification code 99-2501-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....	80,944,000	43,067,000	42,266,000
1150 Total direct loan obligations .....	80,944,000	43,067,000	42,266,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	86,359,000	130,540,000	152,304,000

FEDERAL NATIONAL MORTGAGE ASSOCIATION—Continued  
MORTGAGE-BACKED SECURITIES—Continued

Status of Direct Loans (in thousands of dollars)—Continued

Identification code	99-2501-0-3-371	1987 actual	1988 est.	1989 est.
1231	Disbursements: Direct loan disbursements.....	66,999,000	37,560,000	36,861,000
1251	Repayments: Repayments and prepayments.....	-22,818,000	-15,796,000	-15,333,000
1290	Outstanding, end of year.....	130,540,000	152,304,000	173,832,000

According to accounting practices for private corporations, the mortgages in the pools of loans supporting the mortgage-backed securities are considered to be owned by the holders of these securities. Consequently, on the books of the Federal National Mortgage Association (Fannie Mae), these mortgages are not considered assets and the securities outstanding are not considered liabilities. However, the concepts of the budget of the U.S. Government consider these mortgages and mortgage-backed securities to be assets and liabilities, respectively, of Fannie Mae. For the purposes of this document, therefore, they are presented as assets and liabilities in the accompanying schedules. On the schedule of Status of direct loans for mortgage-backed securities, the items labeled "New loans" and "Recoveries: Repayments and prepayments" are budgetary terms. However, from the Corporation's perspective, these items are "Amounts issued" and "Amounts passed through to the holders of securities", respectively.

The forecast data contained in this material has been developed based on certain general economic assumptions prevalent in November 1987 and should not be construed as an official forecast of the Corporation's position.

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Underlying mortgages.....	86,359,000	130,540,000	152,304,000	173,832,000
<b>Liabilities:</b>				
MBS outstanding.....	86,359,000	130,540,000	152,304,000	173,832,000

*Administration-proposed legislation.*—The Administration believes that because of Fannie Mae's and Freddie Mac's government-sponsored status, their securities enjoy an interest rate advantage in the credit markets. This gives Fannie Mae and Freddie Mac significant competitive advantages relative to private mortgage conduits. In 1982, the President's Housing Commission concluded that Fannie Mae and Freddie Mac impeded the growth of fully private mortgage conduits and recommended that the Administration seek to fully privatize them. The same conclusion was reached by the President's Private Sector Survey on Cost Control (Grace Commission) in 1983 and the President's Commission on Privatization in 1987. The Administration supports the full privatization of Fannie Mae and Fred-

die Mac (beyond their private ownership), and is studying transitional steps needed to convert Fannie Mae and Freddie Mac to completely private status. Full Privatization of Fannie Mae and Freddie Mac would eliminate the major hurdle private mortgage conduits face in playing a significant role in the nation's housing credit markets. However, while Fannie Mae and Freddie Mac continue to enjoy their Government-sponsored enterprise status, private mortgage conduits will continue to have difficulty competing with them. The Administration is proposing legislation to mitigate the effects of this unfair competition.

FARM CREDIT ADMINISTRATION

BANKS FOR COOPERATIVES

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
1. Administrative expenses.....	55,609	56,791	55,908
2. Interest on borrowings.....	664,500	733,192	777,547
Total operating expenses.....	720,109	789,983	833,455
<b>Capital investment:</b>			
1. Loans made.....	15,766,543	46,026,200	45,592,793
2. Investments in bank premises.....	1,229	3,822	-1,693
Total capital investments.....	15,767,772	46,030,022	45,591,100
<b>Other expenses:</b>			
1. Provision for losses.....	5,274	906	885
2. Federal and other income taxes.....	5,383	5,841	7,169
3. Patronage refunds and/or equities retired.....	402,081	431,634	421,390
Total other expenses.....	412,738	438,381	429,444
Total obligations.....	16,900,619	47,258,386	46,853,999
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-16,032,950	-48,197,580	-46,222,303
Unobligated balance available, start of year: Fund balance.....	-1,102,560	-1,062,489	-1,385,309
Unobligated balance available, end of year: Fund balance.....	1,062,489	1,385,309	1,408,998
<b>Net borrowing.....</b>	<b>827,598</b>	<b>-616,374</b>	<b>655,385</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	867,669	-939,194	631,696
Receivables in excess of obligations, start of year.....	-1,102,560	-1,062,489	-1,385,309
Receivables in excess of obligations, end of year.....	1,062,489	1,385,309	1,408,998
Outlays.....	827,598	-616,374	655,375

Status of Direct Loans (in thousands of dollars)

Identification code	99-4120-0-3-351	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriation act limitation on obligations:</b>				
1111 Limitation on direct loans to the public.....				
1131 Obligations exempt from limitation: Direct loans to the public.....		15,766,543	46,026,200	45,592,793
1150 Total direct loan obligations.....		15,766,543	46,026,200	45,592,793

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	7,677,492	8,162,413	7,890,619
1231	Disbursements: Direct loan disbursements	15,766,543	46,026,200	45,592,793
1251	Repayments: Repayments and prepayments	-15,281,622	-46,297,994	-45,250,245
1290	Outstanding, end of year	8,162,413	7,890,619	8,233,167

Note.—Direct loan balances exclude nonaccrual loans and sales contracts.

The 13 banks for cooperatives are under the general supervision of the Farm Credit Administration. They finance the operations of farmers' cooperatives. The funds to finance these loans are obtained primarily from sales of bonds to the public and from their own capital funds. The bonds issued by the banks are not guaranteed by the U.S. Government either as to principal or interest. All of their expenses are paid from their own income and are not included in the budget of the United States. Included in these expenses is the banks' share of the costs of the Farm Credit Administration.

The Farm Credit Act of 1955 provided for eventual ownership of the banks by farmers' cooperatives and the retirement of the U.S. Government's investment. This was accomplished on December 31, 1968, when the remainder of the U.S. Government capital was retired.

The banks for cooperatives presently operate under authorities contained in title III of the Farm Credit Act of 1971, Public Law 92-180, as amended.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue	796,968	897,079	954,453
Expense	730,766	796,730	841,509
Net income for the year	66,202	100,349	112,944

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Cash	7,395	11,354	11,906	12,911
U.S. securities (par)	118,350	45,610	70,685	66,286
Other securities	2,057,489	2,101,874	2,048,730	2,006,264
Accounts and notes receivable (net)	271,110	186,784	225,847	218,711
Loans and delinquent installments	7,416,542	7,979,938	7,634,146	7,976,984
Less: Allowance for losses	-138,601	-145,349	-140,044	-143,510
Assets acquired (net)	17,496	12,895	9,378	9,002
Fixed assets (net)	40,568	41,797	45,619	43,926
Prepaid and deferred expenses	23,290	19,329	5,574	6,458
Other assets	4,557	23,884	338,309	347,281
Total assets	9,818,196	10,278,116	10,250,150	10,544,313
<b>Liabilities:</b>				
Accounts payable and accrued interest payable	196,582	135,104	121,060	128,839
Bonds and notes payable	8,489,234	8,890,242	8,704,544	8,967,018
Other liabilities	29,820	190,280	39,227	39,458
Total liabilities	8,715,636	9,215,626	8,864,831	9,135,315
Net equity	1,102,560	1,062,490	1,385,319	1,408,998

Note.—Loans to cooperatives include nonaccrual loans and sales contracts.

Object Classification (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation: Full-time permanent	25,249	26,097	25,683
Personnel benefits	5,233	5,101	5,063
Travel	2,514	2,782	2,810
Cost of space occupied and communications	5,401	5,041	4,981
Printing and office supplies	815	1,017	1,017
Furniture and equipment	3,475	3,148	3,155
Other services	14,457	13,605	13,735
Lands and structures	-306	3,822	-2,229

Investments and loans	15,766,543	46,026,200	45,592,793
Interest and dividends	664,500	733,192	777,547
Undistributed expenses	412,734	438,381	429,444
Total obligations	16,900,619	47,258,386	46,853,999

FEDERAL INTERMEDIATE CREDIT BANKS

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
1. Administrative expenses	99,829	103,616	99,946
2. Interest on borrowings	841,372	834,607	896,487
Total operating expenses	941,201	938,223	996,433
Capital investments:			
1. Loans made	2,569,658	7,179,988	7,627,890
2. Investments in bank premises	26,410	8,375	570
Total capital investments	2,596,068	7,188,363	7,628,460
Other expenses: Provision for losses	-7,355	-44,468	1,004
Total obligations	3,529,914	8,082,118	8,625,897
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources	14,268,825	8,233,894	9,223,322
Unobligated balance available, start of year: Fund balance	1,820,754	1,869,686	1,907,172
Unobligated balance available, end of year: Fund balance	1,869,686	1,907,172	1,986,057
Net borrowing	-14,429,351	-3,928,634	-4,490,654
Relation of obligations to outlays:			
Obligations incurred, net	-10,738,911	-151,776	-597,425
Receivables in excess of obligations, start of year	1,820,754	1,869,686	1,907,172
Receivables in excess of obligations, end of year	1,869,686	1,907,172	1,986,057
Outlays	-10,689,979	-114,290	-518,540

Status of Direct Loans (in thousands of dollars)

Identification code 99-4140-0-3-351	1987 actual	1988 est.	1989 est.
<b>Positions with respect to appropriation act limitations on obligations:</b>			
1111 Limitation on direct loans			
1131 Obligations exempt from limitation: Direct loans to the public	2,569,658	7,179,988	7,627,890
1150 Total direct loan obligations	2,569,658	7,179,988	7,627,890
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	13,208,505	9,477,877	9,227,337
1231 Disbursements: Direct loan disbursements	2,569,658	7,179,988	7,627,890
1251 Repayments: Repayments and prepayments	-6,300,286	-7,430,528	-7,872,945
1290 Outstanding, end of year	9,477,877	9,227,337	8,982,282

The 12 Federal intermediate credit banks are under the general supervision of the Farm Credit Administration. They serve as banks of discount for agriculture, discounting agricultural and livestock paper for, and making loans to local financing institutions such as production credit associations, agricultural credit corporations, livestock loan companies, and commercial banks. They also provide the production credit associations with necessary supervision and services.

The banks' lending funds are obtained primarily from the sale of bonds to the public and from their own capital funds. The bonds are not guaranteed by the U.S. Government either as to principal or interest. All of their expenses are paid from their own income and are

## FEDERAL INTERMEDIATE CREDIT BANKS—Continued

not included in the budget of the United States. Included in these expenses is the credit banks' share of the costs of the Farm Credit Administration.

The banks were originally wholly owned Government corporations set up exclusively as banks of discount; however, pursuant to the Farm Credit Act of 1956, the banks became mixed-ownership corporations and were made responsible for supervising the production credit associations and assisting them to make sound credit available to farmers.

All of the capital stock of the Federal intermediate credit banks, from organization in 1923 to December 31, 1956, was held by the U.S. Government. The 1956 act provided a long-range plan for the eventual ownership of the credit banks by the production credit associations and the gradual retirement of the Government's investment in the banks. This retirement was accomplished in full on December 31, 1968.

The Federal intermediate credit banks presently operate under authorities contained in title II of the Farm Credit Act of 1971, Public Law 92-181, as amended.

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	1,044,105	1,003,399	1,079,064
Expense.....	926,610	930,244	1,000,868
Net income for the year.....	117,495	73,155	78,196

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Cash.....	42,584	36,175	37,842	38,842
U.S. securities (par).....	182,196	325,045	208,916	210,579
Other securities.....	2,625,143	2,054,569	2,184,890	2,314,130
Accounts and notes receivable (net).....	341,758	273,596	244,322	258,318
Loans and delinquent installments.....	12,056,773	9,653,700	9,484,038	9,683,385
Less: Allowance for losses.....	-84,585	-66,563	-44,468	-39,995
Assets acquired.....	22,064	30,439	31,009	31,009
Fixed assets.....	85,899	48,474	50,371	50,149
Prepaid and deferred expenses.....	24,817	45,806	6,583	6,425
Other expenses.....	32,048	34,988	70,166	72,883
Total assets.....	15,306,633	12,427,854	12,273,099	12,625,725
<b>Liabilities:</b>				
Accounts payable and accrued interest payable.....	397,389	237,107	184,642	198,704
Bonds and notes payable.....	12,961,175	10,239,515	10,150,339	10,411,632
Other liabilities.....	127,314	81,547	30,946	29,331
Total liabilities.....	13,485,878	10,558,169	10,365,927	10,639,667
Net equity.....	1,820,754	1,869,686	1,907,172	1,986,058

Note.—Loans and discounts include nonaccrual loans and sales contracts.

## Object Classification (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation: Full-time permanent.....	47,984	46,243	44,597
Personnel benefits.....	8,528	9,977	9,625
Travel.....	3,755	4,208	4,042
Cost of space occupied and communications.....	10,600	10,327	9,991
Printing and office supplies.....	2,376	2,938	2,836
Furniture and equipment.....	9,147	9,297	8,950
Other services.....	-11,082	-7,587	-6,810
Lands and structures.....	6,471	-43,086	-4,954
Investments and loans.....	2,569,658	7,179,988	7,627,890
Interest and dividends.....	841,372	834,607	896,487
Undistributed expenses.....	41,105	35,206	33,243
Total obligations.....	3,529,914	8,082,118	8,625,897

## FEDERAL LAND BANKS

## Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
1. Administrative expenses.....	322,715	354,370	332,477
2. Interest on borrowings.....	3,364,588	3,537,817	3,397,385
Total operating expenses.....	3,687,303	3,892,187	3,729,862
Capital investment:			
1. Loans made.....	2,555,000	1,606,285	2,041,400
2. Investments in bank premises.....	-923,382	1,400,700	-2,537
Total capital investment.....	3,478,382	205,585	2,043,937
Other expenses: Provision for losses.....	22,688	-46,729	17,841
Total obligations.....	7,188,373	4,051,043	5,791,640
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	5,094,275	6,114,425	7,507,325
Unobligated balance available, start of year: Fund balance.....	2,459,036	1,194,816	1,250,835
Unobligated balance available, end of year: Fund balance.....	1,194,816	1,250,835	1,083,435
Net borrowing.....	829,878	-2,007,363	-1,883,085
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	2,094,098	-2,063,382	-1,715,685
Receivables in excess of obligations, start of year.....	2,459,036	1,194,816	1,250,835
Receivables in excess of obligations, end of year.....	1,194,816	1,250,835	1,083,435
Outlays.....	829,878	-2,007,363	-1,883,085

## Status of Direct Loans (in thousands of dollars)

Identification code 99-4160-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	2,555,000	1,606,285	2,041,400
1150 Total direct loan obligations.....	2,555,000	1,606,285	2,041,400
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	43,469,539	32,504,455	31,150,817
1231 Disbursements: Direct loan disbursements.....	2,555,000	1,606,285	2,041,400
1251 Repayments: Repayments and prepayments.....	-13,520,084	-2,959,923	-2,178,270
1290 Outstanding, end of year.....	32,504,455	31,150,817	31,013,947

Note.—Loans outstanding at end of year do not include nonaccrual loans and sales contracts.

The Federal land banks, through the 382 Federal land bank associations, which are located at the local level, make long-term real estate loans to farmers and ranchers. These banks and associations are under the general supervision of the Farm Credit Administration. The funds to finance these loans are obtained primarily from the sale of the banks' bonds to the public and from their own capital funds. These bonds are not guaranteed by the U.S. Government either as to principal or interest. All of their expenses are paid from their income and are not included in the budget of the United States. Included in these expenses is the land banks' share of the costs of the Farm Credit Administration.

The last of the Government capital that had been invested in the banks was repaid in 1947.

The Federal land banks presently operate under authorities contained in title I of the Farm Credit Act of 1971, Public Law 92-181, as amended.

## Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	3,731,193	3,655,377	3,584,832
Expense.....	3,672,833	3,806,563	3,696,026
Net income for the year.....	58,360	-151,186	-111,194

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Cash.....	49,737	35,423	34,500	54,892
U.S. securities (par).....	194,566	63,439	79,085	61,222
Other securities.....	3,813,701	3,105,087	3,249,330	3,111,367
Accounts and notes receivable (net).....	589,260	293,893	406,475	306,997
Loans and delinquent installments.....	43,323,211	34,475,966	34,170,347	33,575,223
Less: Allowance for losses.....	-2,590,629	-1,232,879	-1,856,258	-1,529,654
Assets acquired.....		417,034	826,126	677,692
Fixed assets (net).....	1,028,797	105,415	111,386	108,849
Prepaid and deferred expenses.....	37,680	31,828	34,977	32,863
Other assets.....		617,179	460,522	448,118
Total assets.....	46,446,323	37,912,385	37,516,490	36,847,569
<b>Liabilities:</b>				
Accounts payable and accrued liabilities: Interest payable.....	1,276,590	992,811	1,091,097	1,088,133
Bonds and notes payable.....	42,624,950	35,299,575	34,785,462	34,264,744
Other liabilities.....	85,746	425,183	389,096	411,257
Total liabilities.....	43,987,286	36,717,569	36,265,655	35,764,134
Net worth.....	2,459,036	1,194,816	1,250,832	1,083,435

Note.—Mortgage loans includes nonaccrual loans and sales contracts.

## Object Classification (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation: Full-time permanent.....	67,777	70,134	68,971
Personnel benefits.....	13,497	14,134	13,712
Travel.....	5,468	5,626	5,496
Cost of space occupied and communications.....	13,013	13,440	13,022
Printing and office supplies.....	2,782	2,736	2,816
Furniture and equipment.....	11,626	12,236	11,888
Other services.....	26,970	28,650	25,477
Lands and structures.....	952,267	-1,443,969	19,720
Investments and loans.....	2,555,000	1,606,285	2,041,400
Interest and dividends.....	3,364,588	3,537,817	3,397,385
Undistributed expenses.....	175,385	203,954	191,753
Total obligations.....	7,188,373	4,051,043	5,791,640

Note.—The Agriculture Credit Act of 1987 (Public Law 100-233) created three corporations to assist farm credit and revoked the charter of the Farm Credit System Capital Corporation. Descriptions of the purposes and operations of the corporations follow. Because the Act was not enacted until January 6, 1988, detailed estimates of the corporations' financial transactions were not available for inclusion in this Budget.

## FARM CREDIT SYSTEM ASSISTANCE BOARD

The Assistance Board was created by the Agricultural Credit Act of 1987 (P.L. 100-233) and was Federally chartered in January 1988. Its members consist of the Secretaries of Treasury and Agriculture, and one other member appointed by the President with the consent of the Senate. The purposes of the Assistance Board are to authorize financial assistance to system banks, protect the stock of borrowers, and permit system banks to offer credit at competitive terms. If authorized, a system bank would issue preferred stock which would be purchased by the Farm Credit System Assistance

Corporation, a new FCS institution also created by the 1987 Farm Credit Act.

The Assistance Board is also empowered to prescribe business operating plans and issue regulations to banks for whom assistance is authorized. The Board is not subject to regulation by the Farm Credit Administration. Its authority will end December 31, 1992. Administrative costs of the Board will be paid by the Farm Credit System Financial Assistance Corporation.

## FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

This new institution of the Farm Credit System was created to serve as the conduit for financial assistance to troubled system institutions. It has the authority to issue 15-year, uncollateralized obligations which are fully guaranteed by the U.S. Treasury. The Treasury will also reimburse the Assistance Corporation for 100 percent of the interest cost on these obligations in the first five years after the law's enactment, and for 50 percent of the interest cost in the second five years. A maximum of \$2.8 billion in Assistance Corporation debt can be issued between now and January 1, 1989; thereafter an additional \$1.2 billion can be issued if necessary. Proceeds of Assistance Corporation debt issuance will flow into a Farm Credit Assistance Fund, to be used to purchase non-voting preferred stock in troubled system institutions that have been certified to issue such stock by the Farm Credit System Assistance Board. Funds obtained from the issuance of preferred stock can be used to cure existing impairments of the institutions' stock, and for other purposes authorized by the Assistance Board. The Assistance Board is authorized to use the funds of the revolving fund established in section 4.0 of the Farm Credit Act of 1971 to provide assistance to institutions, and for other purposes, on an interim basis until the Assistance Corporation begins issuing obligations. Any funds so used will be returned to the revolving fund.

The Board of Directors for the Farm Credit System Funding Corporation will serve as the board for the Assistance Corporation. The Funding Corporation is an existing system institution which coordinates the issuance of system debt obligations through their office in New York City.

A one-time assessment on healthy system banks will establish an Assistance Corporation trust fund, to help ensure the retirement of Assistance Corporation debt. The authority for the Assistance Corporation will terminate when all its debt has been retired.

## FARM CREDIT SYSTEM INSURANCE CORPORATION

The Farm Credit System Insurance Corporation was established to ensure the timely payment of principal and interest on Farm Credit System obligations. Its Board of Directors will be the Farm Credit Administration board. The Insurance Corporation will begin operation in January 1989, at which time amounts currently in the on-budget Farm Credit Administration revolving fund will be transferred to it. Beginning in January 1990 the Insurance Corporation will collect insurance premiums charged to insured System banks, which

## FARM CREDIT SYSTEM INSURANCE CORPORATION—Continued

amounts will be based on the risk of each bank's loan portfolio. Annual premium collections will continue until the reserve fund equals 2 percent of outstanding System obligations, or an amount determined to be sufficient based on System loan risk.

Beginning in January 1993 the Insurance Corporation fund will become available for payment on System obligations if an insured system bank defaults on its primary liability. Also at that time the Insurance Corporation can exercise its authority to make loans, purchase System bank assets or securities, and otherwise act to reduce the exposure of the Corporation to losses.

## FEDERAL AGRICULTURAL MORTGAGE CORPORATION

This new Farm Credit System institution was established to create a secondary market for agricultural real estate and certain rural housing loans. It will operate somewhat differently from other Government-sponsored secondary market institutions, such as the Federal National Mortgage Corporation. A new kind of private organization (a pooler) will purchase agricultural and rural real estate loans from originating banks, including Farm Credit System banks, package them for sale to private investors, and obtain guarantee of timely principal and interest payments on its securities by FAMC, and sell these securities to investors. This will supply a degree of liquidity to private farm lending institutions.

The Mortgage Corporation will have a 15 member Board of Directors, consisting of five from FCS banks, 5 from private banks or insurance companies, and 5 appointed by the President. There is a \$1.5 billion line-of-credit with the U.S. Treasury, available subject to appropriation, to cover loan losses which exceed the pooler's and Corporation's reserves. The Corporation will be capitalized by mandatory stock purchases by originators who sell loans to the Corporation.

Any Farm Credit System institution, or commercial banks, thrifts, or insurance companies, or group of the preceding may serve as a pooler, issuing securities which would carry the Corporation's guarantee.

Minimum standards for pooled loans include a \$2.5 million limit for an individual loan included in a pool, and a loan-to-collateral value ratio of no more than 80 percent. Securities guaranteed by the Corporation may be subject to regulation by the Securities and Exchange Commission.

## THE FARM CREDIT SYSTEM CAPITAL CORPORATION

The Capital Corporation was created as an institution of the Farm Credit System in the 1985 Farm Credit Act (Public Law 99-205) to use the available surplus capital and reserves from healthy System institutions to purchase non-performing loans from troubled System institutions. Litigation brought by healthy banks prevented the receipt of most assessed bank contributions. Authorized Federal assistance, in the form of Capital Corporation obligations purchased by the Secretary of Treasury, required certification by Congress that the Farm Credit System banks had committed available surplus and reserves. No Treasury purchases occurred.

The Agricultural Credit Act of 1987 revoked the charter of the Capital Corporation, and transferred its assets and liabilities to the Farm Credit Assistance Board. The Board, is a Federally chartered entity which will oversee the operations of the Financial Assistance Corporation, the successor conduit for assistance to the Farm Credit System. The Board will retire at book value the debt and equity obligations issued by the Capital Corporation to any System institution. Any remaining surplus will be distributed pro rata by the Board to System institution contributors.

## FEDERAL HOME LOAN BANK BOARD

## FEDERAL HOME LOAN BANKS

## Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Operating expenses:			
Administrative expenses .....	384,857	415,000	465,000
Interest on consolidated obligations .....	8,140,629	9,000,000	9,500,000
Interest on members' deposits .....	1,439,614	1,800,000	2,190,000
Interest on interbank borrowing .....	56,945	40,000	45,000
Interest—other .....	47,637	60,000	65,000
Dividends on capital stock .....	980,989	1,100,000	1,200,000
Federal Home Loan Bank Board assessments .....	8,914	10,000	11,000
<b>Total expenses .....</b>	<b>11,059,585</b>	<b>12,425,000</b>	<b>13,476,000</b>
Capital investment:			
Investment in bank premises .....	84,964	100,000	130,000
FICO assessment .....		327,636	306,202
Advances to members .....	197,142,648	225,000,000	260,000,000
Repurchase of capital stock .....	369,892	350,000	300,000
Net decrease in deposit .....	7,150,798		
<b>Total capital investment .....</b>	<b>204,748,302</b>	<b>225,777,636</b>	<b>260,736,202</b>
Changes in selected resources .....	55,766	—60,000	—48,000
<b>Total obligations .....</b>	<b>215,863,653</b>	<b>238,142,636</b>	<b>274,164,202</b>
<b>Financing:</b>			
Offsetting collections from:			
Federal funds .....	—2,044,288	—2,500,000	—2,700,000
Non-Federal sources .....	—187,879,273	—224,943,118	—261,078,000
Unobligated balance available, start of year .....	—23,927,966	—14,971,882	—14,500,000
Unobligated balance available, end of year .....	14,971,882	14,500,000	17,400,000
<b>Net borrowing .....</b>	<b>16,984,008</b>	<b>10,227,636</b>	<b>13,286,202</b>
Relation of obligations to outlays:			
Obligations incurred, net .....	25,940,092	10,699,518	10,386,202
Obligated balance, start of year .....	180,158	1,433,503	1,500,000
Obligated balance, end of year .....	—1,433,503	—1,500,000	—1,400,000
<b>Outlays .....</b>	<b>24,686,747</b>	<b>10,633,021</b>	<b>10,486,202</b>

## Status of Direct Loans (in thousands of dollars)

Identification code 99-4200-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....	197,142,648	225,000,000	260,000,000
1150 Total direct loan obligations .....	197,142,648	225,000,000	260,000,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	100,063,518	120,865,260	133,772,000
1231 Disbursements: Direct loan disbursements .....	197,142,648	225,000,000	260,000,000
1251 Repayments: Repayments and prepayments .....	—176,340,906	—212,093,260	—246,003,000
1290 Outstanding, end of year .....	120,865,260	133,772,000	147,769,000

The 12 Federal Home Loan Banks are chartered and supervised by the Federal Home Loan Bank Board under the authority of the Federal Home Loan Bank Act of 1932. The banks are financial institutions whose main function is to supply their members—principally savings and loan-type institutions and savings banks—with credit to smooth their operations and enhance their service to the public as savings media and home-mortgage lenders. Each bank operates in a geographic district designated by the Board and together the banks cover all of the United States as well as Puerto Rico, the Virgin Islands, and Guam. In 1987, the banks extended credits of \$197.1 billion and received repayments of \$176.3 billion. Advances outstanding on September 30, 1987, totaled \$120.9 billion.

The principal source of funds for the lending operation is the sale of consolidated obligations of the banks to the public. On September 30, 1987, \$105.1 billion of these obligations were outstanding. The consolidated obligations are not guaranteed by the U.S. Government as to principal or interest. Other sources of lendable funds include a portion of members' deposits as determined by Board policy (total deposits were at \$18.7 billion on September 30, 1987) and funds paid for the purchase of capital stock by member institutions, amounting to \$10.8 billion at the end of 1987. Funds not immediately used for advances to members are invested until such times as needed.

The capital stock of the Federal Home Loan Banks is owned entirely by the members. Initially the U.S. Government purchased stock of the banks in the amount of \$125 million. The banks had repurchased the Government's investment in full by mid-1951.

The entire operating expenses of the banks are paid from their own income and are not included in the budget of the United States. Included in these expenses is the assessment by the Federal Home Loan Bank Board to cover a portion of the Board's administrative and other costs.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue.....	11,484,528	13,000,000	14,600,000
Expense.....	10,091,153	11,927,636	13,406,202
Net income for the year.....	1,393,375	1,072,364	1,193,798

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Cash on hand and in banks.....	1,551,731	1,093,174	1,000,000	800,000
U.S. securities (par).....	609,000	1,180,600	1,500,000	2,000,000
Other securities (par).....	21,947,393	14,131,611	13,500,000	16,000,000
FHL Mortgage Corporation stock.....	100,000	100,000	100,000	100,000
Accounts receivable (net).....	658,507	762,846	800,000	650,000
Investment in FICO.....		-30,000	-357,636	-663,838
Loan to AID.....	77,927	75,631	72,000	69,000
Advances to FHL Mortgage Corporation.....	950,000	700,000	700,000	700,000
Loans to other FHL banks.....	856,000	263,000	148,000	176,000
Loans to FSLIC.....	900,000	900,000	830,000	740,000
Advances outstanding.....	99,035,591	120,089,629	133,000,000	147,000,000
Deferred charges.....	254,129	198,363	160,000	190,000
Real property and equipment (net).....	76,715	143,674	190,000	230,000
Total assets.....	127,016,993	139,608,528	151,642,364	167,991,162

<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	1,883,779	2,038,722	2,100,000	1,900,000
Deferred credits.....	-1,045,114	157,627	200,000	150,000
Deposits.....	25,909,511	18,736,035	19,552,000	21,729,000
Loans from other FHL banks.....	856,000	263,000	148,000	176,000
Consolidated obligations.....	88,083,129	105,079,694	115,000,000	128,000,000
Total liabilities.....	115,687,305	126,275,078	137,000,000	151,955,000
<b>Government equity:</b>				
Unobligated balance.....	23,927,966	14,971,882	14,500,000	17,400,000
Invested capital:				
Long-term assets.....	102,250,362	122,470,297	135,200,000	149,205,000
Long-term liabilities.....	-114,848,640	-124,078,729	-134,700,000	-149,905,000
Capital distribution to FICO.....		-30,000	-357,636	-663,838
Total equity.....	11,329,688	13,333,450	14,642,364	16,036,162

Object Classification (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation: Full-time permanent.....	175,472	192,300	225,000
Civilian personnel benefits.....	52,641	57,700	67,000
Travel and transportation of persons.....	22,751	25,000	28,000
Communications, utilities, and other rent.....	81,235	85,000	88,000
Printing and reproduction.....	20,156	21,000	22,000
Other services.....	41,516	44,000	46,000
Lands and structures.....	84,964	100,000	130,000
Investments and loans.....	197,142,648	225,000,000	260,000,000
Interest and dividends.....	10,665,814	12,000,000	13,000,000
Undistributed: Repurchase of capital stock.....	369,892	350,000	300,000
Net decrease in member deposits.....	7,150,798		
Other.....	55,766	-60,000	-48,000
Total obligations.....	215,863,653	237,815,000	273,858,000

Personnel Summary

<b>NON-FEDERAL EMPLOYEES</b>			
	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions.....	6,297	6,477	6,627

FINANCING CORPORATION

The Financing Corporation (FICO) is a mixed-ownership government corporation, chartered by the Federal Home Loan Bank Board pursuant to the Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987. FICO's sole purpose is to function as a financing vehicle for recapitalizing the Federal Savings and Loan Insurance Corporation (FSLIC). Pursuant to the Act, FICO is authorized to issue debentures, bonds and other obligations subject to limitations contained in the Act, the net proceeds of which are to be used solely to purchase redeemable capital stock and nonredeemable capital certificates issued by FSLIC, or to refund any previously issued obligations.

The Act provides formulas pursuant to which the Federal Home Loan Banks make capital contributions to FICO from time to time at the direction of the Bank Board for the purchase of FICO capital stock. FICO uses the proceeds received from the sales of such capital stock to purchase zero-coupon bonds for deposit in a segregated account as required by the Act. The zero-coupon bonds held in the segregated account will be the primary source of repayment of the principal of the obligations. Securities in the segregated account are segregated from other FICO accounts and funds but are not specifically pledged as collateral for the payment of obligations. The primary source of payment of interest on the obligations will be the receipt by FICO of assessments imposed by FICO on and collected from federal

**FINANCING CORPORATION—Continued**

and state chartered savings and loan institutions, and other types of thrift institutions, whose deposit accounts are insured by FSLIC.

**Revenue and Expense (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
Revenue.....	16	235,095	647,079
Expense.....	3	220,186	604,538
Net income for the year .....	13	14,909	42,541

**Financial Condition (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Assets:</b>			
Cash and short-term investments .....	7,010	124,461	241,265
Accounts receivable .....	500,000	625,000	625,000
Segregated accounts investments .....	29,944	395,348	766,117
Total assets .....	536,954	1,144,809	1,632,382
<b>Liabilities:</b>			
Obligations payable, net.....	495,625	4,369,885	8,119,926
Other payables.....	11,316	152,574	291,565
Total liabilities .....	506,941	4,522,459	8,411,491
<b>Capital:</b>			
FICO capital stock purchased by FHL Banks.....	30,000	357,441	663,441
Accumulated excess of assessments and investment incomes over costs.....	13	14,909	57,450
FSLIC capital stock.....		-357,441	-663,441
FSLIC capital certificates .....		-3,392,559	-6,836,559
Total capital.....	30,013	-3,377,650	-6,779,109
Total liabilities and capital.....	536,954	1,144,809	1,632,382

**FEDERAL HOME LOAN MORTGAGE CORPORATION  
PORTFOLIO PROGRAMS**

**Program and Financing (in thousands of dollars)**

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
Interest expense and provision for loan loss .....	1,556,000	1,702,000	1,866,000
Administration .....	140,000	184,000	216,000
Total operating expenses .....	1,696,000	1,886,000	2,082,000
<b>Capital investment:</b>			
Mortgage purchases for portfolio .....	1,983,000	1,785,000	2,700,000
Total obligations .....	3,679,000	3,671,000	4,782,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-6,155,000	-3,945,000	-3,879,000
Unobligated balance available, start of year .....	363,000	-2,481,000	-3,712,000
Unobligated balance available, end of year .....	2,481,000	3,712,000	3,074,000
Redemption of debt .....	4,062,000	450,000	690,000
Net change in borrowing authorities .....	4,430,000	1,407,000	955,000
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	-2,476,000	-274,000	903,000
Obligated balance, start of year.....	6,730,000	5,882,000	5,738,000
Obligated balance, end of year .....	-5,882,000	-5,738,000	-6,576,000
Outlays .....	-1,628,000	-130,000	65,000

**Status of Direct Loans (in thousands of dollars)**

Identification code 99-4420-0-3-371	1987 actual	1988 est.	1989 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans.....			

1131 Direct loan obligations exempt from limitation ....	1,983,000	1,785,000	2,700,000
1150 Total direct loan obligations.....	1,983,000	1,785,000	2,700,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	14,938,000	12,940,000	13,183,000
1231 Disbursements: Direct loan disbursements.....	1,983,000	1,785,000	2,700,000
1251 Repayments: Repayments and prepayments.....	-3,981,000	-1,542,000	-1,196,000
1290 Outstanding, end of year (retained portfolio).....	12,940,000	13,183,000	14,687,000

The Federal Home Loan Mortgage Corporation (Freddie Mac) was created under the Emergency Home Finance Act of 1970. Congress chartered Freddie Mac to provide mortgage lenders with an organized national secondary market in which to sell conventional mortgages and to obtain additional funds to meet new demands for mortgages. Freddie Mac serves as a conduit to facilitate the flow of investment dollars from capital market investors to mortgage lenders, and ultimately to homebuyers in the form of more affordable mortgage credit.

Freddie Mac is a publicly-chartered corporation whose preferred stock is owned by savings institutions across the Nation. Freddie Mac is managed by a Board of Directors, which also serves as the Board of Directors of the Federal Home Loan Bank Board, that are appointed by the President with the consent of the Senate. All of Freddie Mac's expenses are paid from its own income.

The mortgage loans which Freddie Mac purchases from individual mortgage lenders are grouped into pools and sold in the form of mortgage pass-through securities, called Mortgage Participation Certificates (PCs). A PC represents an undivided ownership interest in a pool of residential mortgage loans as purchased by Freddie Mac. The timely payment of interest and ultimate return of principal on the mortgages underlying the PCs is guaranteed solely by Freddie Mac. This guarantee is backed by the financial resources of Freddie Mac cover default losses on individual mortgages and not by the Federal Home Loan Bank System or the full faith and credit of the U.S. Government.

Freddie Mac offers lenders the opportunity to either sell their mortgages for cash or "swap" them for PCs. "Swap" PCs enable lenders to restructure their portfolios by offering these PCs directly to investors, by using them as collateral for borrowings or by retaining them for sale later. This provides lenders with greater liquidity when the need for more mortgage credit arises.

Since its inception, Freddie Mac has been recognized as a pathfinder for the mortgage finance industry, and has committed its resources to identifying the needs of the industry and developing quality mortgage programs to meet those needs. Both the conventional mortgage PC and the Collateralized Mortgage Obligation (CMO), introduced by Freddie Mac in 1983, demonstrate Freddie Mac's commitment early on to pioneering improvements in the mortgage finance industry. The CMO is a bond-like security with several maturity classes secured by a pool of mortgages. The CMO has been the prototype for other types of securities in the marketplace that are currently used to provide lenders with a variety of restructuring tools and has also attracted new investors and capital to mortgage finance.



In 1986, Freddie Mac responded to the growing demand for Adjustable Rate Mortgages (ARMs) by introducing the first standardized mortgage pass-through security backed by ARMs. By year-end, total sales of the new security reached \$1.6 billion. To further support the expanding ARMs market, Freddie Mac introduced the first swap program for ARMs in 1987. The ARM security, along with Freddie Mac's ARMs purchase programs, provide lenders with greater flexibility in originating and selling ARMs into the secondary market.

When the 15-year single family mortgage became increasingly more popular with borrowers, Freddie Mac pioneered the first conventional mortgage pass-through security backed by these mortgages to ensure their continued affordability.

In 1983, Freddie Mac responded to the growing demand for multifamily mortgage funds by introducing new multifamily purchase programs that have brought over \$8 billion to the multifamily market. Freddie Mac's multifamily purchase programs represent the corporation's on-going commitment to providing and maintaining housing for moderate income households.

The forecast data contained in this material represent estimates and should not be construed as an official forecast of the corporation's future position. The data have been developed on the basis of certain economic assumptions that are reviewed and revised periodically. Consequently, the estimates are subject to forecast error and will normally differ from actual data when these become available.

According to accounting practices for private corporations, the mortgages in the pools of loans supporting PCs are considered to be owned by the holders of these securities. Consequently, on the books of Freddie Mac, these mortgages are not shown as assets. However, the budget accounting of the United States Government includes these mortgages and mortgage pass-through securities as assets and liabilities, respectively, of Freddie Mac. For the purpose of this document, therefore, they are presented as assets and liabilities in the accompanying schedules. On the Status of Direct Loans schedule for mortgage pass-through securities, the items labeled "Disbursements" and "Repayments" are budgetary terms. However, from Freddie Mac's perspective, these amounts represent "Sales of PCs" and "Amounts passed through to PC holders," respectively.

Other securities .....	6,180,000	8,250,000	9,325,000	9,625,000
Accounts receivable (net) .....	536,000	191,000	559,000	662,000
Loans receivable (net) .....	14,331,000	12,306,000	13,185,000	14,689,000
Other assets (net) .....	1,563,000	3,166,000	2,341,000	2,877,000
<b>Total assets .....</b>	<b>22,796,000</b>	<b>24,026,000</b>	<b>25,535,000</b>	<b>27,978,000</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	7,077,000	5,842,000	6,293,000	7,335,000
Borrowings from the public:				
FHLB consolidated obligations (par) .....	950,000	700,000	700,000	700,000
FHLB consolidated obligations, net .....	950,000	700,000	700,000	700,000
Mortgage-backed bonds .....	6,431,000	4,429,000	5,547,000	7,336,000
FHLMC debt .....	5,945,000	8,884,000	8,968,000	8,095,000
Securities sold under Agreement to Repurchase .....		750,000		
Subordinated debentures .....	1,301,000	2,064,000	2,152,000	2,182,000
Other .....	189,000	232,000	476,000	589,000
<b>Total liabilities .....</b>	<b>21,893,000</b>	<b>22,901,000</b>	<b>24,136,000</b>	<b>26,237,000</b>
<b>Equity:</b>				
Selected equities:				
Unexpended authority:				
Unobligated balance .....	-363,000	2,481,000	3,712,000	3,074,000
Unfinanced authority .....	-6,074,000	-8,069,000	-7,951,000	-7,909,000
Invested capital .....	7,340,000	6,713,000	5,638,000	6,576,000
<b>Total equity .....</b>	<b>903,000</b>	<b>1,125,000</b>	<b>1,399,000</b>	<b>1,741,000</b>

Object Classification (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Personnel compensation: Full-time permanent .....	62,000	72,000	84,000
Civilian personnel benefits .....	14,000	20,000	24,000
Travel and transportation of persons .....	3,000	5,000	6,000
Communications, utilities, and other rent .....	23,000	38,000	44,000
Printing and reproduction .....	4,000	11,000	13,000
Other services .....	32,000	36,000	43,000
Supplies and materials .....	2,000	2,000	2,000
Interest and provision for loan losses .....	1,556,000	1,702,000	1,866,000
Mortgage purchases for portfolio .....	1,983,000	1,785,000	2,700,000
<b>Total obligations .....</b>	<b>3,679,000</b>	<b>3,671,000</b>	<b>4,782,000</b>

Personnel Summary

NON-FEDERAL EMPLOYEES			
	1987 actual	1988 est.	1989 est.
Total number of full-time permanent positions .....	1,628	1,906	2,249

MORTGAGE-BACKED SECURITIES

Program and Financing (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
<b>Program by activities:</b>			
Capital investment: Issue (sales) of participation certificates (total obligations) (object class 33.0) .....	99,125,000	74,335,000	74,799,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources (mortgage loan repayments) .....	-35,776,000	-24,116,000	-28,839,000
<b>Corporate borrowing authority (net PC pool change) .....</b>	<b>63,349,000</b>	<b>50,219,000</b>	<b>45,960,000</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net (sale of PCs) .....	63,349,000	50,219,000	45,960,000
Outlays (sale of PCs) .....	63,349,000	50,219,000	45,960,000

Revenue and Expense

(In thousands of dollars)

	1986 actual	1987 actual
Gross revenue .....	1,981,000	2,174,000
Gross expenses .....	-1,558,000	-1,696,000
Income before Federal income tax .....	423,000	478,000
Federal income tax .....	-184,000	-190,000
<b>Net income .....</b>	<b>239,000</b>	<b>288,000</b>

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Selected assets:				
Cash with banks .....	104,000	64,000	100,000	100,000
U.S. securities (par) .....	82,000	49,000	25,000	25,000

## FEDERAL HOME LOAN MORTGAGE CORPORATION—Continued

## MORTGAGE-BACKED SECURITIES—Continued

## Status of Direct Loans (in thousands of dollars)

Identification code 99-4440-0-3-371	1987 actual	1988 est.	1989 est.
<b>Positions with respect to appropriations act limitations on obligations:</b>			
1111 Limitation on direct loans.....			
1131 Direct loan obligations exempt from limitation....	99,125,000	74,335,000	74,799,000
1150 Total direct loan obligations (sale of PCs).....	99,125,000	74,335,000	74,799,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	145,001,000	208,350,000	258,569,000
1231 Disbursements: Direct loan disbursements (sale of PCs).....	99,125,000	74,335,000	74,799,000
1251 Repayments: Repayments and prepayments.....	-35,776,000	-24,116,000	-28,839,000
1290 Outstanding, end of year.....	208,350,000	258,569,000	304,529,000

## Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
<b>Assets:</b>				
Underlying mortgages.....	145,001,000	208,350,000	258,569,000	304,529,000
<b>Liabilities:</b>				
PC's and GMC's outstanding.....	145,001,000	208,350,000	258,569,000	304,529,000

*Administration-proposed legislation.*—The Administration believes that because of Fannie Mae's and Freddie Mac's government-sponsored status, their securities enjoy an interest rate advantage in the credit markets. This gives Fannie Mae and Freddie Mac significant competitive advantages relative to private mortgage conduits. In 1982, the President's Housing Commission concluded that Fannie Mae and Freddie Mac impeded the growth of fully private mortgage conduits and recommended that the Administration seek to fully privatize them. The same conclusion was reached by the President's Private Sector Survey on Cost Control (Grace Commission) in 1983 and the President's Commission on Privatization in 1987. The Administration supports the full privatization of Fannie Mae and Freddie Mac (beyond their private ownership), and is studying transitional steps needed to convert Fannie Mae and Freddie Mac to completely private status. Full Privatization of Fannie Mae and Freddie Mac would eliminate the major hurdle private mortgage conduits face in playing a significant role in the nation's housing credit markets. However, while Fannie Mae and Freddie Mac continue to enjoy their Government-sponsored enterprise status, private mortgage conduits will continue to have difficulty competing with them. The Administration is proposing legislation to mitigate the effects of the unfair competition.

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

## Program and Financing (in thousands of dollars)

	Calendar year		
	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
Monetary and economic policy.....	45,868	46,530	46,902
Services to financial institutions and the public.....	20,401	21,084	21,748
Supervision and regulation of financial institutions.....	1,780	2,053	2,171
System policy direction and oversight.....	18,215	18,309	19,061
Total operating expenses.....	86,264	87,976	89,882
Capital investment: Computer acquisition.....	12,161		
Total program costs.....	98,425	87,976	89,882
Changes in selected resources.....	-5	-10	
Total obligations.....	98,420	87,966	89,882
<b>Financing:</b>			
Offsetting collections from:			
Federal funds.....	-121	-121	-121
Non-Federal sources.....	-102,663	-86,086	-86,178
Unobligated balance available, start of year.....	4,392	28	1,787
Unobligated balance available, end of year.....	-28	-1,787	-5,370
Budget authority.....			
Relation of obligations to outlays:			
Obligations incurred, net.....	-4,364	1,759	3,583
Obligated balance, start of year.....	12,537	8,674	6,029
Obligated balance, end of year.....	-8,674	-6,029	-6,731
Outlays.....	-501	4,404	2,881

The Federal Reserve System operates under the provisions of the Federal Reserve Act of 1913, as amended, and other acts of Congress.

*Program.*—To carry out its responsibilities under the act, the Board determines general monetary, credit, and operating policies for the System as a whole and formulates the rules and regulations necessary to carry out the purposes of the Federal Reserve Act. The Board's principal duties consist of exerting an influence over credit conditions and supervising the Federal Reserve banks and member banks.

*Financing.*—Under the provisions of section 10 of the Federal Reserve Act, the Board of Governors levies upon the Federal Reserve banks, in proportion to their capital and surplus, an assessment sufficient to pay its estimated expenses. The Board, under the act, determines and prescribes the manner in which its obligations are incurred and its expenses paid. Funds derived from assessments are deposited in the Federal Reserve Bank of Richmond, and the Act provides that such funds "shall not be construed to be Government funds or appropriated moneys." No Government appropriation is required to support operations of the Board.

The information presented pertains to Board operations only. This information has been prepared in accordance with OMB guidelines; accordingly it may differ from other financial material published by the

Board of Governors. Expenditures made on behalf of the Federal Reserve banks for production, issuance, retirement, and shipment of Federal Reserve notes are not included, since they are reimbursed in full by the Federal Reserve banks.

Revenue and Expense (in thousands of dollars)

	Calendar year		
	1986 actual	1987 est.	1988 est.
Board's operating income or loss:			
Revenue.....	102,784	86,207	86,299
Expense:			
Operating program.....	86,264	87,976	89,882
Capital outlay.....	12,161		
Net operating income or loss (—).....	4,359	—1,769	—3,583

Financial Condition (in thousands of dollars)

Assets:			
Selected assets:			
Cash in bank.....	8,646	4,242	1,361
Accounts receivable.....	4,381	4,110	3,500
Stockroom and cafeteria inventories, at cost.....	286	276	276
Land and improvements, at cost.....	1,301	1,301	1,301
Buildings, at cost.....	62,063	62,696	63,046
Furniture and equipment, at cost.....	31,967	37,620	40,642
Total assets.....	108,644	110,245	110,126
Liabilities:			
Selected liabilities: Accounts payable and accrued liabilities.....	13,055	10,139	10,231

Equity:

Selected equities:			
Unobligated balance.....	—28	—1,787	—5,370
Invested capital and earnings.....	95,617	101,893	105,265
Total equity.....	95,589	100,106	99,895

Object Classification (in thousands of dollars)

Personnel compensation:			
Full-time permanent.....	51,818	51,769	54,180
Other than full-time permanent.....	1,124	1,123	1,175
Other personnel compensation.....	589	588	616
Special personal services payments.....		394	
Total personnel compensation.....	53,531	53,874	55,971
Civilian personnel benefits.....	5,276	6,018	6,669
Benefits for former personnel.....	126	133	138
Travel and transportation of persons.....	2,298	2,625	2,805
Transportation of things.....	259	210	210
Communications, utilities, and miscellaneous.....	6,715	5,749	5,377
Printing and reproduction.....	1,867	2,054	2,150
Other services.....	6,684	7,356	8,493
Supplies and materials.....	3,609	4,055	4,025
Equipment.....	18,003	5,828	3,977
Insurance claims and indemnities.....	57	74	67
Total costs.....	98,425	87,976	89,882
Change in selected resources.....	—5	—10	
Total obligations.....	98,420	87,966	89,882

Personnel Summary

Total number of full-time permanent positions.....	1,531	1,532	1,532
Total compensable workyears:			
Full-time equivalent employment.....	1,456	1,456	1,456
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