98th Congress, 1st Session ..... House Document No. 98–3

BUDGET
OF THE UNITED STATES GOVERNMENT
FISCAL YEAR 1984

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

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THE BUDGET DOCUMENTS

Budget of the United States Government, 1984 contains the Budget Message of the President and presents an overview of the President's budget proposals. It includes explanations of spending programs in terms of national needs, agency missions, and basic programs, and an analysis of estimated receipts, including a discussion of the President's tax program. This document also contains a description of the budget system and various summary tables on the budget as a whole.

United States Budget in Brief, 1984 is designed for use by the general public. It provides a more concise, less technical overview of the 1984 budget than the above volume. Summary and historical tables on the Federal budget and debt are also provided, together with graphic displays.

Budget of the United States Government, 1984—Appendix contains detailed information on the various appropriations and funds that comprise 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, proposed general provisions applicable to the appropriations of entire agencies or groups of agencies, and schedules of permanent positions. Supplementals and rescission proposals for the current year are presented separately. Information is also provided on certain activities whose outlays are not part of the budget totals.

Special Analyses, Budget of the United States Government, 1984 contains analyses that are designed to highlight specified program areas or provide other significant presentations of Federal budget data. This document includes information about: alternative views of the budget, i.e., current services and national income accounts; economic and financial analyses of the budget covering Government finances and operations as a whole; and Government-wide program and financial information for Federal civil rights and research and development programs.

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

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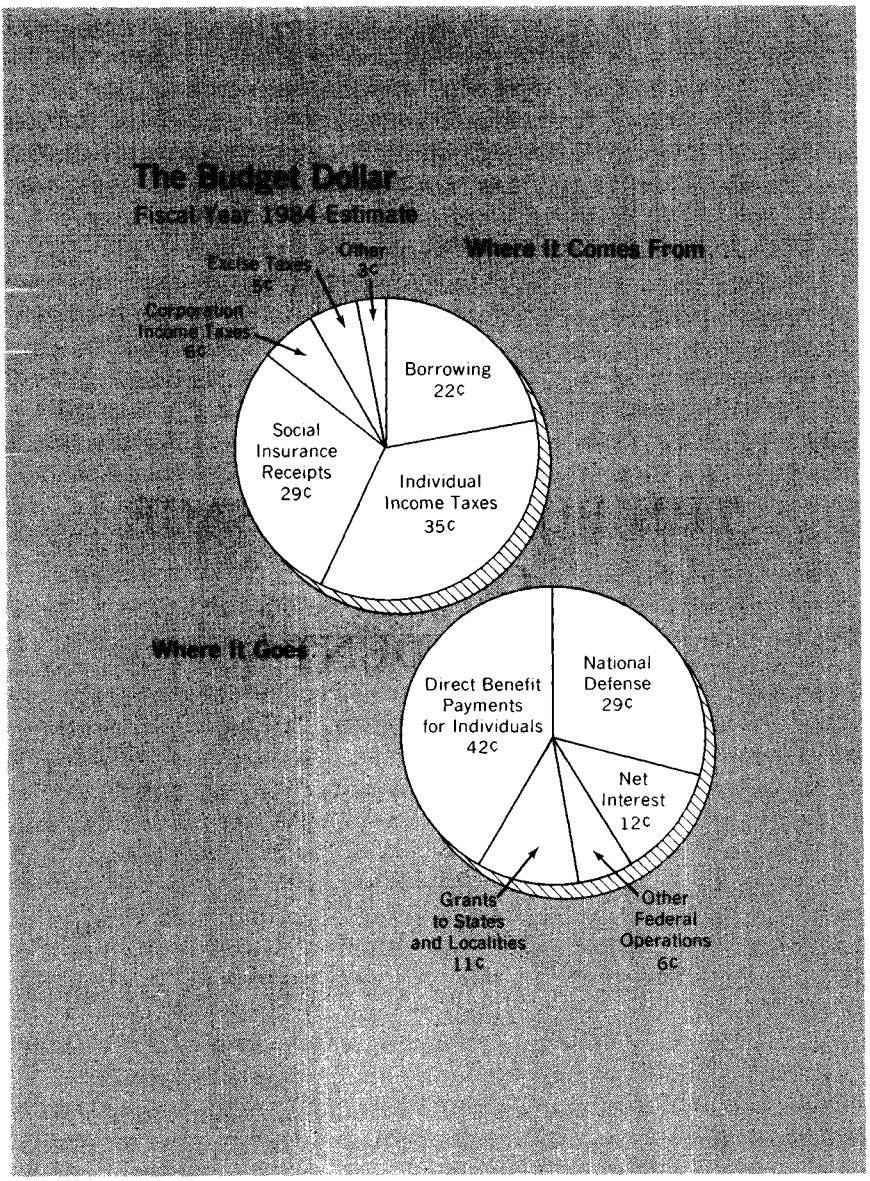
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PART 1

THE BUDGET MESSAGE OF THE PRESIDENT

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BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

Two years ago, in my first address to the country, I went before the American people to report on the condition of our economy, which had suffered from many years of seriously misguided policies. I made a strong commitment to change the traditional short-sighted view that had previously been taken on economic priorities so that we could achieve our goal of long-term prosperity. I stated that we had a massive job before us.

Government spending was taking a rapidly increasing share of national income, burdensome Government regulation had stunted productivity increases, and excessive tax rates combined with erratic monetary policy resulted in serious disincentives to investment and long-term real economic growth. Inflation was at double-digit levels. Interest rates were at record highs. Real growth and job creation had ceased. New investment, productivity, and personal saving were stagnant. Our economy was in the worst mess in half a century.

To make matters worse, our military strength had been allowed to run down relative to the aggressively expanding military might of the Soviet Union. We were in serious danger of becoming powerless to deter or counter Soviet aggression around the world.

The economic program that I proposed at that time focused on long-range real growth. My tax proposals were designed to provide badly needed private incentives to stimulate saving and productive investment. I supported the Federal Reserve in its pursuit of sound monetary policy. I worked with the Congress to reverse the growth of Government programs that had become too large or outlasted their usefulness. I worked to eliminate or simplify unnecessary or burdensome regulations.

The unprecedented buildup of inflationary forces in the 1970's, however, exacerbated in severity and duration the economic downturn of recent years. One of the key detrimental forces has been the growing Federal budget. Despite our success in reducing the rate of growth of nondefense spending in the last two budgets, spending in 1983 will exceed 1981 levels by 21%, reflecting continued increases in basic entitlement programs, essential increases in defense spending, and rapid growth of interest costs.

Thus, the full effect of the changes we have made is taking time to develop. Over-reactive short-term remedies are not the answer.

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What is essential now is that we continue to work together to rebuild this country—without losing sight of the four fundamentals of our economic program:

- Limiting tax burdens to the minimum levels necessary to finance essential Government services, thus maintaining incentives for saving, investment, work effort, productivity, and economic growth.
- Reducing the growth of overall Federal spending by eliminating Federal activities that overstep the proper sphere of Federal Government responsibilities and by restraining the growth of spending for other Federal activities.
- Reducing the Federal regulatory burden in areas where the Federal Government intrudes unnecessarily into our private lives or interferes unnecessarily with the efficient conduct of private business or of State or local government.
- Supporting a moderate and steady monetary policy, to bring inflation under control.

TWO YEARS OF ACCOMPLISHMENT

Over the past 2 years, dramatic improvements have been made in the way the Government affects our economy. The Congress joined with my administration in a cooperative and politically courageous effort to reverse a decade of runaway growth in spending and tax burdens, proliferation of unnecessary regulations and red tape, and erosion of our military strength.

Both the Omnibus Reconciliation Acts of 1981 and 1982 effected fundamental reforms in numerous Federal programs, and demonstrated a greatly heightened level of maturity and responsibility of the congressional budget process that has come to fruition with the help and support of this administration. Although I am disappointed that many administration spending-reduction proposals did not pass last year—which has resulted in higher deficits—I believe that the revitalized congressional budget process signifies a refreshing willingness on the part of the Congress to work with my administration to address squarely the many crucial, complex, and politically difficult budgetary dilemmas before us. The results have been impressive:

- Where the growth rate of spending was almost out of control at 17.4% a year in 1980, it is now declining dramatically—to 10.5% this year, and, with this budget, to 5.4% next year—which is no more than the projected rate of inflation; in effect, a comprehensive freeze on total Federal spending.
- Where spending growth totaled $220 billion from 1978 to 1981, a 48% increase, spending will rise by only 27% from 1981 to 1984, despite legislated cost-of-living adjustments and the needed defense buildup.

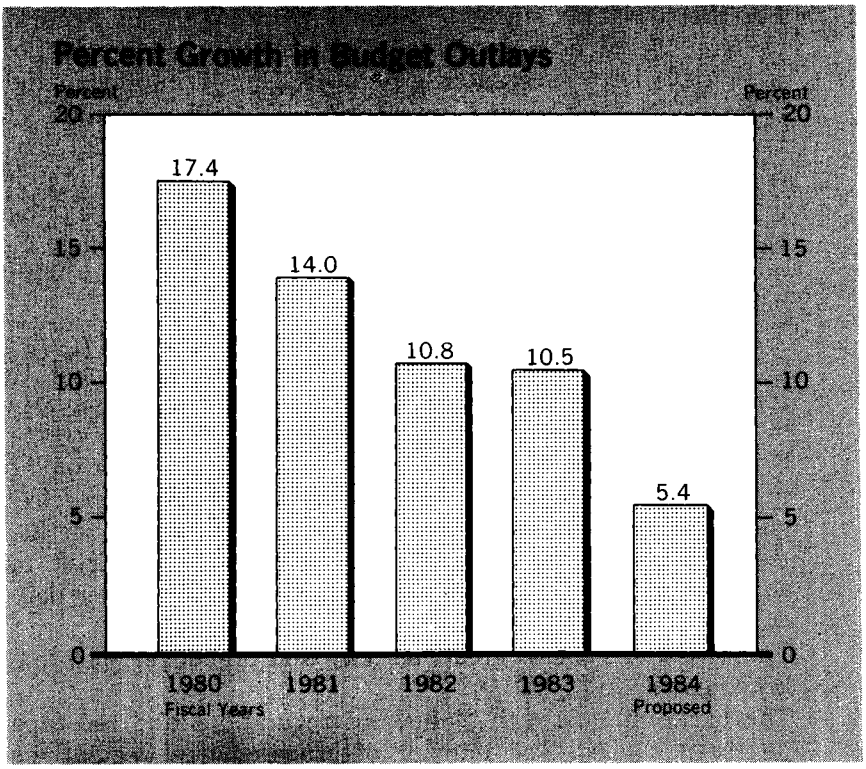
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- For the first time since the Second World War, the Federal tax system has been fundamentally restructured. Income tax rates have been substantially reduced, greatly improving the climate for savings and investment. Excessive taxation of business income resulting from depreciation allowances rendered inadequate by inflation has been eliminated through depreciation reform. Tax loopholes have been closed, making the tax structure more equitable. Emphasis is shifting to financing programs through user fees commensurate with benefits and services provided.
- The excessive rates of growth of entitlement programs were curbed. Overly-broad eligibility criteria were tightened to limit benefit awards more to the truly needy, and eliminate or restrict unnecessary and costly payments of welfare-type benefits to those who are relatively well off and are, or ought to be, self-supporting. Overly-generous and unnecessarily frequent cost-of-living adjustments were pared back. Nonetheless, the growth of these programs has proven difficult to control and continues to be the primary cause of higher deficits.
- Limitation of Federal credit activity and off-budget spending is being achieved.
- The burgeoning growth of Federal regulations and red tape has been capped. The number of proposed new regulations has been reduced by one-third in the past 2 years. Unnecessary costs of Federal regulation to individuals, businesses, and State and local governments have been reduced by $6 billion in annual expenditures and $9 to $11 billion in capital costs. By the end of 1983, the time our citizens spend filling out Federal forms and reports will have been cut by over 300 million hours annually.
- Improvements in the management of Federal operations, such as better procedures for the collection of debts owed the Government and better cash-management practices, are being carried out. These improvements have helped reduce waste, fraud, and abuse in Government programs.
- And by the end of the 1982 fiscal year, the Federal nondefense workforce had been reduced by 91,300 employees since I took office.

During the past 2 years, we have also taken decisive measures to increase our military strength. At the same time, diplomatic approaches to increase our national security, such as arms reduction talks, have been vigorously pursued.

The improvement in our defense posture includes all of its major elements. Long-overdue modernization of our strategic forces is proceeding with new bomber-, submarine-, and land-based missile

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programs. Our conventional forces are also being modernized and strengthened, with new ships, tanks, and aircraft. Above all, successful recruiting and retention over the past 18 months have resulted in all of our armed services being more fully manned with capable, high-caliber men and women. The All Volunteer Force is now working well.

By any standards, these are accomplishments to be proud of. And I am proud of them. We have come far in restoring order to the chaos prevailing in our economy and Government affairs just 2 years ago.

This is not to say that we do not still face great problems such as excessive unemployment, slower than desired economic growth, and high deficits. During the past 2 years our Nation has labored to purge itself of the inflationary disease that for nearly two decades had progressively undermined the economy's ability to generate growth, capital formation, worker productivity incentives, and financial stability. Those inflationary fevers have largely subsided in the aftermath of my decision 2 years ago to redirect economic policy toward a more modest size and scope for the Federal Government, a series of tax rate reductions to reward productive invest-

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ment and work effort, and a restrained monetary policy to sustain the purchasing power of individual savings and income.

Accompanying the marked progress in unwinding the damaging inflation spiral that plagued our Nation for so many years, financial markets in 1982 experienced their first sustained improvement in more than 5 years. Interest rates throughout the maturity spectrum declined substantially, and by yearend we can proudly report that key rates for home mortgages, consumer loans, and business investment were able to sustain their lower levels, indicating new confidence in administration policies and bringing much needed relief to the housing and auto industries, the farm community, and the export sector.

Inflationary pressures of the sort experienced during the past two decades extracted a heavy toll from our economy. We have learned that the problems we inherited were far worse than most inside and out of Government had expected; the recession was deeper and longer than most inside and out of Government had predicted. Curing those problems has taken more time and a higher toll than any of us wanted. Unemployment is far too high.

Fortunately, the long nightmare of runaway inflation is now behind us. Slowly, but steadily and unmistakably, our national economy is completing the transition from recession to recovery. The interaction of lower tax rates, reduced inflation, and falling interest rates has placed the consumer and the producer in a much strengthened position with respect to balance sheets, liquidity, after-tax income, and purchasing power.

There are numerous signs that the battered, sputtering inflation-warped economy that we found 2 years ago is on the mend, and that the dislocation and hardship we have suffered in the interim will prove to be a corrective interlude on the path of sustained recovery. But our confidence must also be tempered by realism and patience. Quick fixes and artificial stimulants, repeatedly applied over decades, are what brought on the inflationary disorders that we have now paid such a heavy price to cure.

In part as a result of the difficult period of disinflation, during the past year and one-half our projections of the Federal deficit have steadily risen. They have now reached very high levels, creating uncertainty in the financial markets and threatening to block the economic recovery ahead of us.

But before we consider what is to be done, we must review how we got here. And the truth is that as in the case of the social security fund, the looming gaps in our national budget are the consequence of both the inflation that got out of hand and the correctives that have been unavoidably applied to cure it.

During the 1970's, the share of our national income devoted to domestic programs and transfer payments soared by more than

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50%—from 10 cents to 16 cents on every dollar produced by the American people. For a brief time, it appeared that we could afford all of this generosity because inflation badly misled us.

As inflation reached higher and higher peaks, the Treasury's coffers swelled from its take on inflated incomes and the upward creep of tax rates. For a time, we even financed our trillion dollar national debt on the cheap with interest rates that had not yet caught up with the spiraling inflation.

Meanwhile, defense spending grew at less than 60% of inflation, making room in the budget for extra domestic programs. The real purchasing power available to maintain our readiness, modernize our weapons, and maintain strategic nuclear safety declined by a startling 20%.

But it couldn't last—and it didn't. Today the Federal budget itself has become a major victim of the economic transition:

- The inflationary revenue windfall has dried up.
- Our staggering national debt until recently was being financed at the highest interest rates in peacetime history.
- The undelayable process of restoring our inflation-eroded military budgets and our decayed military strength has further strained our resources.
- Despite our great strides in reducing the spending growth over the last 2 years, the vast edifice of domestic programs remains significantly in place.

The social security system has also been a victim of our economic ills. First, the rampant inflation drained its reserves as Government tried to keep beneficiaries up with the spiraling cost of living that its own mistaken policies had created in the first place. Now the recessionary adjustments to disinflation have temporarily deprived it of the expanding wage base and growing revenues required to support commitments to the retired and disabled. As a result, for too long the specter of social security insolvency has haunted our Nation's elderly citizens and threatened to rupture the lifeline on which 36 million retired and disabled Americans depend.

But however obvious the threat of insolvency, one thing is certain: social security cannot and will not be allowed to fail the 36 million Americans who depend on it. With this commitment in mind, it is especially pleasing to me to join with the Speaker of the House and the Senate Majority Leader in urging the Congress to enact the bipartisan compromise plan developed by the National Commission on Social Security Reform.

There are elements in it that none of us prefers, but taken together it forms a package all of us can support. It asks for some sacrifice by all—the self-employed, beneficiaries, workers, new government employees, and the better-off among the retired—but it

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imposes an undue burden on none. And, in supporting it, we keep an important pledge to the American people: the integrity of the social security system will be preserved—and no one's payments will be reduced.

TOWARD ECONOMIC RECOVERY

To enhance prospects for sustained economic recovery and lower unemployment, I am proposing a sweeping set of fiscal policy changes designed to reduce substantially the mounting Federal deficits that threaten the renewal of economic growth. My plan is based on these principles:

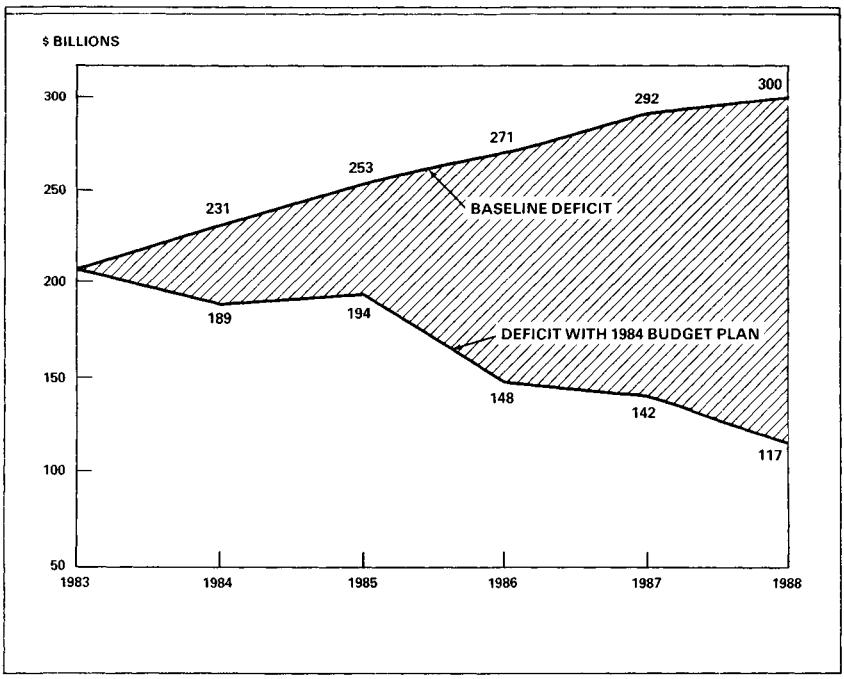
It must be bipartisan. Overcoming the deficits and putting the Government's house in order will require the best efforts of all of us.

It must be fair. Just as all will share in the benefits that will come from recovery, all should share fairly in the burden of transition.

It must be prudent. The strength of our national defense must be restored so that we can pursue prosperity in peace and freedom, while maintaining our commitment to the truly needy.

Finally, it must be realistic. We cannot rely on hope alone.

DEFICIT OUTLOOK AT A GLANCE: BASELINE VS. 1984 BUDGET PLAN



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With these guiding principles in mind, let me outline a four-part plan to increase economic growth and reduce deficits.

First, I am recommending a Federal spending freeze. I know this is strong medicine, but so far we have cut only the rate of increase in Federal spending. The Government has continued to spend more money each year, though not as much more as it did in the past. Taken as a whole, the budget I am proposing for the next fiscal year will increase no more than the rate of inflation—in other words, the Federal Government will hold the line on real spending. That is far less than many American families have had to do in these difficult times.

I will request that the proposed 6-month freeze in cost-of-living adjustments recommended by the bipartisan National Commission on Social Security Reform be applied to other Government benefit programs. I will also propose a 1-year freeze on a broad range of domestic spending programs, and for Federal civilian and military pay and pension programs.

Second, I will ask the Congress to adopt specific measures to control the growth of the so-called "uncontrollable" spending programs. These are the automatic spending programs, such as food stamps, that cannot be simply frozen—and that have grown by over 400% since 1970. They are the largest single cause of the built-in or "structural" deficit problem. Our standard here will be fairness—ensuring that the taxpayers' hard-earned dollars go only to the truly needy; that none of them is turned away; but that fraud and waste are stamped out. And, I am sorry to say, there is a lot of it out there. In the food stamp program alone, last year we identified almost $1.1 billion in overpayments. The taxpayers are not the only victims of this kind of abuse; the truly needy suffer, as funds intended for them are taken by the greedy. For everyone's sake, we must put an end to such waste and corruption.

Third, I will adjust our program to restore America's defenses by proposing $55 billion in defense savings over the next 5 years. These are savings recommended to me by the Secretary of Defense, who has assured me they can be safely achieved and will not diminish our ability to negotiate arms reductions or endanger America's security. We will not gamble with our national survival. As a percent of GNP, the level I am requesting for defense spending in 1984 is less than the United States spent during the decade of the 1960's. As a percent of the total Federal budget it is far less than was allocated for national defense in those years. We are 2 years into the program to re-arm America. Sustaining the momentum of this program is essential if we are to avoid slipping back into the inefficient and counterproductive pattern of wildly fluctuating defense spending levels.

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THE BUDGET TOTALS

(In billions of dollars)

	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Budget receipts	617.8	597.5	659.7	724.3	841.9
Budget outlays	728.4	805.2	848.5	918.5	989.6
Surplus or deficit (−)	−110.6	−207.7	−188.8	−194.2	−147.7
Budget authority	779.9	847.4	900.1	997.4	1,079.6

Fourth, because we must ensure reduction and eventual elimination of deficits over the next several years, I will propose a stand-by tax limited to no more than 1% of the gross national product to start in fiscal year 1986. It would last no more than 3 years and would start *only* if the Congress has first approved our spending freeze and budget control program. You could say that this is an insurance policy for the future—a remedy that will be at hand if needed, but resorted to only if absolutely necessary.

In the meantime, we will continue to study ways to simplify the tax code and make it more fair for all Americans. This is a goal that every American who has ever struggled with a tax form can understand.

At the same time, however, I will oppose any efforts to undo the basic tax reforms we have already enacted—including the 10% tax break coming to taxpayers this July and the tax indexing that will protect all Americans from inflationary bracket creep in the years ahead.

Impact of Stronger Economic Growth

- If the recovery of real GNP growth over the next 2 fiscal years is *about 1%* above our cautious projections, the deficit estimates would improve by an average of about $20 billion per year, and would result in lower deficits as follows:

	1984	1985	1986	1987	1988
Deficit (−) ($ billions)	−177	−177	−127	−119	−90

- An average real GNP growth rate *1.33%* higher each year over the next 6 years, compared to the prudent projections made in the 1984 budget, would result in a balanced budget by 1988. This is a "high growth" scenario but within the range of previous historical experience. My administration remains committed to the goal of a balanced budget and will propose additional policy actions, as needed, to achieve it.

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This plan is urgently needed and is geared toward solving the problems of the growing deficits. But it naturally requires the cooperation of both branches of Government, both Houses, and both parties. Thus, our plan is aimed at bridging the institutional, philosophical, and political differences that separate us—which are not as important as the overriding common objective of economic recovery and sustained prosperity for America.

After 2 years of reducing much of the overspending, we have now reached the bone in many places—programs where we will not propose further reductions. My administration will now work with the Congress in an effort to accommodate those special concerns of the legislative branch that have caused unnecessary strains in the past.

Thus, we will propose $3 billion more for education programs than was proposed last year, and almost $2 billion more for employment and training. Proposals for new rescissions of already-enacted budget authority will be held to an absolute minimum.

This budget process must be a two-way street, for the problem of large deficits is very real. Even when all reasonable measures are applied to the vast detail of the budget, the resulting deficits are large and progress toward reducing them slow. The political risks entailed in these deficit-containment measures are considerable. But the risk of doing nothing at all due to partisanship or legislative stalemate is much greater. I therefore urge the Congress to join with my administration behind this common-sense strategy.

MEETING—AND RESHAPING—FEDERAL RESPONSIBILITIES

My administration seeks to limit the size, intrusiveness, and cost of Federal activities as much as possible, and to achieve the needed increase in our defense capabilities in the most cost-effective manner possible. This does not mean that appropriate Federal responsibilities are being abandoned, neglected, or inadequately supported. Instead, ways are being found to streamline Federal activity, to limit it to those areas and responsibilities that are truly Federal in nature; to ensure that these appropriate Federal responsibilities are performed in the most cost-effective and efficient manner; and to aid State and local governments in carrying out their appropriate public responsibilities in a similarly cost-effective manner. The Nation must ask for no more publicly-provided services and benefits than the private sector can reasonably be asked to finance.

Education.—One of the high priorities I have set for my administration is the return to a more appropriate role for the Federal

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Government in the Nation's education systems and policies. We have slowed the alarming rate of growth of Federal spending for education, an area that is rightfully and primarily a family and State and local government responsibility. From 1974 to 1981, Federal spending for education increased by 172%. From 1981 to 1982, however, outlays declined by more than $1 billion. My administration has accomplished a major consolidation of small fragmented education programs into a flexible education block grant to States and localities. We have cut back on unnecessary regulation and Federal intrusion in local affairs.

The 1984 budget seeks to stabilize education spending, requesting $13.1 billion in budget authority for 1984. It reflects several important new initiatives to strengthen American education:

- Passing of tuition tax credits for parents who want to send their children to qualified private or religiously-affiliated schools.
- Establishing education savings accounts to give middle- and lower-income families an incentive to save for their children's college education and, at the same time, to encourage a real increase in savings for economic growth.
- Reorienting student aid programs to ensure that students and families meet their responsibilities for financing higher education, while making funds available across a wider spectrum of schools for the low-income students most in need.
- Allowing States or localities, if they so choose, to use their compensatory education funds to establish voucher programs to broaden family choice of effective schooling methods for educationally disadvantaged children.
- Helping States to train more mathematics and science teachers.

These initiatives represent the administration's continuing commitment to avoid improper Federal involvement in State, local, and family decisions, while preserving proper Federal support for key national policy goals such as supporting compensatory and handicapped education, facilitating access to higher education, and helping States improve science and mathematics education.

Research.—My administration recognizes the Federal responsibility to maintain U.S. leadership in scientific research. Although support of basic scientific research represents a small share of the Federal budget, it is a vital investment in the Nation's future. Such research lays the foundation for a strong defense in the years to come, and for new technologies and industries that will help maintain our industrial competitiveness, create new jobs, and improve our quality of life. By carefully establishing budget priorities, my administration has been able to reinvigorate Federal support for basic scientific research. With my 1984 budget proposals, such sup-

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port across the Government will have increased by more than 20% over the 1982 level.

Health care.—A major problem for both individuals and the Federal Government in meeting health care needs is the rapid inflation of health care costs. The rate of increase in health care costs is excessive and undermines people's ability to purchase needed health care. Federal policies have contributed significantly to health care cost increases. The budget contains several major initiatives to reduce cost increases. We must eliminate the tax incentive for high-cost employee health insurance programs. Savings from medicare cost controls will be used to protect the aged from catastrophic hospital costs. Incentives will also be proposed to slow the growth of medicaid costs.

Agriculture.—The administration seeks to move agricultural supply toward a better balance with demand by reducing farm production and Government program stocks. The budget proposes a four-part approach to solving the current surplus supply problem:

- establishing a payment-in-kind (PIK) program, under which farmers would receive surplus commodities now held for Federal loans, or owned by the Government, in return for reducing their production;
- freezing farm crop target prices at current levels;
- donating Government-held commodities through international humanitarian organizations for needy people around the world; and
- selling our agricultural produce abroad, both through commercial channels and through governmental negotiation.

Efforts are also continuing to identify surplus Federal land holdings for sale from those administered by the Departments of Agriculture and of the Interior. Planned sales total $500 million in 1984.

Transportation.—In the transportation area, my administration has made major strides in implementing one of the fundamental principles in my program for economic recovery: having users pay for program costs that are clearly allocable to them. During the past year, I signed into law two administration-backed proposals to increase excise taxes on aviation and highway users and thereby provide funding needed to revitalize and modernize these important segments of the Nation's transportation system. The 1984 budget reflects the administration's continued commitment to the "users pay" principle by again proposing user fees for:

- construction and maintenance of deep-draft ports;
- the inland waterway system;
- selected direct Coast Guard services; and

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- nautical and aviation maps and charts.

Recognizing the importance of our transportation system in maintaining and contributing to the Nation's economic and social well being, my administration secured passage of legislation designed to rebuild the Nation's highway and public transportation facilities. This legislation substantially increased funds available to the States and local communities to complete and repair the aging interstate highway system, to rehabilitate principal rural and urban highways and bridges, and to improve mass transit systems.

Fully capable ports and channels are essential to make U.S. coal exports competitive in world markets. My administration will work with the Congress to provide for timely and efficient port construction. We propose a system of user fees for existing port maintenance and new port construction. Local governments would be empowered to set up their own financing arrangements for the immediate construction of facilities in their areas.

Reducing the Federal presence in commercial transportation, currently regulated by the Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission, will improve the efficiency of the industry. To this end, my administration will seek further deregulation of trucking, airlines, and ocean shipping. Experience since the adoption of initial transportation deregulation legislation has shown clearly that both consumers and industry benefit from reduced Federal involvement in these activities.

Energy.—The administration has significantly reoriented the country's approach to energy matters in the past 2 years. Reliance on market forces—instead of Government regulation and massive, indiscriminate Federal spending—has resulted in greater energy production, more efficient use of energy, and more favorable energy prices. For example:

- The U.S. economy today is using 18% less energy to produce a dollar's worth of output than it did in 1973 when energy prices first began to rise.
- The price of heating oil and gasoline has actually fallen in real terms by 12% in the past 2 years—confounding past theories that insisted that these prices could only increase.

Federal energy programs and policies have been refocused and made more productive:

- Wasteful spending on large, unprofitable technology demonstrations has been curtailed.
- At the same time, spending has increased in areas where the Government has a key role to play—for example, in supporting long-term energy research.
- The strategic petroleum reserve has more than doubled in size over the past 2 years.

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Criminal justice.—My administration has also sought to strengthen the Federal criminal justice system by proposing major legislative initiatives, such as bail and sentencing reform, by attacking drug trafficking and organized crime, and by achieving a better balance among law enforcement, prosecutorial, and correctional resources. Twelve regional task forces will focus on bringing to justice organized crime drug traffickers. The administration will strengthen efforts to identify, neutralize, and defeat foreign agents who pose a threat to the Nation.

International affairs.—Our foreign policy is oriented toward maintaining peace through military strength and diplomatic negotiation; promoting market-oriented solutions to international economic problems; telling the story abroad of America's democratic, free-enterprise way of life; and increasing free trade in the world while assuring this country's equitable participation in that trade.

- The security assistance portion of the international affairs program has been increased to assist friendly governments facing threats from the Soviet Union, its surrogates, and from other radical regimes.
- Development aid emphasizes encouraging the private sectors of developing nations and increasing U.S. private sector involvement in foreign assistance.
- A major expansion of international broadcasting activities aimed primarily at communist countries is planned, and a new initiative will be undertaken to strengthen the infrastructure of democracy around the world.
- Special attention is being given to assuring adequate financing of U.S. exports while my administration seeks to obtain further reductions in the export subsidies of other governments.

My administration will submit to the Congress a proposal to increase the U.S. quota in the International Monetary Fund and the U.S. obligations under the IMF's General Arrangements to Borrow, as soon as negotiations on these issues are completed. This is necessary to ensure that the IMF has adequate resources to help bring the world economy back to strong, noninflationary growth.

Although now less than 2% of the budget, international programs are critical to American world leadership and to the success of our foreign policy.

Minority-owned businesses.—My administration will assist in the establishment or expansion of over 120,000 minority-owned businesses over the next 10 years. The Federal Government will procure an estimated $15 billion in goods and services from minority business during the 3-year period 1983-1985. It will make available approximately $1.5 billion in credit assistance and $300 million

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in technical assistance to promote minority business development during this period.

Civil service retirement.—The 97th Congress made some improvements in the civil service retirement system. However, civil service retirement still has far more generous benefits and is much more costly than retirement programs in the private sector or in State and local governments. Accordingly, this budget proposes fundamental changes in civil service retirement designed to bring benefits into line with those offered in the private sector and reduce the cost of the system to affordable levels. Retirement benefit changes will be phased in over a period of years in order to avoid upsetting the plans of those at or near retirement.

UNEMPLOYMENT DEMANDS SPECIFIC ATTENTION

My administration seeks to provide appropriate assistance to the unemployed. There are three major groups who need help: the largest, those who are unemployed now but will find jobs readily as the economy improves; those whose jobs have permanently disappeared; and youth who have trouble finding their niche in the labor market.

Those in the first group need interim help because, historically, increases in jobs always lag in an economic recovery. Last year we provided a temporary program to give the long-term unemployed up to 16 added weeks of unemployment compensation, in addition to the up to 39 weeks available from our permanent unemployment insurance. This temporary program expires March 31, 1983. I propose to modify and extend the program for 6 more months, and provide an option for recipients to receive assistance in securing work through a system of tax credits to employers. This will give employers a significant incentive to hire the long-term unemployed, while workers will get full wages rather than the lower unemployment benefit.

Those whose jobs have permanently disappeared must be helped to find new long-term occupations. The Job Training Partnership Act, enacted last year, authorizes grants to States to help retrain such workers and assist them in locating and moving to new jobs. The Congress appropriated $25 million to start this new program in 1983. I am requesting $240 million to implement the program fully in 1984. In addition, I propose that the Federal unemployment law be changed to allow States to use a portion of the unemployment taxes they collect to provide such retraining and job search assistance to their unemployed workers. Regulatory reform and passage of enterprise zone legislation will also create new incentives for jobs and opportunity.

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Those youth who have problems finding jobs after they leave school are often condemned to a lifetime of intermittent employment and low earnings. The new Job Training Partnership Act is designed to help disadvantaged youth acquire the basic skills potential employers look for when they hire. I am requesting $1.9 billion for the block grant to States under that Act. The States must use at least 40% of that for youth.

One of the problems hampering youth is inability to get meaningful work experience during school vacations. Such experience is invaluable to demonstrate their qualifications to potential permanent employers. The budget provides for 718,000 public summer job opportunities for disadvantaged youth. But we must also make it possible for youth to experience work in the private sector. The minimum wage law now frequently prevents this. Inexperienced youth cannot produce enough of value to make it worthwhile for employers to pay them the full minimum wage during short periods of employment. I therefore propose that the minimum wage for summer jobs for youth be reduced to $2.50 an hour. Limitation of the reduced minimum wage to the summer months will make it unlikely that employers will substitute youths for older workers.

I remain adamantly opposed to temporary make-work public jobs or public works as an attempted cure for non-youth unemployment. There are several reasons for this. The cost per "job" created is excessive; we cannot afford major new programs, particularly in our current budgetary straits; the actual number of new jobs "created" is minimal; the jobs created tend to be temporary and of a dead-end nature; and most such jobs do not materialize until after recovery is well underway.

IMPROVING THE EFFICIENCY OF GOVERNMENT

The proposed freeze on program funding levels will compel program managers in every agency of the Government to find more efficient ways of carrying out their programs. For too long, costs of Federal operations have been mounting unchecked.

Good management has not always been a priority of the executive branch. I have been correcting that situation.

My administration has redirected programs to improve their efficiency and to achieve cost savings Government-wide. My administration is committed to improving management and reducing fraud, waste, and abuse. The President's Council on Integrity and Efficiency (PCIE), made up of 18 Inspectors General, reported that almost $17 billion has been saved or put to better use in the past 2 years.

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In 1982, I signed into law the Federal Managers' Financial Integrity Act. Under this Act, my Cabinet officers and other agency heads will report to me and the Congress annually on the status of their efforts to improve management controls that prevent fraud and mismanagement. A number of agencies have already begun to make significant improvements in this important area.

But the Government can go only so far with the seriously outdated and inefficient management/administrative systems that are currently in place. One-third of our large-scale computers, for example, are more than 10 years old. A comprehensive management improvement program was needed, so "Reform '88" was initiated. We intend to upgrade and modernize our administrative systems to make them more effective and efficient in carrying out the Government's business and serving the public.

We are already saving tax dollars by managing our almost $2 trillion yearly cash flow more effectively, collecting the Government's $250 billion of just debts, cutting Government administrative costs, modernizing Federal procurement systems, reducing internal regulations, controlling our office space and equipment more prudently, and streamlining the workforce in many departments and agencies. These cost-reduction efforts will continue.

CONTINUING REFORM OF OUR FEDERAL SYSTEM

The overall efficiency of Government in the United States can also be improved by a more rational sorting out of governmental responsibilities among the various levels of government—Federal, State, and local—in our Federal system, and eliminating or limiting overlapping and duplication.

In 1981, the Congress responded to my proposals by consolidating 57 categorical programs into 9 block grants. In 1982, block grants were created for job training in the Jobs Training Partnership Act, and for urban mass transit in the Surface Transportation Act. The initiatives to be proposed this year will expand on these accomplishments.

Four new block grants will be proposed, with assured funding for major functions now addressed through categorical grants:

- A general Federal-State block grant covering approximately 15 categorical programs.
- A Federal-local block grant that would include the entitlement portion of the community development grant program and the general revenue sharing program.
- A transportation block grant.
- A rural housing block grant.

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The administration is improving the management of intergovernmental assistance by providing State and local elected officials with greater opportunity to express their views on proposed Federal development and assistance actions before final decisions are made. Under Executive Order 12372, Intergovernmental Review of Federal Programs, which I signed in July 1982, Federal agencies must consult with State and local elected officials early in the assistance decision process and make every effort to accommodate their views. The Order also encourages the simplification of State planning requirements imposed by Federal law, and allows for the substitution of State-developed plans for federally required State plans where statutes and regulations allow.

Through the President's Task Force on Regulatory Relief and the regulatory review process, the administration is eliminating and simplifying regulations affecting State and local governments that are burdensome, unnecessary, and counter-productive. These changes have improved local efficiency and accountability and reduced program costs. Twenty-five reviews were completed during the past 2 years by either the Task Force or by various Federal agencies. Available data indicate that regulatory relief actions will save State and local governments approximately $4 to $6 billion in initial costs, and an estimated $2 billion on an annual basis. My administration is also simplifying selected, generally applicable crosscutting requirements that are imposed on State and local governments as a condition of accepting financial assistance.

FEDERAL CREDIT PROGRAMS: MORE SELECTIVE

The administration continues its strong commitment to control Federal credit assistance, which has serious effects on the Nation's financial markets. To this end, I propose a credit budget that reverses the accelerated rate of growth in direct and guaranteed lending by the Federal Government that occurred during the second half of the 1970's and the first years of the 1980's.

Federal intervention through guarantees and provision of direct lending misdirects investment and preempts capital that could be more efficiently used by unsubsidized, private borrowers. Because federally assisted borrowers are frequently less productive than private borrowers, large Federal credit demands must be reduced in order to improve prospects for economic growth.

CONCLUSION

The stage is set; a recovery to vigorous, sustainable, noninflationary economic growth is imminent. But given the underlying deterioration in the overall budget structure that has occurred over the

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past 2 years, only the most sweeping set of fiscal policy changes could help to reverse the trend and set the budget on a path that is consistent with long-term economic recovery.

If the challenge before us is great, so, too, are the opportunities. Let us work together to meet the challenge. If we fail, if we work at cross purposes, posterity will not forgive us for allowing this opportunity to slip away.

RONALD W. REAGAN.

JANUARY 31, 1983.

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PART 2

ECONOMIC ASSUMPTIONS AND THE BUDGET

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ECONOMIC ASSUMPTIONS AND THE BUDGET

This part of the budget discusses the economic assumptions underlying the budget. The first section reviews recent economic developments and the outlook for the economy. The second presents the economic assumptions. The third section notes how economic developments and changes in the economic outlook have changed the budget outlook since last year. The fourth section compares the current forecast with historical economic performance over the postwar period and notes how the budget is affected by different rates of growth and inflation. The fifth develops estimates of the extent to which deficits are cyclical (recession-induced) as opposed to structural. The sixth presents rules of thumb relating changes in economic variables to changes in the budget.

The Economic Outlook

The economic landscape in 1982 was dominated by widespread and rapid progress in unwinding the inflation spiral that built up during the past decade, as well as by the first sustained improvement in financial market conditions in more than 5 years. However, this rapid abatement of inflation pressures was accompanied by an economic recession of greater amplitude and duration than virtually any forecast anticipated a year ago. Fortunately, by year-end there were numerous signs that the difficult adjustment to lower inflation had run its course, and the economy was generating a solid foundation for economic growth in the 1980's.

From a peak rate of 10.5% in late 1980, the rise of the GNP deflator slowed to 4.3% by the fourth quarter of 1982. This improvement was reflected in every sector of the economy. The rate of increase of consumer prices, producer prices, wage rates, and costs of energy and other raw materials moderated substantially in response to administration policies expressly designed to halt the damaging inflation spiral of previous years. For 1982 as a whole, the rate of inflation, as measured by the GNP deflator, had fallen to 4.6%, its lowest increase in 10 years. For the 12 months ending in December, the Producer Price Index increased by only 3.5%, its smallest rate of increase since 1971, while the Consumer Price Index advanced by only 3.9% over the 12-month period, its smallest rate of increase since 1972.

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ANNUAL INFLATION RATES

(Percent; 4th quarter over 4th quarter)

	Consumer Price Index	Producer Price Index	GNP deflator	Average hourly earnings
1977	6.5	7.1	6.1	7.5
1978	9.0	8.8	8.5	8.4
1979	12.8	12.7	8.2	8.0
1980	12.6	12.5	10.2	9.6
1981	9.6	7.3	8.9	8.4
1982	4.5	3.6	4.6	5.9

Confirming the reduction of inflation rates, money and credit market conditions eased substantially during the year, and interest rates registered major across-the-board declines. During the summer months, the generally successful legislative implementation of the First Budget Resolution and the resulting improvement in the outlook for Federal deficits improved public confidence concerning future inflation and economic growth. Along with a marked reduction in private credit demands, and a somewhat more relaxed monetary policy, these factors contributed to a 3 percentage point reduction in short-term interest rates during the July-September quarter.

By late December and early January, short-term rates had sustained their lower levels for half a year, and the 91-day Treasury bill rate hovered around 8%. At yearend the industry-wide commercial bank prime rate stood at 11½%, a significant reduction from its 16½% level of mid-1982 and the 21½% peak of late 1980. Long-term rates also declined substantially, and new Aaa public utility issues yielded about 11.75% in late December, a 6 percentage point reduction from its peak in late September 1981. The FHLMC mortgage rate declined to 13.6%, a large drop from its 18.5% October 1981 level.

SELECTED INTEREST RATES

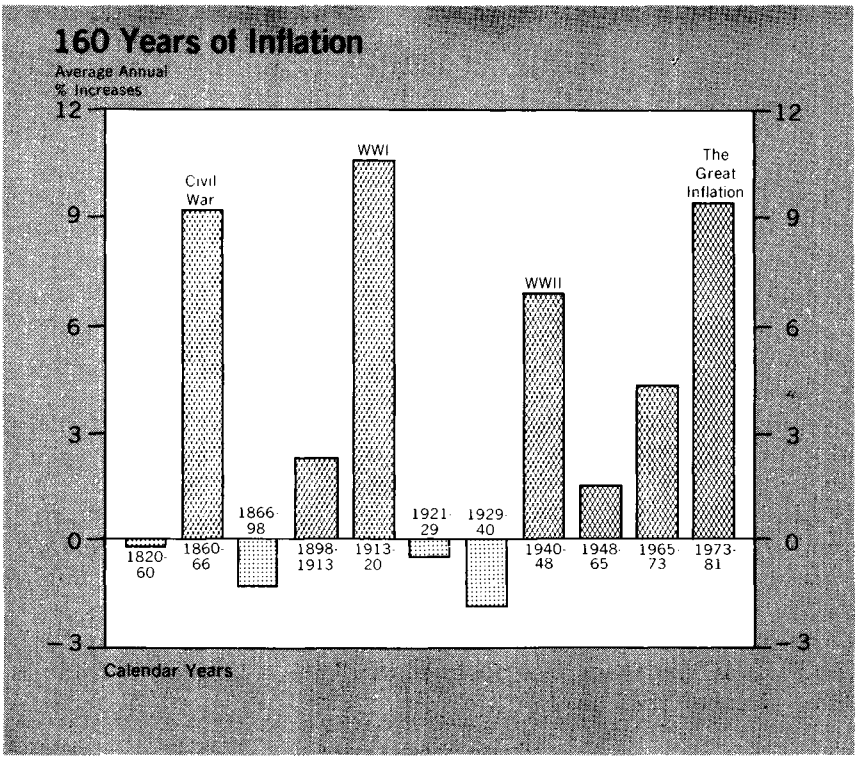
(4th quarter averages)

	91-day Treasury bills	Prime rate	Mortgage rate (FHLMC)	New Aaa utilities (Moody's)
1977	6.1	7.7	8.9	8.3
1978	8.6	10.8	10.1	9.2
1979	11.8	15.1	12.5	10.8
1980	13.6	16.7	14.3	13.6
1981	11.8	17.0	17.7	16.3
1982	7.9	12.0	14.0	11.7

Success in reducing the upward momentum of inflation and interest rates was achieved at a considerable cost. And it should be carefully noted that the unexpected severity and length of the

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economic downturn in 1981 and 1982 can be directly traced to the unprecedented buildup of inflationary forces in the 1970's. During the 1973–1981 period, the rate of increase of consumer prices averaged 9.4% a year, the most rapid rate of peacetime inflation ever experienced in the United States. Indeed, on a cumulative basis, the 105% increase in the consumer price level that occurred from 1973 to 1981 actually exceeded the 102% cumulative price increase of the World War I period (1913–1920) and the 72% price increase of the World War II period (1940–1948).



Inflationary pressures of the sort experienced during the past decade extracted a heavy toll from the U.S. economy. Investors shifted capital holdings away from productive financial assets and into non-productive tangible assets such as gold, commodities, and excessive real estate investment. Tax and depreciation schedules were distorted, and net business investment in new plant and equipment lagged well behind historical trends. Uncertainty and pessimism became the dominant psychological attitude, and economy-wide productivity and real output growth remained stagnant.

Cost pressures from record interest rates, inflated nominal wage compensation, indirect business taxes, and increasing energy and other raw materials prices caused unit costs in the non-financial

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corporate sector to grow more rapidly (10.2% per year) than unit prices (8.6%) from the fourth quarter of 1978 to the second quarter of 1982. As a result, profit margins were badly squeezed, declining by 24%, or at an annual rate of 7.5%.

UNIT PRICES, COSTS, AND PROFITS: NONFINANCIAL CORPORATE SECTOR

(Percent change; annual rate)

	Unit prices [1]	Unit costs [2]	Profit margins [3]
1978:4–1982:2	8.6	10.2	−7.5
1982:2–1982:4	4.8	3.3	25.3

[1] The deflator for gross national product of nonfinancial corporate business.
[2] Labor and interest charges plus non-factor costs (e.g., depreciation) divided by real output of nonfinancial corporate sector.
[3] Pre-tax profits (with IVA and CC adjustments) of nonfinancial corporate business divided by output in 1972 dollars.

The collapse of corporate earnings forced across-the-board cuts in inventories, production, and employment. As indicated by the most recent data from the national income and product accounts, unusually large declines occurred in inventory investment and net exports. In particular, a boom-like inventory build-up that took place in the second and third quarters of 1981 was reversed in 1982. As shown in the table below, the massive inventory liquidation accounted for almost all (88%) of the reduction in real GNP from the third quarter of 1981 (the cyclical peak) to the final quarter of 1982. In a typical postwar recession, the decline in inventory investment accounts for only about 57% of the peak-to-trough decline in real GNP.

COMPONENTS OF DECLINE IN REAL GNP

(Dollar amounts in billions)

	Peak 1981:3	Likely trough 1982:4	Change	Relative contribution to real GNP change	
				This recession	Postwar average [1]
Real GNP	$1,510.4	$1,471.7	−$38.7	−100.0%	−100.0%
Consumption	951.4	968.0	16.6	+42.9	−1.1
Business fixed investment	173.9	159.6	−14.3	−37.0	−35.6
Residential construction	42.9	41.7	−1.2	−3.1	−18.4
Inventory change	16.5	−17.7	−34.2	−88.4	−57.0
Net exports	39.2	21.1	−18.1	−46.8	+11.2
Federal purchases	110.7	123.7	13.0	+33.6	−20.0
State and local purchases	175.7	175.4	−0.3	−0.8	+20.6

[1] Covers 5 postwar recessions beginning with the 1953–54 downturn.

Ironically, the shift in inflation expectations that appeared to occur in mid-1982, illustrated in part by the sharp break in interest rate pressures, may have worked to prolong the recession during the second half of the year. With a lower inflation outlook, bottom-line-oriented business executives saw the need to curtail credit demands and to pare back plans for capital expenditures and other operations, at least temporarily. These decisions generated a last

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round of significant inventory reduction, severe cost control measures, and additional retrenchment in production and employment during the third and fourth quarters.

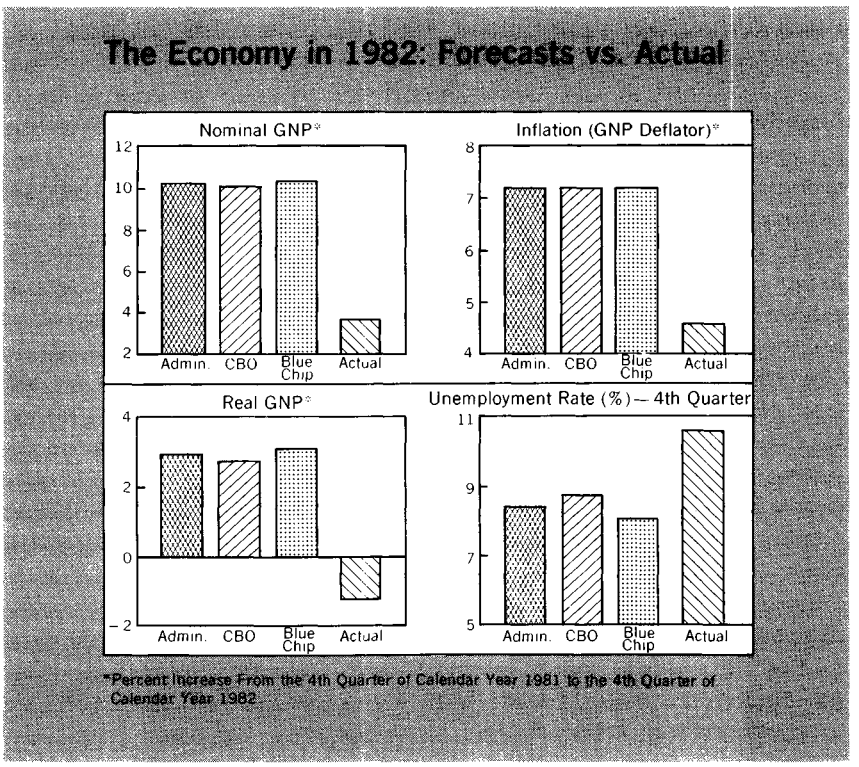
Similarly affected by changing inflation conditions, individuals throughout the economy undertook strong belt-tightening measures to reduce spending and improve liquidity and balance sheet positions. At the same time, investors intensified efforts to reshuffle portfolios away from commodities and tangible assets and toward more liquid financial securities such as stocks, bonds, money market funds, and newly deregulated bank deposits offering competitive market interest rates. In response, the saving rate rose to 6.9% in the third quarter of 1982 from 5.4% in the first quarter of 1981. While stock and bond market prices rose sharply, the flow-of-funds data indicate that the acquisition of tangible assets by households fell continuously from late 1981 through the end of 1982.

As a short-run influence, the renewed emphasis on reduced borrowing, increased saving, and the rebuilding of liquidity caused additional weakness in current consumption and investment. Thus, the larger than expected decline in the level of real output during 1982 can be traced in large part to the stepped-up effort during the second half of the year to improve balance sheets and rebuild financial savings in the new disinflationary environment. However, as a longer-term influence, these saving and investment responses to lower inflation and inflation expectations are quite healthy. No recovery factor is more important than the systematic reduction of inflation, and a low and stable inflation rate during the years ahead will create the balance, efficiency, and equilibrium necessary to generate sustained economic recovery. The combined effects of economic policies aimed at budget restraint, a permanent lowering of tax rates, and a sustained reduction of inflation are creating a strong foundation for economic growth in the 1980's.

But a year ago the full adjustment effects of disinflation were not properly anticipated nor fully understood by the majority of economic forecasters. The second wave of recession that developed during the final two quarters of the year came as a surprise to most analysts. The powerful impact on all forms of financial and economic activity that resulted from the sweeping shift of inflation expectations served to derail the projection of second-half recovery that was widely forecast both in and outside of Government.

Looking back on economic forecast estimates published by the administration, the Congressional Budget Office, and the Blue Chip Indicators (an average of 43 private sector forecasts) in early 1982, to a remarkable extent these projections were in agreement. But it turned out that these Government and non-Government projections were substantially wide of the mark in every key area.

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The consensus projected real GNP to rise from the fourth quarter of 1981 to the fourth quarter of 1982 by 3.0%, with a strong second-half showing, but actual output declined by 1.2%. The projected 7.2% rise in the GNP implicit price deflator was much larger than the actual increase of only 4.6%. Nominal GNP increased by a meager 3.3%, but the consensus forecast anticipated a more robust 10.4%. The unemployment rate by yearend 1982 was projected in a range of 8.1% to 8.8%, but the average rate for the fourth quarter turned out to be 10.7%. Finally, the 91-day Treasury bill rate was expected to average around 11½% in last year's fourth quarter, but the actual rate was 7.9%.

The combined effects of these large forecast errors will have a significantly adverse impact on the budget totals. Some of the effects were felt in 1982, but the heaviest impact of the unanticipated economic changes will be felt in 1983 and the outyears. For example, as described in greater detail later in this chapter, the 1983 deficit has been reestimated upward by $66 billion as a result of economic events in 1982.

Recently there have been a number of developments to suggest that the economy bottomed in the fourth quarter of 1982 and that a 1983 recovery is imminent. New housing starts and permits

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reached their trough in October 1981 and have risen 43% and 75%, respectively, since then. The index of 12 leading indicators has risen in 7 out of the last 8 months. The ratio of coincident to lagging indicators (which typically leads an upturn in the economy by about 3 months) has been rising steadily since its July 1982 trough. Profit margins in the nonfinancial corporate sector are estimated to have increased at an annual rate of about 25%, reflecting better alignment of costs and prices. The interaction of lower tax rates, reduced inflation, and falling interest rates has placed the consumer in a strengthened position with respect to balance sheets, liquidity, after-tax income, and purchasing power. The massive inventory liquidation in the fourth quarter of 1982 (real inventories were accumulated at an annual rate of $3.4 billion in the third quarter and liquidated at a $17.7 billion rate in the fourth quarter) sets the stage for a recovery of employment and production in 1983. The recent decline in the value of the dollar should, with a lag, improve the competitive position of U.S. exporters.

Locating the exact inflection point of economic recovery is a difficult task, but most signs point toward recovery during the first half of 1983, with greater momentum for economic growth developing during the year's second half. From the fourth quarter of 1982 to the fourth quarter of 1983, real output is expected to rise by 3.1%, while nominal GNP is projected to increase by 8.8%. Both inflation and interest rates are expected to consolidate the progress that occurred in 1982. The rate of unemployment is projected to trend downward during the year's second half, but for the year as a whole the unemployment rate is projected to average 10.7%.

Economic Assumptions

In contrast to the short-range forecast for 1983, the longer-range assumptions for the 1984–1988 period are not intended as precise forecasts of future economic conditions. Instead, they are trend projections, consistent with the economic policy objectives of the administration, that assume steady progress in reducing unemployment, inflation, and interest rates, and in sustaining strong real growth during the outyears. Although the growth of real output, productivity, and plant and equipment investment have fallen below trend in recent years, it is assumed that policies favoring budget restraint, capital formation incentives, and a sustained fight against inflation are consistent with a trend rate of growth of real output of 4% during the 1984–1988 period. Consistent with this trend growth of real output, the unemployment rate is expected to fall gradually to a calendar year average of 6.5% by 1988. Underscoring the commitment to a sustained inflation reduction and a moderate rate of monetary expansion, the growth of nominal GNP

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is estimated to decline gradually from 9.2% in 1984 to 8.6% in 1988. This moderate growth rate for total spending or aggregate demand contrasts with the inflationary 11.2% growth of nominal GNP during 1977–1981.

SHORT-RANGE ECONOMIC FORECAST

(Calendar years; dollar amounts in billions)

Item	Actual 1981	Forecast		
		1982 [1]	1983	1984
Major economic indicators:				
Gross national product, percent change, fourth quarter over fourth quarter:				
Current dollars	9.6	3.3	8.8	9.2
Constant (1972) dollars	0.7	−1.2	3.1	4.0
GNP deflator (percent change, fourth quarter over fourth quarter)	8.9	4.6	5.6	5.0
Consumer Price Index (percent change, fourth quarter over fourth quarter) [2]	9.4	4.4	5.0	4.4
Unemployment rate (percent, fourth quarter) [3]	8.1	10.5	10.4	9.5
Annual economic assumptions:				
Gross national product:				
Current dollars:				
Amount	2,938	3,058	3,262	3,566
Percent change, year over year	11.6	4.1	6.7	9.3
Constant (1972) dollars:				
Amount	1,503	1,476	1,496	1,555
Percent change, year over year	1.9	−1.8	1.4	3.9
Incomes:				
Personal income	2,416	2,570	2,727	2,935
Wages and salaries	1,494	1,560	1,640	1,780
Corporate profits	232	175	177	206
Price level:				
GNP deflator:				
Level (1972=100), annual average	195.5	207.2	218.1	229.4
Percent change, year over year	9.4	6.0	5.2	5.2
Consumer Price Index: [2]				
Level (1967=100), annual average	272.3	288.6	302.9	316.8
Percent change, year over year	10.3	6.0	4.9	4.6
Unemployment rates:				
Total, annual average [3]	7.5	9.5	10.7	9.9
Insured, annual average [4]	3.5	4.7	5.3	4.7
Federal pay raise, October (percent) [5]	4.8	4.0	.....	6.1
Interest rate, 91-day Treasury bills (percent) [6]	14.1	10.7	8.0	7.9
Interest rate, 10-year Treasury notes (percent)	13.9	13.0	10.2	9.8

[1] Preliminary actual data.

[2] CPI for urban wage earners and clerical workers. Two versions of the CPI are now published. The index shown here is that currently used, as required by law, in calculating automatic cost-of-living increases for indexed Federal programs. The figures in this table reflect the actual CPI for December 1982, released January 21, 1983, which was 0.7% lower than had been projected; consequently, the cost-of-living adjustments estimated in the budget are higher than the actual adjustments will be.

[3] Percent of total labor force, including armed forces stationed in the U.S.

[4] This indicator measures unemployment under State regular unemployment insurance as a percentage of covered employment under that program. It does not include recipients of extended benefits under that program.

[5] General schedule pay raises become effective in October—the first month of the fiscal year. Thus, the October 1984 pay raise will set new pay scales that will be in effect during fiscal year 1985. The October 1981 pay raise for military personnel was 14.3%.

[6] Average rate on new issues within period, on a bank discount basis. These projections assume, by convention, that interest rates decline with the rate of inflation. They do not represent a forecast of interest rates.

The inflation rate during the outyear period is assumed to range between 4.5% and 5.0%, while both short- and longer-term interest rate trends are projected to decline further. By 1988, the 91-day

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Treasury bill rate is estimated at around 6%, with longer-term Government bonds yielding somewhat more. Importantly, with economic policies geared toward steady deficit reduction in 1984 and in the outyears, further reductions in inflation premiums as well as in the "real" or inflation-adjusted component of market interest rates are expected.

LONG-RANGE ECONOMIC ASSUMPTIONS

(Calendar years; dollar amounts in billions)

	Assumptions			
	1985	1986	1987	1988
Major economic indicators:				
Gross national product, percent change, fourth quarter over fourth quarter:				
Current dollars	9.0	8.7	8.7	8.6
Constant (1972) dollars	4.0	4.0	4.0	4.0
GNP deflator (percent change, fourth quarter over fourth quarter)	4.8	4.5	4.5	4.4
Consumer Price Index (percent change, fourth quarter over fourth quarter) [1]	4.7	4.5	4.5	4.4
Unemployment rate (percent, fourth quarter) [3]	8.5	7.8	7.0	6.2
Annual economic assumptions:				
Gross national product:				
Current dollars:				
Amount	3,890	4,232	4,599	4,995
Percent change, year over year	9.1	8.8	8.7	8.6
Constant (1972) dollars:				
Amount	1,617	1,682	1,749	1,819
Percent change, year over year	4.0	4.0	4.0	4.0
Incomes:				
Personal income	3,142	3,377	3,661	3,956
Wages and salaries	1,921	2,090	2,281	2,483
Corporate profits	246	296	316	329
Price level:				
GNP deflator:				
Level (1972=100), annual average	240.6	251.7	263.0	274.7
Percent change, year over year	4.9	4.6	4.5	4.4
Consumer Price Index: [1]				
Level (1967=100), annual average	331.4	346.6	362.2	378.3
Percent change, year over year	4.6	4.6	4.5	4.4
Unemployment rates:				
Total, annual average [2]	8.9	8.1	7.3	6.5
Insured, annual average [3]	4.2	3.8	3.5	3.2
Federal pay raise, October (percent) [4]	6.0	5.7	5.6	5.5
Interest rate, 91-day Treasury bills (percent) [5]	7.4	6.8	6.5	6.1
Interest rate, 10-year Treasury notes (percent)	9.0	8.0	7.4	6.7

[1] CPI for urban wage earners and clerical workers. Two versions of the CPI are now published. The index shown here is that currently used, as required by law, in calculating automatic cost-of-living increases for indexed Federal programs. The manner in which this index measures housing costs will change significantly in 1985.

[2] Percent of total labor force, including armed forces stationed in the U.S.

[3] This indicator measures unemployment under State regular unemployment insurance as a percentage of covered employment under that program. It does not include recipients of extended benefits under that program.

[4] General schedule pay raises become effective in October—the first month of the fiscal year. Thus, the October 1985 pay raise will set new pay scales that will be in effect during fiscal year 1986.

[5] Average rate on new issues within period, on a bank discount basis. These projections assume, by convention, that interest rates decline with the rate of inflation. They do not represent a forecast of interest rates.

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EFFECTS ON THE BUDGET OF CHANGES IN ECONOMIC ASSUMPTIONS SINCE LAST YEAR

(In billions of dollars)

	1983	1984	1985	1986	1987
Current budget estimates [1] adjusted to February 1982 forecast:					
Receipts	667.6	751.4	835.9	972.7	1,057.7
Outlays	814.1	847.9	908.6	968.6	1,025.0
Deficit (—)	—146.6	—96.5	—72.7	4.0	32.7
Changes due to economic assumptions:					
Receipts	—70.1	—91.7	—111.6	—130.8	—141.4
Outlays:					
Inflation	—1.2	—3.7	—4.6	—5.2	—5.4
Unemployment	11.2	13.3	11.6	10.2	8.9
Interest rates	—10.7	—13.5	—15.8	—13.8	—5.7
Interest on deficits	8.8	18.5	29.2	39.1	45.1
Total, outlays	8.1	14.6	20.4	30.4	43.0
Increase in deficit (—)	—78.2	—106.3	—132.0	—161.1	—184.4
Current budget estimates: [1]					
Receipts	597.5	659.7	724.3	841.9	916.3
Outlays	822.2	862.5	929.0	999.0	1,068.0
Deficit (—)	—224.8	—202.8	—204.7	—157.1	—151.7
Addendum:					
Change in deficit due to:					
Actual 1982 economic performance	65.7	77.1	90.0	106.2	116.5
Change in the forecast for 1983–1987	12.5	29.2	42.0	54.9	67.9
Percent due to 1982 economic performance	(84)	(72)	(68)	(66)	(63)

[1] Includes off-budget outlays.

Changes in the Budget Outlook Since Last Year

The budgetary effects of the large forecasting errors in 1982 turned out to be quite substantial. A portion of the budget impact of last year's unanticipated economic changes affected the 1982 fiscal totals, where outlays were increased by $0.4 billion as a result of weaker real growth and higher unemployment, and revenues were reduced by $22.4 billion as a result of lower inflation and nominal GNP. The improvement in financial conditions came too late in the year to prevent interest expenses from increasing by $3.8 billion. The net effect of all these changes raised the deficit by $26 billion from the level estimated in February 1982.

But the major budget effects of the 1982 forecasting errors will occur in 1983 and the outyears, and these economic influences are the single biggest factor in the large upward revisions of the deficit projections for the 1983–1987 period as compared with deficit estimates published one year ago. For the 1983 budget year the net effects of weaker than expected growth, lower inflation, and falling interest rates in calendar year 1982 are responsible for a $55 billion loss in receipts, an $11 billion increase in outlays, and a $66 billion increase in the deficit. The total deficit reestimate for 1983

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registered an increase of $78 billion, and thus the 1982 economic changes were responsible for 84% of the net change in the 1983 deficit projection.

For the 1984–1987 budget estimates, the effects of the large gap between predicted and actual economic conditions in 1982 are equally significant. On average, the weak 1982 performance is expected to raise outlays by $25 billion during the 5-year period, reduce receipts by $66 billion, and contribute an average $91 billion to the upward deficit revisions. The 1982 economic impact is therefore estimated to contribute 69% of the total increase due to economic assumptions in the deficit estimates for the 1983–1987 planning interval.

COMPARISON OF FEBRUARY 1982 AND CURRENT ECONOMIC ASSUMPTIONS

(Calendar years; dollar amounts in billions)

	1982	1983	1984	1985	1986	1987
Nominal GNP:						
1982 forecast [1]	3,178	3,543	3,904	4,281	4,675	5,095
1983 forecast	3,059	3,262	3,566	3,890	4,232	4,599
Real GNP (percent change):						
1982 forecast	0.2	5.2	5.0	4.7	4.4	4.3
1983 forecast	−1.8	1.4	3.9	4.0	4.0	4.0
GNP deflator (percent change):						
1982 forecast	7.9	6.0	5.0	4.7	4.6	4.5
1983 forecast	6.0	5.2	5.2	4.9	4.6	4.5
Interest rate on 91-day Treasury bills (percent):						
1982 forecast	11.7	10.5	9.5	8.5	7.0	5.5
1983 forecast	10.7	8.0	7.9	7.4	6.8	6.5
Unemployment rate (percent; civilian labor force):						
1982 forecast	8.9	7.9	7.1	6.4	5.8	5.3
1983 forecast	9.7	10.9	10.0	9.0	8.2	7.4

[1] Adjusted for July 1982 historical revisions.

Differences between the new economic estimates for the 1983–1987 period and those made a year ago are relatively small, although, as discussed in the next section, after last year's disappointing forecast performance the new estimates accord more closely with recent experience and historical trends. The estimated level of real output has been reduced by 7½%, on average, while the price level has been revised downward by an average of 2¼%. As a result of these factors, the level of nominal GNP is now expected to average 10% lower than forecast in February 1982. Current estimates of the unemployment rate average 2.6 percentage points above last year's forecast. Interest rates, on average, have been revised downward by 0.9 percentage points. The combined effects of these changes in the 1983–1987 economic assumptions will raise the average deficit during the period by $132.5 billion. About 69% of this deficit increase is attributable to weaker than anticipated 1982 economic performance, rather than reduced forecasts of 1983–87 real growth or inflation.

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Sensitivity of the Budget to Economic Growth Assumptions

After last year's disappointing forecast performance, and its significant impact on the budget deficit, there is now greater than usual interest and uncertainty concerning the probability of various real economic growth projections for 1983 and the subsequent 1984–1988 budget planning horizon. The administration's budget projections are predicated on trends of sustained real growth and moderate inflation through 1988. Over the 1983–1988 period real GNP growth is projected to average 3.8%, somewhat higher than the 3.3% postwar average registered over the past 35 years. The 4.8% projected rate of inflation over the 6-year interval 1983–1988 is also somewhat higher than the 4.2% postwar average, although the current estimate represents a marked improvement over the 7.7% average inflation rate of the past 6 years.

AVERAGE ANNUAL GROWTH RATES

	Actual 1947–1982	Administration projection 1983–1988
Nominal GNP	7.6	8.8
Real GNP	3.3	3.8
GNP deflator	4.2	4.8

Some observers argue that the economy is capable of growing on a trendline of 5% a year during the 1983–1988 period, similar to the 6-year performance following the 1960–1961 recession. These people believe that the administration's 4% trend growth estimate is too cautious. But there are a number of factors that suggest that the economy is not as healthy or balanced as it was in the early 1960's, and thus the probability of 5% real growth during the next 6 years would appear to be somewhat low.

AVERAGE REAL GNP GROWTH DURING POSTWAR CYCLICAL RECOVERIES

Recession	Trough quarter	Average growth during 6 years following trough (percent)
1953–54	1954:2	3.3
1957–58	1958:2	4.5
1960–61	1961:1	5.2
1969–70	1970:4	3.2
1974–75	1975:1	3.8
Average recovery		4.0

- Real GNP has been essentially flat for the last 4 years. During this period corporate profits were sharply squeezed,

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and the rate of capacity utilization in manufacturing fell to a postwar low of 69.9% in 1982. As a result, the above average recovery in capital spending necessary for unusually strong real output growth is unlikely to take place during the early stages of recovery, even with the new policy of investment-oriented tax reduction. By contrast, in the early 1960's the economy was operating at a relatively high rate of capacity utilization (77.4% in 1961), so the reduction in tax rates could stimulate business fixed investment very quickly.

- Although the administration is committed to a program of steady deficit reduction, the fact remains that deficits will be high relative to GNP for the next few years. Prospectively large Federal borrowing requirements will absorb funds that would otherwise finance productive investment. While this capital absorption will not prevent recovery, it may stand in the way of record growth such as that achieved during the first part of the 1960's.
- Real or inflation-adjusted interest rates have been high for the past several years, and as a result of the deficit situation, they are likely to remain relatively high by historical standards for some time. The real Treasury bill rate is projected to average 2.3% during 1983–1988, somewhat higher than the 1.7% in the 6 years following the 1960–1961 recession. While the economy will ultimately adjust to these high real interest rates, they may slow the initial phase of the forthcoming recovery.
- The current financial difficulties facing many developing countries are forcing them to adopt difficult corrective measures that may slow the growth of imports from the United States and other industrial countries. This factor may also tend to inhibit economic growth during the period immediately ahead.

Another group of observers argue that the real economy will move along a 3% growth trendline during the years ahead, similar to the more sluggish 6-year performance following the 1969–1970 recession. These people argue that the administration's 4% real growth trendline is too optimistic. But a number of structural and policy factors suggest that the 3% estimate is unduly pessimistic.

- With massive cost-cutting measures by businesses in recent years, significant breakthroughs in high-technology areas, and a set of economic policies designed to increase the rate of new captial formation, the Nation is likely to generate strong productivity gains in the years ahead. A high rate of productivity growth is a basic ingredient for strong real economic growth and sustained low rates of increase in unit labor cost and inflation. With these productivity advances, it would

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seem unreasonable to expect the projected recovery to be substantially below average.

- Below average economic recoveries after the 1969–1970 and 1974–1975 recessions were marked by a pattern of rising inflation that interfered with the efficient working of the economy and caused a misuse of scarce resources. This administration, with the cooperation of the Federal Reserve, is determined to restrain inflationary pressures in order to avoid the distortions and imbalances of the low-growth 1970's.
- The elimination of unnecessary and inefficient Federal regulations will reduce costs and increase efficiency throughout the economy. In combination with tax rate reductions that raise the after-tax rewards for work, saving, and investment, policy measures taken to reduce Federal interference in the economy suggest that the rate of real growth in the 1980's should exceed the below trend growth rate of the 1970's.
- A major determinant of the slower growth during the past decade was a series of oil price shocks that interfered with both production and consumption. But in view of the current weakness in oil markets, the likelihood of growth-inhibiting oil price increases in the foreseeable future seems remote.

ALTERNATIVE GROWTH ASSUMPTIONS*

(Percentages; calendar years)

	1983	1984	1985	1986	1987	1988
Real GNP growth rate (4th quarter/4th quarter):						
Administration forecast	3.1	4.0	4.0	4.0	4.0	4.0
1% higher growth	4.1	5.0	5.0	5.0	5.0	5.0
1% lower growth	2.1	3.0	3.0	3.0	3.0	3.0
Unemployment rate (4th quarter):						
Administration forecast	10.4	9.5	8.5	7.8	7.0	6.2
1% higher growth	10.0	8.8	7.3	6.2	5.0	3.7
1% lower growth	10.8	10.2	9.7	9.4	9.0	8.6

* Assumes inflation and interest rates are the same in all cases as in the administration forecast.

Looking at all these factors, it seems reasonable to assert that the momentum of a decade-long trend of economic weakness and stagnation argues against a record-breaking rate of recovery of 5% or more, represented by the optimistic case. However, a number of significant economic policy changes suggest that real growth in the United States during the next several years will rise above the slow growth trend of the 1970's and regain its typical postwar 6-year recovery rate of 4%, rather than the pessimistic 3% growth case.

Of course, the impact on prospective budget deficits of different rates of economic growth would be significant. As the following table illustrates, in comparison with administration estimates, and holding inflation constant, the optimistic growth case will lower

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the deficit significantly, while the pessimistic case substantially worsens the deficit problem.

EFFECT ON DEFICIT OF HIGHER OR LOWER REAL GROWTH

(In billions of dollars)

	1983	1984	1985	1986	1987	1988
Administration forecast, total deficit, current services basis	−225.4	−248.5	−267.3	−284.4	−308.1	−315.4
Alternative deficit projections:						
1% higher growth [1]	−222.1	−235.0	−240.6	−241.9	−247.1	−232.4
1% lower growth [1]	−229.2	−262.3	−294.0	−325.9	−367.4	−395.4

[1] Beginning January 1983.

It is well known by policymakers that higher or lower rates of economic growth, putting aside changes in inflation, can substantially alter the profile of outlays, receipts, and deficits. With this in mind, it is not surprising that during the past 10 years longer-term economic assumptions made by Government have uniformly and systematically been excessive and unrealistically optimistic, thus masking the growing problems of budgetary imbalance.

The 1982 experience, where economic assumptions agreed to by both the Congress and the administration were consistently off the mark, merely added new momentum to the continuing trend. Not only has the trend of repeatedly excessive forecasting optimism prevented any serious or sustained discussion of the growing structural imbalances in the budget, but the continued use of misleading forecasts has undermined public confidence in the Government's ability to administer and control its programmatic and financial responsibilities. With the 1982 experience fresh in mind, basing the 1984 budget on a set of economic assumptions that are realistic and prudent is a particularly important priority at the present time.

Cyclical vs. Structural Deficits

Even with the assumption of 5% trend real output growth for 6 consecutive years, certainly an unrealistically high estimate under current circumstances, the previous section noted that on a current services basis the remaining budget deficit of about 4.9% of GNP would be historically high, and particularly so for the late stages of a recovery cycle. Indeed, the key issue with respect to current and prospective deficits is that a strong cyclical recovery of the economy will only remedy a portion of the deficit problem. As this section will discuss, in the event the level of the economy is able to return to a realistic benchmark of "full" employment by 1988, fiscal policy would still be faced with a large and expanding "structural" deficit in the outyears. And the prospect of a permanently large structural deficit problem is likely to have a significant ad-

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verse impact on capital formation and economic growth during the period ahead.

The high-employment budget concept is used by economists to measure the cyclical effects of the economy on the budget. Under this concept, estimates are made of Federal receipts, outlays, and the deficit as they would be if the economy were at high employment. The first step in developing these measures is to assess the level and growth of potential GNP. Potential GNP depends on available resources (such as labor and capital) and on the efficiency with which these resources are used (productivity). Once the level and growth of potential output are estimated, it is—by convention—multiplied by the actual or projected price level to obtain nominal high-employment GNP. This nominal high-employment GNP, and associated estimates of income shares, unemployment, and so forth, are used to estimate Federal receipts and those outlays that are sensitive to changes in economic variables. At high employment, incomes and, therefore, receipts would be larger than they are now, while unemployment compensation and other income maintenance outlays would be smaller. Thus, the deficit would be smaller.

According to the last estimate published by the Council of Economic Advisers (CEA) in January 1981, the economy was operating close to its potential in the final quarter of 1978. Up to that time, the rate of growth of real potential GNP was estimated at 3.0%, and the unemployment rate was then 5.9%.

The growth of potential GNP since the end of 1978 has probably been lower than the 3.0% indicated by the 1981 estimates. This judgment is based primarily on the slow growth of capital formation relative to labor force growth, which reduced the trend growth of productivity. Although no precise estimates are possible, it is likely that there was about a 2.2% annual growth of potential real GNP instead of 3.0% after 1978, so that the level of potential real GNP was $1,602 billion in the fourth quarter of 1982, and potential nominal GNP was $3,376 billion. Over the next 6 years, stronger investment and productivity growth should more than offset the expected slowdown in growth of the labor force, resulting in a slight increase in the rate of growth of potential GNP to 2.4% a year. By the end of 1988, potential and projected actual GNP are about the same ($1,846 billion in 1972 dollars), and the actual unemployment rate is about the same as the high-employment rate (about 6¼%).

Relative to current services projections, the high-employment deficit is $71 billion lower in 1983, indicating that 31% of the deficit is cyclical in that year, and 69% structural in nature. By 1988, 97% of the $315 billion projected current services deficit is seen to be structural in nature.

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The following table compares the current services deficits projected in the 1984 budget with high-employment estimates on a current services basis.

HIGH EMPLOYMENT DEFICIT

(Dollar amounts in billions)

	1983	1984	1985	1986	1987	1988
Total deficit, current services basis	225	249	267	284	308	315
High employment deficit	154	181	210	243	284	306
Percent structural	(69)	(73)	(79)	(85)	(92)	(97)

Many arbitrary judgments are involved in estimating potential output and the high-employment budget. Potential output does not measure engineering capacity, but rather is an economic judgment as to the output that would be produced if the demand for goods and services were kept sufficiently high, but not so high as to generate inflationary instability. The unemployment rate at which this occurs is a matter of judgment, but is widely agreed to have been rising during the 1970's. The high-employment budget is inherently an estimation of "what might be" under different than actual conditions. Because of these many arbitrary judgments, the administration believes that this concept should be used only as an abstract analytical exercise rather than as a policy guide.

The Council of Economic Advisers has revised its estimates of potential GNP six times in the past 10 years, almost always in a downward direction, and they have now suspended publication of the series. This points up the fact that potential as well as actual GNP is affected by current events and economic policies. For example, the energy shocks, resource diversion to comply with Government regulation, slower growth in the capital-labor ratio and in research and development, and increasing Government deficits and inflation undermined the growth in productivity and of potential output throughout the 1970's. Thus, the CEA estimate of the growth of potential real GNP slipped from 4.3% a year in 1970 to 4.0% in 1974, to 3.5% in 1977, 3.0% in 1979, and 2.5% in 1980. There was a corresponding downward trend in the CEA estimates of productivity growth from 2.8% to 1.0%, and a rise in their estimated high-employment unemployment rate from 3.8% to 5.1%.

Use of inflation and debt service conventions makes the path by which high employment is reached very important in estimating the level of the high-employment deficit. As conventionally measured, nominal potential GNP would be higher (and the deficit lower) following an inflationary binge—which would jeopardize the maintenance of high employment—than after the kind of steady noninflationary growth embodied in the 1984 budget economic assumptions. This is because the actual inflation would raise the

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price level used to calculate nominal potential GNP, and thereby raise high-employment receipts. Likewise, a path of cumulative cyclical deficits prior to reaching high employment builds up debt service requirements that, by conventional measures, are included in the high-employment deficit.

Notwithstanding these conceptual and measurement problems, however, high-employment budget deficits estimated on any reasonable basis demonstrate that the deficit problem remains serious even when the economy moves back on its path of potential growth.

- Three-fourths of the 1984 deficit and 97% of that remaining in 1988 is structural in nature. Structural deficits are a significant problem that will not be remedied by cyclical revival of economic growth.
- Worse still, structural deficits are a growing problem, doubling in size between 1983 and 1988.

Deficits of the size foreseen without the policy actions recommended in this budget are likely to inhibit economic recovery. If they are financed by money creation, they will renew inflation and again bring on the inefficiencies and misdirection of resources that led to the stagnant growth of the 1970's. If they are not monetized, then there is the likelihood that the excess credit demand of the Federal Government will crowd out productive private investment and economic growth, generate excessive real interest rates that will further inhibit the expansion of investment and trade, and create an unbalanced and unsustainable recovery. Each of these alternative economic effects is harmful to the long-run growth and well-being of the Nation.

Sensitivity of the Budget to Economic Assumptions: Rules of Thumb

As discussed in previous sections, the sensitivity of the budget to economic conditions has become increasingly important. The unexpected effects of changes in economic conditions during 1982 has already been discussed. But the problem is not a new one. Actual Federal spending in 1980 was $48 billion higher than the original budget estimate in January 1979, with over half of the increase directly attributable to economic conditions different from those originally assumed. Similarly, 1981 outlays exceeded the original budget estimate by $45 billion, with assumptions about economic conditions accounting for $32 billion of the increase. Outlays in 1982 were $40 billion higher than estimated in March 1981, of which $22 billion was due to economic assumptions. At the same time, economic assumptions account for a shortfall of $48 billion from the original estimate of 1982 receipts.

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The sensitivity of the budget aggregates to economic conditions seriously complicates budget planning. In recent years, for example, a sharp rise in interest rates added substantially to interest costs. Estimated outlays for net interest in 1983 are $88.9 billion, compared to only $29.9 billion in 1977. The enormous rise in consumer prices between 1979 and 1981 has added substantially to spending for indexed programs such as social security, and this, combined with much less rapid growth in the wage and salary tax bases that support these systems than in their benefit outlays, has contributed greatly to their financial problems.

An understanding of changes in budget estimates requires an understanding of the magnitudes of the sensitivity of the budget to the economy. This section gives such estimates in the form of rules of thumb. In general, the discussion is concerned with tax and spending responses that are automatic under current law, abstracting from the "freeze" and deferral proposals in this budget, which would override some of those responses.

Inflation.—Inflation has a direct impact on both Federal tax collections and Federal spending. Tax collections increase automatically as inflation swells various tax bases—corporate profits, personal incomes, payrolls, and sales. The increase in total receipts has in general been proportionally larger than the growth in incomes because of the progressive individual income tax with exemptions and brackets fixed. Beginning in 1985, however, indexation of tax brackets to inflation will reduce this effect. At the same time, Federal spending in a variety of areas—such as social security, interest, Federal pay, and medicare—also increases as a result of inflation. Outlay increases may also occur in other areas, such as defense procurement, as a result of congressional or executive action to maintain real program or benefit levels.

The automatic increases in response to inflation differ in timing and magnitude as between receipts and outlays. Tax collections begin to rise almost immediately when inflation increases, in large part due to our system of withholding and estimated payments. For outlays, however, the lags are generally longer. Statutory cost-of-living benefit increases occur at fixed intervals and are not paid until several months after the price increases that triggered them. (Income tax indexation will also occur with a lag.) Similarly, higher interest rates that may accompany higher inflation are reflected only in new debt issues and do not affect existing debt until it must be refinanced.

The table below shows the automatic effects of a one percentage point rise in the inflation rate on outlays and receipts in 1984 through 1988. The effects shown are those that would occur under current law without the 1984 spending freeze proposed in this budget. The increases in outlays are for indexed programs, for

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interest costs, and for medicare and medicaid, which respond automatically under current law to price changes. If inflation is one percentage point higher than projected, beginning in January 1984, outlays in 1985 would be roughly $8 billion higher (in the absence of a freeze), and receipts would be $12 billion higher, thus reducing the deficit by $4 billion. To the extent that discretionary programs are also adjusted for inflation, the outlay increase would be higher and the reduction in the deficit would be smaller.

Some important caveats should be noted. First, these estimates assume that real growth, productivity, and unemployment are unchanged. If the higher inflation is offset by reduced real growth, the outlay increase would be higher and the receipt increase (if any) would be less. Second, these estimates reflect an increase in domestic prices that is accompanied by a corresponding increase in domestic incomes. To the extent that the higher inflation is due to import price increases (for example, due to a fall in the foreign exchange value of the dollar as a result of lower U.S. interest rates) for which there are no corresponding increases in domestic incomes, the increase in receipts would be less than is shown. Third, the receipts increase resulting from inflation is quite sensitive to how the inflation-induced growth in incomes is distributed by type of income—age and salary income, non-wage personal income, and corporate profits, in particular—all of which are subject to different effective marginal Federal tax rates. Finally, higher inflation would likely be accompanied by higher interest rates, which would also add significantly to outlays.

The same considerations (and rules of thumb) apply in reverse if inflation is lower than projected.

SENSITIVITY OF THE BUDGET TO RATES OF ECONOMIC CHANGE

(Fiscal years, in billions of dollars, current law basis)

	1984	1985	1986	1987	1988
Effects of 1 percentage point higher annual rate of inflation [1] beginning January 1984:					
Receipts	3.2	12.1	22.1	34.6	49.9
Outlays	2.8	9.1	16.0	22.8	28.4
Decrease in deficit	0.5	3.0	6.0	11.9	21.5
Effects of 1 percentage point lower annual rate of growth beginning January 1984:					
Receipts	−2.9	−11.0	−21.3	−33.0	−47.0
Outlays	0.6	3.2	6.2	10.8	15.9
Increase in deficit	3.3	14.2	27.5	43.8	62.9

[1] And interest rates.

Real GNP growth.—Differences from anticipated levels of real GNP can also affect the budget substantially. Lower real GNP growth, by itself (with no change in the rate of inflation), would

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reduce personal and corporate incomes and therefore lower receipts. Since lower real GNP growth is accompanied by higher unemployment unless productivity growth is reduced equally, outlays for unemployment-sensitive programs would be increased. A one percentage point lower real growth rate beginning in January 1984 would raise outlays in fiscal year 1985 by $4 billion, reduce receipts by $11 billion, and increase the deficit by $15 billion. These effects are generally symmetrical; they would be of about the same magnitude but opposite sign for a percentage point lower inflation or a percentage point higher real growth.

The acute sensitivity of the budget to the economy under current laws means that when the economy is volatile the budget tends to be volatile also. Current services estimates should thus be understood as uncertain "best estimates" based in part on the economic forecast.

The above discussion describes generally how outlays and receipts respond, in the aggregate, to changes in rates of economic growth or inflation under current law. The discussion below provides further detail on the current law responsiveness of outlays to changes in the levels of prices, interest rates, and the rate of unemployment.

Prices.—Because of the program-by-program variation in the timing of automatic cost-of-living increases under existing law, the outlay effect of increases in the Consumer Price Index (CPI) on indexed programs will differ depending upon their timing. Fiscal year 1985 outlays, for example, will be most affected by projected CPI increases for the year between the first quarter of calendar year 1983 and the first quarter of calendar year 1984. The rise in the CPI during this period would determine, under current law, the July 1984 cost-of-living increases for social security, supplemental security income, railroad retirement, and veterans pensions. (The budget proposes delaying these increases 6 months, in accordance with the recommendation of the bipartisan National Commission on Social Security Reform.) Subsequent CPI increases would not increase outlays for these programs until July 1985, only 3 months before the end of that fiscal year, and thus have a much smaller impact on that year's outlays.

Each percentage point increase in the CPI by the third quarter of calendar year 1983 increases fiscal year 1985 outlays for indexed programs by $2.5 billion. The fiscal year 1985 outlay effect resulting from CPI increases after the first quarter of calendar year 1984 would be substantially smaller.

These estimated effects of higher prices are conservative because they do not include additional spending for other price-sensitive programs such as medicare and medicaid. Nor do they include

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increases that may result from congressional or executive action to maintain real program or benefit levels for discretionary programs.

Interest rates.—Additional outlays resulting from higher interest rates occur only for new borrowing and do not affect existing debt until it is refinanced. Thus, the outlay effect of a sustained interest rate change increases over time as more and more securities are issued at the higher (or lower) rates. The timing of the effect therefore varies with the term structure of the public debt. Currently, about half of the public debt turns over for refinancing within 15 months. A one percentage point increase in rates beginning January 1, 1983, would increase fiscal year 1984 outlays for net interest by $7.1 billion. A one percentage point increase beginning July 1, 1983 would increase 1984 outlays by $5.8 billion.

Changed economic conditions also affect the deficit and therefore the amount the Treasury needs to borrow. Based on the interest rate assumptions used in this budget, a $100 billion 1984 deficit increases 1984 net interest outlays by roughly $5.4 billion. The 1985 (full year) outlay effect of this 1984 deficit would be about double this magnitude, or $9.8 billion.

Unemployment.—Higher unemployment leads directly to higher unemployment benefits with almost no lag. It also raises outlays for certain other programs, such as social security, food stamps, and public assistance, which have more beneficiaries when unemployment rises. The outlay increases for the latter programs generally occur with some lag. A one percentage point rise in the unemployment rate would add an estimated $5.3 billion to 1984 outlays with about two-thirds of the increase being for unemployment benefits.

Federal pay raises.—Each additional percentage point increase in Federal pay adds about $0.9 billion to outlays, with about one-third going for the military, one-third for civilian pay in the Department of Defense, and one-third for employees of civilian agencies.

Changes in sensitivity.—In recent years, legislative changes and administrative reforms have somewhat mitigated the acute sensitivity of the budget to economic assumptions. Indexation of the individual income tax, to begin in 1985, is one example; it will reduce the growth in receipts in response to inflation-induced increases in nominal incomes. Elimination of the national trigger for unemployment insurance extended benefits means that extended benefits now only trigger on State by State, not simultaneously nationwide, thus reducing the overall sensitivity of unemployment compensation to the national unemployment rate. This, together with a lower observed responsiveness of insured unemployment to overall unemployment in recent years, has roughly halved the estimated sensitivity of unemployment compensation to the unemployment rate.

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SENSITIVITY OF THE BUDGET TO ECONOMIC ASSUMPTIONS

(Fiscal years; in billions of dollars)

	1983	1984	1985	1986	1987	1988
PRICES (EFFECT ON INDEXED PROGRAM OUTLAYS)						
Sustained 1% higher rate of inflation beginning:						
Under current law:						
January 1983	0.1	1.0	3.5	6.4	9.5	12.9
July 1983	.....	0.4	2.3	5.3	8.4	11.9
Under proposed law:						
January 1983	.....	0.5	2.4	5.2	8.3	11.6
July 1983	.....	.....	1.3	4.0	7.1	10.4
One-time 1% jump in price level occurring:						
Under current law:						
January 1983	0.5	2.1	2.4	2.4	2.4	2.5
July 1983	.....	0.7	2.5	2.5	2.6	2.6
Under proposed law:						
January 1983	.....	1.4	2.0	2.1	2.1	2.2
July 1983	.....	.....	1.6	2.2	2.2	2.3
INTEREST RATES (EFFECT ON NET INTEREST)						
Sustained one percentage point increase in interest rates under budget policy deficits, beginning: [1]						
January 1, 1983	2.2	7.1	10.2	12.6	14.7	16.1
July 1, 1983	0.4	5.8	9.4	12.1	14.3	15.9
INTEREST COST OF HIGHER FEDERAL BORROWING						
Effect of $100 billion borrowing in 1984 [2]	.....	5.4	9.8	10.0	9.9	9.9
UNEMPLOYMENT RATE						
One percentage point higher rate beginning January 1, 1983:						
Unemployment benefits	3.0	3.5	3.1	2.8	2.6	2.3
Other unemployment-sensitive outlays	1.0	1.8	2.0	2.0	2.0	2.0
(Receipt effect) [3]	(−11.7)	(−17.3)	(−19.2)	(−22.0)	(−24.2)	(−26.8)
FEDERAL PAY RAISES						
Outlay effect of one percentage point increase in October 1983:						
Military personnel	.....	0.3	0.4	0.4	0.4	0.5
Civilian employees:						
Department of Defense	.....	0.2	0.2	0.2	0.3	0.3
Civilian agencies	.....	0.3	0.3	0.3	0.3	0.3

[1] Omits receipts offset for Federal Reserve System deposits of earnings.
[2] Includes subsequent interest on previous interest costs.
[3] Assumes 1% higher unemployment rate is associated with 2.2% lower GNP, with no change in income shares.

Stricter eligibility standards and policing against fraud and waste have somewhat reduced the estimated sensitivity of such programs as food stamps and public assistance to unemployment. At the same time, elimination of twice-a-year cost-of-living adjustments for Federal employee retirement, food stamps, and other programs reduces the rapidity with which their outlays mount in response to inflation. The program "freeze" and delays in cost-of-living adjustments proposed in this budget, of course, will also substantially reduce the near-term sensitivity of the budget to economic assumptions—though only on a one-time basis.

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PART 3

BUDGET PROGRAM AND TRENDS

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BUDGET PROGRAM AND TRENDS

The Current Services Outlook

Without the determined and sweeping corrections embodied in the 1984 budget recommendations, the large outyear budgetary imbalance projected under current services assumptions would have become an insuperable barrier to non-inflationary economic recovery. The estimates indicate that the long-standing "structural imbalance" in the budget has been reinforced by the combination of unanticipated economic and policy developments over the past two years.

The prolonged recession and rapid disinflation have once again dramatically reduced current law revenue projections.

Estimated receipts of $597.5 billion for 1983 are lower than actual receipts for 1981—meaning that even with the strong recovery assumed in the 5-year budget assumptions, revenues will be on a permanently lower path.

Meanwhile, aggregate spending has risen steadily, despite the major strides in reducing nondefense spending growth that have been achieved over the past two budget cycles. Spending in 1983 will exceed 1981 levels by 21%, reflecting the steady buildup of defense outlays, the explosion of debt service costs, and the continued, largely unchecked rise in basic retirement and medical entitlement programs.

While the resulting $225 billion total deficit for 1983 in part reflects temporary recession pressures on the budget, the gap between outlays and receipts has now become so large—7% of GNP—that it threatens to gain self-reinforcing momentum. This is shown in the current services budget projections below.

The deficit embodied in current law and policy would remain above 6% of GNP throughout the budget period, and would total $315 billion even under assumed economic conditions of full employment in 1988. The massive absorption of private savings that would be required to finance these current services deficits—averaging more than 100% of net private savings over 1984-1988—is not compatible with actually reaching conditions of full employment in the outyears.

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Thus, the massive structural imbalance in the current services budget baseline under conditions of full employment continues to pose the most serious challenge to fiscal policy in recent times.

CURRENT SERVICES PROJECTIONS

(Dollar amounts in billions)

	1983	1984	1985	1986	1987	1988
Budget aggregates:						
Budget outlays	823	897	981	1,065	1,157	1,242
Budget receipts	598	649	713	781	849	927
Total deficit	225	249	267	284	308	315
On-budget deficit	209	231	253	271	292	300
Share of GNP:						
Outlays	25.8	25.7	25.8	25.7	25.7	25.4
Receipts	18.7	18.6	18.7	18.8	18.8	18.9
Total deficit	7.1	7.1	7.0	6.9	6.8	6.4
Absorption of savings:						
Deficit as percent of net private savings	135	124	112	103	100	94

Sources of the Structural Deficit

The large current services deficits projected for the outyears are not attributable to any single source but, instead, represent the effects of cumulative economic trends and fiscal policy decisions stretching over a decade.

As was indicated in Part 2, the purely cyclical element of the deficit peaks at $71 billion or 2% of GNP in 1983 and steadily diminishes thereafter as the economy regains a full-employment footing in the outyears.

The remaining deficit is "structural" and represents the long-developing policy imbalance that was embodied in the 1981 budget inherited by the present Administration. The 1981 tax claim on GNP was at a historic high of 21% and rising due to the built-in escalation in the unindexed, progressive tax system. At that time, it was widely believed that tax structure changes designed to cap the long-term tax claim at 20% of GNP or less were essential to restore sustained economic growth. At the same time, the overall 1981 spending claim was 23.6% of GNP, yet failed to reflect the 2-3 percentage point higher permanent claim on GNP that would be needed to restore the Nation's badly neglected and underfunded defense capabilities. Implicitly, then, existing and unfunded spending claims exceeded 25% of GNP.

As thus measured, the implicit structural deficit that emerged from the misdirected trend of economic and fiscal policy over the decade of the 1970's was between 5 and 6% of GNP. The initial fiscal and economic policy plan of the Reagan Administration was

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designed to permanently correct this huge imbalance by means of fundamental policy redirection in four basic areas:

- Restoration of an adequate national defense, which meant a significantly increased spending claim on GNP.
- Correction of the automatic tax creep built into prior law and reduction of tax burdens to the levels below 20% of GNP that had been associated with the strong economic performance of the 1960's.
- Substantial retrenchment of the non-defense spending claim, which had skyrocketed during the 1970's from 10 to 16% of GNP and was therefore at the heart of the inherited disequilibrium.
- Promotion of immediate, strong and sustained expansion of real GNP while steadily reducing inflation.

As is apparent from the outyear current services projections, little progress has been made thus far in reducing the structural deficit, although substantial success has been achieved in implementing the tax and defense components of the original plan and in redirecting numerous nondefense programs. That a long-term, structural deficit in excess of 6% of GNP persists as the paramount, continuing challenge to fiscal policy is attributable to two fundamental developments over the past two years.

First, the process of economic adjustment to non-inflationary growth has been far more prolonged, costly and disruptive to financial markets and business activity than originally projected. The net result of this unanticipated two year economic adjustment has been a substantially lower long-term GNP path and higher permanent budget outlay requirements for debt service than originally planned.

Secondly, the policy adjustments to the inherited 1981 budget implemented over the past two budget cycles have been somewhat more successful in reducing the out-year (1985–1988) tax claim on GNP than originally anticipated, and considerably less successful in reducing the non-defense spending claim than initially planned.

In combination, these economic setbacks and divergent policy outcomes have resulted in a perpetuation of the inherited budgetary imbalance—with the structural deficit remaining in excess of 6% of GNP by the end of the five-year budget period. The following sections examine the 1970's sources of the inherited budget imbalance in greater detail; describe the policy and economic assumptions on which the original March 1981 plan for closing the structural deficit was based; analyze the impact on these projections of outcomes from the last two budget cycles and economic developments since 1981; and then summarize the comprehensive, new

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1984 budget proposals for steadily eliminating the persisting structural deficit over the next five years.

The Inherited Budgetary Imbalance

Vast expansion of the social contract, 1963-1981.—By standards of western industrial democracies, the United States was relatively late in developing a full-blown social insurance system of retirement income for the aged, disability protection for workers, and medical care for the elderly and low income. As recently as 1966, Great Britain devoted 1½ times and West Germany 2½ times the share of GNP for these purposes as did the United States.

Over the last two decades, however, the social insurance system of the early 1960's has been expanded into a vast social contract upon which 54 million Americans depend for basic retirement and disability income and health care services. In 1981 these commitments absorbed almost 7% of GNP—*2.5 times* their 1963 claim on national income.

This vast expansion was not planned, nor was it grounded in an over-arching policy blueprint. Instead, it is the product of incremental entitlement extensions enacted over two decades with bipartisan support. Today the social contract:

- provides income and medical care protection for 54 million elderly and lower-income citizens compared to 19 million in 1963;
- provides average Federal benefits per couple of $10,000 per year compared to $6,500 in 1963 (constant dollars); and
- finances average annual health care expenditures ranging between $1,700 and $2,200 per beneficiary under medicaid and medicare, respectively.

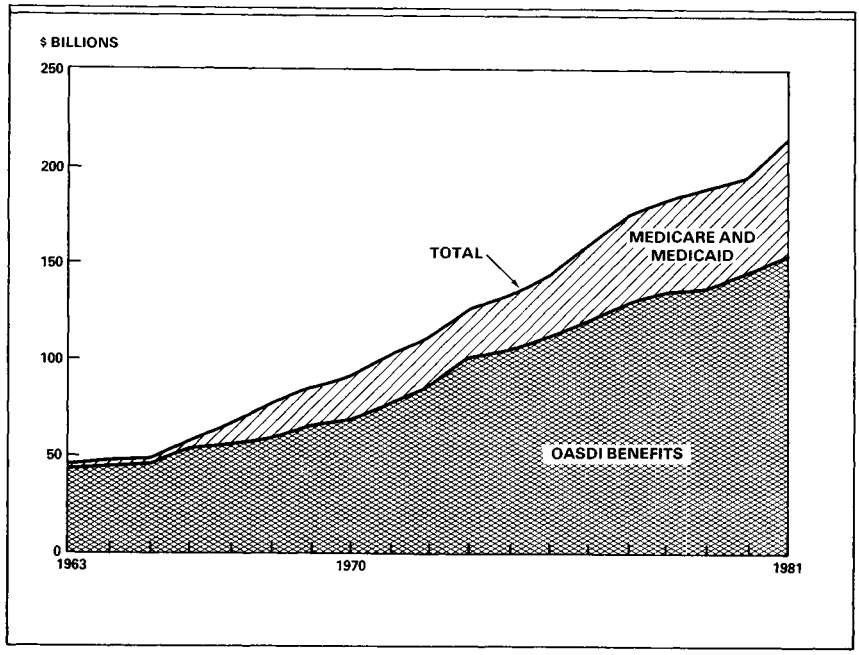
The historic record makes clear that the current financial burden of financing this extensive social contract was not originally anticipated. Medicare initially cost about 0.6% of GNP, but by 1982 this had increased to 1.7% of GNP. Similarly, the 20% increase in social security benefits enacted in 1972 was premised on unrealistic assumptions. Furthermore, due to errors in the initial system for indexing wages and benefits instituted in 1975, social security replacement rates have climbed temporarily to almost 55% compared to the 33% norm on which the system had been premised.

As shown on the next page, the incremental expansion of the social contract over 1963-1981 resulted in a nearly *five-fold increase* in constant-dollar costs. Relative to the national economy, its claim on GNP ballooned from *2.7%* in 1963 to *6.8%* by 1981.

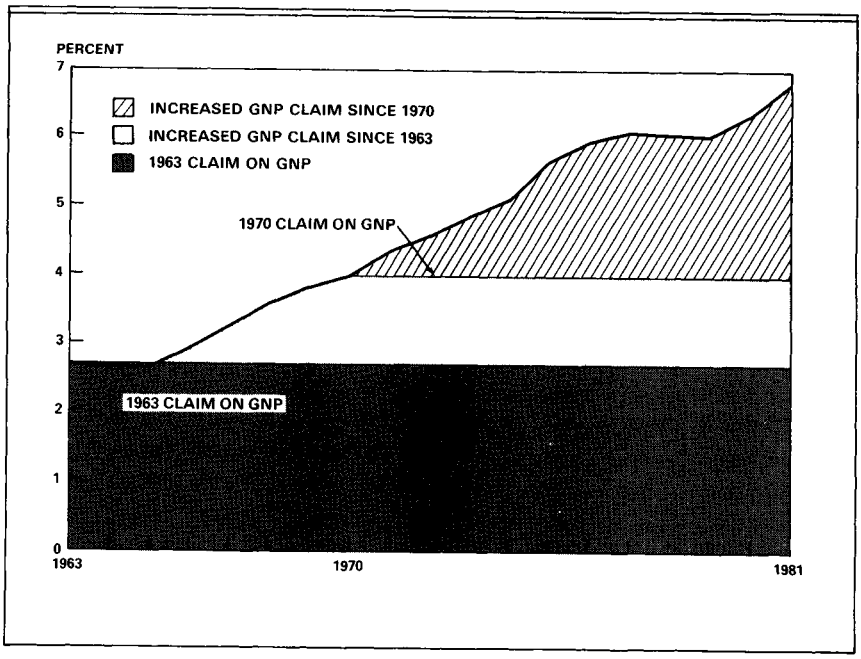
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GROWTH IN SOCIAL CONTRACT SPENDING 1963–1981

CONSTANT (1983 $) OUTLAYS



EXPANSION OF SOCIAL CONTRACT CLAIM ON GNP



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Since the essential principles of social insurance require financing largely through contributory taxes, it is not surprising that payroll taxes climbed steadily in response to the vast social contract expansion of 1963–1981. Indeed, as shown below, the growth of payroll taxes to finance the social contract between 1963 and 1981 accounted for the *entire increase* in the Federal tax burden over the past two decades.

GROWTH OF PAYROLL TAXES TO FINANCE THE SOCIAL CONTRACT

(Dollar amounts in billions)

Source	1963		1981		Difference	
	Constant 1983 dollars	Percent of GNP	Constant 1983 dollars	Percent of GNP	Constant 1983 dollars	Percent of GNP
Payroll taxes to finance social contract	$43	2.5	$180	5.6	+137	+3.1
Income, corporate, excise, and all other	279	16.0	493	15.3	+214	−0.7
Total receipts	322	18.4	673	20.9	+351	+2.5

For all practical purposes, the rapid growth of nondefense, particularly social contract programs, over the past two decades was the overwhelming motor force of the pre-1981 fiscal expansion. Despite the decline in defense spending, the aggregate tax and spending burdens relative to GNP stood at historic highs in the inherited 1981 budget.

Parallel expansion of other entitlement programs during the 1970's.—Had rapid expansion of domestic spending been limited to social contract programs, the longer range fiscal implications might have been less serious. However, both means-tested entitlement programs and Federal retirement and disability programs experienced equally rapid growth during the decade. As shown in the accompanying chart, real spending more than doubled between 1970 and 1981—with the GNP claim of other entitlements rising to 3.3% in 1981.

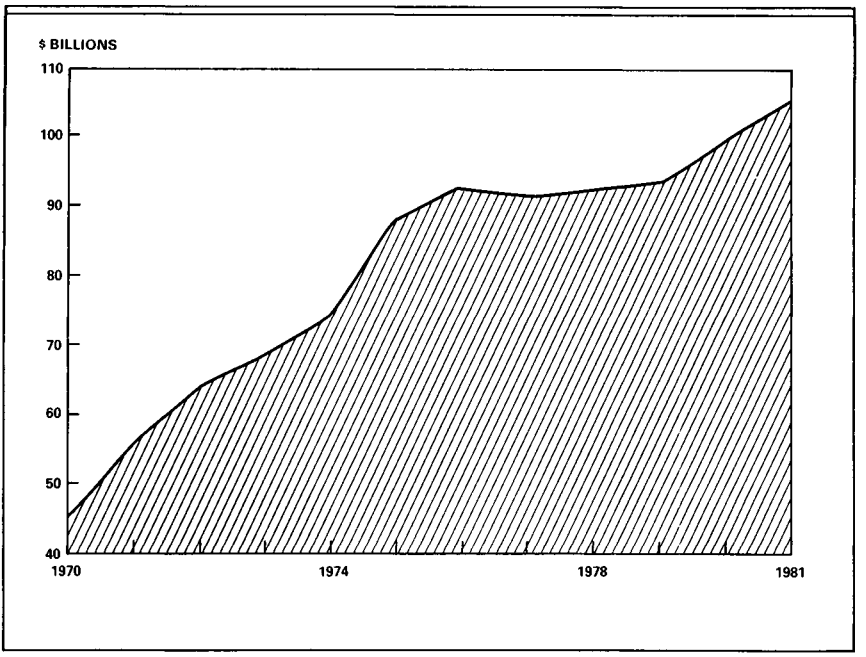
AGGREGATE TAX AND SPENDING CLAIM ON GNP EXCLUDING SOCIAL CONTRACT

(Percent of GNP)

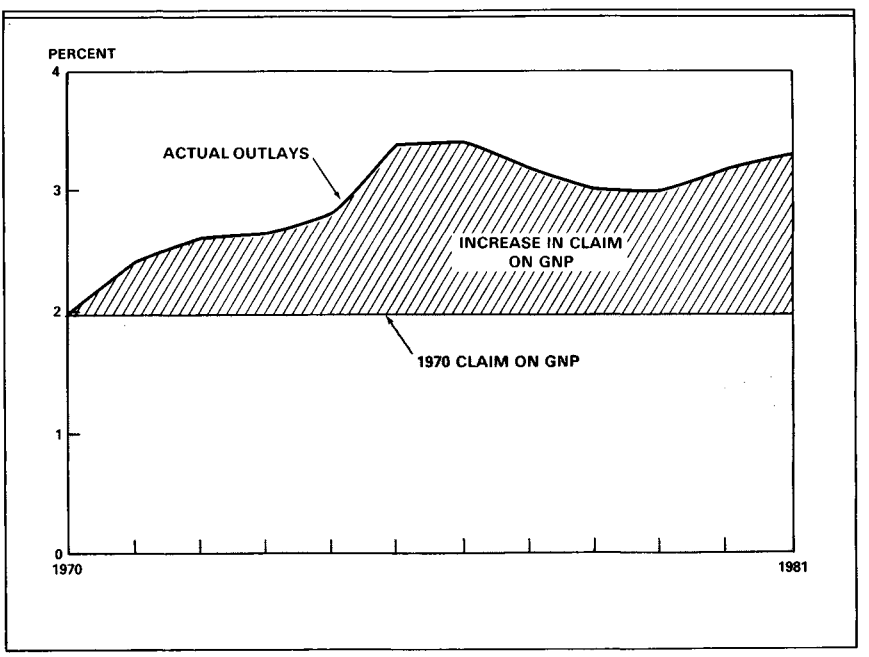
	1963	1981	Difference
Tax receipts excluding dedicated payroll tax	16.0%	15.3%	−0.7%
Outlays excluding social contract spending	16.6	16.9	+0.3

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GROWTH IN OTHER ENTITLEMENT PROGRAMS
1970–1981
CONSTANT (1983 $) OUTLAYS



GROWTH IN OTHER ENTITLEMENT PROGRAMS
1970–1981
(SHARE OF GNP)



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Thus, by 1981 the combined cost of the social contract and other entitlement programs had risen to about 10% of GNP—about two-thirds more than in 1971. This development posed serious long-range fiscal challenges that are only just now becoming apparent. By definition, entitlement programs develop vast networks of dependency that cannot be precipitously altered without unacceptable social and human costs. As a consequence, their claim on the budget and national economy tends to become relatively permanent and can be reduced only slowly over long periods of time. This meant that to appreciably affect the budget outlook after 1985, policy changes in the social contract and other entitlement programs needed to be implemented during the initial budget cycle after 1981. It also meant that significant pre-1985 shifts in internal budget priorities or reductions in overall spending claims on GNP would have had to occur largely in the remainder of the budget consisting of net interest, discretionary programs, and national defense.

The 1981 budget remainder: Inversion of internal priorities and limited opportunity for overall reduction.—The remainder of the inherited 1981 budget was a fraction smaller relative to GNP than it had been in 1970. But as shown below, its internal composition had shifted markedly. Between 1970 and 1981, real defense and security spending declined by 19%, with its claim on GNP dropping from 8.3% to 5.5%.

DECLINE IN DEFENSE SHARE OF BUDGET, 1970–1981

(In constant fiscal year 1983 dollars)

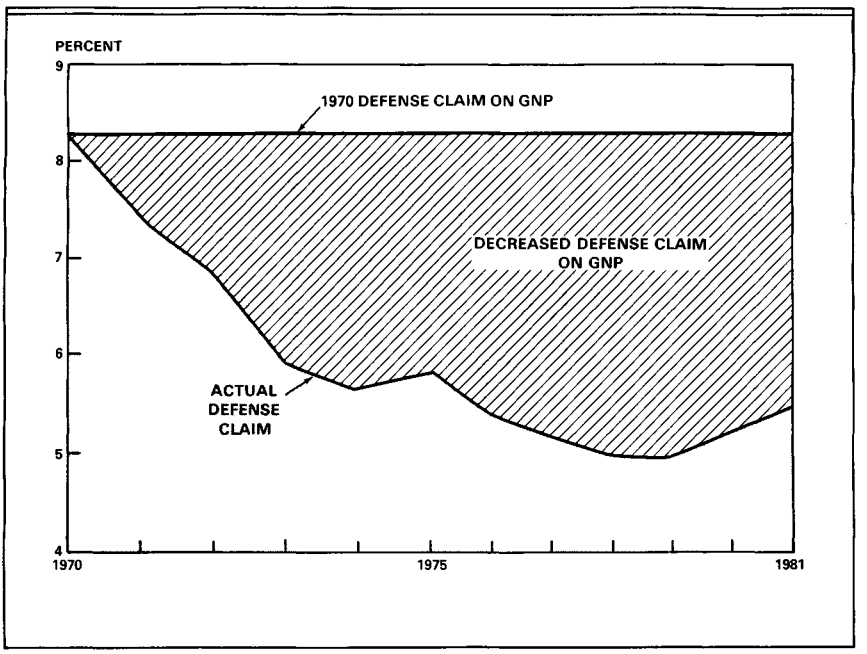
Budget component	1970	1981	Annual average rate of change (percent)
Social contract and other entitlements [1]	136.7	321.9	7.9
Defense and security [1]	223.8	181.2	−1.9
All other outlays	148.7	259.7	5.1
Total budget outlays	509.1	762.8	3.7
Defense and security share of budget (percent)	40.9	23.2	([2])

[1] Military retired pay is included in all social contract and other entitlements.
[2] Not applicable.

To be sure, defense spending should be based on assessment of threats and the force structure and military capabilities required to support national security objectives rather than an arbitrary "share of GNP." Nevertheless, by the late 1970's it was clear that overall national defense capabilities had eroded badly over a decade of unprecedented Soviet military expansion, and that the 1981 defense and security claim on GNP of 5.5% was wholly unsustainable if national security objectives were to be met.

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DECLINE IN DEFENSE AND SECURITY CLAIM ON GNP, 1970–1981



The requirement for a substantial increase in defense spending and for a significant recoupment of its pre-1970 claim on GNP left the 1981 budget in an excruciating bind: either the 14% share of GNP claimed by the budget remainder would have to rise to 15–16% as defense investment and strength was restored, or enormous proportionate reductions would be required in net interest and discretionary spending.

The former course was not a practicable alternative. Given the relative downward inflexibility of the social contract and other entitlement spending in the near term, raising defense without offsets elsewhere in the budget remainder would have meant an increase in the aggregate outlay claim on GNP. By 1981, however, total spending was already at a historic high of 23.6% of GNP.

Alternatively, a complete defense offset within the budget remainder would have required nearly a 50% reduction in the nondefense discretionary claim, but would have still left total spending above 23% of GNP. Indeed, as shown on the next page, a shift in the 1981 budget remainder equal to the 6% of GNP needed to both restore national defense and reduce the total outlay claim to 20% of GNP would have meant the abolition of the entire nondefense discretionary Federal establishment.

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CHANGE IN THE BUDGET: 1970–1981

(Share of GNP)

Budget component	1970	1981	Difference
Social contract programs	4.0	6.8	2.8
Other entitlement programs [1]	2.0	3.3	1.3
Subtotal social contract and other entitlements	6.0	10.1	4.1
Remainder:			
National defense and security [1]	8.3	5.5	−2.8
Net interest	1.5	2.4	0.9
Nondefense discretionary	4.1	5.5	1.4
All other	0.3	0.1	−0.2
Subtotal, remainder	14.2	13.5	−0.7
Total	**20.2**	**23.6**	**3.4**

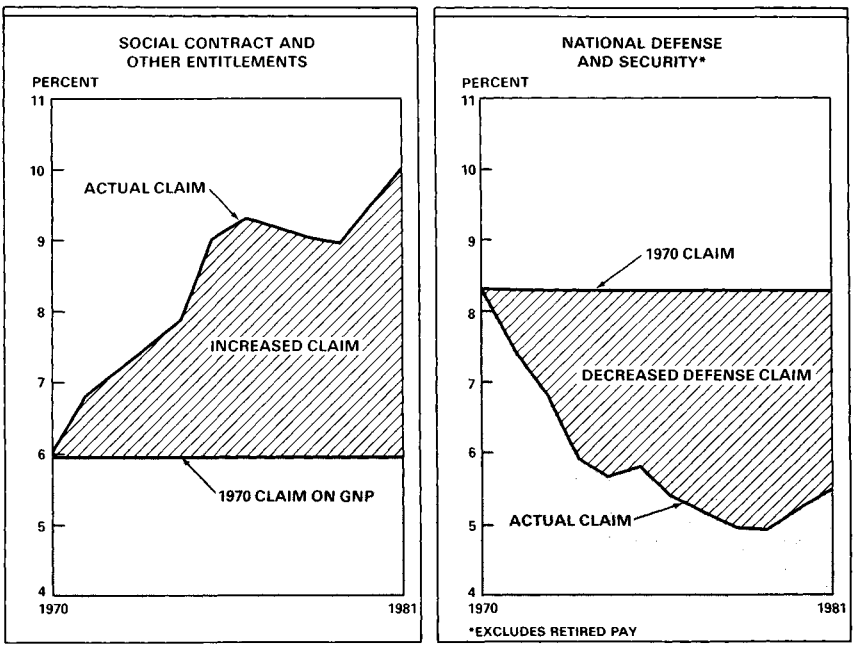
[1] Military retired pay is included in other entitlements.

The profound disequilibrium in the inherited 1981 budget is displayed in full dimension in the accompanying chart.

The decline in defense spending had been almost fully absorbed by rising debt service costs, reflecting the deficit finance policies of the previous decade and a steady upward drift in discretionary spending for domestic health, social service, education, and energy programs. Since the base of social contract and entitlement spending had also ratcheted sharply upward during the previous decade, the overall spending burden had increased from 20% to 23.6% of GNP. Remedying the structural deficit in the inherited 1981 budget, therefore, involved an imposing task: significantly reducing aggregate spending claims on GNP, while increasing defense within a budget structure characterized by significant inflexibility in its social contract and entitlement base. Resolution of this dilemma remains the key to shrinking the structural deficit now projected for the remainder of the 1980's.

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UNDERLYING FISCAL IMBALANCE



The tax drift solution built into the pre-1981 fiscal policy.—With built-in spending in excess of 25% of GNP—including the rapidly accumulating catch-up requirements for national defense—pre-Reagan administration fiscal policy offered no apparent solution except steadily rising tax claims on the output of the private economy.

Yet this policy was not sustainable for two major reasons. First, it is apparent that the American public would not have supported explicit tax increases sufficient to fund both existing nondefense budget commitments and a restoration of *defense* strength. Tax increases of the magnitude required would have run exactly counter to the anti-tax sentiment prevalent throughout the States and localities.

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This left expansion of the revenue level through inflationary bracket creep as one alternative, and the revival of rapid real GNP growth as the other.

The policies of the previous administration largely envisioned the former route. A continuation of high inflation rates after 1981 in combination with an unindexed income tax system would have rapidly brought revenues up to the 24-25% of GNP level needed to finance the social contract and other nondefense spending, as well as provide for a modest recovery in defense expenditures.

But this solution was equally non-sustainable. The 1980-1981 collapse of financial markets, the soaring rates of interest, and world-wide financial disorder made it imperative that the inflationary boom be brought to a halt through monetary restraint.

In addition, tax burdens at 24-25% of GNP—one-third higher than the average burden during the high growth years of the 1960s—would have been incompatible with the revival of investment and productivity needed to restore the minimal level of real economic growth.

Thus, when the Reagan administration took office, fiscal policy was at a dead end. Explicit domestic spending commitments and implicit national defense requirements vastly exceeded the capacity of the existing tax system to finance them. At the same time, public resistance to direct tax increases and the national economy's incapacity to absorb further doses of inflationary revenue generation left a growing unfunded budget gap that has not yet been closed.

Redirection of Fiscal Policy Launched in 1981

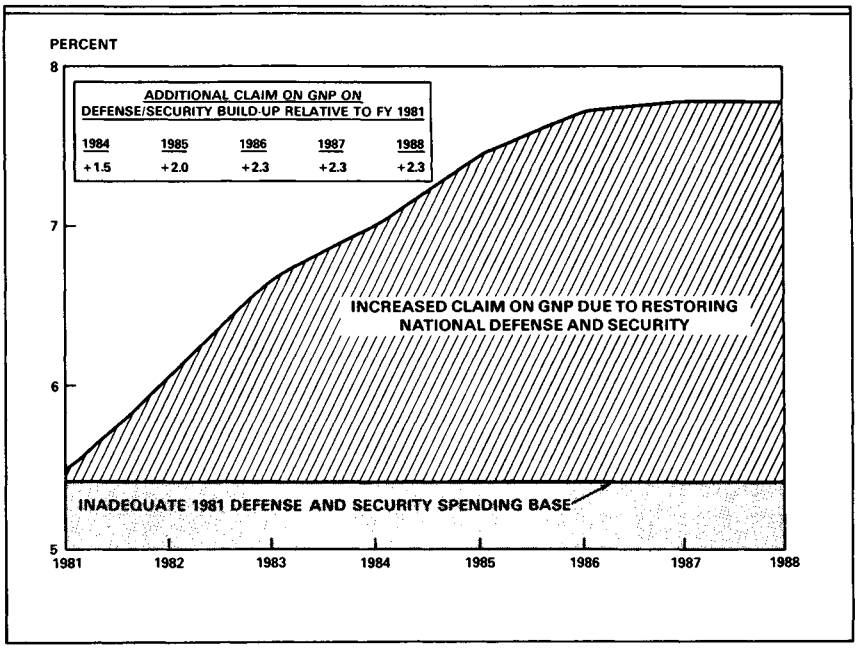
The Reagan administration's initial economic and budget plan was designed to break this impasse. It rested on four fundamental premises.

First, the restoration of national defense capabilities could not be delayed because the decade-long deterioration in pay and readiness and the lag in both strategic and conventional modernization had reached an intolerable state. As shown on the accompanying chart, the administration subsequently launched an 8-year, $1 trillion military buildup that has absorbed a rapidly expanding claim on GNP. By 1988, the projected GNP share of 7.8% for national defense and related international security and economic aid will again approach the early 1970's level.

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RESTORATION OF NATIONAL DEFENSE AND SECURITY: INCREASED CLAIM ON GNP



The second premise was that only an immediate, rapid, and sustained expansion of GNP could overcome the inherited fiscal dilemma. Under these conditions, the economy would grow more rapidly than the budget, causing the aggregate spending claim to fall.

The success of this solution depended upon a strong stimulus to GNP expansion: the across-the-board income tax rate reductions and business depreciation reforms proposed in 1981.

The intended effects are shown in the table on the next page. Nominal GNP growth was projected to average 11% per year—even as inflation steadily declined. As a consequence, the proposed lower tax rates still produced annual revenue growth averaging 9½%, while the tax claim on GNP by 1986 fell 4½ percentage points from where it was projected to be under prior law.

The third premise was that the nondefense spending claim on GNP would fall dramatically in the near term in response to the sweeping spending cutback and budget reform proposals contained in the March 1981 budget revisions. In combination, the explicitly

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TAX CLAIM ON GNP

(Dollar amounts in billions)

	1981 actual	1986 [1]	Average annual rate of change (percent)
Nominal GNP level	2,872	4,812	10.9
Federal receipts with proposed tax program	599	940	9.4
Tax claim on GNP (percent):			
Prior law	20.9	24.1	([2])
Proposed law	20.9	19.5	([2])
Difference		4.6	([2])

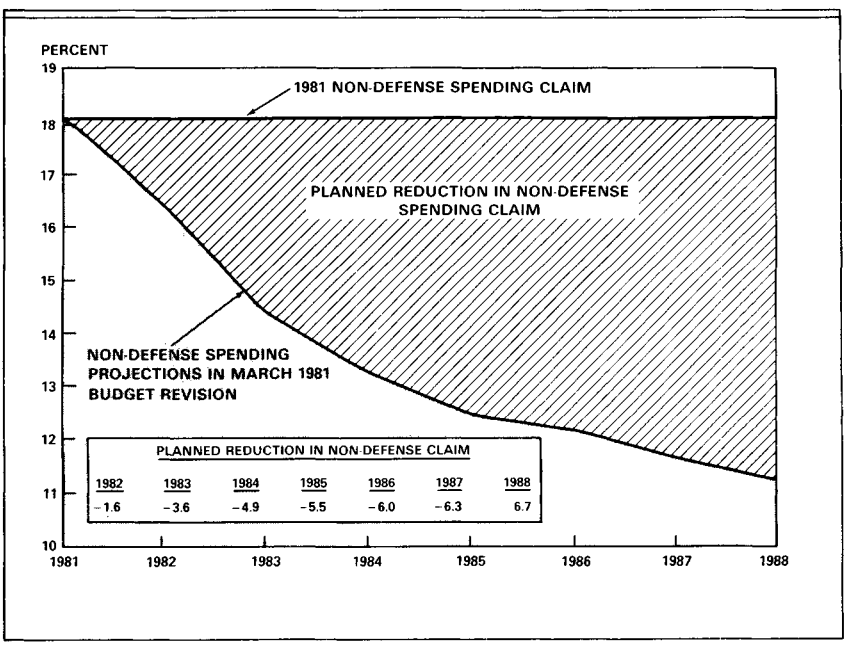
[1] March 1981 Budget Revisions.
[2] Not applicable.

proposed spending control measures and the $40 billion per year allowance for annual "future savings" would have reduced aggregate nondefense spending by about $500 billion over 1982-1986.

As shown in the chart below, cutbacks of this magnitude, along with an assumed 6-year nominal GNP average growth rate of 11%, would have resulted in more than a *one-third* reduction in the nondefense claim on GNP.

The fourth premise was that the transition from rising to falling inflation and from low real growth to rapid output expansion

ORIGINALLY PLANNED DECREMENT IN NON-DEFENSE SPENDING CLAIM ON GNP



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would occur immediately and simultaneously, and without intervening financial and economic disturbances. Consequently, the projected outlay claim on GNP attributable to cyclically sensitive expenditures—net interest and unemployment insurance—were projected to fall significantly from their 1981 levels. This eased somewhat the burden of programmatic retrenchment implied in the target for reduced overall nondefense spending claims.

NET INTEREST AND UNEMPLOYMENT CLAIM ON GNP

(Share of GNP)

Budget component	1981 actual	1986 planned [1]	Difference
Net interest	2.4%	1.3%	−1.1%
Unemployment compensation	0.7	0.3	−0.4
Total	3.1	1.6	−1.5

[1] March 1981 budget revisions.

The table below summarizes the originally planned solution to the inherited fiscal disequilibrium. GNP was projected to grow at an annual rate of 10.9% over 1981–1986 compared to planned annual nondefense spending growth of 2.3%. This planned differential sufficiently enlarged the overall budget envelope relative to GNP to permit the defense outlay claim to rise to 6.9% by 1986, while at the same time permitting the aggregate outlay claim to fall to 19.1%. After 1984, this brought actual revenue and outlays into balance—with long-run tax and spending claims stabilizing somewhat above 19% of GNP.

MARCH 1981 BUDGET PROJECTIONS

(Dollar amounts in billions)

	1981 actual	1986 projected	Average annual rate of change (percent)
Nominal GNP	$2,872	$4,812	10.9%
Proposed nondefense spending level [1]	521	585	2.3
Proposed defense and security spending level [1]	157	333	16.1
Proposed total spending level	678	919	6.3
Claims on GNP (percent):			
Nondefense	18.1	12.2	([2])
Defense and security	5.5	6.9	([2])
Total outlays	23.6	19.1	([2])
Receipts	20.9	19.5	([2])
Deficit or surplus	−2.7	0.4	([2])

[1] Military retired pay is included in nondefense.
[2] Not applicable.

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Results after two budget rounds.—After two completed cycles of fiscal policy change and an equal period of calendar-year economic outcomes, the current services budget projections vary substantially from the path envisioned in the original economic and budget plan.

This section explains the major sources of these deviations. These include both policy shortfalls and deviations from the originally projected economic path. For analytical purposes, most of the variance between the planned path and the current outlook can be explained by seven significant variables.

1984 CURRENT SERVICES OUTLOOK COMPARED TO MARCH 1981 PROJECTIONS

(Shares of GNP)

Budget component	1983	1984	1985	1986
Outlays:				
March 1981	20.6	19.5	19.4	19.1
January 1983 current services	25.8	25.7	25.8	25.7
Difference	+5.2	+6.2	+6.4	+6.6
Receipts:				
March 1981	19.7	19.3	19.3	19.5
January 1983 current services	18.7	18.6	18.7	18.8
Difference	−1.0	−0.7	−0.6	−0.7
Deficit:				
March 1981	−0.9	−0.2	−*	+0.4
January 1983 current services	−7.1	−7.1	−7.0	−6.9
Difference	+6.2	+6.9	+7.0	+7.3

*0.05% or less.

Drastic shortfall of nominal GNP.—The accumulated weaknesses and imbalances in the U.S. economy proved to be far greater than understood by those inside or outside of Government in 1980. The process of correcting the damage and unwinding the 1970's inflationary spiral, therefore, has proved to be far more prolonged and disruptive than anticipated. Consequently, the March 1981 economic projections did not assume a deep or prolonged recession in response to moderate monetary restraint. Real GNP, in constant 1972 dollars, was projected to be *$174 billion higher* by 1983:4 than it had been in 1981:1. By contrast, current economic assumptions project that real GNP will not regain its actual 1981:1 level until 1983:4—meaning that output will be 10% lower than its originally projected path. In effect, the severe disinflationary correction that has actually occurred has set the economy two years behind its originally anticipated recovery path.

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Similarly, prices were projected in March 1981 to be 23% higher by 1983:4 than they had been in 1981:1, but are currently projected to rise by only 17% by 1983:4.

Thus, the severe unanticipated recession of 1981–1982 and the projected modest recovery for 1983, in combination with the much more rapid actual fall in the inflation rate, have resulted in a dramatically lower nominal GNP path than projected in the original budget plan. Nominal GNP is now estimated to be 14.3% or *$551 billion* lower in 1983:4 than first assumed.

For 1984 and beyond, current assumptions of 4% real GNP growth and GNP deflator growth around 4.5–5.0% remain nearly identical to the original forecast. But as shown in the table below, the nearly half-trillion dollar downward shift in the level of nominal GNP experienced over 1981–1983 results in a much lower long-term GNP path.

The capacity of the economy to support the originally planned spending levels—either out of current taxation or borrowing—has accordingly been reduced by an average of 13% from what was originally assumed. Morever, current services outlay projections are now about *14.5% higher* than originally planned, as also shown below. In combination, a significantly lower GNP base and substantially higher spending level mean a far greater relative spending burden on the economy than originally planned.

Dramatic reduction in receipts due to lower GNP and deeper policy reductions.—The current law receipt path is now estimated to be $529 billion lower over 1983–1986 than projected in March 1981.

CHANGES IN GNP AND SPENDING OUTLOOK

(Dollar amounts in billions)

Indicator	1983	1984	1985	1986
Nominal GNP (fiscal years):				
March 1981 forecast	$3,598	$4,000	$4,398	$4,812
January 1983 GNP forecast	3,194	3,489	3,807	4,145
Difference	−404	−512	−591	−668
Budget outlays:				
March 1981 budget	743	780	851	919
January 1983 current services	823	897	981	1,065
Difference	+80	+118	+130	+147
Percent change from March 1981 outlook:				
Nominal GNP	−11.2	−12.8	−13.5	−13.9
Budget outlays	+10.8	+15.1	+15.3	+16.0
Outlay Share of GNP (percent):				
1981 outlays versus 1981 GNP forecast	20.6	19.5	19.4	19.1
1981 outlays versus current GNP forecast	23.3	22.3	22.4	22.2
January 1983 current services outlays versus current GNP forecast	25.8	25.7	25.8	25.7

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CHANGES IN RECEIPTS PROJECTIONS

(Dollar amounts in billions)

Estimate	1983	1984	1985	1986
March 1981	$709	$771	$850	$940
Current law	598	649	713	781
Difference	−112	−122	−137	−159
Percent change	−15.7%	−15.8%	−16 1%	−16.9%

In the main, this reflects the shrunken revenue yield from the far lower path of nominal income previously described.

However, the above figures fail to reflect the significant *tax policy differences* between what was proposed in March 1981, and what was actually enacted in two installments over 1981–1982, and which consequently forms the basis for current law receipt estimates.

The 1981 Economic Recovery Tax Act (ERTA) reduced marginal income tax rates for individuals by 25% over 3 years, rather than 30% as originally proposed. However, as a result of 5% less inflation than originally assumed over the same 1981–1984 period, the *real individual rate reduction* was roughly the same.

However, ERTA included a wide variety of unrequested additional measures including indexing, major reductions in estate taxes and the marriage penalty, new incentives for individual saving and charitable contributions, and liberalization of certain oil tax provisions. Most of these add-on measures were scheduled to become effective in subsequent years and do not fully phase in until 1986 and after. Consequently, the enacted 1981 tax bill reduced the revenue claim on GNP in 1986–88 by substantially more than was originally proposed.

PROPOSED AND ENACTED TAX CUTS

(Share of GNP)

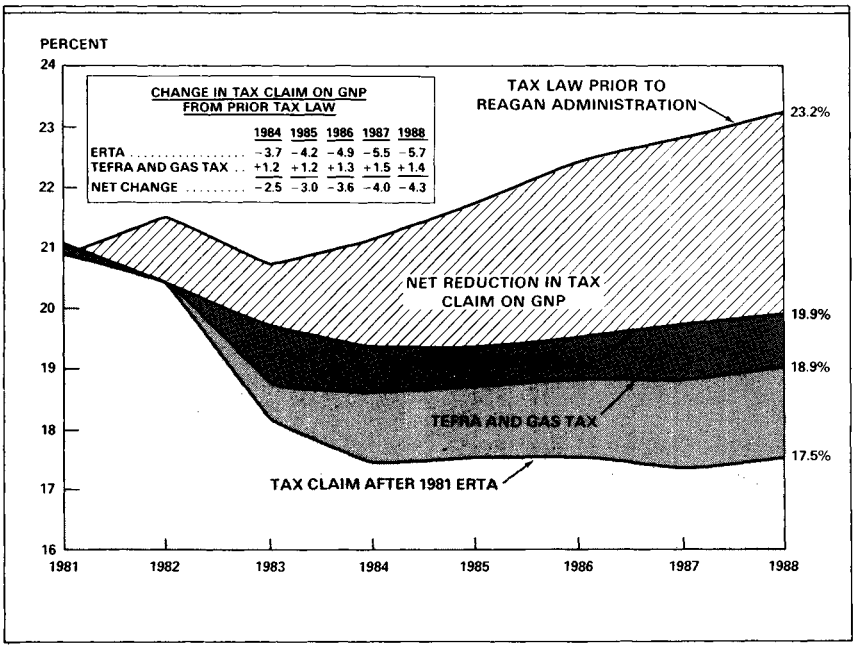
Policy	1984	1985	1986	1987	1988
March 1981 tax reduction plan	19.3	19.3	19.5	19.7	19.9
Economic Recovery Tax Act	17.4	17.5	17.5	17.3	17.5
Difference	−1.9	−1.8	−2.0	−2.4	−2.4

When the effects of lower inflation rates than originally assumed are also considered—i.e., less preindexing-period bracket creep and lower effective windfall profit tax rates—the post-ERTA revenue claim on GNP dropped further. Compared to nearly a 20% revenue

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REVERSAL OF THE RISING TAX CLAIM ON THE GNP

(SHARE OF GNP)



claim by 1988 under the original (unindexed) tax reduction proposal, the 1988 revenue claim after enactment of ERTA stood at 17.5% of GNP—about 2.4% lower than originally proposed and almost 6 percentage points lower than prior law.

IMPACT OF TAX POLICY CHANGE ON PRIOR LAW REVENUE BASE WITH FIXED GNP

(Dollar amount in billions)

	1984	1985	1986	1987	1988	Total 1984–88
Pre-1981 tax law	**$737.1**	**$825.5**	**$927.2**	**$1,028.2**	**$1,137.4**	**$4,655.3**
Tax policy changes:						
ERTA	−130.3	−158.2	−202.3	−246.7	−282.2	−1,019.8
TEFRA	38.3	42.2	52.1	63.6	67.6	263.7
Highway Revenue Act	3.8	3.9	3.9	4.0	4.0	19.5
Net change	**−88.2**	**−112.1**	**−146.3**	**−179.2**	**−210.7**	**−736.6**
Current law receipts	**648.8**	**713.3**	**780.9**	**849.1**	**926.7**	**3,918.8**
Share of GNP:						
Pre-1981 law	21.1	21.7	22.4	22.8	23.2	n.a.
After ERTA	17.4	17.5	17.5	17.3	17.5	n.a.
Current law	18.6	18.7	18.8	18.8	18.9	n.a.

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Overall, ERTA reduced revenues as projected under current economic assumptions by more than *one trillion dollars* over 1984–1988.

The subsequent enactment of TEFRA and the gas tax and other user fees in 1982 partially corrected for this overage. However, as shown in the chart above, current law tax receipts in the outyears still fall below the share of GNP that would have occurred had the original administration tax bill been adopted unchanged.

Cyclically sensitive outlays: Upward adjustment in GNP claim.— The original fiscal plan assumed a *smooth shift* between a stagnant, high-inflation economy and a non-inflationary high-growth economy. Consequently, the whole sequence of developments that has accompanied the actual 1981–1983 disinflationary correction and adjustment was not reflected in the original budget projections.

These interactive factors include the initial period of financial disturbance in which fiscal year 1982 Treasury 91-day bill rates averaged 11.8% compared to 9.3% originally assumed; the sharp 1982 decline in economic activity that has resulted in an estimated unemployment rate in excess of 10% in 1983:4 compared to 6.5% assumed in the March 1981 projections; and the recession-induced downward shift in the current base and future path of nominal GNP, which has reduced revenues and increased debt service costs by very large magnitudes.

The table below shows that budget outlays for unemployment insurance and debt service have increased by nearly $234 billion over 1983–1986 largely due to the turbulent economic adjustment that has actually occurred compared with outlay projections under the *smooth transition* originally assumed.

While the interest rate and unemployment rate effects gradually work out of the budget in the outyears, the high increase in nation-

NET INTEREST AND UNEMPLOYMENT OUTLAYS

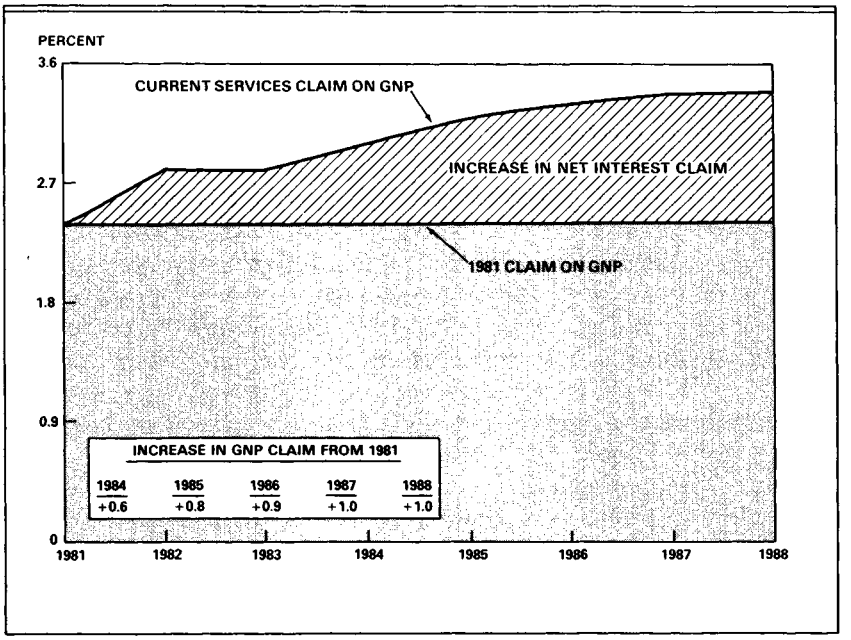
(In billions of dollars)

Budget item	1983	1984	1985	1986	Total
Outlays:					
March 1981 plan	85.7	84.5	81.2	78.7	330.1
January 1983 current services	124.0	134.0	146.1	159.9	564.0
Difference	+38.3	+49.5	+64.9	+81.2	+233.9
Share of GNP (percent):					
March 1981 outlays and GNP	2.4	2.1	1.8	1.6	.....
January 1983 current services outlays and GNP	3.9	3.8	3.8	3.9	.....
Difference	+1.5	+1.7	+2.0	+2.3	.....

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OUTLOOK FOR DEBT SERVICE SPENDING AFTER TWO BUDGET ROUNDS

(CURRENT SERVICES SHARE OF GNP)



al debt accumulated in the intervening years generates a permanent debt service claim on the budget and GNP. As shown in the chart above, the 1984–1988 current services debt service claim substantially exceeds its 1981 share, thereby adding to, rather than reducing, the inherited budget disequilibrium.

The social contract claim on GNP has continued to rise.—The relative near-term inflexibility of the social contract spending claim on GNP is demonstrated in the chart below. Despite some modest policy savings achieved in medicare and medicaid over the past two budget cycles and the phaseout of social security student benefits and other modest social security changes enacted in 1981, under current law the social contract claim on GNP will rise almost one percentage point by 1988 compared to 1981.

In the May 1981 social security package and the February 1982 budget proposals, the administration did propose reforms that would have reduced social contract outlays by $40 billion in 1987 or nearly 1% of GNP—thereby maintaining the 1981 claim at approximately a constant level. However, the social security package

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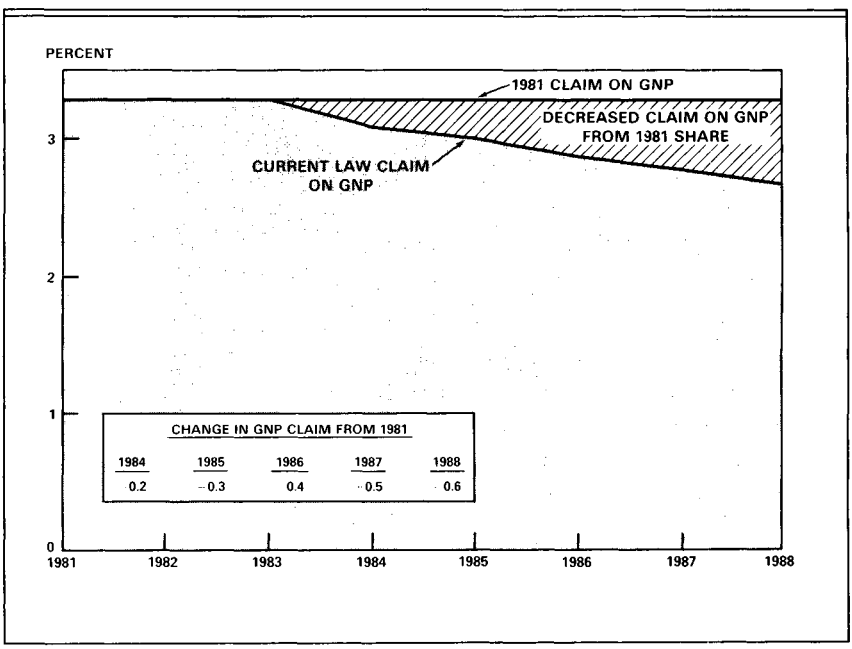
was not acted upon by the Congress and the medicare/medicaid reforms adopted in the 1982 reconciliation bill amounted to only about one-third of the proposed 1987 savings.

During the first two budget rounds, then, the following policy constraints emerged:

- Benefit reductions for existing *cash beneficiaries* were universally concluded to be inappropriate and unfair. These *"checks in the mail"* to existing beneficiaries amount to $1.2 trillion—or 73% of the current services social contract spending baseline over 1984–1988.
- Moderate restraints on health care providers have been imposed (about $30 billion over 1984–1988) but measures to directly increase beneficiary medical costs enacted for 1984–1988 amount to only $7 billion or just over 1% of baseline costs for medicare/medicaid.
- Congress has insisted that major changes affecting new cash beneficiaries should contain ample notice, thereby foreclosing

OUTLOOK FOR OTHER ENTITLEMENT SPENDING AFTER TWO BUDGET ROUNDS

(SPENDING AS A SHARE OF GNP)



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almost entirely any opportunity for significant budget savings during the 5-year budget period. While some minor changes affecting new beneficiaries have been enacted, they have produced very limited savings (e.g. prospective elimination of the social security minimum benefit will save $1 billion over 1984-1988).

- Thus far, COLA restraints have not been imposed. The full 1981 and 1982 COLA increases add about $25 billion a year or 8½% to the 1984-1988 spending baseline. Under the bipartisan agreement on social security, a 6-month COLA freeze will be imposed in 1983 but with inflation in the 5% range, prospective savings will be less than half of what would have been achieved with an equal delay in 1981 when the inflation adjustment was 11.4%.

Given these policy constraints, the social contract base of the budget, which rose dramatically during 1962-1981, has proven to be not only "locked in" but a rising claim on GNP. Moreover, given the requirement for ample notice, the failure to achieve any significant reforms of the cost-of-living adjustment mechanism or other aspects of the benefit structure in 1981-82 means that the social contract has become an even larger constraint in the overall budget envelope over 1984-88 than it was in 1981.

Major drop in nondefense discretionary spending claim.—The most significant changes in budget policy since 1981 have occurred in the discretionary spending sector. Estimated 1983 outlays of $144 billion will be 9% lower than the $158 billion spent in 1981—largely reflecting the major reductions in nominal spending levels for energy, employment and training, education, and social service programs enacted in 1982. While the Congress resisted a second round of discretionary spending cuts proposed for 1983, the alternate "freeze" policy adopted in the 1983 Budget Resolution has resulted in nominal spending levels drifting upward only slightly.

This permanent reduction in the inherited spending base results in a dramatic reduction in the nondefense discretionary spending claim on GNP over 1984-1988. As shown in the table below, current services baseline outlays would have been $381 billion higher over the next 5 years had this substantial retrenchment not occurred.

As shown in the chart below, the current services spending claim for discretionary programs is over 2 percentage points smaller by 1988 than it was in 1981. However, given minimal funding requirements for long-standing Federal functions from tax collection to law enforcement, highways and veterans health care, as well as

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NONDEFENSE DISCRETIONARY PROGRAMS: 1984 CURRENT SERVICES VERSUS OUTLAYS AT 1981 SHARE OF GNP

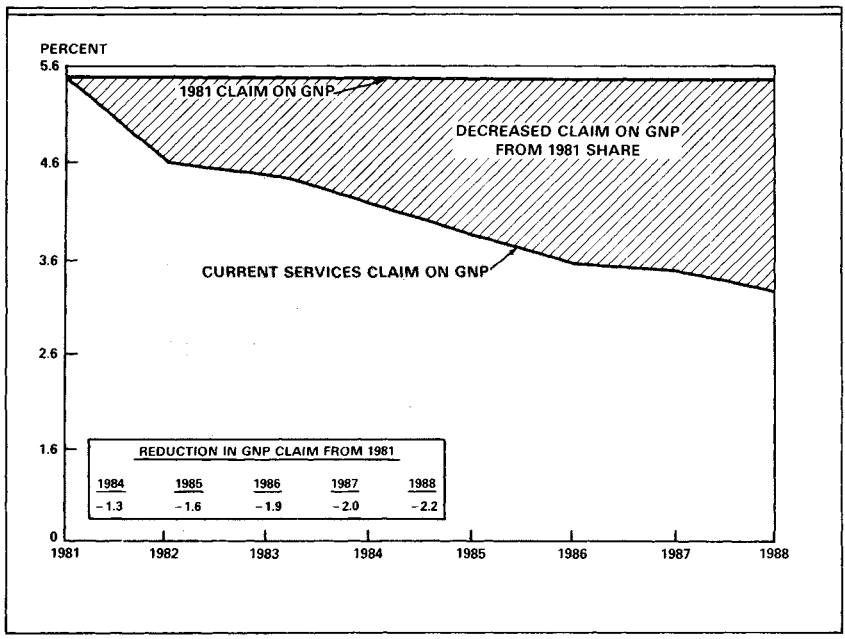
(In billions of dollars)

	1984	1985	1986	1987	1988	Total
Nondefense discretionary spending at constant 1981 share of GNP	192	210	228	248	269	1,148
Current services baseline	147	149	151	158	163	767
Difference	**−45**	**−61**	**−78**	**−90**	**−107**	**−381**

practical "legislative minimums" for a variety of other domestic programs, it is doubtful as to whether the discretionary spending claim on GNP can be lowered much beyond its present substantially reduced level.

OUTLOOK FOR DISCRETIONARY SPENDING AFTER TWO BUDGET ROUNDS

(CURRENT SERVICES SHARE OF GNP)



The claim of other entitlement spending has fallen.—Entitlements outside the social insurance system consist of two distinct groups: the means-tested programs including AFDC, SSI, food stamps, child nutrition and veterans pensions; and the Federal retirement/disability programs including civil service and military pensions and veterans disability compensation.

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The rapid rise in the real cost of these programs experienced during the 1970's has come to a halt. After having more than doubled in real terms from 1970–1981, constant dollar costs under current law are expected to remain virtually unchanged between 1981–1988.

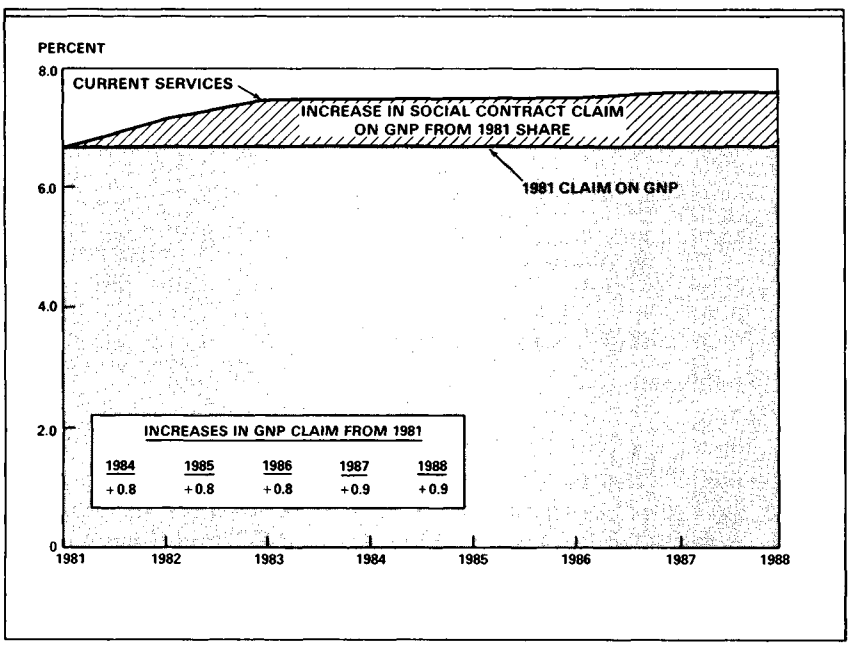
The major source of this slowdown is in the means-tested program component. As shown in the table below, constant dollar outlays will fall at a 2.5% per year rate over 1981–1988 compared to an increase of 7.4% per year during the 1970's.

This marked reversal of trend reflects in part the slowdown in caseload growth for all programs, and an actual decline in the case of veterans pensions. But the primary cause is that the continuous legislative liberalization and entitlement expansions that characterized policy in the 1970's have been supplanted by the policy reforms and retrenchments initiated by the Reagan administration over the past two budget cycles. As a consequence, about 16% of the real program growth over 1970–1981 will have been eliminated under current law by 1988.

While limited reforms (i.e., shift to once-per-year indexing and COLA caps for annuitants under 62) have been enacted for the

OUTLOOK FOR SOCIAL CONTRACT SPENDING AFTER TWO BUDGET ROUNDS

(CURRENT LAW SHARE OF GNP)



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CHANGE IN MEANS-TESTED ENTITLEMENT COSTS UNDER CURRENT LAW

(In billions of constant 1983 dollars)

	1970	1981	1988	Annual real growth (percent)	
				1970–81	1981–88
Food stamps and child nutrition	2.1	16.4	13.8	20.2	−2.5
AFDC and SSI	9.8	17.6	14.7	5.3	−2.5
Veterans pensions	5.3	4.2	3.5	−2.1	−2.6
Total	**17.2**	**38.2**	**32.0**	**7.4**	**−2.5**

remainder of this entitlement category, real program costs for the Federal pension programs continue to rise as the annuitant caseload increases. Nevertheless, as shown in the chart on the previous page, the GNP claim of entitlements outside the social insurance system will decline modestly under current law, dropping to 2.7% in 1988 compared to 3.3% in 1981.

Given the fact, however, that the social contract claim on GNP continues to rise under current law, the overall entitlement claim will stand at 10.1% by 1988, slightly above its 1981 level. Thus, after two budget rounds and the achievement of significant program revisions in some areas, the massive 1970's growth in the overall entitlement base remains intact within the budget structure, meaning that the major contributor to the 1981 budget disequilibrium has not yet been contracted nor its claim on GNP reduced.

The structural imbalance in the 1984 current services baseline.— Due to both the economic and policy developments described in the preceding sections, the structural disequilibrium that characterized the inherited 1981 budget has not been remedied—and the current services outlook for 1984–1988 extends and perpetuates it.

As was discussed earlier, part of the solution to the inherited fiscal disequilibrium required an economic performance path that would alleviate the fiscal policy bind structured into the 1981 budget.

The 2-year long disinflationary correction of the economy has largely foreclosed this element of the solution. As shown below, GNP is now expected to grow more slowly than the current service budget over 1981–1988, with a consequent rise rather than fall in the long-term spending burden on the economy.

Likewise, by 1988, the current services net interest burden—reflecting the huge cyclical deficits of 1982–1984, as well as the still unresolved structural deficit over the entire period—would be more

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OUTLOOK FOR GNP GROWTH AND BUDGET GROWTH, 1981–1988

(Dollar amounts in billions)

Indicator	1981 actual	1988	Annual growth rate (percent)
March 1981 GNP path	$2,872	$5,680	10.2%
Current outlook for GNP path	2,872	4,894	7.9
Current services outlook (outlays)	678	1,242	9.0

than a percentage point higher than its 1981 share. This contributes further to the structural imbalance.

On the policy side, a reduction in the nondefense claim on GNP *several times greater* than the catch-up increase for defense was needed if progress was to be made in reducing the combined burden of taxation and Treasury borrowing on the national economy.

After two budget rounds, this requirement has not yet been achieved although some progress has been made. As shown in the table below, by 1988 the GNP claim by national defense and related international programs will have risen by 2.5 percentage points, while all nondefense spending excluding net interest will have declined by 1.6 percentage points.

On an overall basis, therefore, the current services outlay claim has increased from its 1981 level. As is evident from the table, even under assumed conditions of full employment in 1988, the aggregate outlay claim stands 1.9 percentage points higher than in 1981.

SUMMARY OF CHANGES IN BUDGET OUTLAY COMPONENTS RELATIVE TO GNP FROM 1981

(Current services share of GNP)

Budget component	1981 actual	Change from 1981 share				
		1984	1985	1986	1987	1988
National defense and security [1]	5.5	1.7	2.1	2.4	2.5	2.5
Social contract	6.8	0.8	0.8	0.8	0.9	0.9
Other entitlements [1]	3.3	−0.1	−0.3	−0.4	−0.5	−0.6
Net interest	2.4	0.6	0.8	0.9	1.0	1.0
Discretionary programs	5.5	−1.3	−1.6	−1.9	−2.0	−2.2
All other outlays	0.1	0.4	0.4	0.3	0.2	0.3
Total change from 1981		**2.1**	**2.2**	**2.1**	**2.1**	**1.9**
Total outlay share	**23.6**	**25.7**	**25.8**	**25.7**	**25.7**	**25.4**

[1] Military retired pay is included in other entitlements.

When the 2 percentage point reduction relative to the 1981 receipt claim is factored in, the overall fiscal imbalance is heightened. As a consequence, the long-term current services structural deficit remains as it was 3 years ago—after allowance for needed defense spending restoration and a permanent tax claim under 20 percent of GNP. Its reduction and eventual elimination remains as

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the overriding challenge to economic and fiscal policy in the years ahead.

The 1984 Budget Recommendations: A Comprehensive Program To Close the Structural Deficit

Given the underlying condition of the overall budget structure, only the most sweeping set of fiscal policy initiatives could hope to reverse the trend and set the budget on a path that is consistent with long-term economic recovery. This section explains the policy framework embodied in the President's detailed recommendations and compares the long-term budget structure that would result from them with the current services baseline previously described.

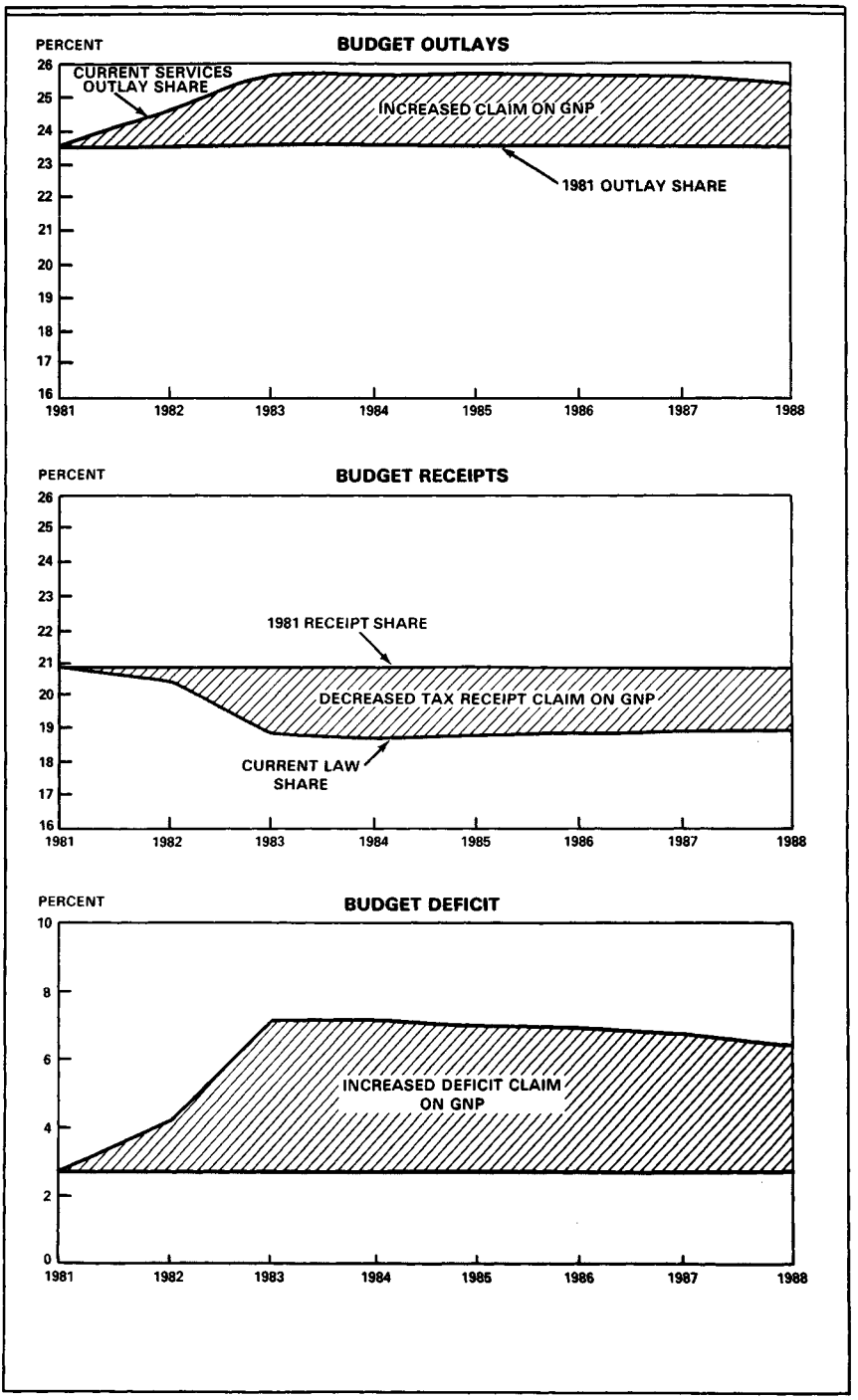
The 1984 budget plan contains four essential features:

- An *immediate freeze* on pay, cost-of-living adjustments, aggregate discretionary spending, and a variety of reimbursement formulas and payments, which will reduce the deficit by $19 billion in 1984 and $164 billion over the next 5 years. Along with other measures these steps will result in no real growth in aggregate spending for the first time since 1970.
- A broad program of structural reform of entitlements and transfer payments focused on health care, social security solvency, Federal retirement programs, and means-tested benefits. In combination, these measures will reduce the deficit by $19 billion in 1984 and $228 billion over the next 5 years.
- A standby revenue mechanism designed to trigger in if the deficit remains above 2.5% of GNP in 1986 and after. This "deficit insurance" measure is intended to reassure financial markets that the structural deficit will be closed and that Federal absorption of the private savings required for economic recovery will be steadily reduced. (See Part 4 for details.)
- Maintenance of the defense buildup while achieving savings due to lower inflation, the 1984 pay freeze and various program economies totaling $55 billion over the next 5 years. (The defense program is discussed in Part 5.)

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CURRENT SERVICES OUTLOOK FOR BUDGET AGGREGATES RELATIVE TO 1981 CLAIM ON GNP



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As is shown in the table below, these difficult but bold and essential steps, will put the deficit on a dramatically different path over the next 5 years.

COMPARISON OF BUDGET RECOMMENDATIONS WITH CURRENT SERVICES BASELINE

(In billions of dollars)

	1984	1985	1986	1987	1988
Outlays:					
Current services	897	981	1,065	1,157	1,242
Proposed savings	−35	−52	−66	−89	−106
Proposed outlays	863	929	999	1,068	1,136
Receipts:					
Current services	649	713	781	849	927
Proposed changes [1]	11	11	61	67	84
Proposed receipts	660	724	842	916	1,010
Deficit:					
Current services	−249	−267	−284	−308	−315
Proposed reductions	46	63	127	156	190
Total deficit	−203	−205	−157	−152	−126
On-budget deficit	−189	−194	−148	−142	−117

[1] Includes contingency tax plan.

Fiscal and economic impact.—The President's budget recommendations will reduce the deficit by $46 billion in 1984 and by $582 billion over the next 5 years. This means that cumulative deficits over 1984–1988 will be reduced by 41% compared to the current services baseline.

As shown in the table below, these measures steadily reduce the structural deficit in the outyears. Total outlays fall to 23.2% of GNP by 1988 and the deficit claim on GNP drops from in excess of 7% in the 1984 current services baseline to 2.6% by 1988. More

COMPARISON OF BUDGET RECOMMENDATION WITH CURRENT SERVICES BASELINE

(Share of GNP)

	1984	1985	1986	1987	1988
Outlays:					
Current services	25.7	25.8	25.7	25.7	25.4
Budget recommendations	24.7	24.4	24.1	23.7	23.2
Difference	−1.0	−1.4	−1.6	−2.0	−2.2
Receipts:					
Current services	18.6	18.7	18.8	18.8	18.9
Budget recommendations	18.9	19.0	20.3	20.3	20.6
Difference	0.3	0.3	1.5	1.5	1.7
Deficit:					
Current services	7.1	7.0	6.9	6.8	6.4
Budget recommendations	5.8	5.4	3.8	3.4	2.6
Difference	−1.3	−1.6	−3.1	−3.4	−3.8
Deficit share of net private savings:					
Current services	124	112	103	100	94
Budget recommendations	101	85	57	49	38

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importantly, Federal borrowing relative to net private savings falls steadily and dramatically, dropping to 38% by 1988.

Freeze on COLA's and pay.—In order to staunch the flow of red ink, it is imperative that sacrifices be made across the board and that all deferrable expenditures be temporarily postponed. Based on the recommendation of the National Commission on Social Security Reform, the budget proposes that cost-of-living increases for social security and for all related indexed programs be postponed for 6 months and that the delayed payment date be made permanent.

Similarly, the budget recommendations propose that in its capacity as an employer, the Federal Government take the same step that countless private businesses and workers have been forced to take in order to forestall insolvency: deferral of raises for current and retired workers until financial conditions improve. The budget, therefore, proposes no increases for pay and retirement in 1984.

The table below summarizes the budget effects of these freeze measures over the next 5 years.

IMPACT OF PAY AND COST-OF-LIVING FREEZE

(Outlays; in billions of dollars)

	1984	1985	1986	1987	1988	Total
Federal pay and retirement:						
Civilian pay	3.3	3.9	4.1	4.3	4.5	19.9
Military pay [1]	2.7	2.9	3.1	3.3	3.5	15.5
Retired pay	0.6	1.7	1.7	1.7	1.8	7.6
Subtotal	6.5	8.4	8.9	9.3	9.8	42.9
Indexed transfer payments:						
Social security	4.2	4.6	4.9	5.4	5.7	24.8
SSI	0.1	0.2	0.2	0.2	0.2	0.8
Nutrition programs	0.1	0.4	0.5	0.4	0.4	1.9
Veterans programs	0.3	0.4	0.5	0.7	0.8	2.8
Other	0.3	0.5	0.7	0.9	1.0	3.5
Subtotal	5.0	6.2	6.8	7.6	8.2	33.8
Total	**11.6**	**14.7**	**15.7**	**16.9**	**17.9**	**76.8**

[1] Includes Coast Guard military pay.

Social security solvency.—OASDI cash benefit payments comprise the core of the Nation's social contract with the elderly and disabled. Over the past 5 years the system's reserve assets have been steadily drained—first by the huge cost of attempting to keep beneficiaries up with the cost of living during the peak of the inflation spiral, and now by the abrupt slowdown in receipt growth in response to the recessionary correction of past economic excesses. After the current borrowing from the hospital insurance

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fund is drawn down in June, the system will be without sufficient assets to cover the next monthly benefit payment.

The budget recommendations embody the bipartisan solution proposed by the National Commission on Social Security Reform and endorsed by the Speaker of the House, the Senate Majority Leader, and the President. These measures are balanced and fair and will require sacrifices from all, but will impose undue penalties on none. Most importantly, they will dramatically improve trust fund balances immediately and gradually rebuild a safer level of trust fund reserves as the rescue plan is fully implemented.

The following are the major features of the bipartisan solution:

- A 6-month freeze on cost-of-living adjustments.
- Rescheduling of current law OASDI payroll tax rates in 1984 and 1988–1989 in a manner designed to generate trust fund reserve improvements equal to the savings from the COLA freeze.
- Extension of coverage to new Federal employees, all uncovered non-profit employees, and a prohibition on withdrawal by State and local governments.
- Inclusion of 50% of the social security benefit in taxable income for single and joint return taxpayers with adjusted gross income above $20,000 and $25,000, respectively.
- Increasing the self-employment tax rate (SECA) to the combined employer-employee OASDI rate—with full deductibility for the "employer share."
- Lump-sum payment of Federal obligations for past military service credits.

The bipartisan solution also includes an automatic stabilizer and other reforms designed to improve the long-term status of the trust funds. The unified budget effect of these measures is displayed in the table below.

UNIFIED BUDGET IMPACT OF BIPARTISAN SOLUTION

(In billions of dollars)

Savings measure	1984	1985	1986	1987	1988	Total
COLA freeze	4.2	4.6	4.9	5.4	5.7	24.8
Equity adjustments	−0.2	−0.2	−0.2	−0.3	−0.3	−1.2
Coverage extension	1.0	1.8	2.3	2.9	3.7	11.7
Benefit inclusion in AGI	1.1	4.0	4.7	5.5	6.4	21.7
Payroll tax rescheduling (net)	5.5	−2.1	.....	.....	9.4	12.8
SECA increase	0.6	1.6	1.5	1.6	1.9	7.1
Ban on State/local withdrawal	0.1	0.3	0.4	0.7	0.9	2.4
Total savings	**12.2**	**10.0**	**13.6**	**15.8**	**27.7**	**79.4**

Health care reform initiative.—The explosive growth of health care costs over the past two decades has been a principal underly-

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ing cause of the continuous rise in expenditures for the medicare and medicaid components of the social contract. These relentless cost pressures are endemic to the entire U.S. health care delivery and financing system, and cannot be abated by program changes in medicare and medicaid alone.

The central difficulty is that extensive third-party coverage on a cost-plus basis isolates all participants in the market for medical care from the cost consequences of their decisions. Individuals with substantial insurance coverage feel no economic restraints on the quantity and quality of services demanded. Physicians, faced with the choice of ordering additional services that might help, cannot hurt and cost the patient nothing, have little incentive to restrain service use. Hospitals and other institutional providers, reimbursed on a cost basis, are restrained only by their ability to maximize utilization of their facilities. The result is a constant bias in favor of service upgrading and cost expansion.

In his 1984 budget proposals, the President is recommending the first set of comprehensive reforms addressing these problems put forward since the enactment of medicare and medicaid. The major elements are:

- A 1-year freeze on physician reimbursement increases and reduction of otherwise applicable 1984 formula increases for hospital reimbursements.
- Long-term reform of hospital reimbursement to eliminate cost-plus payments.
- Reorientation of medicare cost-sharing to provide beneficiaries increased coverage for high-cost episodes of illness, while providing increased cost sensitivity for lower-cost episodes.
- Reform of the tax treatment of health insurance coverage provided by employers, so as to eliminate the present bias in favor of inflationary benefit expansion.
- Reforms designed to enable States to further restrain medicaid costs.

The budgetary effects of these health reform measures are shown below.

Reform of the Federal retirement system.—Federal retirement programs are among the most generous in the world. While this fact has been a major factor in recruitment and retention, the system has grown overly generous during the past decade, presenting the Federal Government with excessive retirement costs. The unfunded liabilities of the Federal civilian pension system now exceed $495 billion.

The major source of this unfunded liability is a combination of overly-generous retirement benefits (which raise the long-run cost of the civilian system to approximately 35% of present payroll),

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BUDGET SAVINGS DUE TO THE HEALTH CARE REFORM MEASURES

(In billions of dollars)

	1984	1985	1986	1987	1988	Total
MEDICARE						
Medicare hospitalization copayment and catastrophic protection	−0.7	−1.2	−1.3	−1.5	−1.7	−6.3
Increased medicare Part B premium	+0.2	−0.2	−1.3	−2.6	−4.2	−8.2
Hospital reimbursement limit and physician freeze	−0.8	−1.1	−1.2	−1.4	−1.6	−6.0
Long-term reform of hospital payment system	(−1.5)	(−2.6)	(−4.0)	(−5.3)	(−6.9)	(−20.2)
Reform of HHA and durable medical equipment reimbursement	−*	−*	−*	−0.1	−0.1	−0.2
Other medicare savings	−0.3	−0.4	−0.5	−0.7	−0.8	−2.7
MEDICAID						
Incentives for beneficiary and State control of medicaid costs	−0.3	−0.8	−0.7	−0.8	−0.9	−3.5
PRIVATE						
Cap on private health insurance premiums	−2.3	−4.4	−6.0	−8.0	−10.7	−31.4
Total savings	**−4.2**	**−8.1**	**−11.1**	**−15.0**	**−19.9**	**−58.4**

*$50 million or less.

and inadequate employee contributions (which presently fund only 7% of payroll or less than 25% of total civilian system costs).

The 1984 budget recommendations propose a comprehensive program of long-run solvency reforms designed to bring the total cost of the civilian system down to 22% of payroll. To balance this, the budget also proposes a phased increase of employee contributions to cover half the cost of this leaner—though fully adequate—civilian retirement system.

The budget effects of Federal retirement reforms are shown in the table below.

REFORM OF THE FEDERAL RETIREMENT SYSTEM

(In billions of dollars)

	1984	1985	1986	1987	1988	Total
Current services outlays	40.0	42.8	46.3	49.7	53.2	231.9
Proposed budget savings:						
Annuity reforms [1]	*	0.1	0.6	1.6	2.7	5.1
Employee contributions	1.2	2.2	2.1	1.9	1.7	9.1
Postal Service and D.C. full payment	0.3	0.5	0.5	0.4	0.4	2.0
Total savings	**1.4**	**2.8**	**3.2**	**4.0**	**4.8**	**16.2**

*50 million or less.
[1] Including military retirement.

Means-tested entitlements.—As previously indicated, the administration has made substantial progress over the last 2 years in restraining the cost of Federal low-income assistance programs by focusing assistance on those most in need. At the same time, the programs remain responsive to the needs of low-income Americans.

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The 1984 budget proposes further reforms to build upon this success. The reforms are of three main types:

- promoting work effort as a means of encouraging self-sufficiency on the part of the recipient population;
- eliminating or reducing errors through program simplification; and
- increasing the responsibility of absent parents to support their families, whenever possible.

As a result of these reforms, the 1984 budget provides the maximum practicable restraint on these programs consistent with maintaining an adequate safety net for those with genuine need.

The budget savings from these measures are displayed below.

MEANS-TESTED ENTITLEMENT SAVINGS

(In billions of dollars)

	1984	1985	1986	1987	1988	Total
Current services baseline	31.5	32.7	33.5	34.5	36.0	168.2
Proposed savings:						
Food stamps	−0.8	−1.0	−1.1	−1.0	−1.0	−4.9
AFDC and child support	−0.7	−1.0	−1.0	−1.0	−1.0	−4.8
SSI	0.3	0.3	0.3	0.2	0.2	1.3
Child nutrition	−0.3	−0.4	−0.5	−0.5	−0.6	−2.3
Total savings	**−1.4**	**−2.1**	**−2.3**	**−2.4**	**−2.4**	**−10.6**
Savings as percent of baseline	4.6	6.5	6.9	6.8	6.7	6.3

Aggregate freeze on discretionary programs and reduction of off-budget outlays.—As was detailed earlier, spending for discretionary programs has been curtailed markedly in the past 2 years. Consistent with the 1983 budget resolution assumption that budget authority levels will remain frozen for 3 years, the 1984 budget recommendations provide for essentially the same aggregate level of new budget authority as was enacted for 1983:

(In billions of dollars)

Enacted 1983 budget authority for discretionary programs	$132
1984 budget request for discretionary programs	$134

Within this overall spending freeze, funds are allocated to discretionary programs based on relative priorities and pressing needs. Funds for high-priority Federal activities—such as law enforcement and public health activities—have been increased. Offsetting reductions have been made in lower-priority programs. Thus, while the overall appropriations request for discretionary programs is being

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held near the 1983 level, savings will be achieved without jeopardizing essential Federal functions.

In addition, the budget proposes that various on- and off-budget loan obligation ceilings, limitations on administrative expenses, and other spending authorities be held to the minimum levels consistent with essential program objectives. The outlay savings from the proposed aggregate budget authority freeze and these additional measures are displayed below.

OUTLAY SAVINGS FROM DISCRETIONARY PROGRAM FREEZE AND OFF-BUDGET SPENDING LIMITS

(In billions of dollars)

Budget component	1984	1985	1986	1987	1988	Total
Current services baseline	146.9	148.8	150.8	158.2	162.6	767.4
Proposed savings:						
On-budget programs	6.2	10.0	12.8	16.5	20.8	66.3
Off-budget programs	3.4	4.2	4.4	6.8	5.7	24.5
Total savings	**9.6**	**14.2**	**17.3**	**23.3**	**26.4**	**90.8**

Outlook for Closing the Structural Deficit With the 1984 Budget Plan

Both the short- and long-term measures contained in the President's comprehensive fiscal plan address those factors that have contributed to the continued deterioration of the Federal budget's structural imbalance.

As displayed below, each major budget component shows improvement over its current services baseline claim on GNP:

- As a result of the health care reforms and social security solvency plan, social contract spending is reduced by about 0.3 percentage points by 1988.
- The claim for other entitlements is reduced by 0.2 percentage points due to the array of structural reform measures reviewed above and detailed elsewhere in the budget.
- By virtue of the continued freeze on aggregate discretionary spending and sharp curtailment of off-budget outlays, the 1988 GNP claim for this component falls an additional 0.5 percentage points—bringing the total reduction from 1981 levels to 2.7 percentage points.
- Primarily as a result of the freeze on farm price supports and the PIK program, the residual domestic spending category also declines by 0.2 percentage points by 1988.
- Due to the social security solvency measures, private insurance health cap, and the stand-by revenue measure, the receipt claim on GNP rises by 1.7 percentage points by 1988, but still remains below its 1981 level of 20.9%.

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- As a consequence of all of the above improvements, net interest costs fall dramatically—by more than $76 billion over 1984-1988. The debt service claim accordingly drops to 2.7% or nearly to its 1981 level.

The overall budget plan, then, balances three fundamental objectives that have previously not seemed easy to reconcile:

- The overall structural imbalance in the budget is substantially reduced, with the 1988 deficit claim on GNP falling by two-thirds compared to the current services baseline. This puts fiscal policy on a path consistent with economic recovery and long-run budgetary equilibrium.
- The internal shift in budget priorities toward adequate funding of national defense is maintained, with the overall nondefense spending claim falling by 2.9 percentage points compared to the 1981 level. Over half of the excessive growth in the nondefense claim on GNP over 1970-1981 is eliminated by 1988—with the prospect of further declines beyond the budget period as the economy continues to grow and permanent spending reforms take hold.
- The receipt claims on GNP—even if the stand-by mechanism is triggered—remain 2.6 percentage points lower than would have been the case with pre-1981 tax law.

SUMMARY OF 1984 PROPOSED OUTLAYS

(In billions of dollars)

Budget component	1984	1985	1986	1987	1988
National defense and security [1]	244.4	283.5	320.4	350.8	381.3
Social contract	258.9	282.5	305.8	332.2	360.4
Other entitlements [1]	104.5	106.9	112.1	115.6	121.0
Net interest	103.2	114.2	122.7	130.4	134.3
Discretionary programs	137.3	134.6	133.5	134.9	136.2
All other outlays	14.2	7.3	4.5	4.1	3.0
Budget total	**862.5**	**929.0**	**999.0**	**1,068.0**	**1,136.2**

[1] Military retired pay is included in other entitlements.

SUMMARY OF CHANGES RELATIVE TO 1981 BUDGET OUTLAYS CLAIMS

(Shares of GNP)

	Actual 1981	Change from 1981				
		1984	1985	1986	1987	1988
National defense and security [1]	5.5	+1.7	+2.1	+2.4	+2.5	+2.5
Nondefense spending [1]	18.1	−0.6	−1.4	−2.0	−2.4	−2.9
Total outlays	**+23.6**	**+1.1**	**+0.8**	**+0.5**	**+0.1**	**−0.4**

[1] Military retired pay is included in nondefense spending.

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IMPACT OF 1984 FISCAL PLAN ON BUDGET'S STRUCTURAL IMBALANCE

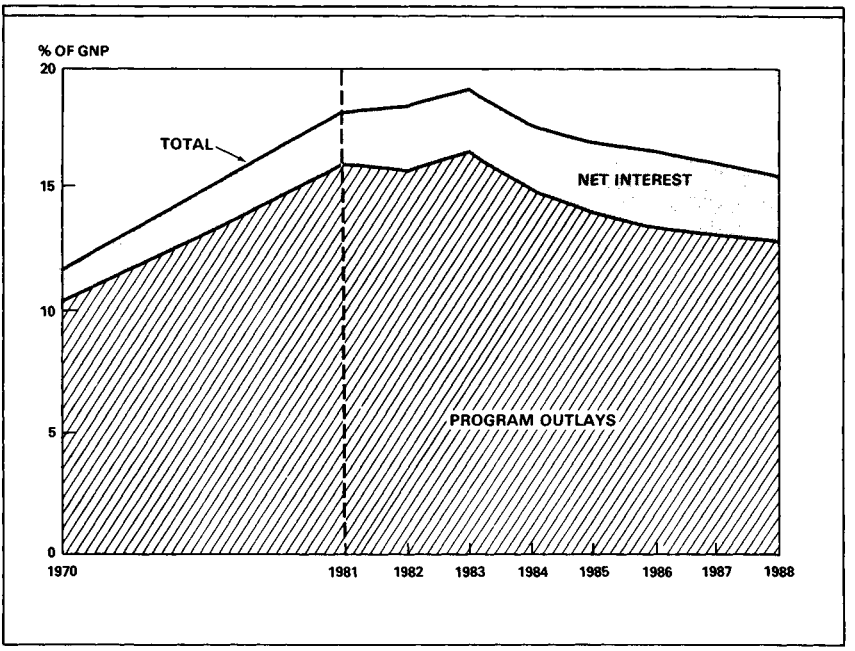
(Share of GNP)

Budget component	1984	1985	1986	1987	1988
Social contract:					
Current services	7.6	7.6	7.6	7.7	7.7
Policy change	−0.2	−0.2	−0.2	−0.3	−0.3
1984 budget	7.4	7.4	7.4	7.4	7.4
Other entitlements: [1]					
Current services	3.1	3.0	2.9	2.8	2.7
Policy change	−0.1	−0.2	−0.2	−0.2	−0.2
1984 budget	3.0	2.8	2.7	2.6	2.5
Discretionary programs:					
Current services	4.2	3.9	3.6	3.5	3.3
Policy change	−0.3	−0.4	−0.4	−0.5	−0.5
1984 budget	3.9	3.5	3.2	3.0	2.8
National defense and security: [1]					
Current services	7.2	7.6	7.9	8.0	8.0
Policy change	−0.2	−0.2	−0.2	−0.2	−0.2
1984 budget	7.0	7.4	7.7	7.8	7.8
Net interest:					
Current services	3.0	3.2	3.3	3.4	3.4
Policy change	−0.1	−0.2	−0.3	−0.5	−0.7
1984 budget	3.0	3.0	3.0	2.9	2.7
All other outlays:					
Current services	0.6	0.4	0.4	0.4	0.3
Policy change	−0.2	−0.2	−0.3	−0.3	−0.2
1984 budget	0.4	0.2	0.1	0.1	0.1
Total budget outlays:					
Current services	25.7	25.8	25.7	25.7	25.4
Policy change	−1.0	−1.4	−1.6	−2.0	−2.2
1984 budget	24.7	24.4	24.1	23.7	23.2
Budget receipts:					
Current services	18.6	18.7	18.8	18.8	18.9
Policy change	+0.3	+0.3	+1.5	+1.5	+1.7
1984 budget	18.9	19.0	20.3	20.3	20.6
Total budget deficit:					
Current services	−7.1	−7.0	−6.9	−6.8	−6.4
Policy change	+1.3	+1.6	+3.1	+3.5	+3.9
1984 budget	−5.8	−5.4	−3.8	−3.4	−2.6

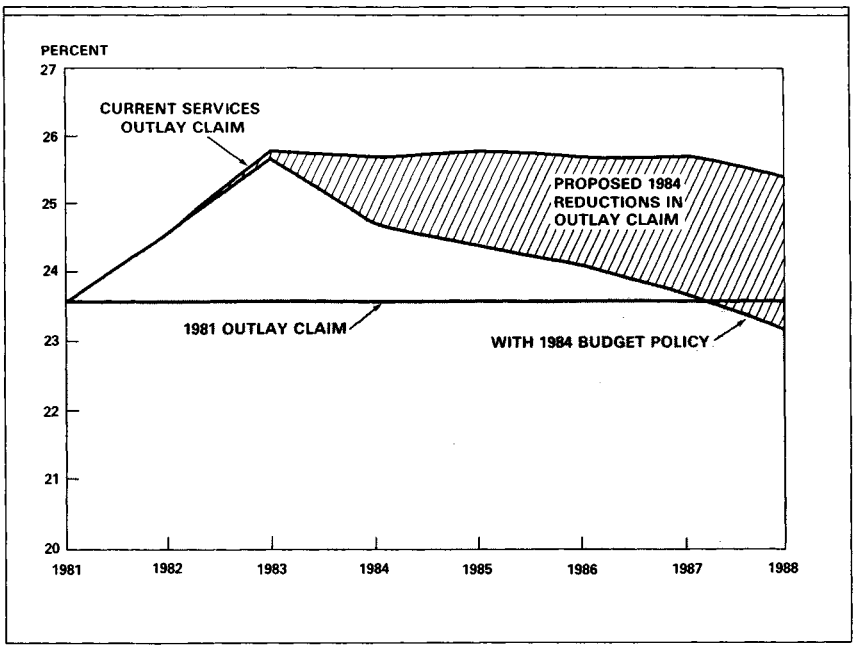
[1] Military retired pay is included in other entitlements.

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NON-DEFENSE SPENDING AS SHARE OF GNP



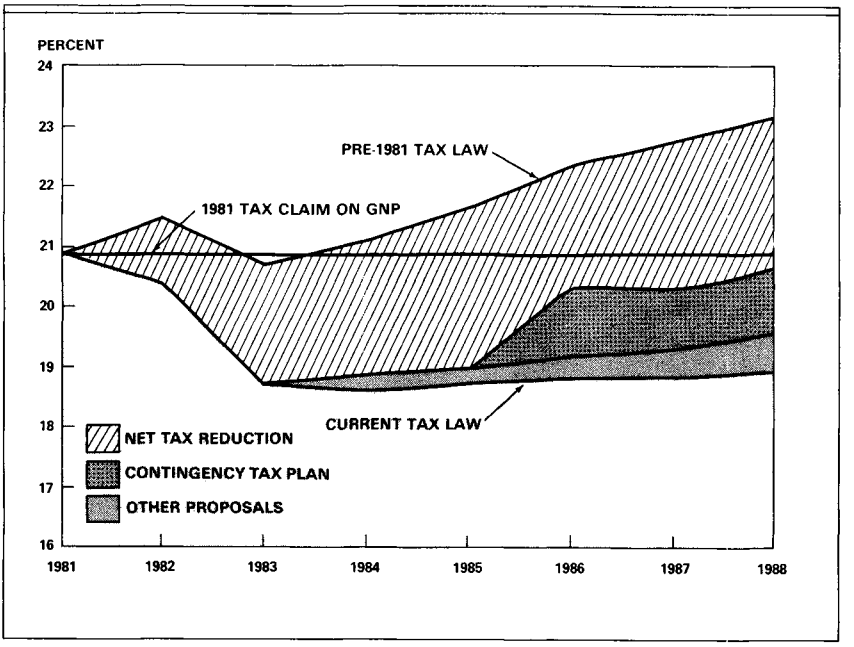
IMPACT OF 1984 BUDGET POLICIES ON OUTLAY CLAIM ON GNP



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IMPACT OF 1984 BUDGET POLICIES ON TAX RECEIPT SHARE OF GNP



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PART 4

BUDGET RECEIPTS

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BUDGET RECEIPTS

This section of the budget discusses budget receipts for 1982 to 1986 and the legislative proposals and administrative actions affecting them.[1]

The economic assumptions on which the receipts estimates are based are presented in Part 2, and estimates of receipts for 1987–88 are presented in Part 3 and table 2 of Part 9. Part 6 contains an analysis of the difference between actual receipts for 1982 and the estimates for 1982 in the *fiscal year 1982 Budget Revisions*, transmitted to the Congress in March 1981. Part 7 explains the conceptual basis for classifying certain amounts collected by the Federal Government as budget receipts and other amounts as offsetting collections.

SUMMARY

Total budget receipts in 1984 are estimated to be $659.7 billion, an increase of $62.2 billion from the $597.5 billion estimated for 1983. Receipts in 1985 and 1986 are estimated to be $724.3 billion and $841.9 billion, respectively. These estimates include the effects of:

- the income tax reductions and other tax changes provided in the Economic Recovery Tax Act of 1981;
- the tax revisions and improvements in compliance and collection provided in the Tax Equity and Fiscal Responsibility Act of 1982;
- the 5 cent a gallon increase in the motor fuels tax and other tax changes provided in the Highway Revenue Act of 1982;
- the contingency tax plan proposed to become effective October 1, 1985 if economic growth sufficient to hold the deficit to 2½% of GNP does not materialize;
- the proposed bi-partisan social security plan, designed to ensure the future solvency of the social security trust funds; and
- the other receipts proposals in this budget.

Composition of budget receipts.—The Federal tax system relies predominantly on income and payroll taxes. In 1984:

- Income taxes paid by individuals and corporations are estimated at $295.6 billion and $51.8 billion, respectively. These

[1] Detailed estimates of budget receipts by source for 1982 to 1984 are shown in Tables 12 and 19 of Part 9.

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BUDGET RECEIPTS BY SOURCE

(In billions of dollars)

Source	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Individual income taxes	297.7	285.2	295.6	317.9	358.6
Corporation income taxes	49.2	35.3	51.8	60.5	74.0
Social insurance taxes and contributions	201.5	210.3	242.9	275.5	304.9
Excise taxes	36.3	37.3	40.4	40.8	74.8
Estate and gift taxes	8.0	6.1	5.9	5.6	5.0
Customs duties	8.9	8.8	9.1	9.4	9.7
Miscellaneous receipts	16.2	14.5	14.0	14.5	14.8
Total, budget receipts	**617.8**	**597.5**	**659.7**	**724.3**	**841.9**

sources combined account for 52.7% of estimated budget receipts.

- Social insurance taxes and contributions—composed largely of payroll taxes levied on wages and salaries, most of which are paid in equal amounts by employers and employees—will yield an estimated $242.9 billion, 36.8% of the total.
- Excise taxes imposed on selected products, services, and activities are expected to provide $40.4 billion, 6.1% of the total.
- Estate and gift taxes, customs duties, and miscellaneous receipts are estimated at $29.1 billion, the remaining 4.4% of budget receipts.

Under the tax policy and economic assumptions presented in this budget, the income tax share of total receipts is projected to decline to 51.4% by 1986, 4.8 percentage points less than for 1982. This decline is the net effect of a 5.6 percentage point decline in the individual income tax share that is partially offset by a 0.8 percentage point rise in the corporation income tax share to 8.8%. Social insurance taxes and contributions are projected to rise as a share of total receipts from 32.6% in 1982 to 36.2% in 1986. The excise tax share is projected to rise to 8.9% in 1986, 3.0 percentage points greater than for 1982. The projected share of all other receipts declines by 1.8 percentage points between 1982 and 1986.

ENACTED LEGISLATION

Three major tax laws have been enacted since this administration took office in January 1981. The first, the Economic Recovery Tax Act of 1981 (ERTA), provides incentives for work, saving, and investment. The substantial reductions in income taxes and other changes provided in the Act are estimated to reduce receipts by $82.6 billion in 1983, $130.3 billion in 1984, $158.2 billion in 1985, and $202.3 billion in 1986.

The second major tax law, the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), improves the fairness of the tax system

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while preserving the incentives for work, saving, and investment enacted in 1981. This Act increases receipts primarily by eliminating unintended benefits and obsolete incentives, and providing mechanisms to increase taxpayer compliance and improve collection techniques. The provisions of this Act are estimated to increase receipts by $17.3 billion in 1983, $38.3 billion in 1984, $42.2 billion in 1985, and $52.1 billion in 1986.

The Highway Revenue Act of 1982 is the third major tax law enacted since January 1981. The main revenue provision of this Act increases the existing excise tax on gasoline and diesel fuel from 4 to 9 cents a gallon effective April 1, 1983. The Act also restructures other highway-related taxes to make the taxes paid by various highway users correspond more equitably to the damage that such users cause to the highway system. The increased receipts to the Highway Trust Fund, which are estimated at $2.1 billion in 1983, $4.8 billion in 1984, $5.1 billion in 1985, and $5.2 billion in 1986, will be used to finance highway, bridge, and transit construction and repair. Since increased excise taxes reduce incomes, the net increase in receipts—taking into account the direct reduction in individual and corporation income taxes—is estimated at $1.7 billion in 1983, $3.8 billion in 1984, and $3.9 billion in 1985 and 1986.

Despite the increases provided in the Tax Equity and Fiscal Responsibility Act of 1982 and the Highway Revenue Act of 1982, taxes have been reduced by $445.9 billion over the 1982–1986 period, relative to pre-ERTA tax law. As shown in the following table, there is a net tax reduction every year during this period, ranging from $35.6 billion in 1982 to $146.3 billion in 1986.

NET EFFECT ON RECEIPTS OF ENACTED LEGISLATION [1]

(In billions of dollars)

	1982	1983	1984	1985	1986	1982–1986
Economic Recovery Tax Act of 1981	−35.6	−82.6	−130.3	−158.2	−202.3	−609.0
Tax Equity and Fiscal Responsibility Act of 1982	*	17.3	38.3	42.2	52.1	149.9
Highway Revenue Act of 1982		1.7	3.8	3.9	3.9	13.2
Net tax reduction	−35.6	−63.5	−88.2	−112.1	−146.3	−445.9

*$50 million or less.

[1] These estimates are based on the direct effect only of legislative changes at a given level of economic activity. Induced effects are taken into account for forecasting incomes, however, and in this way affect the receipts estimates by major source and in total.

The major provisions of each Act are described briefly below.

Economic Recovery Tax Act of 1981[2]

Individual income tax provisions.—A number of provisions of the Economic Recovery Tax Act of 1981 (ERTA) substantially reduce

[2] For a more detailed discussion of the provisions of the Economic Recovery Tax Act of 1981, see Part 4 of the 1983 *Budget*.

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individual income tax liabilities. These provisions, which are estimated to reduce receipts by $61.3 billion in 1983, $97.2 billion in 1984, $105.1 billion in 1985, and $120.4 billion in 1986, include the following:

- *Individual income tax rate reductions.*—Compared with prior law, tax rates for individuals were reduced across-the-board by 1.25% for calendar year 1981 and 10% for calendar year 1982, and will be reduced by 19% for calendar year 1983 and 23% for calendar year 1984 and subsequent years.
- *Reduction in the maximum individual income tax rate.*—The maximum marginal tax rate on individual income was reduced from 70% to 50% effective January 1, 1982. This change reduced the maximum effective tax rate on long-term capital gains from 28% to 20%.
- *Deduction for two-earner married couples.*—Married couples with two earners often pay higher taxes than if they were single. To reduce this penalty, ERTA allowed couples a tax deduction equal to 5% of the first $30,000 of earnings of the spouse with the lower earnings in calendar year 1982. In 1983 and subsequent years, the deduction increases to 10%.
- *Indexing.*—Beginning with calendar year 1985, the individual income tax brackets, the zero bracket amount, and the personal exemption will be adjusted annually for inflation as measured by the Consumer Price Index for all urban households (CPI-U). The adjustment for a given calendar year will be the percentage increase in the CPI-U between fiscal year 1983 and the fiscal year ending prior to such calendar year. The 1985 adjustment, therefore, will be based on the percentage increase in the CPI-U between fiscal years 1983 and 1984.

Capital cost recovery provisions.—Taxpayers may claim depreciation deductions for tangible property used in a trade or business. Under prior law, these deductions were allowed over the anticipated useful life of the property, or over guideline lives under the Asset Depreciation Range (ADR) system. ERTA replaces these methods of depreciation with the Accelerated Cost Recovery System (ACRS), which generally provides for a faster write off of capital expenditures under simplified and standardized rules. This system of accelerated cost recovery is estimated to reduce receipts by $16.7 billion in 1983, $25.6 billion in 1984, $34.9 billion in 1985, and $48.3 billion in 1986.

Saving incentive provisions.—In addition to the across-the-board reductions in marginal tax rates, several other provisions encourage saving by individual taxpayers. These provisions, which include partial exclusion of interest income from tax and liberalized treatment of retirement contributions, are estimated to reduce receipts

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by $1.0 billion in 1983, $2.1 billion in 1984, $3.5 billion in 1985, and $5.9 billion in 1986.

Estate and gift tax provisions.—Several provisions reduce estate and gift taxes by providing an unlimited marital deduction for transfers to spouses; reducing the maximum tax rate on estates and gifts; increasing the annual gift tax exclusion; and increasing annually the unified credit against estate and gift taxes to reach a credit of $192,800 in 1987, which exempts from tax estates of $600,000 or less. These provisions are estimated to reduce receipts by $2.4 billion in 1983, $3.7 billion in 1984, $4.9 billion in 1985, and $6.5 billion in 1986.

Tax Equity and Fiscal Responsibility Act of 1982

Improvements in compliance and collection.—The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) includes a number of provisions designed to ensure that the taxes owed the Government are collected, and that they are collected on a more timely basis. These provisions, which are estimated to increase receipts by $5.4 billion in 1983, $14.4 billion in 1984, $11.3 billion in 1985, and $12.4 billion in 1986, include the following:

- *Withholding on interest and dividends.*—Interest and dividend income received by domestic taxpayers was exempt from withholding under prior law, although taxes were withheld from wages. To ensure that taxes are collected from all taxable recipients of interest and dividend income and not just those who report such income to the IRS, withholding at the rate of 10% will be required on interest and dividend payments made after June 30, 1983. Individuals with tax liability in the prior year of $600 or less ($1,000 on a joint return), individuals aged 65 and older with prior year tax liability of $1,500 or less ($2,500 on a joint return), and annual interest payments of $150 or less are exempt. Exemptions from withholding also are provided for payments to corporations, financial intermediaries, and tax-exempt entities.
- *Acceleration of corporate income tax payments.*—Under prior law, corporations generally were required to pay at least 80% of their current year's tax liability in estimated payments. The remaining liability was payable in two equal installments due on the 15th day of the third and sixth months following the close of the taxable year. To ensure that corporations pay taxes on as timely a basis as most individuals, TEFRA increases the required estimated payment to 90% of the current year's liability for tax years beginning after December 31, 1982. All remaining liability must be paid in one payment on the 15th day of the third month following the close of the taxable year.

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- *Other compliance provisions.*—TEFRA contains a number of other provisions that improve and expand information reporting to the IRS, increase penalties for noncompliance, modify pension withholding, and allow more effective partnership audits.

Reductions in unintended benefits and obsolete incentives.—Provisions to reduce unintended benefits and obsolete incentives are estimated to increase receipts by $6.9 billion in 1983, $16.6 billion in 1984, $22.9 billion in 1985, and $34.7 billion in 1986. The major provisions are described briefly below:

- *Strengthening of the individual minimum tax.*—TEFRA repeals the add-on individual minimum tax. It also strengthens the alternative minimum tax on individuals by expanding the tax base to include the preference items previously subject to the add-on minimum tax and several additional preference items. A tax of 20% is imposed on the amount by which this expanded base exceeds a specified exemption ($30,000 for a single taxpayer, $40,000 for married taxpayers filing a joint return). The tax is payable only to the extent that it exceeds the individual's regular tax liability. This provision, which will ensure that individuals who make extensive use of tax preferences do not avoid tax, is generally effective January 1, 1983.
- *Modification of casualty and medical expense deductions.*—Casualty and medical deductions originally were intended to apply only to extraordinary expenses. TEFRA strengthens this principle, while simplifying the treatment of such expenses. Effective January 1, 1983, TEFRA repeals the deduction for one-half of annual health insurance premiums (up to a maximum of $150), and raises the floor for allowable medical deductions from 3% to 5% of adjusted gross income. It also eliminates the 1% floor for deductible drug expenditures effective January 1, 1984, but limits deductible expenditures to insulin and prescription drugs. Non-business casualty and theft losses occurring after December 31, 1982 are deductible only to the extent that they exceed 10% of adjusted gross income. As under prior law, the deduction for any one casualty is allowed only to the extent it exceeds $100.
- *Changes in Accelerated Cost Recovery System (ACRS) and basis adjustment for investment tax credit.*—Under the Accelerated Cost Recovery System enacted in ERTA, personal property placed in service after December 31, 1980, and before January 1, 1985, could be depreciated using cost recovery schedules that approximate the 150% declining balance method. The schedules accelerated to reflect the 175% declining balance method for property placed in service in 1985 and

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the 200% declining balance method for property placed in service in subsequent years. TEFRA repeals the accelerations in the depreciation schedules for 1985 and 1986. In addition, the cost basis of depreciable assets placed in service after December 31, 1982 is reduced by 50% of the amount of applicable investment tax credits. These provisions ensure that the combination of depreciation deductions and tax credits does not result in treatment more favorable than expensing.

- *Modification of leasing rules.*—ERTA liberalized the rules under which corporations may transfer unused investment tax credits and depreciation deductions on new investments to profitable corporations through leasing transactions referred to as safe-harbor leases. TEFRA repeals these liberalized rules for leases entered into after December 31, 1983. For safe-harbor leases entered into before 1984, the Act limits the type of eligible property and the amount of tax benefit available to the lessor. Regular leasing rules generally are liberalized effective January 1, 1984.
- *Modification of completed contract method of accounting.*—Prior regulations allowed contractors to defer tax on income from long-term contracts until the year the contract was completed. Certain costs, known as "period" costs, were deducted when they were incurred; the remaining costs were allocated to the contract and deducted when the contract was completed. Under TEFRA, new rules are provided for determining when contracts are to be considered complete and the income recognized. These rules are effective for taxable years ending after December 31, 1982. In addition, some costs previously treated as period costs will be deducted only when the contract is completed. The new period cost rules, which are phased in over a 3-year period, generally apply to contracts that exceed 24 months and are entered into after December 31, 1982.
- *Change in taxation of life insurance companies.*—Under prior law, life insurance companies were permitted to account for modified coinsurance arrangements under special rules. These arrangements served no purpose other than tax avoidance, since little, if any, insurance risk was actually transferred between companies. TEFRA disallows the use of the special modified coinsurance rules, generally effective January 1, 1982. In addition, several provisions are changed to reduce the taxes of life insurance companies for a 2-year period ending December 31, 1983.

Modification of existing excise taxes.—TEFRA makes a number of changes in excise taxes, which are estimated to increase receipts

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by $3.6 billion in 1983, $5.2 billion in 1984, $6.0 billion in 1985, and $2.6 billion in 1986. These changes include the following:

- *Increase in airport and airway trust fund taxes.*—Statutory authority for the transfer of revenue from aviation excise taxes to the airport and airway trust fund expired on September 30, 1980. After that date, revenue from the 5% passenger ticket tax was deposited in the general fund; revenues from the 4 cent per gallon tax on general aviation gasoline and the tire and tube taxes were deposited into the highway trust fund. Other aviation taxes expired on September 30, 1980. TEFRA reinstates statutory authority for the deposit of aviation excise taxes into the airport and airway trust fund effective September 1, 1982 through December 31, 1987. The Act also increases the domestic air passenger ticket tax to 8%; reimposes the 5% tax on air freight waybills and the $3 per person international departure tax; increases the tax on noncommercial aviation gasoline to 12 cents per gallon; and imposes a 14 cent per gallon tax on other noncommercial aviation fuels. These changes apply to tickets, waybills, and fuels purchased after August 31, 1982 and before January 1, 1988.
- *Increase in cigarette excise taxes.*—TEFRA temporarily doubles the excise tax on packages of cigarettes to 16 cents effective January 1, 1983 through September 30, 1985.
- *Increase in telephone excise tax.*—The telephone excise tax is increased from 1% to 3% effective January 1, 1983 through December 31, 1985. The tax terminates effective January 1, 1986.

Changes in employment taxes.—The Act includes a number of revisions in employment taxes that are estimated to increase receipts by $2.6 billion in 1983, $3.9 billion in 1984, $4.0 billion in 1985, and $3.3 billion in 1986. The major provisions include the following:

- *Modification of Federal unemployment tax (FUTA) rate and wage base.*—Both the Federal and State governments levy unemployment payroll taxes on employers. These taxes are deposited in the Federal unemployment insurance trust fund. Under prior law, employers were subject to a Federal unemployment tax of 3.4% on the first $6,000 of annual wages per employee. If a State's unemployment insurance law met requirements of Federal law, employers in the State generally received a 2.7% credit against the tax, for a net Federal tax of 0.7%. Employers also were required to pay a State unemployment tax. Although State tax rates varied, all States had a wage base greater than or equal to the $6,000 Federal wage base. TEFRA increases the Federal wage base to $7,000 and

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increases the tax rate to 3.5%, for a net Federal tax of 0.8%. In order for their employers to qualify for the full 2.7% credit, States will have to increase their unemployment tax wage base to at least the new $7,000 Federal level. These changes apply to wages paid after December 31, 1982. For wages paid after December 31, 1984, the Act increases the Federal tax rate to 6.2% and the credit to 5.4%, maintaining the net Federal tax at 0.8%, while encouraging States to widen the range of tax rates levied on employers depending on their use of the unemployment insurance system.

- *Extension of social security hospital insurance taxes to Federal employees.*—Federal employees are required to pay the hospital insurance portion of the social security tax effective January 1, 1983. This rate is currently 1.3% for both employees and employers. Most Federal civilian employees were exempt from social security taxes under prior law.

Highway Revenue Act of 1982

The major revenue provision of this Act increases the existing excise tax on gasoline and diesel fuel from 4 to 9 cents per gallon effective April 1, 1983 through September 30, 1988. Other provisions eliminate existing taxes on automobile and small truck tires; tires for non-highway use; and tubes and tread rubber. The Act also repeals existing taxes on lubricating oil, and retail sales of lightweight trailers and trucks; but raises fees on heavy duty trucks and trailers. Together, the provisions of this Act are estimated to increase receipts by $1.7 billion in 1983, $3.8 billion in 1984, and $3.9 billion in 1985 and 1986.

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EFFECT ON RECEIPTS OF ENACTED LEGISLATION [1]

(In billions of dollars)

	1982	1983	1984	1985	1986
Economic Recovery Tax Act of 1981					
Individual income tax provisions	−23.2	−61.3	−97.2	−105.1	−120.4
Capital cost recovery provisions:					
Individual income taxes	−1.6	−2.9	−4.3	−5.6	−7.5
Corporation income taxes	−9.0	−13.8	−21.3	−29.2	−40.7
Subtotal, capital cost recovery provisions	−10.6	−16.7	−25.6	−34.9	−48.3
Saving incentive provisions	−0.6	−1.0	−2.1	−3.5	−5.9
Estate and gift tax provisions	−0.1	−2.4	−3.7	−4.9	−6.5
Other:					
Individual income taxes	−0.4	−0.8	−0.9	−7.2	−17.9
Corporation income taxes	−0.5	−0.2	−0.7	−2.0	−2.4
Social insurance taxes and contributions	0.4	0.5	0.5	0.5	0.6
Excise taxes	−0.6	−0.8	−0.6	−1.1	−1.5
Subtotal, other	−1.1	−1.2	−1.7	−9.8	−21.2
Total, Economic Recovery Tax Act of 1981	−35.6	−82.6	−130.3	−158.2	−202.3
Tax Equity and Fiscal Responsibility Act of 1982					
Compliance and collection:					
Individual income taxes		3.8	9.6	8.8	9.5
Corporation income taxes		1.5	4.5	2.1	2.5
Employment taxes and contributions		0.1	0.2	0.3	0.4
Subtotal, compliance and collection		5.4	14.4	11.3	12.4
Unintended benefits and obsolete incentives:					
Individual income taxes		0.6	4.0	4.7	6.4
Corporation income taxes	−*	6.3	12.4	17.9	28.0
Estate and gift taxes			0.2	0.2	0.2
Subtotal, unintended benefits and obsolete incentives	−*	6.9	16.6	22.9	34.7
Excise tax provisions	*	3.6	5.2	6.0	2.6
Employment tax provisions:					
Individual income taxes		0.6	0.7	0.6	0.5
Social insurance taxes and contributions		1.9	3.2	3.5	2.8
Subtotal, employment tax provisions		2.6	3.9	4.0	3.3
Other:					
Individual income taxes		−0.8	−1.1	−1.3	−0.5
Corporation income taxes		−0.3	−0.6	−0.7	−0.4
Subtotal, other		−1.1	−1.7	−2.0	−0.9
Total, Tax Equity and Fiscal Responsibility Act of 1982	*	17.3	38.3	42.2	52.1
Highway Revenue Act of 1982					
Individual income taxes		−0.5	−1.0	−1.1	−1.1
Corporation income taxes		*	−*	−0.2	−0.2
Excise taxes		2.2	4.8	5.2	5.2
Total, Highway Revenue Act of 1982		1.7	3.8	3.9	3.9

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EFFECT ON RECEIPTS OF ENACTED LEGISLATION [1]—Continued

(In billions of dollars)

	1982	1983	1984	1985	1986
ADDENDUM					
Effect on receipts by source:					
Individual income taxes	−25.8	−62.1	−92.3	−109.7	−136.9
Corporation income taxes	−9.5	−6.5	−5.8	−12.1	−13.3
Social insurance taxes and contributions	0.4	2.5	4.0	4.3	3.9
Excise taxes	−0.6	5.0	9.4	10.0	6.2
Estate and gift taxes	−0.1	−2.4	−3.4	−4.7	−6.2
Total	**−35.6**	**−63.5**	**−88.2**	**−112.1**	**−146.3**

* $50 million or less.

[1] These estimates are based on the direct effect only of legislative changes at a given level of economic activity. Induced effects are taken into account for forecasting incomes, however, and in this way affect the receipts estimates by major source and in total.

RECEIPTS PROPOSALS

Bi-partisan social security plan.—The administration supports the proposed bi-partisan plan to restore social security reserves to safer levels. The proposed plan ensures the future solvency of the trust funds through a combination of revenue increases and benefit reductions over the next seven years. This plan is estimated to increase governmental receipts by $8.2 billion in 1984, $5.8 billion in 1985, and $8.9 billion in 1986. The provisions of the plan include the following:

- *Expansion of coverage.*—Federal civilian employees and employees of State and local governments and non-profit organizations currently are exempt from mandatory social security coverage. Under the proposed plan, mandatory coverage will be extended to all new Federal civilian employees and to employees of non-profit organizations effective January 1, 1984. State and local governments currently participating in the social security system will no longer be allowed to withdraw.
- *Acceleration of scheduled increases in the Old Age and Survivors and Disability Insurance (OASDI) payroll tax rate.*—The combined employer-employee OASDI tax rate is currently scheduled to increase from 10.8% to 11.4% on January 1, 1985 and to 12.4% on January 1, 1990. Under the proposed plan the rate will increase to 11.4% on January 1, 1984, 12.12% on January 1, 1988, and 12.4% on January 1, 1990. For 1984, employees would be provided a refundable tax credit equal to 0.3%, the rescheduled portion of the employee tax rate.
- *Comparability of self-employment OASDI payroll tax rate.*—Self-employed individuals currently pay 75% of the combined employer-employee OASDI tax rate. Under the proposed plan self-employed individuals will be required to pay the combined employer-employee rate effective January 1, 1984. How-

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ever, one-half of the combined rate will be deductible as a business cost in calculating taxable income.

- *Taxation of social security benefits.*—Social security benefits currently are exempt from the Federal income tax. Under the proposed plan, single taxpayers with more than $20,000 ($25,000 for married couples filing a joint return) of adjusted gross income from non-social security sources will be required to include 50% of their social security benefits in adjusted gross income.

Contingency tax plan.—The administration proposes a contingency tax plan for enactment in calendar year 1983. This plan is designed as a stand-by measure to ensure that budget deficits for fiscal years 1986 and beyond will be reduced (by about one percent of GNP) in the event that economic growth sufficient to hold those deficits to two and one-half percent (or less) of GNP does not materialize. The contingency taxes consist of a surcharge on individuals and corporations approximately equivalent to 1% of taxable income, plus an excise tax on oil, both domestically produced and imported, that will raise revenues of about $5 per barrel. Such contingency taxes will become effective October 1, 1985, only if three conditions are met: Congress adopts the administration's deficit reduction measures; the unified budget deficit for fiscal year 1986 is forecasted by the administration, on July 1, 1985, to be above two and one-half percent of GNP; and, on July 1, 1985, the economy is growing. If the contingency tax plan becomes effective, it will remain for up to 36 months. Contingency taxes are estimated to increase receipts by $46.0 billion in 1986.

Tax incentives for higher education.—The administration proposes to exclude from tax earnings on savings deposited in special accounts to pay future higher education expenses of dependent children. The maximum annual contribution to these accounts will be $1,000 per child. However, the $1,000 per child maximum will be reduced 5 cents for each dollar that the taxpayer's adjusted gross income exceeds $40,000, so that any taxpayer with adjusted gross income in excess of $60,000 will be ineligible to make deposits to these accounts. Eligible expenses are tuition and room and board paid directly to a university or college. The university or college must verify that payments received directly from these accounts were spent for courses or for room and board of a full-time undergraduate degree student. Expenses of students in degree programs (but not trade schools) would be eligible. Special savings accounts will qualify only if the dependent children on whose behalf the savings are made are under age 18. In no case may an account be kept open for a child over the age of 25. Withdrawn savings will be reported to the IRS by the financial institution and by the taxpay-

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er on his tax return. If there is no accompanying statement from the college or university indicating that the savings were spent on eligible expenses, the tax otherwise due on the earnings in these accounts will be recaptured with a penalty. An exemption from this penalty will be made in the case of the dependent's death and for withdrawals made to pay for certain medical expenses of the dependent. Eligible expenses will not include amounts paid to schools that follow a racially discriminatory policy. This proposal will be effective January 1, 1984 and is estimated to reduce receipts by a negligible amount in 1984, $0.1 billion in 1985, and $0.2 billion in 1986.

Enterprise zone tax incentives.—Under current law the only tax incentive for the redevelopment of economically distressed areas is a relaxation of limitations on tax-exempt financing for facilities receiving assistance under the Urban Development Action Grant (UDAG) program. The administration proposes that beginning in 1983 up to 25 small areas per year (not to exceed 75 in total) be designated "enterprise zones." Effective January 1, 1984, the following tax incentives will be available for economic redevelopment in the zones: an exemption from tax of capital gains on certain qualified property, a tax credit for employees equal to 5 percent of the first $10,500 of wages earned, a tax credit for employers equal to 10 percent of any increases in their payrolls, a separate tax credit for employers of certain disadvantaged individuals equal to 50 percent of the wages of such persons for the first three years of employment (the percentage declines by 10 points in the fourth year and each year thereafter), an increase of 50 percent in the regular investment tax credit for investment in equipment, a 10 percent investment tax credit for new construction and reconstruction of buildings, and continued availability of tax-exempt bond financing beyond the 1986 sunset date for small issue bonds. These incentives, which generally will remain fully in effect for 20 years and be phased out over the succeeding four years, are estimated to reduce receipts by $0.1 billion in 1984, $0.4 billion in 1985, and $0.8 billion in 1986.

Tuition tax credit.—The administration proposes to provide taxpayers a nonrefundable credit for 50 percent of tuition expenses paid to private elementary and secondary schools for certain qualified dependents. The maximum credit allowable for each dependent is $100 in 1983, $200 in 1984, and $300 thereafter, with the maximum amount in each year phased out for taxpayers with adjusted gross incomes between $40,000 and $60,000. Credits will not be allowed for expenses paid to private schools that follow a racially discriminatory policy. This proposal, which will be effective for expenses incurred after July 31, 1983, is estimated to reduce re-

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ceipts by $0.2 billion in 1984, $0.5 billion in 1985, and $0.8 billion in 1986.

Tax treatment of health insurance premiums.—Under current law, compensation paid in cash is fully taxable for both social security and income tax purposes, while compensation paid in the form of health insurance benefits is nontaxable. The administration proposes that effective January 1, 1984, employees be required to pay social security and income taxes on employer-paid health insurance premiums in excess of $175 per month or $2,100 per year for a family plan, and $70 per month or $840 per year for a single plan. Employer-paid health insurance premiums below these amounts still will be excluded from taxation. The $175 and $70 amounts will be indexed to rise with inflation. This proposal is estimated to increase receipts by $2.3 billion in 1984, $4.4 billion in 1985, and $6.0 billion in 1986.

Jobs tax credit for the long-term unemployed.—Under current law no special tax incentives are provided for hiring the long-term unemployed. The administration proposes a six month extension and modification of the Federal Supplemental Compensation program with an option for recipients to receive assistance in securing work through a system of tax credits to employers. To be qualified, individuals must have exhausted their regular, and, where available, extended Unemployment Insurance benefits. Effective April 1, 1983, individuals who meet the eligibility requirements for the additional unemployment payments may elect to receive vouchers equivalent in value to the unemployment payments. These vouchers will entitle an employer hiring qualified individuals for full-time employment within six months of their eligibility to receive the credit. Although payment of the additional benefits will end on September 30, 1983, individuals will be able to become eligible for vouchers until March 31, 1984. Employers will be able to receive a tax credit for any qualified individuals hired before April 1, 1984. This proposal is estimated to reduce receipts by a negligible amount in 1983, $0.2 billion in 1984, $0.2 billion in 1985, and $0.1 billion in 1986.

Caribbean Basin Initiative (CBI).—Under current law, expenses incurred in attending business conventions outside the North American area are deductible only if it is as reasonable to hold the convention outside the North American area as within it. The administration supports the Caribbean Basin Initiative as passed by the House of Representatives last year. This initiative provides that effective January 1, 1983, expenses incurred in attending a business convention in a qualifying Caribbean Basin country (in-

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cluding, for this purpose, Bermuda) will be deductible, provided they meet the standards for deductibility of North American business expenses. A qualifying Caribbean Basin country is a country that is designated by the President as entitled to the benefits of the Caribbean Basin Initiative and enters into a bilateral executive agreement with the United States providing for the exchange of such information as is necessary for carrying out the tax laws of the United States and the other country. The CBI also provides that effective April 1, 1983, all excise taxes collected on rum imported into the United States, wherever produced, be paid into the Treasuries of Puerto Rico and the U.S. Virgin Islands. Under present law, only taxes collected on rum produced in Puerto Rico or the U.S. Virgin Islands and transported to the United States are transferred to Puerto Rico or the U.S. Virgin Islands. The revenue impact of the proposal is negligible.

Changes in contributions to civil service retirement (CSR).—Civil service retirement currently costs 35% of payroll. Employees contribute 7% of wages and salaries to CSR, employing agencies contribute 7%, and the general fund of the Federal Government contributes the remaining 21%. The administration is proposing several reforms that would reduce the cost of civil service retirement to 22% of payroll. In keeping with the principle that employees and employers should each pay 50% of retirement costs, several changes in contributions to CSR also are being proposed. These changes, which are estimated to increase governmental receipts by $1.2 billion in 1984, $2.3 billion in 1985, and $2.1 billion in 1986, include the following:

- *Increase in the employee contribution.*—The administration proposes that the employee contribution be increased from 7% of wages and salaries to 9% effective October 1, 1983, and to 11% effective October 1, 1984.[3]
- *Increase in the District of Columbia employer contribution.*—The District of Columbia (D.C.) currently contributes 7% of employee wages and salaries to the civil service retirement fund; the Federal Government contributes an amount equal to 21% of the D.C. government payroll to meet the full cost of the system. This constitutes a hidden subsidy to the D.C. government—one that is not intended. To rectify this situation, the administration proposes that the contribution of the District of Columbia be increased to 9% effective October 1, 1983 and to 11% effective October 1, 1984.[4]

[3] A corresponding increase in the employer contribution is proposed; however, employer contributions are shown on the outlay side of the budget and do not affect governmental receipts.

[4] The administration proposes to increase the contributions of the Postal Service by the same amount. Contributions of the Postal Service to CSR are shown on the outlay side of the budget and do not affect governmental receipts.

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EFFECT ON RECEIPTS OF PROPOSED LEGISLATION[1]

(In billions of dollars)

	1983	1984	1985	1986
Bi-partisan social security plan		8.2	5.8	8.9
Taxation of health insurance premiums		2.3	4.4	6.0
Contributions to civil service retirement		1.2	2.3	2.1
Higher education tax incentive		−*	−0.1	−0.2
Enterprise zone tax incentives		−0.1	−0.4	−0.8
Tuition tax credit		−0.2	−0.5	−0.8
Jobs tax credit	−*	−0.2	−0.2	−0.1
Caribbean Basin Initiative	−*	−*	−*	−*
Other		*	*	*
Subtotal	−*	11.2	11.3	15.3
Contingency tax plan				46.0
Total	−*	**11.2**	**11.3**	**61.3**
ADDENDUM				
Effect of proposals on receipts by source:				
Individual income taxes	−*	−0.2	−3.5	10.6
Corporation income taxes	−*	−0.2	−0.3	−1.7
Social insurance taxes and contributions		11.5	15.0	14.3
Excise taxes				38.1
Other	−*	*	*	*
Total	−*	**11.2**	**11.3**	**61.3**

*$50 million or less.

[1]These estimates are based on the direct effect only of legislative changes at a given level of economic activity. Induced effects are taken into account for forecasting incomes, however, and in this way affect the receipts estimates by major source and in total.

EFFECT OF ENACTED AND PROPOSED CHANGES ON RECEIPTS

The actual change in receipts that will result from an enacted or proposed tax revision will depend on both the direct effect of the tax change and the indirect or "feedback" effect. The direct effect is the increase or decrease in receipts due only to the tax change at given levels of income. The indirect or feedback effect is the increase or decrease in receipts due to the effect of the tax change on income levels.

The estimates of the effect of enacted and proposed tax changes shown in this budget represent the direct effect of these changes on receipts, based on levels of corporate and individual income that reflect enactment of the tax change. The estimated indirect or feedback effect on receipts due to the tax-induced change in incomes is not included in these estimates because it is already included in gross receipts.

For example, the estimates of the effect of the Economic Recovery Tax Act of 1981 shown in this budget represent only the direct effect of the changes provided in the Act. The increased receipts resulting from the tax-induced increase in incomes are included in gross receipts. The estimates of the direct effect of the Economic Recovery Tax Act of 1981 on receipts therefore overstate the net

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loss to the Treasury of the income tax reductions and other tax changes provided in the Act.

The estimates in this budget of the effect of the administration's proposals on receipts also represent the direct effect of these changes. The indirect effect of these proposals is included in gross receipts.

CHANGES IN BUDGET RECEIPTS

Budget receipts are estimated to decline by $20.3 billion in 1983 and to increase by $62.2 billion in 1984. The year-to-year changes can be divided between changes due to growth in the tax base and changes due to revisions in the tax structure. Under the tax rates and structure in effect on January 1, 1981, receipts would have risen by $5.1 billion in 1983 and $71.6 billion in 1984. Thus, the combined effect of administrative action and enacted and proposed tax law changes, which is shown in the accompanying table, reduces the growth in receipts by $25.4 billion in 1983, $9.4 billion in 1984, and $12.5 billion in 1985. The corresponding increase for 1986 is $25.8 billion.

	1983	1984	1985	1986
Growth in receipts (in billions of dollars):				
Under existing law and administrative action and proposed legislation	−20.3	62.2	64.6	117.6
Under tax rates and structure in effect Jan. 1, 1981	5.1	71.6	77.1	91.8
Difference	−25.4	−9.4	−12.5	25.8

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CHANGES IN BUDGET RECEIPTS

(In billions of dollars)

	1982	1983	1984	1985	1986
Receipts under tax rates and structure in effect January 1, 1981 [1]	650.8	656.0	727.6	804.7	896.5
Administrative action	0.2	0.2	0.2	0.2	0.2
Enacted legislative changes:					
Economic Recovery Tax Act of 1981	—35.6	—82.6	—130.3	—158.2	—202.3
Tax Equity and Fiscal Responsibility Act of 1982	*	17.3	38.3	42.2	52.1
Highway Revenue Act of 1982		1.7	3.8	3.9	3.9
Social security taxable earnings base increases: [4]					
$29,700 to $32,400 effective Jan. 1, 1982	1.0	2.8	3.3	3.9	4.6
$32,400 to $35,700 effective Jan. 1, 1983		1.1	3.2	3.9	4.6
$35,700 to $37,800 effective Jan. 1, 1984			0.7	2.0	2.4
$37,800 to $39,600 effective Jan. 1, 1985				0.6	1.7
$39,600 to $42,000 effective Jan. 1, 1986					0.8
Social security (OASDHI) tax rate increases: [2] [4]					
13.3% to 13.4% effective Jan. 1, 1982	0.9	1.4	1.5	1.6	1.7
13.4% to 14.1% effective Jan. 1, 1985				8.2	12.2
14.1% to 14.3% effective Jan. 1, 1986					2.5
Other	0.5	—0.4	0.2	0.1	—0.3
Total, receipts under existing legislation	617.8	597.5	648.5	713.1	780.6
Proposed legislative changes:					
Bi-partisan social security plan			8.2	5.8	8.9
Taxation of health insurance premiums			2.3	4.4	6.0
Contingency tax plan					46.0
Contributions to civil service retirement			1.2	2.3	2.1
Higher education tax incentive			—*	—0.1	—0.2
Enterprise zone tax incentives			—0.1	—0.4	—0.8
Tuition tax credit			—0.2	—0.5	—0.8
Jobs tax credit		—*	—0.2	—0.2	—0.1
Caribbean Basin Initiative		—*	—*	—*	—*
Other			*	*	*
Total, receipts under existing and proposed legislation [3]	**617.8**	**597.5**	**659.7**	**724.3**	**841.9**

*$50 million or less.

[1] These figures assume a social security taxable earnings base of $29,700.

[2] The combined employer-employee old age and survivors, disability, and hospital insurance (OASDHI) tax rate.

[3] These estimates include both the direct and indirect effects of administrative action and legislative changes.

[4] Technical note: When the tax rate and the taxable earnings base increase at the same time, dividing up the total effect on receipts is arbitrary to some small extent because of an interaction effect. The increase in receipts due to this interaction effect is attributed to the rate and base changes in proportion to the increases in receipts that would occur if the rate and base were each changed separately.

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RECEIPTS BY SOURCE

Individual income taxes.—Individual income tax receipts are estimated at $285.2 billion in 1983 and $295.6 billion in 1984. These estimates reflect the individual income tax reductions provided in the Economic Recovery Tax Act of 1981, which reduce individual income tax receipts in 1983 and 1984 by $65.9 billion and $104.5 billion, respectively. These reductions are partially offset by the tax revisions and improvements in compliance and collection provided in the Tax Equity and Fiscal Responsibility Act of 1982, which increase individual income taxes by an estimated $4.3 billion in 1983 and $13.3 billion in 1984. The proposed changes in this budget are estimated to reduce individual income taxes by $0.2 billion in 1984.

Individual income taxes in 1985 and 1986 are projected at $317.9 billion and $358.6 billion, respectively. The changes in individual income taxes provided in ERTA and TEFRA result in a net reduction in individual income tax receipts of $108.6 billion in 1985 and $135.8 billion in 1986. The administration's proposals, including the proposed contingency tax to become effective October 1, 1985, are estimated to reduce individual income taxes by $3.5 billion in 1985 and increase them by $10.6 billion in 1986.

Corporation income taxes.—Corporation income tax receipts are estimated at $35.3 billion in 1983 and $51.8 billion in 1984. These estimates reflect the Accelerated Cost Recovery System and other provisions of ERTA, which are estimated to reduce corporation income tax receipts in 1983 and 1984 by $14.0 billion and $22.0 billion, respectively. The tax revisions and improvements in tax collection and enforcement provided in TEFRA add $7.5 billion to corporation income tax receipts in 1983 and $16.2 billion in 1984.

Corporation income tax receipts in 1985 and 1986 are estimated at $60.5 billion and $74.0 billion, respectively. These estimates reflect net reductions of $11.9 billion in 1985 and $13.1 billion in 1986 due to enactment of ERTA and TEFRA. The administration's proposals are expected to reduce corporation income taxes in 1985 and 1986 by $0.3 billion and $1.7 billion, respectively.

Social insurance taxes and contributions.—This category includes social security and railroad retirement taxes, unemployment insurance taxes and deposits, and other retirement contributions.

Receipts from this source are expected to be $210.3 billion in 1983 and $242.9 billion in 1984. These estimates reflect the changes in employment taxes and contributions provided in ERTA and TEFRA, which are estimated to increase receipts by $2.5 billion in 1983 and $4.0 billion in 1984. The proposed bi-partisan social security plan is estimated to increase these receipts by an additional

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$9.8 billion in 1984. Scheduled increases in the social security taxable earnings base from $32,400 in 1982 to $35,700 in 1983 and to $37,800 in 1984 also are reflected in these estimates.

The estimates for 1985 and 1986 are $275.5 billion and $304.9 billion, respectively. These estimates reflect scheduled increases in the combined employer-employee social security (OASDHI) tax rate from 13.4% to 14.1% on January 1, 1985, and to 14.3% on January 1, 1986, and annual increases in the taxable earnings base to $42,000 in 1986. The increases in social insurance taxes and contributions provided in ERTA and TEFRA add $4.3 billion to receipts in 1985 and $3.9 billion in 1986. These receipts are increased by an additional $11.6 billion in 1985 and $10.6 billion in 1986 due to the proposed bi-partisan social security plan.

Excise taxes.—Excise taxes are levied on a variety of products, services, and activities. Receipts from these taxes are estimated at $37.3 billion in 1983 and $40.4 billion in 1984. These estimates include the windfall profit tax, which is estimated at $13.8 billion in 1983 and $12.2 billion in 1984. The estimates also reflect enactment of ERTA, which reduces excise taxes by $0.8 billion in 1983 and $0.6 billion in 1984. TEFRA, which increased excise taxes on airport and airway users, cigarettes, and telephone service—increases excise taxes in 1983 and 1984 by an estimated $3.6 billion and $5.2 billion, respectively. The 5 cent per gallon increase in the excise tax on gasoline and diesel fuel, and other provisions of the Highway Revenue Act of 1982 add an additional $2.2 billion to excise taxes in 1983 and $4.8 billion in 1984.

The estimates for 1985 and 1986 are $40.8 billion and $74.8 billion, respectively. These estimates include $11.3 billion from the windfall profit tax in 1985 and $10.5 billion in 1986. They also reflect a net increase of $10.0 billion in 1985 and $6.2 billion in 1986 due to the provisions of ERTA, TEFRA, and the Highway Revenue Act. The proposed contingency tax plan is estimated to increase excise taxes in 1986 by an additional $38.1 billion.

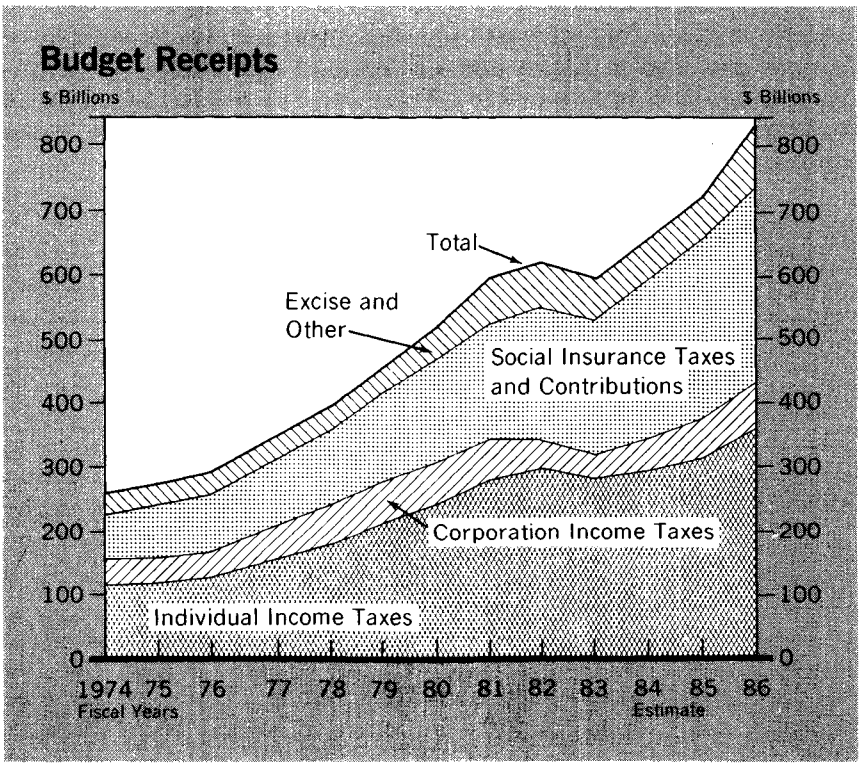
Estate and gift taxes.—Estate and gift taxes are estimated at $6.1 billion in 1983, $5.9 billion in 1984, $5.6 billion in 1985, and $5.0 billion in 1986. These estimates reflect reductions due to enactment of ERTA and partially offsetting increases due to enactment of TEFRA.

Other receipts.—Customs duties and miscellaneous receipts (the largest of which are deposits of earnings by the Federal Reserve System) are estimated to total $23.3 billion in 1983, $23.2 billion in 1984, $24.0 billion in 1985, and $24.5 billion in 1986.

Proprietary receipts.—In addition to budget receipts, the Government receives significant proprietary income from the public. This

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income is derived from various market-oriented activities and takes the form of interest, rents, royalties, and the sale of Government property, products, and services. Because this income arises from business-type transactions rather than from taxation, it is treated as an offset to related outlays and budget authority rather than as budget receipts. Proprietary receipts from the public are explained further in Part 7 and are shown in Table 13 of Part 9.



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PART 5

MEETING NATIONAL NEEDS: THE FEDERAL PROGRAM BY FUNCTION

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INTRODUCTION

National needs and the functional classification.—This part of the budget discusses budget authority, outlays, and related measures of Federal spending, focusing on the end purposes that the spending serves. The presentation is organized in terms of the functional structure.[1] Each functional section except for net interest begins with a statement of the principal national needs met by activities in that function.

The functional structure is divided into 17 broad areas (functions) that provide a coherent and comprehensive basis for analyzing the budget. It has two additional categories—allowances and undistributed offsetting receipts—that are not functions but are required in order to cover the entire budget. Budget authority and outlays are classified in the functional structure according to the primary purpose of the activity; to the extent feasible this classification is made without regard to agency or organizational distinctions. Classifying each activity in the function that defines its most important purpose—even though many activities serve more than one purpose—permits adding the budget authority and outlays of each function to obtain the budget totals.

The federalism initiative.—In January 1982 the administration announced a $50 billion program to return responsibility for a number of Federal programs back to the States along with revenue sources to finance them. Because this program required extensive discussions with State and local officials to satisfactorily resolve the details, the basic principles were enunciated in last year's budget but the specific changes were not incorporated into the detailed estimates. Over the past year numerous meetings between Federal, State, and local officials have been held to work out these details. Significant progress has been made in designing this extensive reform. However, a significant number of issues have not yet been fully resolved. Therefore, this initiative has not been incorporated in the detailed estimates in this budget. The Federalism initiative is discussed in greater detail in Special Analysis H (Federal Aid to State and Local Governments).

Structure of the Part 5 sections.—For each function (except the net interest function) there is a common structure to the presenta-

[1] See the sections entitled "Functional classification" and "National needs presentation" in Part 7 of this volume for additional background information.

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tion. Each section starts with a statement of national needs. Each section has a table that shows budget authority and another table that shows outlays for that function for 5 years (1982 through 1986). These tables display each subfunction and provide programmatic detail below the subfunction level. Off-budget authority and outlays for each function are shown as addendum entries.

Credit budget.—Federal credit activity may take the form of direct loans or loan guarantees, and both direct loans and loan guarantees may be issued by either on-budget agencies or off-budget Federal entities. Hence, in order to have a comprehensive system of control over Federal credit, it is necessary to include all of these transactions in a single credit budget. The credit budget data are shown in the appropriate functions in Part 5.

There is a fundamental difference in budget accounting between direct loans and loan guarantees. Direct loans are loans made by the Federal Government to borrowers. As such, they are Federal outlays that must be financed by Federal taxes or borrowing. Loan guarantees were originally Federal guarantees of private lending and, as such, did not result in direct Federal outlays. In recent years most Federal loan guarantees have been to guarantee direct loans by the Federal Financing Bank (FFB), an off-budget Federal entity. More information on Federal lending activities can be found in Part 6 of this document, in Special Analysis E ("Borrowing and Debt"), and in Special Analysis F ("Federal Credit Programs"). The tables in Part 5 display the program activity of the credit budget by function; the sum of the figures in these tables adds up to the credit budget totals.

There are three major changes in the credit budget presentation in Part 5 from the presentation in prior budgets:

- In prior budgets double-counting of loan transactions was included in the credit tables and then deducted out. For example, if an agency made a loan and then sold it to the FFB, the loan was counted as new lending by both the originating agency and the FFB. This double-counting has been eliminated from the Part 5 credit tables to reduce confusion, but the details are still available in Special Analysis F.
- Net direct loans, direct loans outstanding, net guaranteed loans, and guaranteed loans outstanding are now shown by program in the Part 5 credit tables.
- The credit tables now show estimates for two additional years beyond the budget year.

Allowances.—There are two undistributed allowances reflected in the current budget: allowances for civilian agency pay raises, and for increased employing agency payments for employee retirement. The transactions in these categories are discussed in greater detail

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in the allowances section. Additionally, there are allowances for pay raises for military and civilian personnel of the Defense Department included in the national defense function and for Coast Guard military pay raises in the transportation function.

Budget authority and outlays for undistributed allowances are always recorded differently in the estimate years than in the past years. For the estimate years they are undistributed by agency, function, and account; they constitute an adjustment entry to move the budget closer to realistic totals, but the actual distribution of the transactions by account is unidentified. When the transactions actually take place they are recorded in the appropriate agencies, functions, and accounts so that the budget never records allowances for past periods.

Changes in the functional structure.—Only one significant change has been made in the functional classification for the 1984 budget. The subfunction "interest received by trust funds" was shifted from undistributed offsetting receipts to the interest function, and the interest function was renamed "net interest."

Relationship to other budget tables.—Other parts of the budget include a number of tables that supplement the tables shown in Part 5 by showing data over a longer period of years or more detailed data than those reflected in the Part 5 tables.

- Budget outlays by function and subfunction for the years 1974 through 1984 are shown in Table 20 in Part 9 of this document. (Data for earlier years can be obtained upon request from the Office of Management and Budget.)
- Estimates and projections of budget authority by function and major program for the years 1982 to 1988 are published in Table 5 of Part 9.
- Estimates and projections of budget outlays by function and major program for the years 1982 to 1988 are published in Table 3 of Part 9.
- Part 8 contains a detailed set of budget authority and outlay figures for all budget and off-budget accounts. Each account has a 3-digit code indicating the function and subfunction in which it is classified.

The Full Employment and Balanced Growth Act.—Section 4(a) of the Full Employment and Balanced Growth Act of 1978 requires that the President's budget shall incorporate the programs and policies that the President deems necessary to achieve the goals specified in the act. These goals are discussed in the President's Economic Report. Programs and policies to help achieve these goals, as well as a broad range of other goals mentioned in the Act, are discussed throughout this section.

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As demonstrated by the following functional discussions, the goals listed in the act were among those weighed in the process of developing the President's budget recommendations.

Tax expenditures.—Tax expenditures are features of the individual and corporation income tax laws that provide special benefits or incentives in comparison with what would be permitted under the general provisions of the Internal Revenue Code. They arise from special exclusions, exemptions, or deductions from gross income, or from special credits, preferential tax rates, or deferrals of tax liability. In many cases tax expenditures can be viewed as alternatives to other means by which the Federal Government can carry out policy objectives, such as direct outlays, loan guarantees, regulations, and other tax law provisions.

For some tax expenditure provisions the revenue loss is equivalent to the direct budget outlay that would be required to provide taxpayers with an identical level of after-tax benefits. This is the case for itemized deductions, such as the deduction for medical expenses. Under present law, a taxpayer can deduct some portion of eligible medical expenses and thereby reduce his tax liability. Alternatively, the Government could directly pay the portion of medical expenses equal to the revenue loss under the present law. In either case, the patient would have the same net medical bill to pay, and the doctor and other suppliers of medical services would have the same taxable income. The revenue loss is, therefore, equal to the equivalent budget outlay.

In many other cases it would take greater budget outlays to achieve a given level of after-tax benefits than would be required by the tax expenditures, because, in the absence of other tax expenditures, taxpayers would have to pay taxes on the higher income derived from budget outlays. For example, one tax expenditure provision is the exclusion from taxable income of the value of housing and meals provided military personnel. If the Government were to repeal this tax exclusion but instead pay higher salaries, the increase in salaries would be taxed. Therefore, if the Government were to use taxable direct expenditures rather than tax expenditures and were to provide the same total after-tax compensation, the increase in direct outlays for higher salaries would have to be greater than the revenue loss under the special tax provision. The Federal deficit would be the same in either case, however, because the higher outlays would be required only to the extent that tax receipts were higher. Tax expenditures are, therefore, shown in Part 5 as outlay equivalents rather than as revenue losses so that they may more easily be compared with taxable direct budget outlays.

Tax expenditure estimates cannot simply be added together to obtain totals for functional areas or a grand total. In many cases,

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simply adding tax expenditures together produces inaccurate totals because certain tax expenditures affect the value of other tax expenditures. These interaction effects are explained in Part 6 and in Special Analysis G, "Tax Expenditures," which is published separately from this document. Part 5 and Special Analysis G provide estimates of total tax expenditures for each function after the individual amounts have been adjusted for interaction effects.

Tax expenditures are discussed in the following sections on the Federal program by function so that they may be compared with the outlays and loan guarantees that serve similar purposes. They are also discussed in Part 6 of this document. In addition, Special Analysis G analyzes the concept and measurement of tax expenditures, explains each tax expenditure provision, and provides outlay equivalent as well as revenue loss estimates for each of the tax expenditures.

Other Federal fiscal activities.—The Federal Government allocates resources by means other than those reflected in budget outlays, tax expenditures, and loan guarantees. Outlays of the off-budget Federal entities, which are federally owned and controlled but excluded from the budget under provisions of laws, are similar in nature to budget outlays. The regulation of economic activity also has a major impact on the economy in many sectors. Finally, provisions of the tax law affect the allocation of resources among private uses and the distribution of income among individuals in many important ways not covered by tax expenditures, which include only special provisions of income taxes. Federal taxes other than income taxes have economic effects, as do the tax rates, personal exemptions, and other features of the income tax structure that are not treated as tax expenditures.

The functional/national needs sections that follow include information on off-budget Federal entities. Off-budget Federal entities and privately owned, Government-sponsored enterprises are discussed in Part 6 of the Budget and in Special Analyses E and F.

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NATIONAL DEFENSE

National Needs Statement

Federal expenditures for national defense serve to protect America's people, its institutions, its lands and its allies from foreign aggression.

The basic objective of our defense program is to prevent both nuclear and conventional war. Our defense program seeks to deter other nations from threatening our vital interests and those of our allies and friends. This deterrence must be based on the maintenance of strategic nuclear capabilities, which make nuclear war with us an unacceptable option; maintenance of adequate maritime strength in key areas; strong forward-deployed forces in NATO and Northeast Asia; and the ability to deploy rapidly and sustain our military forces worldwide.

The budget proposes $280.5 billion in budget authority for the national defense function in 1984. Outlays are estimated at $245.3 billion in 1984, increasing to $285.3 billion in 1985 and $323.0 billion in 1986. The accompanying table shows budget authority and outlays for the three major national defense components: military functions of the Department of Defense, atomic energy defense activities, and the defense-related activities of other agencies.

Department of Defense-Military.—The $34.0 billion increase in budget authority for the Department of Defense in 1984 demonstrates the administration's continued commitment to provide the military strength necessary to maintain the Nation's security.

U.S. defense policies are designed to deter war by maintaining nuclear and conventional forces sufficient to convince any potential adversary that the cost of aggression would be too high to justify an attack. Should deterrence fail, we must have sufficient strength to defeat the attack and achieve our national objectives while limiting—to the extent possible and practicable—the scope of the conflict. As the Soviet Union continues to improve its military capabilities, United States forces must be strengthened to meet the Soviet challenge and protect our national interests. This requires that our current defense program:

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NATIONAL DEFENSE

(Functional code 050; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Department of Defense—Military:					
Military personnel	42,875	45,485	47,927	49,741	51,165
Retired military personnel:					
Existing law	14,986	16,155	17,088	18,080	19,306
Proposed legislation			−282	−667	−830
Operation and maintenance	62,466	66,259	74,002	82,366	90,657
Procurement	64,462	80,303	94,088	119,647	136,383
Research, development, test and evaluation	20,060	22,805	29,622	32,206	34,145
Military construction	4,916	4,512	5,823	9,901	10,331
Family housing	2,203	2,532	2,833	3,464	3,877
Revolving funds and other	2,516	932	2,822	1,767	2,287
Offsetting receipts	−733	−532	−544	−821	−844
Allowance for civilian pay raises				1,420	3,042
Allowance for military pay raises and benefits				4,470	6,862
Other legislation			22	25	18
Supplemental for later transmittal		1,608			
Proposed rescissions for later transmittal		−650			
Subtotal, Department of Defense—Military	213,751	239,407	273,400	321,600	356,400
Atomic energy defense activities	4,737	5,700	6,778	8,037	7,962
Defense-related activities:					
Existing law	219	371	429	583	738
Proposed legislation			−100	−188	−270
Subtotal, defense-related activities	219	371	329	395	468
Deductions for offsetting receipts	−4	−4	−4	−4	−4
Total, budget authority	**218,704**	**245,474**	**280,503**	**330,028**	**364,826**
OUTLAYS					
Department of Defense—Military:					
Military personnel	42,341	45,308	47,676	49,548	50,988
Retired military personnel:					
Existing law	14,938	16,130	17,052	18,044	19,267
Proposed legislation			−282	−667	−830
Operation and maintenance	59,674	64,643	71,649	79,080	87,260
Procurement	43,271	55,210	68,238	85,905	103,659
Research, development, test and evaluation	17,729	21,430	26,332	29,959	32,604
Military construction	2,922	4,124	4,393	5,504	7,619
Family housing	1,993	2,358	2,635	3,011	3,375
Revolving funds and other	716	153	1,044	1,804	1,824
Offsetting receipts	−733	−532	−544	−821	−844
Allowance for civilian pay raises				1,320	2,974
Allowance for military pay raises and benefits				4,470	6,862
Other legislation			22	25	18
Supplemental for later transmittal		232	680	466	160
Proposed rescissions for later transmittal		−124	−295	−148	−38
Subtotal, Department of Defense—Military	182,850	208,932	238,600	277,500	314,900
Atomic energy defense activities	4,309	5,471	6,422	7,425	7,714
Defense-related activities:					
Existing law	263	370	387	534	694
Proposed legislation			−100	−188	−270
Subtotal, defense-related activities	263	370	287	347	425
Deductions for offsetting receipts	−4	−4	−4	−4	−4
Total, outlays	**187,418**	**214,769**	**245,305**	**285,268**	**323,035**

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- modernize all components of U.S. strategic forces to ensure their ability to deter a nuclear attack, and if such an attack should occur, to survive and retaliate;
- improve the Nation's ability to respond militarily to crises anywhere in the world;
- maintain sufficient maritime strength to ensure our ability to deploy U.S. forces to critical regions overseas to protect our interests, support our allies, and ensure continued access to essential resources;
- revitalize alliances and coalitions to protect U.S. interests worldwide and in particular to achieve NATO objectives; and
- improve the readiness and combat endurance of conventional forces, and modernize the equipment of these forces.

The administration has initiated defense programs to achieve these objectives and to rebuild our defense forces. Sustained increases in defense resources will be required over a period of years.

Fiscal year 1983 Supplemental and Rescissions.—The President will propose 1983 supplemental appropriation requests for procurement of the Peacekeeper missile, the Pershing II missile and for a number of NATO-related programs. Amounts for Peacekeeper will depend upon Presidential review of the recommendations of the President's Commission on Strategic Forces. Pershing II funds will be requested following successful flight testing of the missile. The NATO-related supplemental will include funds for the Ground Launched Cruise Missile, pre-positioning of material in Europe, the U.S. share of costs for host nation support in the Federal Republic of Germany, and a general provision eliminating restrictions on purchasing specialty metals and defense equipment from our allies. Proposed rescissions will be identified and transmitted later.

Budget authority requested for the Department of Defense–Military is shown by mission category in the following table and discussed below.

Strategic forces.—The administration's strategic modernization program is continued in the 1984 budget. The program consists of six reinforcing elements: improvement of our command, control, communications, and intelligence systems; modernization of our long-range bomber force by procurement of the new B–1B bomber and by research and development on an advanced technology (stealth) bomber; continued deployment of the Trident I submarine-launched ballistic missile and development of a new, more powerful and accurate, Trident II missile; development and deployment of cruise missiles; improvements in the capability of our land-based intercontinental ballistic missiles with the Peacekeeper (M–X) missile; and enhancement of our strategic defenses. Other projects under development include submarine-launched cruise missiles, new missile warheads, and anti-satellite systems. Together, these

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MISSION CATEGORIES: DEFENSE, MILITARY

(Functional code 051; in billions of dollars)

Major missions and programs	Budget authority				
	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Strategic forces [1]	15.3	20.6	28.2	34.7	35.6
General purpose forces	88.1	100.8	109.7	132.4	154.3
Intelligence and communications	13.9	17.1	20.8	25.9	27.0
Airlift and sealift	4.0	4.2	5.2	6.9	7.3
Guard and reserve	10.4	11.4	11.6	13.2	14.5
Research and development [2]	16.9	18.7	23.5	25.5	28.3
Central supply and maintenance	21.1	20.2	23.4	25.3	27.1
Training, medical, and other general personnel activities	39.6	42.5	45.6	51.5	55.5
Administration and associated activities	3.6	3.1	4.8	5.4	6.0
Support of other nations	0.9	0.8	0.7	0.8	0.9
Total, budget authority	**213.8**	**239.4**	**273.4**	**321.6**	**356.4**
Prior-year funds and other financial adjustments	−2.4	1.1	.6	.8	.8
Total obligational authority	**211.4**	**240.5**	**274.1**	**322.4**	**357.2**

[1] Excludes strategic systems development included in the research and development category.
[2] Excludes research and development in other program areas on systems approved for production.

programs will provide a credible nuclear deterrent for the foreseeable future.

General purpose forces.—General purpose forces, which deter or counter non-nuclear military aggression, must be able to respond to the most demanding of potential conflicts—a war between NATO and the Warsaw Pact—while retaining the flexibility to meet other threats to U.S. interests. The following active forces will be supported: 16 Army divisions, 3 Marine divisions, 3 Marine air-wings, 26 wings of Air Force tactical aircraft, and 371 general purpose naval warships, including 13 aircraft carriers and 13 carrier air-wings. Continued modernization of equipment is essential in order to meet the challenges posed by the Soviet threat, with its increasingly modern conventional forces.

The 1984 budget proposes budget authority of $109.7 billion for general purpose forces, a 9% increase over 1983. This provides for strengthening our forces—including rapid deployment forces—by increasing combat readiness and by fielding new and improved equipment.

Army general purpose forces. Modernization and improvement of combat readiness require the procurement of new equipment. Emphasis is also being placed on more realistic unit training, including greater participation of rapid deployment force units in servicewide exercises. Additional ammunition and other combat supplies will be acquired so that our forces can better sustain military operations.

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Modernization of several systems continues. The procurement of the M-1 Abrams main battle tank and other modern fighting vehicles will greatly improve our armored combat capability. Production of the Black Hawk helicopter will increase combat mobility, and procurement of the Apache attack helicopter will enable our forces to engage heavily armored vehicles at longer ranges and in greater numbers. The budget also includes the Patriot air defense system which provides more effective protection of vital targets such as depots, bridges, and airbases. Acquisition of a new division air defense gun, the Sergeant York, will improve air defense protection for our combat forces. The Pershing II ballistic missile is being developed and procured as part of NATO's long-range tactical and nuclear force modernization.

In addition to continuing equipment modernization, the budget provides funds to increase readiness by improving the quality and tempo of unit training. During 1984 more battalions are scheduled to participate in training programs at the new National Training Center at Fort Irwin, California. These improvements in training will enhance the Army's ability to deploy combat-ready forces to meet a wide range of threats.

Navy general purpose forces. These forces must provide a deterrent to military aggression both in peacetime and during crises. Should deterrence fail, they must be able to defend our sea lines of communication over which critical U.S. reinforcements and resupply must travel to forward theaters. They must also be able to conduct offensive operations against Soviet naval forces and facilities, if necessary.

The Navy's deployable battle force will increase from 506 ships in 1983 to 526 in 1984. However, we must also continue to modernize our naval weapons systems and increase our force levels further. The 5-year shipbuilding plan calls for building 124 ships between 1984 and 1988.

Active naval aviation forces will include 16 tactical air wings (13 Navy and 3 Marine Corps), 24 land-based patrol squadrons, and various support aircraft. To maintain and modernize these forces the budget provides funding for continued production of F-14 and F/A-18 aircraft for the tactical airwings, and the SH-60B helicopter and the P-3C long-range aircraft for anti-submarine warfare.

Air Force general purpose forces. Tactical fighter forces have the mission of gaining air superiority, providing close air support for ground forces, and disrupting enemy forces behind the main battle area. To improve the combat capability of these units, the 1984 budget proposes procurement of additional F-15 and F-16 fighter aircraft, TR-1 reconnaissance aircraft, and highly accurate, precision-guided tactical bombs and missiles. The ground-launched

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cruise missile is being procured as part of NATO's long-range tactical nuclear force modernization.

The budget supports continued modernization of the tactical fighter force, providing for 26 active and 12 reserve wings during 1984. Modernization of the U.S.-based air defense force with F-15 aircraft also continues. Improvements to readiness continue to be made through increased purchases of spare parts, and through increased flying hours for pilot training.

Airlift and sealift forces.—These forces must be able to deliver military personnel and combat equipment rapidly to crisis areas anywhere in the world, as well as the material needed to sustain combat forces. Readiness will be increased by improvements to existing transport aircraft, e.g., C-5A aircraft wing replacement, and procurement of additional spare parts. Rapid deployment capabilities will be increased by acquisition of an updated version of the C-5 cargo aircraft and more KC-10A tanker/cargo aircraft, modification of SL-7 logistics ships to incorporate roll-on/roll-off capability, and chartering of additional ships to pre-position equipment and supplies near possible trouble spots.

National Guard and Reserves.—These forces must be ready to mobilize rapidly in an emergency to augment active duty forces. Improvements in mobilization readiness are essential. The budget reflects continued improvement in manning, training, and equipping these forces. Emphasis is being placed on increasing the full-time active duty military support in Army National Guard and Reserve units in 1984. Next year will be the National Guard's first full year of training with its battalion of M-1 tanks. The addition of newer, more combat capable equipment will continue in 1984 with the introduction of the FFG-7 frigate into the Navy Reserve and the provision of more F-16 fighter and C-130H tactical airlift aircraft to the Air Guard and Reserve.

Research and development.—This program develops and tests new and improved weapon systems in response to changing military requirements, while maintaining a strong research and technology base for longer term weapon applications. An increase of 26% in budget authority for research and development is proposed for 1984, with a continuing emphasis on strategic programs. Major strategic development efforts, described earlier, include the Peacekeeper and Trident II missiles and the B-1B and advanced technology bombers. Tactical development efforts include a tri-service vertical-lift aircraft, Army remotely piloted vehicles, a Navy advanced torpedo, and an adverse-weather, ground-attack version of an existing fighter aircraft.

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Training, medical, and other general personnel activities.—General personnel activities include the provision of training and medical services for active duty personnel, and benefits for retired military personnel.

Active duty military personnel. A capable, motivated, well-trained force is essential to military preparedness. The 1984 budget reflects continued commitment to improved personnel readiness. Efforts to revitalize the all-volunteer force have been highly successful, and 1982 has been the most impressive year to date. Not only did the military services achieve or exceed all of their personnel strength objectives, but they made significant improvements in retaining

SUMMARY OF ACTIVE MILITARY PERSONNEL AND FORCES

(Year end—i.e., as of September 30)

	1982 actual	1983 estimate	1984 estimate
Military personnel (in thousands):			
End strength:			
Army	780	780	783
Navy	553	560	572
Marine Corps	193	195	197
Air Force	583	592	613
Total, Department of Defense	2,109	2,127	2,165
Average strength:			
Army	785	779	783
Navy	545	548	563
Marine Corps	192	194	197
Air Force	579	590	604
Total, Department of Defense	2,101	2,111	2,147
Strategic forces:			
Intercontinental ballistic missiles:			
Minuteman	1,000	1,000	1,000
Titan II	52	43	34
Poseidon-Trident	544	616	616
Strategic bomber squadrons	25	20	20
General purpose forces:			
Land forces:			
Army divisions	16	16	16
Marine Corps divisions	3	3	3
Tactical air forces:			
Air Force wings	26	26	26
Navy attack wings	12	13	13
Marine Corps wings	3	3	3
Naval Forces:			
Attack and multipurpose carriers	13	13	13
Nuclear attack submarines	91	91	93
Other warships	205	200	207
Amphibious assault ships	59	58	58
Airlift and sealift forces:			
C–5A airlift squadrons	4	4	4
Other airlift squadrons	13	13	13
Sealift fleet	54	58	66

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experienced personnel and in enlisting high quality recruits. A decision to propose that there not be an October 1983 military pay raise was made in the context of similar Government-wide action being proposed for other pay raises and automatic cost-of-living adjustments. The budget does contain a contingency fund for 1985 and beyond for military personnel pay and benefits if measures are necessary to ensure that critical manpower requirements are met.

Military retired pay. Legislation will be proposed to change the retirement system in order to make military retirement consistent with other Federal retirement programs. The proposed legislation would make permanent the current limitation on cost-of-living adjustments (COLA's) for non-disability retirees under age 62, by allowing one-half the full COLA increase after 1985. Under current law, the limitation to half of specified COLA percentage increases expires at the end of fiscal year 1985. The proposed legislation would also round all benefit amounts to the next lower dollar. Consistent with Government-wide policy, there would be no cost-of-living adjustment in 1984.

Under other legislation to be proposed, the defense budget would reflect the cost of retirement benefits being earned by personnel on active or reserve duty at the time they are being earned. The defense budget now reflects only the benefits paid to personnel who have already retired. This change would improve personnel management by more accurately reflecting true personnel costs.

Tax expenditures.—The exclusion from taxable income of housing and meals for military personnel, provided either in cash or in-kind, results in an estimate of $2.8 billion in 1984. In addition, disability pensions received by current military retirees are largely excluded from taxable income, resulting in an estimate of $160 million for 1984. Tax expenditures for national defense total $3 billion in 1984.

Atomic energy defense activities.—These activities include research, development, testing, and production of nuclear weapons; production of special nuclear materials; storage of nuclear wastes from defense programs; and design of reactors for nuclear-powered Navy vessels. They are conducted outside the Defense Department, in conjunction with the civilian energy program. The accompanying table shows the funding levels for these programs. In total, budget authority of $6.8 billion is requested for 1984, compared to $5.7 billion for 1983. Outlays are estimated to increase from $5.5 billion in 1983 to $6.4 billion in 1984.

The nuclear weapons program involves the design, research, development, testing, and production of nuclear warheads for the nuclear weapons stockpile, including quality control and periodic inspection of the finished devices. Funding levels proposed for 1983

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and 1984 provide for increased missile warhead production for current and new weapon systems. The budget provides for increased production of special nuclear materials for use in nuclear warheads.

The defense nuclear waste management program provides interim storage for all defense nuclear wastes. The program also supports research to develop permanent storage and isolation of these wastes.

The naval reactor development program includes the research and development, design, procurement, and testing of prototype reactors for current and future naval vessels.

Other atomic energy defense research and development programs involve improved security at defense nuclear facilities, security investigations, and arms control and verification technology development.

ATOMIC ENERGY DEFENSE ACTIVITIES

(Functional code 053; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Weapons research, development, test, and production	2,944	3,326	3,925	4,566	4,808
Weapons materials production and waste management	1,313	1,827	2,097	2,713	2,315
Naval reactor development	359	418	613	607	680
Other research programs	121	129	143	151	159
Total, budget authority	**4,737**	**5,700**	**6,778**	**8,037**	**7,962**
OUTLAYS					
Weapons research, development, test, and production	2,642	3,171	3,702	4,231	4,542
Weapons materials production and waste management	1,207	1,732	1,986	2,417	2,331
Naval reactor development	339	429	591	628	684
Other research programs	121	139	143	149	157
Total, outlays	**4,309**	**5,471**	**6,422**	**7,425**	**7,714**

Defense-related activities.—Activities of civilian departments and agencies that support national defense include emergency management, maintenance of strategic stockpiles, and the Selective Service System.

Estimated outlays of $339 million in 1984 for the defense-related functions of the Federal Emergency Management Agency provide for the Nation's civil defense, mobilization, and other preparedness programs. The civil defense program establishes and maintains the Nation's ability to respond effectively to all types of emergencies, including natural disasters. A multiyear improvement program for civil defense is proposed. For 1984, the first year cost of this program is estimated at $254 million.

To meet our needs for materials that might be unavailable during wartime, the General Services Administration stockpiles

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strategic and critical materials. Sales and purchases are proposed in 1984 to adjust the inventory of the stockpile to current requirements. Outlays for purchases are estimated at $120 million in 1984.

The Selective Service System is responsible for maintaining standby capacity to meet defense personnel requirements during an emergency national mobilization. The budget includes estimated outlays of $25 million in 1984 to improve the Selective Service System's mobilization capability, including continuing national registration and non-registrant prosecution programs to ensure compliance with the law.

Credit budget.—Defense production guarantees of $25 million are disbursed through the Federal Financing Bank. These guarantees assist private businesses to fulfil defense production contracts.

CREDIT PROGRAMS—NATIONAL DEFENSE

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
National defense programs (loans made by FFB):					
New obligations [1]	25				
Net outlays	−10	−10	−3		
Outstandings	14	4	1	1	1
Guaranteed loans:					
National defense programs:					
Net change	−*	2	4	6	5
Outstandings	*	2	6	12	17
Total credit budget (new obligations)	**25**				

*500 thousand or less.

[1] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency.

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INTERNATIONAL AFFAIRS

National Needs Statement

The Federal Government is responsible for protecting and advancing the interests of the United States and its people in international affairs.

The United States seeks a world order characterized by peace, security and prosperity, in which individuals may enjoy political and economic freedom. Funds proposed for international affairs in this budget are necessary for the achievement of U.S. foreign policy and national defense goals. For 1984, $16.8 billion in budget authority and $13.2 billion in estimated outlays are requested. This compares with 1983 estimates of $17.1 billion in budget authority and $11.9 in outlays. A number of the programs in this function are credit programs. For 1984, total new direct loan obligations are proposed to be $10.9 billion and total new guaranteed loan commitments are proposed to be $10.3 billion.

Foreign aid.—The two subfunctions—international security assistance and foreign economic and financial assistance—comprise all foreign aid.

International security assistance.—Security assistance programs are vital instruments of United States national security and foreign policy, serving to strengthen allied and friendly governments where the United States has special security concerns. Through these programs, the United States assists other governments in acquiring, training for, and using modern military equipment necessary for their defense, and supports their economic stability. Security assistance also relates to U.S. access to military bases and facilities overseas.

In the face of continuing challenges to U.S. interests and the economic difficulties in many parts of the world, the budget provides for a substantial increase in security assistance (both economic and military) and an improvement in the financial terms on which it is provided. Proposed budget authority increases to $4.7 billion for 1984, $183 million above 1983. Budget outlays are estimated to grow from $4.0 billion for 1983 to $4.6 billion for 1984. Transmitted in this budget and included in these budget amounts are several supplemental requests for 1983 to meet pressing international commitments, including funds for reconstruction in Lebanon.

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Economic support fund.—Through the economic support fund, the United States makes loans and grants for general budget and balance of payments support of friendly governments and finances individual development projects. The proposed budget authority of $2.9 billion for 1984 for this program includes $468 million for direct loans and $2.5 billion for grants.

Foreign military sales credit.—This program consists of forgiven loans and loan guarantees to enable foreign governments to purchase U.S. defense equipment, services and training. New obligations in 1984 are estimated to be $5.4 billion, $600 million above the 1983 level. Forgiven loans, which are included in the budget totals, will total $1 billion for 1984. The remaining $4.4 billion will be off-budget loans at interest rates equal to U.S. Treasury borrowing costs plus ⅛ of 1% provided through the Federal Financing Bank and guaranteed by the Department of Defense. Foreign military sales credit outlays of $1.0 billion for 1984 result only from disbursements on forgiven loans.

Military assistance.—Grant military assistance also finances purchases of defense articles for foreign governments with which the United States shares foreign policy interests, basing agreements, or alliance commitments. This program complements the foreign military sales credit program by reducing the financial burden of such purchases. Additionally, the program covers part of the administrative costs of security assistance programs. These activities will require $747 million in budget authority for 1984.

Foreign economic and financial assistance.—The general objectives of the foreign economic and financial assistance programs are to encourage the expansion of a market-oriented international economic system and to help meet the development and humanitarian needs of developing countries. Budget authority requested for 1984 is $4.9 billion, and outlays are estimated to be $4.5 billion for 1984.

Multilateral development banks.—These include the World Bank group of institutions and the three regional banks for Latin America, Asia, and Africa. These banks have an especially important role to play in promoting sound economic policies in recipient countries. In the aggregate, these institutions lent nearly $18.2 billion during their last completed fiscal years to provide long-term project and technical assistance. Funds for lending are raised through direct contributions by developed and some advanced developing countries and through borrowing in world capital markets backed by callable capital, a guarantee of repayment by developing country governments. Contributions and callable capital are provided in regular replenishments of capital, which provide for

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annual installment payments by donors, generally over 3- to 5-year periods.

For 1984, proposed budget authority for the banks totals $1.6 billion. About two-thirds of this amount will be used to complete the sixth replenishment of the International Development Association, the soft-loan affiliate of the World Bank. The 1984 request also provides for U.S. participation in replenishments of the Asian and Inter-American Development Banks, although the precise levels of U.S. contributions are still being negotiated, and the African Development Bank. An additional $2.9 billion is requested for callable capital contributions to the banks under program limitations.

International organizations.—The United States voluntarily contributes to United Nations activities and other international organizations and programs that carry out developmental, humanitarian, and scientific activities. Participation in these multilateral programs complements bilateral assistance in accomplishing U.S. foreign policy objectives. Nevertheless, U.S. contributions for the international organizations and programs account will decrease in 1984 from the levels of recent years. While several of these programs make a significant contribution to international humanitarian and development needs, they are assigned a lower priority than other activities aimed at the same goals. Budget authority of $190 million is proposed.

Agency for International Development (AID).—Bilateral development assistance programs are largely carried out by AID and are coordinated under the auspices of the International Development Cooperation Agency. The proposed budget authority of $1.9 billion for AID for 1984 will promote economic growth in developing countries through projects in such areas as agriculture, population, health, education, and energy. AID also assists development-related research carried out by U.S. universities and supports the programs of private and voluntary organizations abroad. The administration's initiatives in the AID program include support of sound economic policies of recipient countries, increased use of American and recipient country private sector resources in development, institution building, and promotion of science and technology capabilities in developing countries.

Public Law 480 food aid.—Through concessional loans for food imports and direct food distribution to the needy, food aid serves a wide range of policy objectives, including support of security objectives, economic development, export market development, and humanitarian relief. The budget includes a request of $1.1 billion in budget authority for 1984, an increase of $24 million from 1983.

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NATIONAL NEED: CONDUCTING INTERNATIONAL RELATIONS

(Functional code 150; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Foreign aid:					
International security assistance:					
Economic support fund	2,919	2,956	2,949	2,949	2,949
Foreign military sales credit	800	1,175	1,000	1,000	1,000
Military assistance	179	457	747	747	747
Other	221	77	108	108	108
Offsetting receipts	−199	−155	−112	−101	−103
Subtotal, international security assistance	3,919	4,509	4,692	4,702	4,701
Foreign economic and financial assistance:					
Multilateral development banks	1,262	1,537	1,618	1,269	1,215
International organizations	215	254	190	190	190
Agency for International Development	1,847	1,797	1,871	1,884	1,894
Public Law 480 food aid	1,000	1,028	1,052	1,001	975
Peace Corps	105	109	109	109	109
Refugee assistance	423	395	344	326	327
Other	61	65	148	166	144
Offsetting receipts	−361	−430	−466	−493	−519
Subtotal, foreign economic and financial assistance	4,552	4,755	4,868	4,451	4,335
Total, foreign aid	**8,471**	**9,264**	**9,560**	**9,153**	**9,036**
Conduct of foreign affairs:					
Administration of foreign affairs	1,183	1,242	1,392	1,498	1,536
International organizations and conferences	466	519	602	646	664
Other	43	45	48	48	48
Subtotal, conduct of foreign affairs	1,693	1,806	2,042	2,191	2,247
Foreign information and exchange activities	583	724	832	996	1,009
International financial programs:					
Export-Import Bank	3,268	2,748	2,457	2,499	2,366
Foreign military sales trust fund (net)	1,424	2,700	2,100	1,650	1,300
Offsetting receipts	−80	−82	−84	−85	−87
Subtotal, international financial programs	4,612	5,366	4,473	4,064	3,579
Deductions for offsetting receipts	−92	−94	−94	−92	−92
Total, budget authority	**15,267**	**17,066**	**16,813**	**16,313**	**15,780**

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NATIONAL NEED: CONDUCTING INTERNATIONAL RELATIONS—Continued

(Functional code 150; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
Foreign aid:					
International security assistance:					
Economic support fund	2,299	2,831	2,944	2,921	2,903
Foreign military sales credit	501	880	1,006	998	1,000
Military assistance	176	242	490	685	772
Other	330	221	270	291	312
Offsetting receipts	−199	−155	−112	−101	−103
Subtotal, international security assistance	3,107	4,019	4,598	4,793	4,884
Foreign economic and financial assistance:					
Multilateral development banks	1,063	1,274	1,407	1,366	1,247
International organizations	238	205	205	193	196
Agency for International Development	1,524	1,715	1,773	1,812	1,848
Public Law 480 food aid	929	1,035	1,052	1,001	975
Peace Corps	103	109	108	109	109
Refugee assistance	382	401	366	340	334
Other	−22	26	41	49	59
Offsetting receipts	−361	−430	−466	−493	−519
Subtotal, foreign economic and financial assistance	3,856	4,335	4,487	4,377	4,248
Total, foreign aid	**6,963**	**8,354**	**9,085**	**9,170**	**9,132**
Conduct of foreign affairs:					
Administration of foreign affairs	1,045	1,145	1,352	1,492	1,541
International organizations and conferences	544	512	602	644	662
Other	41	46	48	48	48
Subtotal, conduct of foreign affairs	1,630	1,704	2,001	2,184	2,250
Foreign information and exchange activities	571	704	828	889	1,052
International financial programs:					
Export-Import Bank	1,173	1,192	1,433	853	566
Special defense acquisition fund	−204	−196	−147	−49	73
Foreign military sales trust fund (net)	188	500	400	300	200
Other	−166	−141	−173	−177	−174
Offsetting receipts	−80	−82	−84	−85	−87
Subtotal, international financial programs	911	1,272	1,430	841	577
Deductions for offsetting receipts	−92	−94	−94	−92	−92
Total, outlays	**9,982**	**11,939**	**13,250**	**12,992**	**12,920**
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Overseas Private Investment Corporation:					
Outlays	−5	−5	−6	−5	−5
Foreign military sales credit:					
Budget authority	2,923	3,538	4,869	4,286	4,425
Outlays	2,288	2,848	4,187	3,495	3,436
Total:					
Budget authority	2,923	3,538	4,869	4,286	4,425
Outlays	2,283	2,843	4,181	3,490	3,431

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Assistance will be concentrated on the poorest developing countries and on countries of major importance to the United States. A significant portion of direct food donations will be devoted to meeting refugee and emergency relief needs.

Peace Corps.—The Peace Corps, which was separated from ACTION during the past year, will continue to complement the bilateral assistance programs of the United States in more than 50 countries in the developing world. Budget authority of $109 million is requested for 1984, to provide approximately 5,000 volunteer service years.

Refugee assistance.—The United States continues to recognize its international and humanitarian responsiblities toward the amelioration of refugee situations in many parts of the world. The budget includes $344 million of budget authority in 1984 to provide for the care of refugees abroad and for the resettlement of up to 72,000 refugees in the United States. Additional assistance to refugees in the United States is classified in the income security function.

Conduct of foreign affairs.—Diplomatic and consular relations are conducted with foreign governments and international organizations by the Department of State through nearly 300 missions and consulates. These activities account for the major portion of funds needed in this area. In addition, the United States, as a member of more than 50 international organizations, is assessed its share of their annual budgets. For 1984, budget authority of $2.0 billion is requested, and outlays are also estimated to be $2.0 billion.

Administration of foreign affairs.—Emphasis continues to be placed by the Department of State on improving the effectiveness of foreign service and civil service personnel because of their importance to the development and execution of the foreign policies of the United States. Automated information systems, buttressed with improved communications capabilities, are being introduced and expanded worldwide. Additional officers and staff are proposed for 1984 to improve political and economic reporting and analysis, as well as to process a growing number of passport and visa applications. A much-needed capital renewal program will be begun to improve working space and housing abroad. These enhancements along with inflationary costs abroad will increase proposed budget authority from $1.2 billion for 1983 to $1.4 billion for 1984.

Negotiations regarding the future political status of the entities that make up the Trust Territory of the Pacific Islands have progressed to an advanced stage. When the agreements and all steps necessary to terminate the trusteeship are completed, appropriations will be sought to carry out the United States obligations set forth in those agreements.

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International organizations and conferences.—The United States continues to seek improvements in the operations of international organizations and to encourage these organizations to concentrate on high priority activities by deleting low-priority and obsolete activities. Accordingly, the United States will support only those organizations' budgets that exhibit significant restraint. The United States believes that organizations should adopt budget policies that provide no net program growth and that show significant absorption of nondiscretionary cost increases. The $83 million increase in budget authority for 1984 over 1983 largely reflects the completion of a phased shift in the timing of appropriations for U.S. assessments for several organizations to a year later than previous practice.

Foreign information and exchange activities.—These programs increase understanding of the United States and its policies by foreign governments and their peoples. For 1984, budget authority of $832 million is proposed, and outlays are estimated at $828 million, which represent increases of $108 million and $124 million, respectively, over 1983 levels.

Beginning in 1983, the U.S. Information Agency (USIA) will start a major, multiyear expansion and modernization of Voice of America transmitting facilities. Necessary development and engineering work will require $37 million of budget authority for 1983 and $48 million for 1984. Also, USIA will undertake in 1983 a major new effort to foster the development of democratic values and institutions abroad as the President announced in his June 8, 1982, speech to members of Parliament in London. A supplemental appropriation of $20 million for 1983 and a budget request of $65 million for 1984 will be largely devoted to aiding American nonprofit institutions to develop mutual contacts with counterpart foreign institutions.

Of the $116 million of budget authority requested in 1984 for the Board for International Broadcasting, $105 million will maintain and expand the programming and technical capabilities of Radio Free Europe/Radio Liberty (RFE/RL) and $10 million will operate Radio Marti, an effort to provide the Cuban people with accurate information about Cuban developments at home and abroad. A supplemental appropriation of $30 million is proposed to improve RFE/RL and to establish Radio Marti in 1983.

International financial programs.—To support the stable expansion of the international economy, the United States is active in programs to improve the functioning of the international financial system and to facilitate U.S. participation in world trade. For 1984, budget authority is estimated to be $4.5 billion and estimated outlays are $1.4 billion.

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Export-Import Bank.—The Bank provides direct loans, loan guarantees, and insurance to facilitate the export of U.S. goods and services. New direct loan obligations are proposed to be $3.8 billion for 1984 and proposed commitments for guarantee and insurance programs are $10.0 billion. The President will seek a supplemental authorization for direct loan obligations of up to $2.67 billion for 1984 if necessary to meet subsidized foreign officially supported competition. The Bank will support export financing on a substantial scale and provide support and leadership in the effort to negotiate improved international export credit restraint agreements. The administration has already achieved significant progress in such agreements, which have reduced the subsidies previously provided by governments in their export financing. The United States will press for further progress.

Special defense acquisition fund.—This fund finances the procurement of military equipment in advance of specific orders by foreign governments. As a result, equipment on order for U.S. military uses need not be diverted to meet pressing needs of developing countries. Receipts are expected to exceed outlays by $147 million in 1984.

Foreign military sales trust fund.—Most sales of military equipment and services to foreign governments are made by the Federal Government. Resources in this trust fund come from payments by foreign governments that have purchased military goods and services from the United States. Outlays occur when payments are made to suppliers. The total estimated outlays of $400 million for 1984 are the net result of all transactions.

Other.—The International Monetary Fund (IMF) is responsible for promoting a smoothly functioning international monetary system. Negotiations are expected to be completed in 1983 on an increase in the resources of the IMF, including an expansion of members' quota subscriptions and enlargement of the General Arrangements to Borrow (GAB). The discussions are focusing on a new overall quota total in a range equivalent to $93–$100 billion and an expansion of the GAB to $19 billion. Authority and appropriations for the United States share of the increase in resources will be sought following completion of the negotiations.

Tax expenditures.—A tax expenditure results from the deferral of taxes on a portion of the profits derived from the incremental export sales of domestic international sales corporations (DISCs) and from the exclusion of earned income and excess housing costs by Americans living and working abroad. The estimate for tax expenditures resulting from DISCs is $2.0 billion in 1984, while the

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CREDIT PROGRAMS—INTERNATIONAL AFFAIRS

(In millions of dollars)

	Actual 1982	Estimate 1983	1984	1985	1986
Direct loans:					
Foreign military sales credit:					
New obligations	800	1,175	1,000	1,000	1,000
Net outlays	−116	−96	−74	−62	−30
Outstandings	310	214	141	78	48
Foreign military sales credit (loans made by FFB):					
New obligations [1]	3,084	4,163	4,436	4,436	4,436
Net outlays	2,288	2,848	4,187	3,495	3,436
Outstandings	11,436	14,284	18,471	21,965	25,401
Economic support fund:					
New obligations	366	481	468	718	718
Net outlays	652	416	420	724	718
Outstandings	5,204	5,620	6,040	6,764	7,482
Bilateral development credit:					
New obligations	416	435	412	406	406
Net outlays	100	66	64	−116	−108
Outstandings	12,010	12,076	12,140	12,024	11,916
Bilateral development credit (loans held by FFB): [2]					
Net outlays	−5	−5	−6	−5	−5
Outstandings	23	18	12	7	2
Public Law 480 food aid:					
New obligations	777	750	768	768	768
Net outlays	590	531	548	768	768
Outstandings	8,307	8,839	9,387	10,155	10,923
Export-Import Bank:					
New obligations	3,516	3,830	3,830	3,830	3,830
Net outlays	763	915	1,216	757	574
Outstandings	16,565	17,480	18,696	19,453	20,027
Other international assistance:					
New obligations	1	1	1	1	1
Net outlays	96	126	160	184	202
Outstandings	437	563	723	907	1,109
Total, direct loans:					
New obligations	8,959	10,835	10,915	11,158	11,158
Net outlays	4,367	4,800	6,516	5,744	5,555
Outstandings	54,294	59,094	65,610	71,354	76,909
Guaranteed loans:					
Foreign military sales credit:					
Net change	−20	−20	−20	.....	−1
Outstandings	257	237	217	217	216
Bilateral development credit:					
New commitments	221	270	300	314	321
Net change	169	257	299	386	312
Outstandings	1,104	1,362	1,660	2,047	2,359
Export-Import Bank:					
New commitments	5,832	8,000	10,000	10,000	10,000
Net change	−914	490	510	320	190
Outstandings	6,069	6,559	7,069	7,389	7,579
Total, guaranteed loans:					
New commitments	6,052	8,270	10,300	10,314	10,321
Net change	−766	727	789	706	501
Outstandings	7,431	8,158	8,947	9,653	10,155
Total credit budget (new obligations and new commitments)	**15,011**	**19,105**	**21,215**	**21,472**	**21,479**

[1] These are obligations made by the agency to guarantee loans that the FFB will disburse. In effect, they are obligations for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency. The totals for foreign military sales credit loans made by FFB in this table are not identical to the entries in the addendum to the National Needs table for off-budget Federal entities due to timing differences between budget authority and new obligations.

[2] The direct lending activities of the Overseas Private Investments Corporation are financed by the FFB. Loan assets are issued by the agency. According to law, these assets are backed by loans that the agency continues to service. The agency guarantees the loan assets sells them to the FFB, and repurchases them upon maturity. FFB net outlays for this account represent acquisition of loan assets less repurchases by the agency. Increases in the volume of sales of loan assets are added to the FFB direct loan outstandings, while the agency's direct loan outstandings decrease by the amount of loan assets sold to the FFB.

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estimate resulting from Americans living abroad is $2.2 billion. Estimated tax expenditures for international affairs total $4.2 billion in 1984.

Credit programs.—The total volume of new direct loan obligations and new guaranteed loan commitments, which were discussed above, are shown in the accompanying table. As the table shows, the total credit budget is proposed to increase in this function by $2.1 billion between 1983 and 1984, primarily due to increases in loan guarantee commitments by the Export-Import Bank.

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GENERAL SCIENCE, SPACE, AND TECHNOLOGY

National Needs Statement

Federal support for general science and space programs is necessary to ensure the long-term scientific and technological strength of the Nation.

The continued growth of scientific knowledge, the development of new technology, and the training of future scientists and engineers are critically important to sustained economic growth, enhanced national security, and an improved quality of life.

Most of the Federal support for science and technology is provided through research and development programs, included in other budget functions, which serve specific missions such as defense, environmental regulation, energy, and agriculture. In contrast, the programs in this function have the broad goal of helping to ensure U.S. leadership in science and space technology. Included are the programs of the National Science Foundation (NSF) and the space programs of the National Aeronautics and Space Administration (NASA). Also included are the energy-related general science programs currently supported by the Department of Energy. These latter programs, along with other programs of the Department, will be proposed for reassignment to appropriate executive departments and agencies. Proposed budget authority for the programs in this function is $8.5 billion in 1984, an increase of 7% over 1983.

Common to the programs in this function is the support of basic research, accounting for more than one-third of the total Federal funding for such research. While departments and agencies in other functions, such as the Department of Agriculture and the National Institutes of Health, provide the major share of support for basic research in the agricultural and life sciences, the programs in this function are the primary source of funding for research in the physical sciences and engineering. In 1984 basic research under this function will increase by more than 16%, a somewhat higher rate than for overall Federal support of basic research. This reflects an emphasis on research having the potential to contribute to the long-term competitiveness of U.S. high technology dependent industries.

General science and basic research.—The programs of the National Science Foundation and the energy-related general science programs in high energy and nuclear physics comprise this part of the

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function. Budget authority of $1.9 billion is proposed for these programs in 1984, a 19% increase over 1983.

NATIONAL NEED: INCREASING BASIC SCIENTIFIC KNOWLEDGE AND USE OF SPACE

(Functional code 250; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
General science and basic research:					
National Science Foundation programs	1,006	1,099	1,297	1,297	1,297
Energy-related general science programs	529	535	645	759	744
Subtotal, general science and basic research	1,535	1,635	1,943	2,057	2,042
Space research and technology:					
Space flight	3,601	4,109	4,049	3,699	3,058
Space science, applications, and technology	1,392	1,568	1,638	1,819	1,828
Supporting space activities	544	610	830	836	816
Subtotal, space research and technology	5,537	6,287	6,517	6,354	5,702
Deductions for offsetting receipts	−10	−9	−9	−9	−9
Total, budget authority	**7,063**	**7,912**	**8,451**	**8,403**	**7,735**
OUTLAYS					
General science and basic research:					
National Science Foundation programs	1,099	1,066	1,231	1,320	1,339
Energy-related general science programs	507	547	634	733	717
Subtotal, general science and basic research	1,607	1,613	1,865	2,053	2,056
Space research and technology:					
Space flight	3,543	4,034	4,028	3,762	3,193
Space science, applications, and technology	1,457	1,517	1,601	1,768	1,808
Supporting space activities	473	604	766	826	822
Subtotal, space research and technology	5,473	6,155	6,395	6,356	5,823
Deductions for offsetting receipts	−10	−9	−9	−9	−9
Total, outlays	**7,070**	**7,759**	**8,250**	**8,401**	**7,871**
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Supporting space activities:					
Budget authority	146	205	37	.....	.....
Outlays	120	175	−140	−90	−91

National Science Foundation programs.—The principal mission of NSF is to support basic research in all science and engineering fields. The Foundation's programs are particularly important because they complement the support of basic research by agencies in other functions, such as the Department of Defense and the National Institutes of Health, and help to ensure balanced support for such research across the major scientific disciplines.

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The 1984 budget includes $1.3 billion in proposed budget authority for NSF, 18% above 1983. This increase will enhance the support of basic research in all disciplines, particularly in the physical sciences and engineering, at academic institutions. Such investments will help to ensure adequate numbers of high-quality scientists and engineers who are essential to continued U.S. leadership, particularly in defense and in high technology dependent industries. The proposed increase places special emphasis on upgrading research instrumentation at universities to ensure that research will be of the highest quality and that future scientists and engineers will be trained using the latest equipment.

The budget also includes funds for joint efforts with State and local governments and the private sector to improve the teaching of science and mathematics in the Nation's secondary schools. Additional initiatives to alleviate the shortage of qualified mathematics and science teachers are included in the Education, Training, Employment, and Social Services function. In addition, an increase is provided for the U.S. Antarctic program, managed by NSF, to support basic research and to maintain an active and influential scientific presence in that region.

Energy-related general science programs.—Budget authority of $0.6 billion is requested for support of basic research in high energy and nuclear physics in 1984, $0.1 billion above 1983. The goal of the high energy and nuclear physics programs is to achieve a comprehensive understanding of the basic constituents of matter and energy and the forces that govern their interaction. The increase provides for greater use of existing accelerators, for continued research on improved particle detector components and concepts, and for upgrading accelerator facilities at the University of Washington and Yale University. It also provides funds to initiate construction of the Stanford Linear Collider, scheduled for completion by 1987. This accelerator will demonstrate the feasibility of new techniques for very high energy electron-positron collisions. Funds are also provided to continue construction of the Tevatron I and II projects at Fermilab that will extend the energy range of proton-antiproton collision research.

Space research and technology.—This part of the function covers the space-related activities of NASA. The administration is committed to making the Space Shuttle fully operational and cost effective in providing routine access to space. In addition, a vigorous program of space science, applications, and technology development is planned. Budget authority of $6.5 billion is proposed for these programs in 1984, a 4% increase over 1983.

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Space flight.—The space flight programs of NASA are intended to help sustain and improve the Nation's ability to supply space transportation services. These programs include the development, production, and operation of the four orbiter Space Shuttle fleet; research activities using the Shuttle-borne Spacelab; development and procurement of the upper stage vehicles to carry Shuttle-launched payloads into high-Earth orbit; and cooperative projects with other nations.

Space Shuttle operations began in November 1982 with the launch of two commercial spacecraft. Depending on demand, as many as nine Shuttle flights are planned in 1984.

Budget authority of $4.0 billion is proposed for the space flight program in 1984. New activities for 1984 include the expanded purchase of additional support equipment and spare orbiter structural components to help ensure the reliable and cost-effective operation of the currently planned four orbiter fleet. These new activities are made possible by decreased costs for ongoing projects and increased revenues from Shuttle flights.

Space science, applications, and technology.—This category includes support for studies of the solar system and the universe; studies in remote sensing of the Earth's resources and environment; development of advanced satellite communications technology; and research on materials processing in space. Budget authority of $1.6 billion is proposed for 1984, a 4% increase over 1983.

In *space science*, funds are proposed to initiate the Venus radar mapper project, scheduled for a 1988 launch. The cloud-penetrating radar of the Venus mapper spacecraft will enable us to map the planet, improving our understanding of its evolution and, consequently, that of the Earth and the solar system. A new Explorer-class satellite project will also be initiated which will enhance research in ultraviolet astronomy.

Continued development of major ongoing projects is also planned. The space telescope program will place an optical telescope in orbit around the Earth in 1985, allowing the observation of distant objects unobstructed by the Earth's atmosphere and clouds. The Gamma Ray Observatory, scheduled to be launched in late 1988, will allow the investigation of objects and phenomena in deep space through study of the gamma ray region of the electromagnetic spectrum. The Galileo project, scheduled to be launched in 1986, will explore Jupiter and its moons. Funds are also included to support research and analytical activities, including the collection and analysis of data from the Voyager spacecraft now on its way to Uranus.

Within *space applications*, planned activities will focus on space technology to study the Earth, the oceans, and the atmosphere; satellite communications technology; and research on materials

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processing in space. The 1984 program will continue development of ongoing major projects, including the Earth Radiation Budget Experiment (ERBE) satellite and the Advanced Communications Technology Satellite (ACTS).

The ERBE satellite will be launched by the Shuttle in 1984. The program is designed to provide global measurements of the level of solar and cosmic radiation absorbed by the Earth, and map levels of ozone and other aerosols in the stratosphere. Such observations will help improve our understanding of the factors that determine the Earth's climate. The ACTS mission will be a cooperative project between Government and industry to advance satellite communications technology for use later in the decade.

Basic *space research and technology* programs are broadly applicable to all major space activities. Proposed funding in 1984 will ensure a sound scientific foundation for the space program through strong support in areas such as propulsion, electronics, and materials.

Supporting space activities.—Budget authority of $0.8 billion is proposed for spacecraft tracking, data gathering, and processing support for the entire space program, an increase of 36% over 1983. Nearly all the increase is for the lease of the new Tracking and Data Relay Satellite System (TDRSS), including revised leasing arrangements that will permit more flexibility and control over its operation. The TDRSS will provide expanded capability to communicate with the Space Shuttle and other spacecraft, and is expected to replace much of the existing worldwide network of ground tracking stations.

Credit programs.—The credit table reflects the current and proposed 1984 levels for direct loans made by the Federal Financing Bank for the construction and acquisition of the TDRSS. Additional loans in 1984 for this system are expected to be $37 million.

CREDIT PROGRAMS—GENERAL SCIENCE, SPACE AND TECHNOLOGY

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
NASA satellite leases (loans made by FFB):					
New obligations [1]	146	205	37	.....	.....
Net outlays	120	175	−140	−90	−91
Outstandings	758	933	793	703	612
Total credit budget (new obligations)	**146**	**205**	**37**	.....	.....

[1] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency.

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Tax expenditures.—In addition to direct Federal funding of basic research, the tax code encourages private sector research and development, including basic research, by allowing expenditures for such purposes to be deducted as a current expense. The 1984 estimate for this provision is −$1.1 billion. The "negative" tax expenditure is a short-term accounting anomaly that results from the way tax expenditures are calculated. It is expected to turn positive in 1988. A 25% tax credit is also available to encourage certain basic research and development expenditures; the estimate for this tax credit is $1.2 billion in 1984. Tax expenditures for general science, space, and technology are estimated to total $120 million in 1984.

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ENERGY

National Needs Statement

The Nation needs to let market forces work to encourage efficient energy production and use. The Federal Government should limit its role to such responsibilities as support for long-term research and the strategic petroleum reserve.

The main responsibility of the Federal Government with respect to energy is to establish and maintain sound, stable public policies based on economic principles that encourage economically efficient energy production and use. This strategy recognizes that the private sector makes most of the key decisions about using and producing energy in this country. Thus it emphasizes the importance of letting market forces work to ensure that these decisions are made in a productive and efficient way. A productive approach to energy does not require massive Federal spending.

The Federal Government has limited, but important, responsibilities in energy and this budget focuses on meeting those responsibilities. These include adopting and enforcing sensible and effective nuclear safety regulations; providing for a strategic petroleum reserve; continuing current energy production activities; and supporting long-term research and development.

The budget proposes $2.9 billion in budget authority in 1984 for programs included in this function, a 23% reduction from 1983 levels. The reduction results largely from removing the Federal Government from activities, especially in technology development and demonstration, that are better undertaken and financed by the private sector. Outlays are estimated to be $3.3 billion in 1984, a 27% reduction from 1983 levels. Off-budget outlays, including oil for the strategic petroleum reserve, are expected to be $7.1 billion in 1984.

In 1983, Federal energy activities currently performed by the Department of Energy will be proposed for reassignment to appropriate executive departments and agencies. Enabling legislation will be proposed to the Congress to carry out these changes.

Energy supply.—Included in this category are the Federal Government's activities in energy supply research and development, direct energy production programs, and incentives for industry investment in synthetic fuels production.

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NATIONAL NEED: ENERGY

(Functional code 270; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Energy supply:					
Research and development	2,764	2,573	2,069	2,277	2,400
Direct production (net):					
Uranium enrichment	84				
Petroleum reserves	−1,045	−1,447	−1,020	−932	−926
Power marketing	279	1,265	942	862	775
Subtotal, energy supply	2,083	2,391	1,992	2,206	2,249
Energy conservation	168	288	74	70	67
Emergency energy preparedness	191	242	159	177	145
Energy information, policy, and regulation	889	882	725	724	714
Deductions for offsetting receipts	−71	−78	−81	−81	−81
Total, budget authority	**3,261**	**3,725**	**2,869**	**3,097**	**3,094**

A key aspect of Federal spending for energy *research and development* is the support of long-term, generic research to provide a scientific base for the development of future energy technologies by the private sector. Support is also included in the budget for the continued development and demonstration of selected high-risk, but potentially high-payoff energy technologies, such as fusion power, which the private sector is not able to invest in significantly. Estimated outlays for energy supply research and development decrease from $3.0 billion in 1983 to $2.4 billion in 1984, the net result of increases in basic energy research and decreases in short-term research and development and in demonstration programs.

An important element of the Federal energy research program is support for basic energy sciences. The 1984 budget includes $0.3 billion in outlays for this purpose, an increase of more than 20% over the 1983 level. This program helps fund research at major universities and national laboratories in the physical sciences, engineering, and in the geosciences. Such research forms the essential base of knowledge needed for tomorrow's development of a wide spectrum of energy technologies.

Outlays for fossil, solar, geothermal and other non-nuclear technology programs are expected to decrease from $1.2 billion in 1983 to $0.9 billion in 1984. This decrease reflects the continued phase-down in Federal spending on technology demonstration activities that can be financed and managed more appropriately and effectively by private industry. In fossil energy, the budget includes an estimated $0.3 billion in outlays for continued research to strengthen the technical base and to support small-scale development of

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NATIONAL NEED: ENERGY—Continued

(Functional code 270; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
Energy supply:					
Research and development	3,295	2,953	2,409	2,368	2,408
Direct production (net):					
Uranium enrichment	−473	32	40	.....	60
Petroleum reserves	−951	−1,383	−1,017	−964	−928
Power marketing	1,227	1,101	590	305	419
Subsidies for non-conventional fuel production	52	50	69	25	27
Subtotal, energy supply	3,150	2,752	2,090	1,734	1,986
Energy conservation	518	670	343	104	68
Emergency energy preparedness	191	284	228	176	140
Energy information, policy, and regulation	886	878	726	724	714
Deductions for offsetting receipts	−71	−78	−81	−81	−81
Total, outlays	**4,674**	**4,506**	**3,306**	**2,657**	**2,827**
ADDENDUM					
Off-budget Federal entities:					
Synthetic Fuels Corporation:					
Budget authority	12	27	67	96	236
Outlays	.....	.....	.....	.....	.....
Strategic Petroleum Reserve:					
Budget authority	3,684	2,074	583	1,388	1,465
Outlays	3,687	1,771	1,866	1,392	1,420
Federal Financing Bank:					
Rural electrification and telephone revolving fund:					
Budget authority	4,608	5,918	5,075	5,216	4,494
Outlays	4,467	5,910	5,056	5,182	4,446
Tennessee Valley Authority (power program):					
Budget authority	4,513	5,412	6,258	6,790	7,217
Outlays	336	193	181	116	86
Alternative fuels production:					
Budget authority	842	.....	.....	.....	.....
Outlays	340	.....	.....	.....	.....
Other energy:					
Budget authority	20	1	.....	.....	.....
Outlays	18	.....	.....	−10	−10
Total:					
Budget authority	13,681	13,433	11,983	13,489	13,413
Outlays	8,847	7,874	7,103	6,679	5,943

advanced technologies for extracting and using fossil fuels. The budget also includes an estimated $0.2 billion of outlays for solar research and development, including continued work on such long-term programs as photovoltaics research. It also provides in 1984 a proposed budget authority increase of 18% over 1983 for acid rain research to fill the major gaps in basic scientific information on this issue. The continued acceleration of this program should begin to provide reliable results as early as 1985.

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Outlays for research and development related to nuclear energy are estimated to be $1.4 billion in 1984. The two major programs included in these totals are magnetic fusion and breeder technology research. Both of these promising technologies are still at a stage where only limited industry investment can be expected. Outlays for magnetic fusion are estimated to be $0.5 billion in 1984, approximately equal to the 1983 level. Outlays for the total breeder reactor program are estimated to be $0.7 billion in 1984, nearly the same amount as in 1983, including $0.3 billion in 1984 for the Clinch River breeder reactor demonstration.

The budget also includes an estimated $0.3 billion in outlays in 1984 for work on the permanent disposal of commercial nuclear waste. This program will be financed by a fee on utilities. It is designed to end the taxpayer subsidy of nuclear waste disposal and to help eliminate such disposal as a constraint on the industry's development.

The Federal Government's *direct production* activities include enriching uranium for commercial nuclear power plants and for defense programs; producing oil and gas at the naval petroleum reserves; and generating and transmitting electric power.

The uranium enrichment program is expected to realize sales receipts of $2.2 billion in 1984. These receipts are estimated to almost match 1984 spending for the uranium enrichment operation.

Sales receipts for oil and gas produced at the naval petroleum reserves in California and Wyoming are estimated to be $1.6 billion in 1984, $1.0 billion more than the outlays associated with this program.

The Tennessee Valley Authority and the five power marketing administrations will continue their basic mission of selling wholesale electricity generated principally by Federal hydroelectric projects throughout the Nation. In addition, both TVA and the Bonneville Power Administration will continue to meet their mandatory responsibility to ensure that the electric power needs of their regions are met through electrical generation and conservation programs. In 1984, net outlays for the Tennessee Valley Authority power program are estimated to be $0.9 billion, while net receipts for the five power marketing administrations are estimated at $0.3 billion. Reductions in outlays for these programs in 1984 from 1983 levels are due primarily to changed construction schedules for major electric power facilities.

The Synthetic Fuels Corporation provides *subsidies for synthetic and other nonconventional fuel production,* including price, purchase and loan guarantees, intended to accelerate the development of commercial-scale synthetic fuel plants. The Corporation plans to issue loan and price guarantees totaling $6.0 billion in 1983 and

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$7.2 billion in 1984. The immediate budget impact of this activity is expected to be $50 million in outlays in 1983 and $69 million in 1984. Depending on such factors as conditions in the world oil market and the precise terms of the subsidies agreed to, outlays resulting from this activity may increase significantly, up to the full amount of the loan and price guarantees.

Energy conservation.—The most effective way to promote the efficient use of energy and other resources is to let market forces work. This is demonstrated by the fact that the U.S. economy today is using 18% less energy to produce a dollar's worth of output than it did in 1973 when energy prices first began to rise. There is an appropriate, but limited, Federal role in energy conservation in the support of long-range research and development. This includes research to improve the efficient use of energy in industrial processes, buildings, and transportation, to complement the work done in these areas by private industry. Outlays in the 1984 budget are estimated to be $146 million for these activities. In addition, outlays of $197 million are estimated in 1984 from spending the balances in several State and local energy conservation grant programs being proposed for elimination. The needs of low-income households in adjusting to higher energy prices can be met through other programs such as the low-income home energy assistance program in the Department of Health and Human Services.

Emergency energy preparedness.—Administration policy is to rely on market forces, rather than Government allocation and price controls, to deal with possible oil supply disruptions. The country has tried Government allocation of fuel during supply disruptions, but that option failed miserably and simply led to long and needless gasoline lines. The market approach has been tested during past disruptions in other countries, and it has worked reasonably well.

The Government, however, can augment the market by developing a strategic petroleum reserve for use during severe disruptions. The strategic petroleum reserve will contain 357 million barrels by the end of 1983 and thus provide protection against a wide range of supply disruptions. Having achieved this level of protection, the administration plans to fill the reserve in 1984 at a rate of 145,000 barrel per day—an ambitious, but more modest rate than in 1983. Off-budget outlays for oil acquisition are estimated at $1.9 billion in 1984. The revised development schedule will result in 410 million barrels in storage by the end of 1984.

Outlays for further construction of storage facilities, which are included in the budget totals, are estimated to be $284 million in 1983 and $228 million in 1984.

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Energy information, policy, and regulation.—Outlays for energy information, policy analysis and regulation are expected to decrease from $0.9 billion in 1983 to $0.7 billion in 1984, reflecting less need for Federal involvement in energy markets.

Within this total, estimated outlays of $0.5 billion for 1984 are included to support the Nuclear Regulatory Commission's efforts to regulate the nuclear power industry effectively and efficiently. The balance covers programs now under the Department of Energy, including the Federal Energy Regulatory Commission. The budget provides approximately $0.3 billion in 1984, down from $0.4 billion in 1983, for continuation of regulatory and energy information activities, along with funds for overall agency management.

Credit programs.—The accompanying table summarizes Federal credit activities in the energy function. Total credit budget activity in this function decreases by $1.0 billion between 1983 and 1984 primarily due to proposed policy reductions in the programs of the Rural Electrification Administration (REA) which are described below. The Federal Financing Bank (FFB) finances a substantial amount of credit activity in this function as off-budget direct loans. The FFB will provide continued support to the Tennessee Valley Authority (TVA), REA, and other programs in 1984.

TVA is a Government-owned corporation that leases nuclear fuel from the Seven States Energy Corporation. The Corporation borrows from the FFB to finance its purchases, with TVA as the guarantor through long-term contractual agreements. The administration proposes that $5.4 billion in 1983 and $6.3 billion in 1984 in direct loans will be financed through the FFB.

Limitations will be proposed for REA direct loan obligations and new guaranteed loan commitments for 1984 as part of the administration's Federal credit budget. REA provides loans directly to eligible rural electric and telephone systems for expansion and maintenance of operations. REA also guarantees loans which are made by the FFB and private lenders for eligible rural electric power suppliers and eligible telephone systems.

Tax expenditures.—To encourage energy exploration and production, the tax code permits certain capital costs to be deducted as current expenses rather than amortized over the useful life of the property. In addition, extractive industries are generally permitted to use percentage depletion rather than cost depletion. The estimates of expensing exploration and development costs and the use of percentage depletion are $1.8 billion and $3.0 billion, respectively, in 1984.

A variety of residential tax incentives stimulate energy conservation and encourage conversion to energy sources other than oil or natural gas. The estimates for these residential energy provisions

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CREDIT PROGRAMS—ENERGY

(In millions of dollars)

	Actual 1982	Estimate 1983	1984	1985	1986
Direct loans:					
Alternative fuels production (loans made by the FFB):[1]					
Net outlays	340				
Outstandings	340	340	340	340	340
Geothermal and other:					
New obligations	4	40	40	44	46
Net outlays	4	39	38	42	43
Outstandings	13	53	90	132	175
Geothermal and other (loans made by the FFB):[1]					
Net outlays	18			−10	−10
Outstandings	37	37	37	27	17
Tennessee Valley Authority:					
New obligations	76	89	99	134	123
Net outlays	68	56	55	62	35
Outstandings	263	319	375	437	471
Tennessee Valley Authority (loans made by the FFB):					
New obligations [1]	4,513	5,412	6,258	6,790	7,217
Net outlays	336	193	181	116	86
Outstandings	1,258	1,451	1,632	1,749	1,835
Rural electrification and telephone revolving fund:					
New obligations [2]	1,099	1,101	575	575	575
Net outlays	130	88	59	−106	−204
Outstandings	9,774	9,861	9,920	9,814	9,611
Rural electrification and telephone revolving fund (loans held by FFB):[2]					
Net outlays	528	565	465	480	488
Outstandings	3,124	3,689	4,154	4,634	5,122
Rural electrification and telephone revolving fund (loans made by the FFB): [1]					
New obligations	4,712	4,645	3,260	3,260	3,260
Net outlays	3,939	5,345	4,591	4,702	3,958
Outstandings	16,282	21,627	26,217	30,924	34,882
Total, direct loans:					
New obligations	10,405	11,287	10,232	10,803	11,221
Net outlays	5,363	6,287	5,389	5,285	4,397
Outstandings	31,090	37,377	42,766	48,056	52,453
Guaranteed loans:					
Alternative fuels production:					
Net change	447				
Outstandings	1,680	1,680	1,680	1,680	1,680
Biomass energy development:					
New commitments					
Net change		686			
Outstandings		686	686	686	686
Geothermal and other:					
New commitments		153	172		
Net change	−23	54	272	27	25
Outstandings	99	153	425	452	477
Rural electrification and telephone revolving fund:					
New commitments	400	100	100	100	100
Net change	115	99	99	−360	*
Outstandings	720	819	918	552	553

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CREDIT PROGRAMS—ENERGY—Continued

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Total, guaranteed loans:					
New commitments	400	253	272	100	100
Net change	539	839	371	−333	25
Outstandings	2,499	3,338	3,709	3,370	3,396
Total credit budget (new obligations and new commitments)	**10,806**	**11,541**	**10,504**	**10,903**	**11,321**

*$500,000 or less.

[1] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency.

[2] The direct lending activities of the Rural Electrification Administration are financed by the Federal Financing Bank (FFB). Certificates of beneficial ownership (CBO's) are issued by the REA. According to law, these certificates are backed by loans that the agency continues to service. REA guarantees the CBO's, sells them to the FFB, and repurchases them upon maturity. FFB net outlays for REA represent acquisition of CBO's less repurchases by REA. Increases in the volume of sales of CBO's are added to FFB direct loan outstandings, while the REA direct loan outstandings decrease by the amount of CBO's sold to the FFB.

are $690 million and $390 million, respectively, in 1984.

Business investments in specified energy property are also eligible for special tax credits, in addition to the normally available investment tax credit. The estimates for these alternative, conservation and new technology credits are $355 million in 1984.

Tax expenditures for energy exploration, production and conservation total $4.2 billion in 1984.

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NATURAL RESOURCES AND ENVIRONMENT

National Needs Statement

The Federal Government ensures responsible management and conservation of natural resources held in common—air, water, and public lands.

Natural resources and environment programs manage public lands and resources for their preservation, conservation, and economic development; work with State governments to ensure a clean environment; and encourage increased knowledge and understanding of the environment.

Pollution control and abatement.—Efforts to control pollution of air, water, and land are carried out through direct Federal programs and through financial assistance to State and local governments.

Regulatory, enforcement and research programs.—Proposed budget authority in 1984 for the Environmental Protection Agency's (EPA) non-energy related operating programs is $929 million. This funding level reflects EPA's continued emphasis on increasing management efficiencies and accelerating delegation of environmental programs to the States. A new user fee program for ocean dumping activities will be initiated in 1984.

Research will be focused on problems that must be resolved to develop regulations within statutory deadlines, and on projects of significant environmental concern. The Government-wide acid rain research effort will be further accelerated by increasing budget authority by 18% to $28 million in 1984.

Hazardous substance response fund.—The hazardous substance response trust fund provides money for cleaning up abandoned hazardous waste sites and for responding to hazardous chemical spills. Budget authority for this program in 1984 will increase 43% over 1983, reflecting EPA's progress in implementing the "superfund" program.

Sewage treatment plant grants.—The $300 million decrease in outlays from 1983 to 1984 reflects completion of expenditures from grants approved before 1982. The budget proposes $2.4 billion in budget authority in recognition of the 1982 enactment of program reforms that will concentrate funds on solving currently existing pollution problems. Because of the high degree of expertise attained in this field by State and local governments and the extent

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to which authority has already been delegated to them, this program is included in the new federalism initiative.

NATIONAL NEED: USING AND PRESERVING NATURAL RESOURCES AND PROTECTING THE ENVIRONMENT

(Functional code 300; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Pollution control and abatement:					
Regulatory, enforcement and research programs:					
Existing law	1,045	1,019	929	930	930
Proposed legislation			13	13	13
Hazardous substance response fund	188	201	287	331	351
Oil pollution fund	12	3	3	3	3
Sewage treatment plant construction grants	2,400	2,430	2,400	2,400	2,400
Subtotal, pollution control and abatement	3,645	3,653	3,631	3,676	3,696
Water resources:					
Construction, operations, and maintenance, etc.	3,998	3,957	3,689	3,944	4,131
Proposed legislation (navigation user fees)			−438	−461	−544
Subtotal, water resources	3,998	3,957	3,251	3,483	3,587
Conservation and land management:					
Management of national forests, cooperative forestry and forestry research	1,723	1,990	1,587	1,724	1,773
Management of public lands	506	466	431	447	455
Mining reclamation and enforcement	174	222	282	298	329
Conservation of agricultural lands	570	589	413	413	413
Other	101	315	255	262	270
Offsetting receipts:					
Existing law	−510	−735	−914	−951	−1,045
Proposed legislation			−25	−25	−25
Subtotal, conservation and land management	2,565	2,848	2,028	2,169	2,170
Recreational resources:					
Federal land acquisition [1]	176	257	65	68	70
Urban park and historic preservation funds	33	26			
Operation of recreational resources:					
Existing law	1,052	1,122	1,150	1,201	1,240
Proposed legislation (user fees)			−13	−12	−10
Subtotal, recreational resources	1,262	1,405	1,202	1,257	1,301
Other natural resources	1,590	1,503	1,380	1,425	1,454
Deductions for offsetting receipts	−1,860	−2,131	−2,586	−3,060	−3,504
Total, budget authority	**11,199**	**11,234**	**8,906**	**8,950**	**8,703**

[1] Includes budget authority from State outdoor recreation grants financed by the land and water conservation fund.

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NATIONAL NEED: USING AND PRESERVING NATURAL RESOURCES AND PROTECTING THE ENVIRONMENT—Continued

(Functional code 300; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
Pollution control and abatement:					
Regulatory, enforcement and research programs:					
Existing law	1,172	1,059	1,003	963	936
Proposed legislation			6	9	11
Hazardous substance response fund	77	168	246	319	357
Oil pollution fund	7	3	3	3	3
Sewage treatment plant construction grants	3,756	3,100	2,800	2,700	2,525
Subtotal, pollution control and abatement	5,012	4,330	4,058	3,994	3,832
Water resources:					
Construction, operations, and maintenance, etc	4,032	3,955	3,743	3,942	4,126
Proposed legislation (navigation user fees)			−438	−461	−544
Subtotal, water resources	4,032	3,955	3,305	3,481	3,582
Conservation and land management:					
Management of national forests, cooperative forestry and forestry research	1,932	1,936	1,653	1,744	1,758
Management of public lands	467	449	411	426	433
Mining reclamation and enforcement	119	141	180	211	232
Conservation of agricultural lands	576	591	564	443	434
Other	163	303	284	280	276
Offsetting receipts:					
Existing law	−510	−735	−914	−951	−1,045
Proposed legislation			−25	−25	−25
Subtotal, conservation and land management	2,746	2,685	2,153	2,127	2,063
Recreational resources:					
Federal land acquisition [1]	349	384	287	158	97
Urban park and historic preservation funds	69	61	44	21	2
Operation of recreational resources:					
Existing law	1,059	1,231	1,141	1,196	1,230
Proposed legislation (user fees)			−13	−12	−10
Subtotal, recreational resources	1,477	1,677	1,459	1,362	1,319
Other natural resources	1,526	1,572	1,442	1,444	1,447
Deductions for offsetting receipts	−1,860	−2,131	−2,586	−3,060	−3,504
Total, outlays	**12,934**	**12,087**	**9,832**	**9,348**	**8,739**

[1] Includes outlays from State outdoor recreation grants financed by the land and water conservation fund.

Water resources.—Most of the funds for water resources are for continued construction of projects started in previous years. Despite the reduction in 1984 of $275 million in outlays for Army Corps of Engineers construction, practically all ongoing projects will continue on schedule. The budget reflects the fact that many projects are nearing completion.

Five new construction starts are included in the budget of the Corps of Engineers. First-year outlays for these projects are $8

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million and total Federal cost will be $88 million. A substantial portion of the cost of each new project will be borne by non-Federal project sponsors.

Construction outlays of $695 million for the Bureau of Reclamation represent a 20% increase over the 1983 estimate, mainly due to outlays for contracts made in previous years.

The budget includes increased receipts from three user fee proposals. The administration will submit legislation to recover capital and operating expenses of deep draft and inland waterway projects, and to permit charging fees at Corps of Engineers recreation facilities.

Conservation and land management.—Changes in these programs reflect the administration's efforts to improve the management and productivity of the national forests and public lands, to streamline mineral leasing programs, and to place maximum responsibility with the States for coal surface mining regulatory and reclamation programs.

Management of national forests, cooperative forestry, and forestry research.—Proposed budget authority in 1984 for direct management of national forests is $96 million less than in 1983, after adjusting for variations in funds for fighting forest fires, and for changes in financing due to initiation of the reforestation trust fund in 1983.

The administration proposes to continue efforts to improve the productivity of national forest management by carefully controlling costs, adjusting management procedures, and paying close attention to benefit-cost relationships. Proposals are directed at producing timber, recreation, and other outputs at the lowest unit costs. Careful attention will be given to both market values of resources and non-market values, such as water quality, and their associated costs.

Timber sales in 1984 of 11.6 billion board feet (BBF), together with the 37.9 BBF uncut volume under contract at the end of 1983, should be adequate to respond to anticipated substantial increases in housing construction by 1984 and subsequent years. The budget provides flexibility to further increase sales in future years if necessary through advance work on sale preparation and road construction.

Within a 1984 forestry research level of $101 million of budget authority, efforts will continue to address high-priority projects while reducing Federal funding for research projects that directly support industry.

Budget authority for cooperative forestry programs will be reduced to $25 million in 1984 from $63 million in 1983. Significant reform is proposed for these programs. General grants to States for

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fire protection and technical assistance in forest management will not be funded in 1984. Funding, however, will be retained to provide for national data collection, information dissemination, and limited but specialized technical assistance to States on national problems.

Management of public lands.—These programs provide for administration of approximately 310 million surface acres of public lands for multiple use and about 370 million acres of federally owned subsurface mineral rights.

Budget authority decreases in 1984 by $12 million for the administration of the Outer Continental Shelf oil and gas leasing program, due in part to simplified procedures. Leasing programs to develop tar sands and oil shale are underway. Streamlined leasing procedures allow about a $3 million reduction for coal leasing while completing five sales in 1984.

Gross sales of unneeded public lands are estimated to yield about $300 million in 1984 (included in the undistributed offsetting receipts function). Proceeds will be dedicated to retiring part of the national debt.

Mining reclamation and enforcement.—The 1984 budget includes budget authority of $232 million for grants to States to regulate surface coal mining and reclaim abandoned mined lands. Budget authority for grants to States for reclamation of abandoned strip mined lands increases by $61 million in 1984, because all coal mining States will have met eligibility requirements to receive Federal grants and their reclamation programs will be fully implemented.

Conservation of agricultural lands.—Budget authority for these programs declines 30% in 1984. Technical and financial assistance for soil and water conservation will concentrate on high priority soil and water resource problems. Major emphasis is given to a greater role for private landowners and State and local governments in establishing soil and water conservation practices on non-Federal lands.

Recreational resources.—The administration's policy is to improve and maintain existing nationally significant recreation resources such as national parks and wildlife refuges, rather than expand the Federal estate. Grants to States for acquisition of local recreation lands and facilities and for historic preservation are not funded in 1984, given the relatively low necessity for recreation expenditures in a stringent budget year and the tax incentives now applicable to historic preservation.

The administration again proposes to increase fees for recreational use of national parks, forests, and related facilities, so that

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those who use them will pay more for their upkeep and maintenance than the general taxpayer who does not use them. Increased receipts for 1984 are estimated to be about $75 million.

Federal land acquisition.—Federal agencies are budgeted to pay only for outstanding court awards for recreational land where the prior administration already had begun the purchase process.

Operation of recreational resources.—An important administration initiative in the operation of recreational resources is a 5-year effort to improve maintenance and to ensure the quality and accessibility of the national parks to all Americans. The budget proposes $253 million in budget authority for construction and repair of the national park system, including $153 million for the administration's park restoration and improvement program in the Department of the Interior and $100 million for park road improvements in the new Federal lands highways program in the Department of Transportation. Total budget authority to operate and maintain the 333 parks, covering 74 million acres, of the National Park System is proposed at $595 million.

The Fish and Wildlife Service requests $476 million in budget authority, including an increase of $17 million for the accelerated refuge maintenance and management program.

Other natural resources.—These activities focus on understanding, conservation, and careful husbandry of the Earth's resources, structure, and environment through research and development and information dissemination programs. They comprise elements of the Geological Survey, the Bureau of Mines, and the National Oceanic and Atmospheric Administration. The decrease from 1982 is caused primarily by transfer of the Conservation Division from the Geological Survey to the new Minerals Management Service. For Geological Survey, 1984 budget authority will total $366 million.

Bureau of Mines 1984 outlays of $133 million are less than prior years because of reductions in applied research and development which should be the responsibility of the mining industry.

Funding for NOAA programs reflects a decrease of approximately 10% in budget authority from $939 million in 1983 to $834 million in 1984. Estimated outlays for 1984 are $979 million. This funding would maintain the priority life-safety resource management and development programs, and atmospheric and oceanic research and services.

Offsetting receipts.—Offsetting receipts from all parts of the natural resources and environment function are expected to rise from $3.0 billion in 1983 to $4.2 billion in 1984. Receipts that offset the functional totals come mostly from rents and royalties from land

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and minerals and sales of timber, from fees for miscellaneous services, and from selling other products and publications.

CREDIT PROGRAMS—NATURAL RESOURCES AND ENVIRONMENT

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Water resources and other loan programs:					
New obligations	25	35	40	32	29
Net outlays	19	25	31	23	18
Outstandings	351	376	407	430	448
Total credit budget (new obligations)	**25**	**35**	**40**	**32**	**29**

Credit programs.—The credit budget in this function is proposed to increase by $5 million between 1983 and 1984 in programs operated by the Bureau of Reclamation and the National Park Service. These direct loans are made to non-Federal organizations for construction and rehabilitation of irrigation and municipal or industrial water systems, and for reconstruction of Wolf Trap Farm Park, Virginia.

Tax expenditures.—As an incentive to encourage production, certain capital costs associated with exploration and development of nonfuel minerals may be expensed rather than depreciated over the life of the asset. In addition, most nonfuel-mineral extractors use percentage depletion, rather than cost depletion. Percentage depletion is more generous than cost depletion in that total deductions are not limited to the cost of the investment. The total estimates for these two provisions are $100 million and $690 million, respectively, in 1984.

Interest on State and local government debt issued to finance the pollution control facilities of private firms is excluded from income subject to tax; the resulting estimate for 1984 is $1.2 billion.

A special 25% tax credit is available for expenditures made to restore certain historic structures. The 1984 estimate of $385 million for this provision includes the remaining tax subsidies from special depreciation treatment available under prior law.

Tax expenditures for natural resources and environment total $3.3 billion in 1984.

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AGRICULTURE

National Needs Statement

Federal programs help meet domestic and international trade demands for food and fiber while mitigating the adverse effects of price fluctuations on farmers and moving toward a market-oriented farm economy.

The administration's farm program for 1984 is a major departure from the types of price support and credit programs offered over the past several years. In the forefront of this new program is an innovation called "PIK"—payment-in-kind—in which farmers are provided commodities, instead of cash, in return for reducing production. This new program is designed to protect farmers' income while simultaneously reducing our excess inventories to correct the current supply/demand imbalance. PIK will be both less costly to the general taxpayer and less of a restriction on farm producers than any other course available.

Highlights of the administration's new farm program are:

- In return for reducing their production, farmers of wheat, feed grains, cotton, and rice would receive, at no cost to them, some of the surplus commodities now pledged as collateral for Federal loans or owned by the CCC.
- Target prices for wheat, feed grains, cotton, and rice would remain at current levels rather than be increased annually as current law requires. This will reduce subsidy payments and be consistent with the budget strategy of freezing indexed entitlements.
- Surplus commodities held by CCC would be made available for donation through international humanitarian organizations.
- Honey and extra-long staple cotton price support programs would be changed in order to better achieve market clearing prices and reduce Federal costs.

The first element above, PIK, is being implemented under current authorities. The remaining three elements are expected to be implemented after enactment of authorizing legislation.

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NATIONAL NEED: IMPROVED AGRICULTURE

(Functional code 350; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Farm income stabilization:					
Commodity price support and related programs:					
Existing law	16,063	17,858	10,491	11,000	12,400
Proposed policy and legislation		−2,672	−73	−4,200	−7,000
Crop insurance	425	529	474	510	515
Agricultural credit	639	682	896	831	680
Other programs and unallocated overhead:					
Existing law	63	63	54	54	54
Proposed legislation			−2	−2	−2
Subtotal, farm income stabilization	17,191	16,460	11,839	8,193	6,646
Agricultural research and services:					
Research programs	657	708	706	706	706
Extension programs	316	329	287	287	287
Marketing programs:					
Existing law	118	125	128	128	128
Proposed legislation			−2	−2	−2
Animal and plant health programs:					
Existing law	289	277	234	204	204
Proposed legislation			−4	−4	−4
Economic intelligence	161	168	188	187	187
Other programs and unallocated overhead	120	183	204	201	201
Offsetting receipts	−74	−87	−95	−95	−95
Subtotal, agricultural research and services	1,586	1,702	1,647	1,613	1,613
Deductions for offsetting receipts	−14	−2	−2	−2	−2
Total, budget authority	**18,763**	**18,160**	**13,484**	**9,804**	**8,257**
OUTLAYS					
Farm income stabilization:					
Commodity price support and related programs:					
Existing law	11,652	18,859	12,394	13,700	13,400
Proposed policy and legislation		−604	−3,139	−6,000	−6,800
Crop insurance	219	310	400	439	444
Agricultural credit	1,370	732	781	868	802
Other programs and unallocated overhead:					
Existing law	48	64	56	55	54
Proposed legislation			−2	−2	−2
Subtotal, farm income stabilization	13,289	19,360	10,490	9,059	7,898
Agricultural research and services:					
Research programs	667	705	705	710	710
Extension programs	307	328	295	287	287
Marketing programs:					
Existing law	123	128	128	128	128
Proposed legislation			−2	−2	−2
Animal and plant health programs:					
Existing law	317	281	246	212	204
Proposed legislation			−4	−4	−4
Economic intelligence	153	170	184	187	187
Other programs and unallocated overhead	107	191	204	200	200

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NATIONAL NEED: IMPROVED AGRICULTURE—Continued

(Functional code 350; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Offsetting receipts	−74	−87	−95	−95	−95
Subtotal, agricultural research and services	1,599	1,716	1,662	1,624	1,616
Deductions for offsetting receipts	−14	−2	−2	−2	−2
Total, outlays	**14,875**	**21,075**	**12,150**	**10,681**	**9,513**
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Agricultural credit:					
Budget authority	5,380	4,300	5,291	3,994	1,034
Outlays	1,055	835	−104	−163	−216

The 1984 decline in total outlays for the agriculture function is due mostly to savings realized by the administration's new farm program.

Farm income stabilization.—These programs are the major Federal involvement in the agricultural sector, representing 86% of estimated 1984 outlays in the agriculture function. Over the past 2 years, good weather conditions have resulted in unexpected increases in farm crop production. This increased supply, coupled with lower demand than anticipated, has reduced prices and created large surpluses of farm goods. If present programs were unchanged, budget outlays for this area would increase to a record high of $20 billion in 1983 as these programs automatically cushion the adverse effects of low prices and excess supplies. Because of this combination of factors, the President's program is proposed for 1983 and 1984, which will reduce outlays by more than $600 million in 1983 and $3.1 billion in 1984.

Commodity price support and related programs.—Price support and related programs were created to stabilize, support, and protect farm income and prices, and to facilitate the orderly distribution and maintenance of a balanced and adequate supply of agricultural commodities and their products. The Commodity Credit Corporation (CCC) provides price support to producers of agricultural commodities through loans, purchases, payments, and other means. The administration's new PIK program will be carried out through the CCC.

The CCC also provides export assistance. The value of agricultural exports in 1982 was $39.1 billion, while imports totaled $15.4 billion, resulting in a positive trade balance of $23.7 billion. Export credit assistance is provided by CCC through direct loans and loan guarantees and is intended for those export sales that would not

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have occurred without the Federal credit. While CCC export credit has grown tremendously over the past several years, it affects an extremely small portion, 6%, of total exports. Therefore, continued reliance on free-market commercial export has been the driving force in the success of U.S. agricultural trade. Nevertheless, the Federal Government has provided over $14 billion in export credit assistance since 1977. Total export credit estimated to be extended in 1984 is $3.1 billion. This represents 300% growth from 1977 in total CCC export credit assistance.

Crop insurance.—The Federal Crop Insurance Corporation offers insurance to producers against crop losses from natural hazards. In 1984, the all-risk crop insurance program will be available in 3,000 counties and will cover 37% of all potentially insurable acreage. Insurance in force is expected to reach $13.7 billion, an increase of $2.7 billion over 1983. As the crop insurance program continues to expand, the Farmers Home Administration (FmHA) emergency loan program will be reduced correspondingly. Outlays depend primarily on the weather, the number of participants, and crop prices.

Agricultural credit.—At the end of 1982, direct loans outstanding financed through the agriculture credit insurance fund totaled $24.4 billion. FmHA has lent 88% of this outstanding amount during the last 10 years. In 1982 alone, new direct lending totaled $4.2 billion, with 50% of this amount going for disaster loans. New direct lending will remain at about $4 billion per year in 1983 and 1984. The 1984 budget proposes to increase the regular operating loan program by $350 million to provide short- and intermediate-term credit for production purposes to those unable to obtain credit elsewhere.

Outlays arising from direct loans in the agriculture credit insurance fund are financed off-budget through the Federal Financing Bank. These outlays are included in the off-budget deficit.

Agricultural research and services.—Research helps to increase agricultural productivity, and it expands knowledge of human nutrition and food safety. The research program will place higher priority on basic research with long term, high-risk, high potential pay-off. Short-term applied research and development will receive reduced Federal effort, since this is more appropriately financed by private industry.

Marketing programs.—The Federal Government provides a variety of services to aid in the orderly marketing of farm products such as grain inspection and weighing; tobacco inspection; cotton classing; and meat, poultry, and livestock grading. Most of these services are now provided on a user fee basis. In 1984, the adminis-

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CREDIT PROGRAMS—AGRICULTURE

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Commodity price support and related loans (CCC):					
New obligations	11,500	11,877	8,040	5,600	5,600
Net outlays	6,325	4,382	−2,025	358	1,300
Outstandings	12,484	16,867	14,842	15,200	16,500
Agricultural Credit Insurance Fund (FmHA):					
New obligations [1]	4,199	4,264	3,979	4,065	4,012
Net outlays	−241	−420	−132	.....	.....
Outstandings	795	375	243	243	243
Agricultural credit insurance fund of FmHA (loans held by FFB): [1]					
Net outlays	1,055	835	−104	−163	−216
Outstandings	23,412	24,247	24,143	23,979	23,764
Total, direct loans:					
New obligations	15,699	16,141	12,019	9,665	9,612
Net outlays	7,139	4,797	−2,261	195	1,084
Outstandings	36,691	41,488	39,227	39,422	40,506
Guaranteed loans:					
Export credit (CCC):					
New commitments	1,551	4,800	3,000	3,000	3,000
Net change	645	3,389	−412	−126	−500
Outstandings	2,650	6,038	5,626	5,500	5,000
Agricultural and emergency credit (FmHA):					
New commitments	57	131	106	106	106
Net change	−187	−32	−49	862	−1,075
Outstandings	1,132	1,100	1,051	1,913	838
Total, guaranteed loans:					
New commitments	1,608	4,931	3,106	3,106	3,106
Net change	458	3,357	−461	735	−1,575
Outstandings	3,782	7,138	6,677	7,413	5,838
Total credit budget (new obligations and new commitments)	**17,307**	**21,072**	**15,125**	**12,771**	**12,718**

[1] The direct lending activities of the Farmers Home Administration (FmHA) are financed by the Federal Financing Bank (FFB). Certificates of beneficial ownership (CBO's) are issued by the FmHA. According to law, these certificates are backed by loans that the agency continues to service. FmHA guarantees the CBO's, sells them to the FFB, and repurchases them upon maturity. FFB net outlays for REA represent acquisition of CBO's less repurchases by FmHA. Increases in the volume of sales of CBO's are added to FFB direct loan outstandings, while the FmHA's direct loan outstandings decrease by the amount of CBO's sold to the FFB.

tration is proposing legislation and administrative changes to implement $8 million in user fees for cotton and tobacco market news and for administrative costs associated with marketing agreements and orders.

Animal and plant health.—The Federal Government carries out a number of programs to prevent the introduction and spread of plant and animal pests and diseases that can cause severe losses in crop yields or livestock. The 1984 budget provides for a $51 million brucellosis control program but reduces or eliminates funding for several lower priority programs such as range caterpillar, imported fire ants, witchweed, and scabies.

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Tax expenditures.—Agriculture is promoted by several tax expenditures. The tax code permits farmers to treat certain capital outlays as current expenses and allows capital gains treatment for certain types of ordinary income. The 1984 estimates for these two provisions are $590 million and $745 million, respectively. The tax expenditures for agriculture total $1.4 billion in 1984.

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COMMERCE AND HOUSING CREDIT

National Needs Statement

There is a recognized national need to maximize the private financing of mortgage credit and to support an environment in which there are fair and equitable opportunities for business development and growth.

Commerce and housing credit programs support the business and housing sectors in the areas of mortgage credit, thrift insurance, the Postal Service, and other forms of commerce, including small business assistance.

Direct loan or loan guarantee programs make up most of the Federal activity in the commerce and housing credit function. The credit programs table within this section reflects the total credit budget activity associated with these programs. The 1984 budget proposes $2.1 billion in direct loan obligations and $42.3 billion in guaranteed loan commitments.

Slower increases in home prices and lower mortgage interest rates have resulted in an expansion of housing activity. Starts, completions, and sales of homes and multifamily projects have all increased considerably in the past few months. Single and multifamily construction permits—which are usually a good predictor of future housing activity—have also increased substantially, indicating that housing should continue to expand in 1983.

The administration's emphasis on deregulation and institutional improvements in financial markets has helped establish more efficient mortgage markets that will be better able to meet the increased credit demands that result from this expanded housing activity. Depository institutions may now offer money market-type accounts to all savers. This increases the flow of savings to mortgage lenders, enabling them to compete more effectively for available funds, and enabling savers to receive competitive rates of return on their investments in these institutions.

To ensure that the private sector has the opportunity to enter the secondary mortgage market, the administration is considering a package of regulatory and tax changes that will eliminate unnecessary barriers to the issuance of private mortgage-backed securities. Known as TIM's (trusts for investments in mortgages), the resulting instruments will make the secondary mortgage market more accessible to private institutions. This improved competition should allow the entire secondary mortgage market to keep pace in the increasingly deregulated financial environment.

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The administration also remains committed to seeking the total privatization of two of the housing related Government-sponsored enterprises, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. Because of their Federal Government sponsorship these enterprises receive special advantages in the securities markets that completely private institutions do not have. An interagency Cabinet-level group will continue to pursue the goal of complete privatization of these enterprises.

The 1984 credit budget requests reductions in commerce and housing credit programs from 1983 levels. These reductions in new direct loan obligations and guaranteed loan commitments should continue to relieve pressure on interest rates without adversely affecting the industries involved. Where Federal involvement is necessary and justified, the principal concern will be to target scarce Federal resources specifically to those groups with the greatest need. This budget ensures the efficient and effective use of limited Federal credit resources by:

- targeting rural housing programs to low-income families occupying substandard housing;
- providing greater emphasis on minority, handicapped, and first-time borrowers with guaranteed credit assistance of the Small Business Administration, thereby having the Government assume credit risk for these borrowers when the market may overestimate the risk;
- deregulating the interest rate on FHA-insured mortgages, thereby allowing it to be determined by the market;
- ensuring a strong private economy by acting only as a lender of last resort in certain areas; and
- redirecting FHA mortgage insurance programs to those groups not served by the private mortgage market.

The 1984 budget proposes $7.6 billion in budget authority and $0.4 billion in estimated budget outlays for commerce and housing credit. Mortgage credit and thrift insurance programs and activities are the largest portion of the assistance, with $5.7 billion in proposed budget authority in 1984.

Mortgage credit and thrift insurance.—The most significant contribution the Federal Government can make to both the housing industry and individual homebuyers is the pursuit of prudent fiscal and monetary policies that support stable and reasonably low interest rates. Overall Federal credit reductions will continue to exert downward pressure on interest rates and allow the private housing sector opportunity for growth. The focus of Government mortgage credit programs will be on areas the private sector cannot serve, particularly distressed rural areas and central cities.

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Mortgage purchase activities.—The *Government National Mortgage Association (GNMA)* provides support for the mortgage market through guarantees of mortgage-backed securities. For 1983, a new commitment limitation of $68.3 billion has been enacted, and guarantees are expected to be issued on about $35.2 billion in securities backed by pools of mortgages that are either insured by the Federal Housing Administration or the Farmers Home Administration, or guaranteed by the Veterans Administration. For 1984, the administration proposes a new commitment limitation of $58.6 billion, although only $39.1 billion of securities are expected to be guaranteed. This represents a $9.6 billion commitment limitation reduction from the enacted 1982 and 1983 levels. The credit programs table shows the new commitment limitation proposed for GNMA guarantees. Table F-9 of Special Analysis F, "Federal Credit Programs," shows the estimated guaranteed loans.

For 1984, the administration proposes no further activity for the GNMA tandem mortgage subsidy programs. The statutory authority for these programs, which involves making direct loans at large losses to the Federal Government, is proposed for repeal. Contingent upon successful enactment of this proposal, outstanding Treasury borrowing for these programs will be forgiven, and the remaining fund balances transferred to the GNMA management and liquidating functions fund.

Mortgage credit.—The *Federal Housing Administration (FHA)* provides mortgage and loan insurance for families who may be unable to obtain a mortgage without Federal insurance. FHA mortgage credit is one of the largest programs in the Federal credit budget.

Many families, particularly first-time homebuyers, can afford only a low downpayment when purchasing a home. Mortgage lenders, however, are reluctant to make low downpayment loans unless the mortgages are insured. Although private mortgage insurers currently insure more mortgages and charge lower premiums than FHA, some homebuyers—particularly those able to make only very low downpayments—may be unable to obtain private mortgage insurance. Thus, these homebuyers require FHA mortgage insurance in order to purchase a home.

In addition, FHA insurance on mortgages is often sought by mortgage bankers for use in conjunction with GNMA guarantees of pools of insured mortgages. These GNMA securities provide mortgage bankers and other lenders with the means to finance portfolios of mortgages without having to use much of their own capital.

The administration is requesting $39.8 billion of new loan guarantee commitment authority for 1984. The request reflects projections of future housing activity and, more importantly, recognizes

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NATIONAL NEED: COMMERCE AND HOUSING CREDIT

(Functional code 370; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Mortgage credit and thrift insurance:					
Department of Housing and Urban Development:					
Mortgage purchase activities (GNMA):					
Existing law	1,101	2	249	263	525
Proposed legislation			−248	−263	−525
Mortgage credit (FHA)	203	183	127	135	143
Housing for the elderly or handicapped	710	564	436	507	558
Department of Agriculture—rural housing programs:					
Existing law	2,004	1,630	1,508	1,820	1,979
Proposed legislation			3,556	1,297	
National Credit Union Administration	36	55	66	40	40
Subtotal, mortgage credit and thrift insurance	4,055	2,435	5,694	3,800	2,720
Postal Service:					
Existing law	707	789	760	964	985
Proposed legislation			−360	−564	−585
Subtotal, Postal Service	707	789	400	400	400
Other advancement of commerce:					
Small business assistance	570	739	498	461	434
Technology utilization:					
Existing law	275	211	193	211	213
Proposed legislation			5		
Economic and demographic statistics	184	218	206	213	213
Other	631	524	561	563	563
Subtotal, other advancement of commerce	1,660	1,692	1,464	1,447	1,423
Deductions for offsetting receipts	−2	−1	−1	−1	−1
Total, budget authority	**6,419**	**4,915**	**7,556**	**5,647**	**4,543**
OUTLAYS					
Mortgage credit and thrift insurance:					
Department of Housing and Urban Development:					
Mortgage purchase activities (GNMA):					
Existing law	1,504	1,019	1,433	212	268
Proposed legislation			−842	−1,038	−1,189
Mortgage credit (FHA)	−237	−329	−1,546	−1,586	−1,622
Housing for the elderly or handicapped	742	255	51	−38	−260
Department of Agriculture—rural housing programs:					
Existing law	1,247	1,611	1,913	1,943	1,729
Proposed legislation			325	−495	−83
Federal Deposit Insurance Corporation	−1,440	−2,300	−2,020	−2,180	−2,410
Federal Savings and Loan Insurance Corporation	−588	−898	−716	−934	−976
National Credit Union Administration	−12	20	16	16	18
Subtotal, mortgage credit and thrift insurance	1,216	−622	−1,387	−4,101	−4,525
Postal Service:					
Existing law	707	789	760	964	985
Proposed legislation			−360	−564	−585
Subtotal, Postal Service	707	789	400	400	400

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NATIONAL NEED: COMMERCE AND HOUSING CREDIT—Continued

(Functional code 370; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Other advancement of commerce:					
Small business assistance	933	771	455	426	397
Technology utilization:					
Existing law	249	209	193	216	208
Proposed legislation					
Economic and demographic statistics	185	215	210	210	211
Other	577	567	542	558	552
Subtotal, other advancement of commerce	1,943	1,761	1,400	1,410	1,368
Deductions for offsetting receipts	−2	−1	−1	−1	−1
Total, outlays	**3,865**	**1,928**	**413**	**−2,292**	**−2,758**
ADDENDUM					
Off-budget Federal entities:					
Postal Service:					
Budget authority		341	2,586	174	521
Outlays	−553	935	1,861	−212	−106
Federal Financing Bank:					
Rural housing insurance fund:					
Existing law:					
Budget authority	5,170	5,335	4,263	1,772	
Outlays	2,800	2,650	333	−476	−61
Proposed legistation:					
Budget authority			−4,263	−1,772	
Outlays			−333	476	61
Small business assistance:					
Budget authority	178	295	340	340	340
Outlays	142	248	280	270	260
Total:					
Budget authority	**5,348**	**5,971**	**2,926**	**514**	**861**
Outlays	**2,389**	**3,833**	**2,140**	**58**	**154**

that private mortgage insurers will be able to adequately serve a larger share of the housing market.

The administration obtained a $6.1 billion supplement, in the 1983 Continuing Resolution, to the FHA loan guarantee authority of $39.8 billion for 1983. With the expectation of rapidly falling interest rates, the demand for FHA insurance has increased considerably. More applications were received in the last two months of 1982 than in any other November-December time period in the 48-year history of FHA. Approximately 30–40% of this increase in demand is to refinance existing mortgages.

In addition, legislation to remove current statutory ceilings on interest rates for FHA-insured mortgages is being reproposed. Elimination of the FHA regulation that prohibits FHA-insured homebuyers from being charged any points directly will be implemented simultaneously. Points are interest charges that are paid at the time a property is purchased and are used by lenders to increase effective interest rates on FHA-insured mortgages. Each

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point equals 1% of the mortgage amount. Although the current regulation prohibits the additional points from being charged to buyers directly, they are usually paid by buyers indirectly through increased home prices. The elimination of both ceilings on interest rates and the regulation that prohibits the buyer from paying points will allow mortgage markets to operate more effectively and can benefit buyers by reducing artificially increased home prices.

Finally, FHA will begin two new programs in 1983. One will allow direct approval of insured single-family mortgages by approved mortgage lenders. Under this program, lenders have the responsibility for underwriting and closing the mortgage loan. They then submit the loan to FHA for insurance endorsement without need of any prior FHA commitment. This new program will allow FHA to process mortgage insurance applications faster and reduce the staff needed to process applications.

The administration proposed and Congress enacted a new method for collecting insurance premiums on insured single-family mortgages beginning in 1983. Instead of paying monthly premiums for the life of the mortgages, homebuyers with FHA-insured mortgages will either pay a lump sum at the time of settlement or have the insurance added to the total mortgage.

All of these factors are expected to result in an increase in net receipts to the FHA fund from $329 million in 1983 to $1.5 billion in 1984.

Housing for the elderly or handicapped.—In addition to supporting private market mortgage financing with FHA insurance, HUD provides direct loans to finance housing for the elderly and the handicapped. The budget proposes $476 million of new loan obligations in 1984. This funding will support construction of approximately 10,000 units. The administration plans to sell $5.2 billion of section 202 direct loans between 1983 and 1988, starting with $750 million in 1983. There is no reason for the Federal Government to continue to hold these loans once the projects have been constructed. Outlays for this program are estimated to be $255 million in 1983 and $51 million in 1984. The decline in 1983 and 1984 outlays from the 1982 level reflects the estimated receipts from the loan sales.

Department of Agriculture rural housing programs.—The 1984 budget proposes to replace the categorical direct lending and grant programs of the Farmers Home Administration (FmHA) rural housing program with a housing block grant to States. Its proposed budget authority is $850 million and is included in the income security function. The block grant will be available in the same places previously served by the FmHA categorical programs—in any rural community of 10,000 or less, and in communities of 10,000 to 20,000 outside of a standard metropolitan statistical area. Eighty percent of the block grant funds is earmarked for families with incomes less than 50% of the State median income.

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For 1984, new obligations of $308 million in direct loans will be provided primarily to service the existing portfolio of loans (e.g., to permit sales from the government's inventory). This represents a reduction of $3.1 billion from the amount of new direct loan obligations available in 1983. This reduction in direct lending is part of a continuing effort to limit the growth of Federal outlays and to reduce dependence on the Federal Government as a major source of credit. To compensate for this reduced direct Federal role in credit markets, the administration will make FHA mortgage insurance more widely available in rural areas through Farmers Home Administration county offices.

Rural housing insurance fund outlays are estimated to be $2.2 billion in 1984 when all transactions with the Federal Financing Bank are included, due to proposed legislation. Corresponding reductions are shown in off-budget Federal financing.

A number of programs enhance the safety and soundness of the banking system and affect its reponsiveness to the needs of both savers and borrowers. The *Federal Deposit Insurance Corporation (FDIC)* insures the deposits of all federally and many State chartered commercial and savings banks. Receipts of the FDIC are estimated to exceed expenses by $2.3 billion in 1983 and $2.0 billion in 1984.

The *Federal Savings and Loan Insurance Corporation (FSLIC)* insures deposits in savings and loan associations. As economic conditions improve in 1983 and 1984, receipts are estimated to exceed costs by $898 million and $716 million, respectively.

The *National Credit Union Administration (NCUA)* regulates credit unions and insures depositors' accounts. The insurance fund of NCUA insures the shares of credit union depositors. Total outlays for the NCUA are estimated to decline from $20 million in 1983 to $16 million in 1984. The NCUA also operates a central liquidity facility that is intended to serve as a source of financing only after other sources have been used. It is estimated that the central liquidity facility, which provides loans to member credit unions to meet their liquidity needs, will have the same volume of $95 million in new direct loan obligations in 1984 that it did in 1983.

Postal Service.—The Postal Reorganization Act of 1970 established the U.S. Postal Service as an independent part of the executive branch. Outlays for the general operations of the Postal Service are excluded from Federal budget totals, except for reimbursements for revenue foregone, which subsidize certain classes of mail at reduced rates. In the past, these reimbursements have also included payment for certain liabilities of the former Post Office Department. These payments for 1982 through 1984 were postponed until 1985 by the 1981 Reconciliation Act.

The request for 1984 reflects the administration's belief that postage costs should be paid by those who incur them, not by the

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taxpayer. Budget authority of $400 million is requested for 1984, $389 million below the estimated 1983 level. The administration will submit legislation to reduce subsidies to preferred-rate mailers, with the exception of mail for the blind and handicapped.

Other advancement of commerce.—Federal programs attempt to support an environment for fair and equitable business opportunities by providing technical assistance and loan guarantees, collecting and disseminating information on the economy and population, encouraging innovation and productivity growth, and providing export promotion assistance to small and medium sized businesses.

Small business assistance.—Net outlays for assistance to small business are estimated to total $0.5 billion in 1984, a reduction of $0.3 billion from the proposed 1983 level. The 1984 budget request for the Small Business Administration (SBA) calls for elimination of subsidized direct loans with the exception of $41 million in direct financing for minority enterprise small business investment companies and $471 million of new direct loan obligations to cover claims on defaulted SBA guaranteed loans. In addition, $2.4 billion in new commitments for guaranteed business loans and $0.4 billion of guaranteed loans financed through the Federal Financing Bank as direct loans will be proposed. Most of these commitments ($2.4 billion) will be directed to the small business community in general, but small business investment companies and development companies will receive $175 million and $275 million, respectively. As the credit programs table reflects, the budget proposes phasing down SBA loan guarantee assistance in order to reach $1.5 billion by 1986. Handicapped, minority, and first-time borrowers will be the priority credit assistance recipients.

The reduction in SBA financial assistance is an integral part of the administration's effort to restrain and reduce Federal credit programs in order to increase the availability of private credit for businesses. As a group, small businesses will benefit more from the administration's efforts to stabilize financial markets, reduce interest rates, eliminate burdensome regulations, and lower inflation than from direct Federal credit subsidies.

Since the vast majority of small businesses are obtaining financing without Federal assistance, the administration plans to provide assistance to those businesses for which a valid case can be made that market imperfections may exist. Consistent with this philosophy, it is anticipated that 17% of SBA's guaranteed business loans will be made to minority-owned firms in 1984. In addition, the budget proposes that the non-credit minority business assistance programs in the Department of Commerce and the SBA will operate at current levels in 1984 with outlays of $98 million.

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CREDIT PROGRAMS—COMMERCE AND HOUSING CREDIT

(In millions of dollars)

	Actual 1982	Estimate 1983	1984	1985	1986
Direct loans:					
Mortgage purchase activity (GNMA):					
New obligations	1,985	504	3	3	3
Net outlays	−259	−640	−68	−1,167	−934
Outstandings	4,074	3,433	3,366	2,199	1,264
Mortgage credit (FHA):					
New obligations	284	341	288	320	313
Net outlays	−142	−161	−417	−344	−278
Outstandings	4,150	3,990	3,572	3,228	2,950
Housing for the elderly or handicapped:					
New obligations	819	634	476	500	525
Net outlays	815	65	−175	−249	−421
Outstandings	3,641	3,706	3,531	3,282	2,861
Rural housing (FmHA):					
New obligations [1]	3,455	3,377	308	669	493
Net outlays	−379	−176	324	−495	−83
Outstandings	447	271	596	100	18
Rural housing of FmHA (loans held by FFB): [1 2]					
Net outlays	2,800	2,650	.....	.....	.....
Outstandings	23,921	26,571	.....	.....	.....
Central Liquidity Facility (NCUA):					
New obligations	82	95	95	100	100
Net outlays	29	40	40	40	40
Outstandings	130	170	210	250	290
Small business assistance: [3]					
New obligations	682	749	512	483	444
Net outlays	393	151	−251	−248	−249
Outstandings	3,096	3,247	2,996	2,627	2,378
Small business assistance (loans made by FFB):					
New obligations [4]	215	375	375	375	375
Net outlays	151	258	290	280	270
Outstandings	759	1,017	1,306	1,586	1,856
Small business assistance (loans held by FFB): [5]					
Net outlays	−9	−10	−10	−10	−10
Outstandings	66	56	46	36	26
Other commerce and housing credit programs:					
New obligations	73	34	20	18	16
Net outlays	134	−86	−210	−413	−115
Outstandings	1,503	1,417	1,207	794	679
Total, direct loans:					
New obligations	7,595	6,109	2,077	2,468	2,270
Net outlays	3,533	2,091	−477	−2,606	−1,780
Outstandings	41,788	43,878	16,830	14,104	12,323
Guaranteed loans:					
Mortgage purchase activity (GNMA): [6]					
New commitments	36,382	68,250	58,650	58,650	58,650
Net change	10,901	28,063	30,900	22,833	29,603
Outstandings	115,537	143,600	174,500	197,333	226,936
Mortgage credit (FHA):					
New commitments	18,576	45,900	39,800	39,800	39,800
Net change	6,807	29,169	26,325	25,266	24,440
Outstandings	142,252	171,422	197,747	223,013	247,453

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CREDIT PROGRAMS—COMMERCE AND HOUSING CREDIT—Continued

(In millions of dollars)

	Actual 1982	Estimate 1983	1984	1985	1986
Rural housing (FmHA):					
New commitments	17	16	13	4	4
Net change	−272	−71	108	388	−241
Outstandings	1,068	998	1,106	1,494	1,253
Small business assistance:					
New commitments	1,854	2,425	2,425	2,075	1,475
Net change	−122	−347	−520	−705	−1,160
Outstandings	9,428	9,081	8,561	7,856	6,696
Chrysler Corporation:					
Outstandings	1,200	1,200	1,200	1,200	1,200
Other commerce and housing credit programs:					
New commitments	74	59	28	26	24
Net change	−17	11	−16	−21	−22
Outstandings	296	308	291	271	248
Less guaranteed loans held as direct loans by GNMA: [7]					
New commitments	1,985	501			
Net change	−241	−639	−68	−1,168	−934
Outstandings	4,067	3,428	3,360	2,192	1,258
Total, guaranteed loans:					
New commitments	18,536	47,898	42,266	41,905	41,303
Net change	6,637	29,402	25,965	26,096	23,951
Outstandings	150,178	179,580	205,546	231,642	255,593
Total credit budget, (new obligations and new commitments)	**26,131**	**54,007**	**44,343**	**44,373**	**43,573**

[1] The direct lending activities of the Farmers Home Administration (FmHA) are financed by the Federal Financing Bank (FFB). Certificates of beneficial ownership (CBO's) are issued by the FmHA. According to law, these certificates are backed by loans that the agency continues to service. FmHA guarantees the CBO's, sells them to the FFB, and repurchases them upon maturity. FFB net outlays for REA represent acquisition of CBO's less repurchases by FmHA. Increases in the volume of sales of CBO's are added to FFB direct loan outstandings, while the FmHA's direct loan outstandings decrease by the amount of CBO's sold to the FFB.

[2] Under proposed legislation, the CBO's sold by the rural housing insurance fund of FmHA to the FFB will be treated as agency debt beginning in 1984. Consistent with this proposal, the CBO transactions with the FFB are removed from the credit programs table.

[3] Direct loan obligations for 1983 are repurchases of defaulted guaranteed loans.

[4] These are obligations to guarantee loans that the FFB will disburse. In effect, they are obligations for off-budget direct loans and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency. The totals for small business assistance loans made by the FFB in this table are not identical to the entries in the addendum to the national needs table for off-budget Federal entities due to timing differences between budget authority and new obligations.

[5] The direct lending activities of the Small Business Administration are financed by the FFB. Loan assets are issued by the agency. According to law, these assets are backed by loans that the agency continues to service. The agency guarantees the loan assets, sells them to the FFB, and repurchases them upon maturity. FFB net outlays for this account represent acquisition of loan assets less repurchases by the agency. Increases in the volume of sales of loan assets are added to FFB direct loan outstandings, while the agency's direct loan outstandings decrease by the amount of loan assets sold to the FFB.

[6] GNMA guarantees securities that are backed by pools of loans previously insured by the FHA, the Veterans Administration or the Farmers Home Administration. These secondary guarantees of loans are not added into guaranteed loan totals for the credit budget.

[7] When guaranteed loans are acquired by a budget account, they become direct loans and are counted as such in this table. This deduction for GNMA eliminates overlap with direct loans presented above.

Tax expenditures.—The tax system provides a variety of incentives for investment in equipment, commercial and industrial structures, and residential housing. For example, the investment tax credit provides incentives for investment in capital equipment. Deductions for mortgage interest and property taxes are permitted on owner-occupied homes. Tax expenditures are also made available for specific types of business. Financial institutions are, for instance, accorded favorable tax treatment on excess bad debt reserves.

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TAX EXPENDITURES IN COMMERCE AND HOUSING CREDIT

(In millions of dollars)

Description	Fiscal years		
	1982	1983	1984
Commerce and housing credit:			
Dividend and interest exclusion	1,530	615	605
Exclusion of interest on State and local industrial development bonds	1,795	2,250	2,625
Exemption of credit union income	225	245	270
Excess bad debt reserves of financial institutions	660	680	1,090
Exclusion of interest on life insurance savings	6,625	6,780	7,310
Deductibility of interest on consumer credit	10,900	10,710	10,530
Deductibility of mortgage interest on owner-occupied homes	23,495	25,255	28,335
Deductibility of property tax on owner-occupied homes	8,405	8,810	9,645
Exclusion of interest on State and local housing bonds for owner-occupied housing	955	1,185	1,315
Capital gains (other than agriculture, timber, iron ore and coal)	26,590	22,865	23,465
Deferral of capital gains on homes sales	2,090	2,225	2,515
Exclusion of capital gains on home sales for persons age 55 and over	710	765	865
Carryover basis of capital gains at death	3,120	3,330	3,685
Investment credit, other than employee stock ownership plans, rehabilitation of structures, energy property, and reforestation expenditures	19,255	17,170	18,325
Safe harbor leasing rules	2,880	3,270	3,035
Amortization of start-up costs	125	195	290
Exclusion of interest on certain savings certificates	1,970	840	105
Reinvestment of dividends in public utility stock	400	590	670
Total (after interactions), commerce and housing credit [1]	111,905	108,301	115,635

[1] The estimate of total tax expenditures for this function reflects interactive effects among the individual items. Therefore, the estimates cannot simply be added.

The Economic Recovery Tax Act of 1981 (ERTA) liberalized the rules under which firms may transfer unused investment tax credits and depreciation deductions on new investments to profitable firms through leasing transactions. The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) repeals these provisions, referred to as safe harbor leases, effective January 1, 1984. For safe harbor leases entered into before 1984, the Act limits the type of eligible property and the amount of tax benefit available to the lessor.

The cost of the total tax expenditures for commerce and housing credit are estimated to be $115.6 billion in 1984, an increase of $7.3 billion from 1983 estimates.

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TRANSPORTATION

National Needs Statement

The Federal Government seeks to ensure the maintenance of a transportation system to provide safe, efficient and economical movement of people and goods, and to support national defense. This requires private enterprise, State and local governments, and the Federal Government to uphold their responsibilities to the system. Federal support of national priorities for ground, air, and water transportation is financed substantially by user fees.

A safe and efficient transportation system is essential for the Nation's economic health and vitality. It provides mobility to citizens and serves as a distribution network for goods and services. The administration has placed a high priority on maintaining and upgrading this vital component of the economy. To this end, the administration requests increases in Federal funding for the national defense and interstate highway system, primary highways and bridges, the national air traffic control system, and Coast Guard operations. Proposed budget authority for transportation programs is $27.8 billion for 1984, $6.5 billion more than in 1982.

Primary responsibility for other portions of the transportation system lies outside the Federal purview. The administration looks to State and local governments to supply the major share of funding for non-interstate highways and public transportation, and to the private sector for commercial transportation.

The budget reflects the continued effort of the administration to simplify Federal regulations and reduce the Federal role, where appropriate. The administration proposes a decrease in budget authority for the Interstate Commerce Commission and for the Civil Aeronautics Board, which is scheduled to expire in 1985, to reflect their reduced statutory responsibilities. The administration also plans to reduce the Federal presence in railroads and pursue legislative or administrative avenues to further deregulate the trucking, airline, and ocean shipping industries.

The administration stresses that those who benefit from Federal transportation programs should pay their cost through user fees. The administration has been successful in increasing user fees to support highway and aviation programs. The budget extends this policy by proposing user fees for selected Coast Guard services.

Ground transportation.—Proposed budget authority is $19.1 billion for highway, highway safety, mass transit, and railroad pro-

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NATIONAL NEED: EFFICIENT TRANSPORTATION SYSTEMS

(Functional code 400; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Ground transportation:					
Highway systems:					
Existing law	8,723	13,158	13,811	14,549	15,330
Proposed legislation			80	80	60
Highway safety	213	236	258	260	213
Mass transit	3,584	4,397	3,967	3,488	3,498
Railroads	1,968	1,013	889	716	716
Regulation	70	67	58	54	51
Subtotal, ground transportation	14,559	18,869	19,062	19,147	19,868
Air transportation:					
Airways and airports	3,157	4,180	5,031	5,503	5,481
Aeronautical research and technology	516	553	589	620	642
Air carrier subsidies	86	48	51	14	.....
Regulation	26	24	21	5	.....
Subtotal, air transportation	3,785	4,806	5,692	6,142	6,123
Water transportation:					
Marine safety and transportation:					
Existing law	2,513	2,456	2,543	2,664	2,797
Proposed legislation			−7	−16	−18
Coast Guard user fees (proposed legislation)			−58	−61	−61
Ocean shipping	415	526	506	504	508
Regulation	11	12	11	11	11
Subtotal, water transportation	2939	2,994	2,995	3,103	3,237
Other transportation:					
Existing law	88	110	116	119	121
Proposed legislation				56	80
Subtotal, other transportation	88	110	116	175	201
Deductions for offsetting receipts	−116	−87	−85	−67	−67
Total, budget authority	**21,256**	**26,692**	**27,780**	**28,500**	**29,363**

grams in 1984, $4.5 billion higher than in 1982. This budget reflects the recently enacted Surface Transportation Assistance Act of 1982, which increases Federal revenues earmarked for highways and mass transit significantly over 1982 levels. Some highway programs may be affected by the federalism initiative, described in Special Analysis H: "Federal Aid to State and Local Governments," in the Special Analyses volume of the *1984 Budget.*

Highway systems.—The Surface Transportation Assistance Act of 1982 has established the basic thrust and framework for a much-enhanced Federal highway program over the next 4 years. Under the Act, the highway motor fuels tax increases from four to nine cents per gallon—the first increase since 1959. Other taxes support-

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NATIONAL NEED: EFFICIENT TRANSPORTATION SYSTEMS—Continued

(Functional code 400; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
Ground transportation:					
Highway systems:					
Existing law	7,934	8,806	12,263	12,913	13,517
Proposed legislation	.....	−35	−275	−76	−3
Highway safety	269	237	243	245	247
Mass transit	3,930	3,940	3,797	3,753	3,575
Railroads	2,126	1,551	1,162	986	839
Regulation	68	65	59	54	52
Subtotal, ground transportation	14,326	14,562	17,249	17,875	18,228
Air transportation:					
Airways and airports	2,891	3,576	4,185	4,539	4,816
Aeronautical research and technology	563	567	587	610	628
Air carrier subsidies	84	55	51	18	.....
Regulation	26	24	21	6	.....
Subtotal, air transportation	3,564	4,222	4,844	5,173	5,444
Water transportation:					
Marine safety and transportation:					
Existing law	2,070	2,453	2,570	2,644	2,812
Proposed legislation	.....	.....	−7	−16	−18
Coast Guard user fees (proposed legislation)	.....	.....	−58	−61	−61
Ocean shipping	614	594	503	476	478
Regulation	11	12	11	11	11
Subtotal, water transportation	2,696	3,059	3,019	3,054	3,221
Other transportation:					
Existing law	90	120	118	122	121
Proposed legislation	.....	.....	.....	51	80
Subtotal, other transportation	90	120	118	173	201
Deductions for offsetting receipts	−116	−87	−85	−67	−67
Total, outlays	**20,560**	**21,876**	**25,145**	**26,207**	**27,027**
ADDENDUM					
Off-budget Federal entities:					
U.S. Railway Association:					
Budget authority	19	16	.....	.....	.....
Outlays	−23	−57	−19	.....	.....
Federal Financing Bank:					
Railroads:					
Budget authority	3,180	52	.....	.....	.....
Outlays	78	22	−13	−13	−13
Total:					
Budget authority	**3,199**	**68**	.....	.....	.....
Outlays	**55**	**−35**	**−33**	**−13**	**−13**

ing the Federal highway program are restructured to improve the balance between the tax assigned to highway users and the costs those users impose on the system. The Act also extends the author-

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ization for spending from the user-financed highway trust fund to 1988. The administration proposes budget authority of $13.9 billion for highways in 1984.

The legislation greatly increases budget authority for completing and preserving the interstate highway system, and for rehabilitating primary highways and bridges. The Act provides for (1) completion of all segments of the interstate system by the early 1990's, (2) an immediate spending increase of 144% over levels prior to the Act for rehabilitating and preserving existing segments of the interstate system, and (3) an 88% increase in budget authority from 1982 to 1986 for primary highways and bridges.

All other rural and urban roads remain primarily the responsibility of State and local governments, which must decide the priority of construction, maintenance, and rehabilitation. The budget reflects spending at approximately the 1983 levels for Federal programs for these roads.

Highway safety.—Proposed budget authority for highway safety in 1984 is $258 million. The funds would be used to support Federal vehicle safety research and development, promulgate and enforce Federal safety and fuel economy standards, and supplement State highway safety programs.

Two laws increase funding for highway safety in 1984. The Alcohol Traffic Safety Act of 1982 provides incentive grants to States that have met certain criteria for reducing drunk driving. The Surface Transportation Assistance Act of 1982 establishes a State grant program for enforcement of Federal safety standards for trucks. The program draws on the success of recent State programs and addresses concerns that existing laws deregulating the trucking industry may reduce attention paid to highway safety.

Mass transit.—The Federal Government provides assistance for mass transit through a variety of formula and discretionary grant programs. The majority of funds are reserved for capital projects; grants are also provided for operating assistance, planning activities, demonstration projects, and research.

Budget authority of $4.0 billion is proposed for mass transit in 1984. These funds are to be used primarily for capital projects, such as construction and rehabilitation of bus and rail facilities and replacement and repair of rolling stock. The Surface Transportation Assistance Act of 1982 significantly restructures Federal assistance for mass transit. Beginning in 1984, the existing discretionary grant program will be funded with one cent per gallon of the new motor fuels tax increase and will be used for capital projects. A new grant program begins in 1983, financed by highway user taxes in the first year and general funds thereafter, which will distribute funds on a formula basis for capital and, to a limited

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extent, operating projects in urban and rural areas. In addition to these programs, budget authority is requested for existing programs to substitute transit projects for previously planned interstate highway projects and to continue construction of the Washington, D.C. Metro system.

The administration has examined the usefulness of Federal funding of operating costs and determined that State and local governments should assume complete responsibility for operating local mass transit systems by 1985. In some areas Federal funds support marginally effective, conventional transit services where transportation needs could be better served by more cost-effective and innovative alternatives. Shifting financial responsibility to local authorities should make low-cost alternatives more attractive. Decisions about service levels, equipment, facilities, fares, wage rates, and management practices are better left to local governments or to the private sector.

Railroads.—In keeping with the administration's policy of reducing Federal responsibility for rail activities unrelated to safety, estimated outlays for railroads in 1984 are reduced to $1.2 billion, $0.4 billion less than in 1983. The decrease is attributable to reductions in Federal assistance programs, the completion of the transfer of Conrail commuter services to local authorities, and the settlement in 1983 of most outstanding litigation against the Government. Federal aid is being phased back or eliminated, in conjunction with the ability of the industry to be self-supporting.

Conrail provides freight service in the Northeast and Midwest. Operating subsidies have not been requested by Conrail nor proposed by the administration for 1984; Conrail has accomulated cash reserves sufficient to meet potential emergency requirements. The Omnibus Budget Reconciliation Act of 1981 stipulated that the Federal Government should sell Conrail as part of a private market solution to rail problems in that part of the Nation.

The Federal Government subsidizes intercity rail passenger service throughout the United States by providing grants to the National Railroad Passenger Corporation (Amtrak). In 1982, the Federal Government covered more than 50% of Amtrak's direct operating costs and 100% of its capital and other operating costs. To reduce competitive inequities, the administration supports decreased funding for Amtrak and increased coverage of costs by passengers or the States. Proposed budget authority is $682 million for subsidies to Amtrak in 1984, a reduction of $18 million from 1983. Also proposed are certain cost-saving measures: labor and management productivity savings, higher State payments for joint Federal- and State-funded trains, and elimination of all routes that do not meet legal criteria in existing legislation for Amtrak. In addition, the administration proposes to alter labor protection for

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Amtrak employees to make it similar to the type of protection provided Conrail employees.

The administration has previously redirected the primary focus of the northeast corridor improvement program away from developing high speed rail service toward safety and reliability. Many of the more critical portions of the project are now complete. The administration proposes budget authority of $100 million in 1984 to complete the project.

Air transportation.—Budget authority of $5.7 billion is requested for air transportation in 1984, an increase of $0.9 billion over 1983. Federal spending for air transportation is for improvement, operation, and maintenance of the national airspace system, airport grants, aeronautical research and technology, air carrier subsidies, and operation of two airports (National and Dulles) in the Washington, D.C., area.

Airways and airports.—The safe and efficient movement of air traffic nationwide is under the direction of the Federal Aviation Administration (FAA). Budget authority of $5.0 billion is proposed for the FAA in 1984. The Airport and Airway Improvement Act of 1982 increased aviation user fees for the airport and airway trust fund. The receipts will finance the multiyear FAA capital modernization program, airport improvement grants, and an increased share of FAA operations and maintenance costs.

The administration requests budget authority for the second year of the FAA capital modernization program. The request includes a 72% increase from 1983 to 1984 for research and development and for procurement of new facilities and equipment. The FAA will provide to the Congress a revised national airspace system plan reflecting pertinent project changes since the formulation of the original plan 1 year ago.

Airport improvement grants will emphasize compliance with airport safety standards, expansion, and noise reduction. The administration proposes to limit obligations in 1984 to $700 million, an increase of $100 million over the existing 1983 limitation. Funds will be distributed according to the provisions of the Airport and Airway Improvement Act of 1982.

The administration proposes increased budget authority for FAA operations and maintenance activities to permit the lifting by December 1983 of all flight restrictions imposed after the 1981 air traffic controllers strike.

In compliance with the Airport and Airway Improvement Act of 1982, the request also includes reimbursement from the airport and airway trust fund to the National Oceanic and Atmospheric Administration for providing aviation weather services.

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Aeronautical research and technology.—The National Aeronautics and Space Administration (NASA) conducts research in basic aeronautical sciences and long-term technology development, and operates unique research and testing facilities—activities that are unlikely to be funded by the private sector.

The administration proposes $589 million of budget authority for NASA in 1984 to help maintain U.S. leadership in aeronautical research and technology. This amount would allow a significant increase in aeronautical engineering and systems research efforts. New initiatives proposed for 1984 include a numerical aerodynamic simulation capability and development of light-weight composite materials for large aircraft.

Air carrier subsidies.—In conjunction with airline deregulation, one existing air carrier subsidy program designed to promote general aviation is being replaced with a new program to provide essential air services to small communities. The administration expects the older subsidy to be terminated by 1984. Proposed budget authority for air carrier subsidies is $51 million in 1984.

Water transportation.—To meet its Federal responsibility in water transportation, the administration requests $3.0 billion in budget authority for 1984, approximately the same as for 1983. This will allow the Coast Guard to continue its safety and marine law enforcement activities. The budget includes a proposal for user fees to offset the cost of selected Coast Guard services. Estimated outlays for subsidizing commercial ocean shipping decrease in 1984, as the administration seeks to reduce the Federal role in this area.

Marine safety and transportation.—Coast Guard services include search and rescue, maintenance of navigation aids, enforcement of maritime laws, and other activities.

The administration requests $2.5 billion of budget authority in 1984 for Coast Guard operations and improvement of its shore facilities and vessels. Two new large cutters and several smaller ones will be commissioned and fleet modernization will be accelerated, resulting in expanded capabilities and substantial savings from reduced maintenance costs. The Coast Guard's aircraft operations will be upgraded and expanded by the introduction of new medium-range jet search aircraft and short-range recovery helicopters. Total flight hours in 1984 will be 36% higher than 1980 levels, with an emphasis on law enforcement surveillance.

Coast Guard user fees.—Currently, most services rendered by the Coast Guard to the public are provided without charge. The administration is again proposing that consumers of certain Coast Guard services pay a user fee to cover some of the costs. These user fees are estimated to provide $58 million in revenues in 1984.

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Ocean shipping.—Programs in ocean shipping are administered by the Department of Transportation's Maritime Administration, the Panama Canal Commission, and the Federal Maritime Commission. Outlays for ocean shipping are estimated to be $503 million in 1984, $91 million less than in 1983.

The Maritime Administration has traditionally provided two types of subsidies to assist the U.S. merchant marine and shipbuilding industry. Operating subsidies offset the higher costs of operating U.S.-flag vessels while construction subsidies offset the higher costs of building vessels in U.S. shipyards.

A full review of maritime policies has determined effective methods for revitalizing the maritime industry. The administration supports the policy that subsidized U.S.-flag ship operators be permitted to build or acquire their vessels in foreign countries. Therefore, the administration proposes to eliminate construction subsidies altogether. The budget provides an estimated $440 million in outlays for operating subsidies in 1984 to meet the Government's obligations on existing contracts; no new contracts are anticipated. Administrative changes are expected to hold down escalating costs. Finally, the administration has reaffirmed its support for laws that provide that a portion of the cargoes shipped by the Federal Government be carried on U.S.-flag vessels.

Credit programs.—The Department of Transportation provides direct loans and guaranteed loans for water, ground, and air transportation projects as shown in the accompanying table. The total credit activity in this function is estimated to be $677 million in 1984, $234 million lower than in 1983. The decrease is due largely to proposed elimination of guarantees of new commitments for the purchase of aircraft and elimination of new direct loan obligations for railroads.

The Maritime Administration guarantees construction mortgage loans to build U.S.-flag vessels in the United States. It also makes direct loans in the form of advances to operators to avoid defaults on Government guaranteed loans. The administration is proposing to limit loan guarantees to $900 million in 1984, $300 million of which will be used only if needed for national security interests.

CREDIT PROGRAMS—TRANSPORTATION

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Highway and mass transportation:					
New obligations	69	50	37	32	30
Net outlays	−37	−22	3	23	.....
Outstandings	300	278	281	304	304

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CREDIT PROGRAMS—TRANSPORTATION—Continued

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Aid to railroads:					
New obligations	44	102			
Net outlays	−30	56	38	21	
Outstandings	1,484	1,540	1,578	1,599	1,599
Aid to railroads (loans made by the FFB):					
New obligations [1]	16	31			
Net outlays	78	22	−13	−13	−13
Outstandings	1,052	1,074	1,061	1,047	1,035
Assistance to ocean shipping:					
New obligations	24	25	25	25	25
Net outlays	12	19	20	20	20
Outstandings	158	177	198	218	239
U.S. Railway Association:					
New obligations	*				
Net outlays	−42	−64	−21		
Outstandings	123	58	37		
Other transportation programs:					
New obligations		6			
Net outlays		16			
Outstandings		16	16	16	16
Total, direct loans:					
New obligations	154	214	62	57	55
Net outlays	−18	26	28	51	8
Outstandings	3,117	3,143	3,171	3,185	3,192
Guaranteed loans:					
Highways and mass transportation:					
Net change	−2	−2	−2	−3	−2
Outstandings	1,017	1,015	1,013	1,010	1,008
Aid to railroads:					
New commitments	26	17	15	15	
Net change	−37	−70	−10	−5	−130
Outstandings	214	143	133	128	−2
Aircraft purchase loan guarantees:					
New commitments	20	80			
Net change	128	−32	−70	−104	−71
Outstandings	733	701	630	527	456
Assistance to ocean shipping:					
New commitments	637	600	600	600	600
Net change	609	125	125	125	125
Outstandings	7,176	7,301	7,426	7,551	7,676
Total, guaranteed loans:					
New commitments	682	697	615	615	600
Net change	698	20	43	13	−78
Outstandings	9,140	9,161	9,203	9,217	9,139
Total credit budget (new obligations and new commitments)	**836**	**911**	**677**	**672**	**655**

* $500 thousand or less.

[1] These are obligations made by the agency to guarantee loans that the FFB will disburse. In effect, they are obligations for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency. Totals for loans for aid to railroads made by FFB in this table are not identical to the entries in the addendum to the national needs table for off-budget Federal entities due to timing differences between budget authority and new obligations.

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Tax expenditures.—In addition to direct Federal funding, two tax expenditures provide assistance to shipping concerns and mass transit systems. The 1984 estimates for these two tax expenditures are $40 million and $15 million, respectively. Total tax expenditures for transportation are estimated to be $55 million in 1984.

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COMMUNITY AND REGIONAL DEVELOPMENT

National Needs Statement

Federal policy for community and regional development is directed toward promoting the viable economic and social growth of urban and rural neighborhoods, communities, and regions. This policy recognizes that private, State, and local decisions and resources should have the primary role in community and regional development.

Community and regional development that is effective and long-lasting is promoted best by a sound and expanding economy. Such an economy can be achieved only with reduced inflation and more resources made available to the private sector. These goals remain integral parts of administration policy, as is the return of authority, responsibility and flexibility to State and local governments for the administration of programs. These governments know their areas' needs best and can devise the most effective means of meeting those needs.

Federal programs supporting community and regional development provide grants, loans, loan guarantees, and technical assistance to States, cities, counties, intergovernmental and regional organizations, insular areas, and Indian tribes. These programs help recipients to address essential community, regional, and economic needs, and recover from unexpected disasters.

For 1984, the administration is requesting budget authority of $6.1 billion for community and regional development, $0.5 billion below that estimated for 1983. Outlays are estimated to decrease from $7.4 billion in 1983 to $7.0 billion in 1984. For credit programs, 1984 direct loan obligations are estimated to be $1.0 billion and guaranteed loan commitments are estimated to be $19 million.

NATIONAL NEED: COMMUNITY AND REGIONAL DEVELOPMENT

(Functional code 450; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Community development:					
Community development block grants	3,456	3,456	3,500	3,500	3,500
Urban development action grants	474	440	196	440	440
Rental rehabilitation grants (proposed legislation)			150	150	150
Urban homesteading		12	12	12	12
Other programs:					
Existing law	361	459	368	385	379
Proposed legislation			−26	−37	−45

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NATIONAL NEED: COMMUNITY AND REGIONAL DEVELOPMENT—Continued

(Functional code 450; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Subtotal, community development	4,291	4,367	4,200	4,450	4,436
Area and regional development:					
Rural development	590	777	890	964	1,004
Economic development assistance	224	34	18	9	7
Indian programs	1,156	1,135	1,080	1,196	1,231
Regional commissions	159	158	.....	.....	.....
Tennessee Valley Authority	129	176	75	125	112
Offsetting receipts	−274	−277	−286	−334	−349
Subtotal, area and regional development	1,984	2,003	1,777	1,960	2,004
Disaster relief and insurance:					
SBA disaster loans	.....	.....	.....	.....	.....
Disaster relief	302	130	*	325	325
National flood insurance fund	.....	71	71	53	33
Other programs	62	55	57	57	57
Subtotal, disaster relief and insurance	363	256	128	435	415
Deductions for offsetting receipts	−34	−34	−34	−34	−34
Total, budget authority	**6,604**	**6,592**	**6,071**	**6,812**	**6,821**
OUTLAYS					
Community development:					
Community development block grants	3,792	3,525	3,526	3,474	3,497
Urban development action grants	388	488	512	479	439
Rental rehabilitation grants (proposed legislation)	.....	.....	.....	75	150
Urban homesteading	12	20	12	12	12
Other programs:					
Existing law	392	456	412	333	284
Proposed legislation	.....	.....	−38	−40	−44
Subtotal, community development	4,583	4,490	4,425	4,332	4,337
Area and regional development:					
Rural development	917	1,163	1,043	1,140	1,084
Economic development assistance	412	295	151	129	54
Local public works	40	30	30	5	5
Coastal energy impact assistance	29	18	11	2	.....
Indian programs	1,078	1,076	1,125	1,214	1,235
Regional commissions	341	274	212	163	87
Tennessee Valley Authority	192	200	130	120	117
Other programs	1	−1	−2	−2	−1
Offsetting receipts	−274	−277	−286	−334	−349
Subtotal, area and regional development	2,735	2,779	2,415	2,437	2,231
Disaster relief and insurance:					
SBA disaster loans	−302	−194	−193	−173	−158
Disaster relief	115	222	220	325	325
National flood insurance fund	−18	44	63	47	27
Other programs	85	67	56	56	56
Subtotal, disaster relief and insurance	−119	138	146	255	250
Deductions for offsetting receipts	−34	−34	−34	−34	−34
Total, outlays	**7,165**	**7,373**	**6,951**	**6,990**	**6,784**

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NATIONAL NEED: COMMUNITY AND REGIONAL DEVELOPMENT—Continued

(Functional code 450; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
ADDENDUM					
Off-budget Federal entities:					
Rural Telephone Bank:					
Budget authority	159	152	150	150	150
Outlays	79	145	143	143	143
Federal Financing Bank:					
Community development:					
Budget authority	90	155	216	55	.....
Outlays	43	119	134	−18	−106
Rural development:					
Budget authority	1,535	1,191	1,644	1,010	278
Outlays	1,060	686	664	415	248
Total:					
Budget authority	**1,784**	**1,498**	**2,009**	**1,215**	**427**
Outlays	**1,181**	**950**	**941**	**540**	**284**

Community development.—Several Federal programs, most of which are administered by the Department of Housing and Urban Development, support community development in both rural and urban areas.

Community development block grants (CDBG).—The community development block grant program provides flexible community and economic development support to cities, counties, Indian tribes, and U.S. territories. Funds are allocated by formula to large cities and urban counties. States also receive funds to distribute to their smaller communities and rural areas by methods they design.

For 1984, the administration proposes two important changes to this program:

- To provide recipients more flexibility in addressing their individual community and economic development needs, new housing construction is proposed as an eligible activity.
- To meet more adequately the special community and economic development needs of Indian tribes, the administration is proposing a demonstration block grant program for Indian tribes. Proposed budget authority is $75 million, an increase of $44 million over the amount being allocated to Indian tribes in 1983 through the current categorical program.

Urban development action grants (UDAG).—This competitive grant program is designed to generate economic growth and jobs in distressed areas. Financial assistance is provided to selected localities and Indian tribes and is used with private and local resources to promote locally designed economic revitalization projects that

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could not go forward without Federal assistance. The total budget resources for 1984 are $440 million, financed with $196 million in new budget authority and $244 million in excess 1983 resources deferred until 1984. In addition, any recaptures of earlier obligations (now estimated at $36 million) will also be used in 1984. Outlays are anticipated to peak at $512 million in 1984.

Rental rehabilitation grants.—The administration is again proposing $150 million in budget authority for this new program, which Congress failed to approve last year. This program would help States and localities rehabilitate rental properties, principally for lower-income households. Designed to leverage private investment capital, passage by Congress would result in the rehabilitation of an estimated additional 30,000 housing units annually. Housing payments, described in the income security section, would be provided to eligible low-income renters to help them afford these rehabilitated units.

Urban homesteading.—Here also, the Congress failed to pass an important piece of legislation that would allow the administration to expand its urban homesteading program to test the feasibility of multifamily homesteading. This expanded program would not only improve blighted neighborhoods, but also provide additional homeownership opportunities to lower-income households who cannot afford the higher expenses of single-family homeownership. This legislation will be reproposed. Outlays for 1984 are estimated to be $12 million.

Area and regional development.—Programs in this category support rural development, American Indian tribal governments, and multi-State regional development.

Rural development.—The Department of Agriculture administers a variety of programs for developing rural areas. For rural water and waste disposal systems, the 1984 budget provides $250 million in direct loan obligations and $90 million in budget authority for grants. Direct loan obligations of $100 million are provided for 1984 for community facilities. These programs are proposed for inclusion in the administration's federalism initiative, described in Special Analysis H. Rural areas can also receive assistance from the Department of Housing and Urban Development's community development block grant program. Outlays for rural development programs are estimated to be $1.2 billion in 1983 and $1.0 billion in 1984.

Economic development assistance.—The Department of Commerce's Economic Development Administration (EDA) provides assistance to States, communities, and Indian tribes that is intended

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to reduce unemployment in economically distressed areas and to help overcome problems of economic adjustment.

The administration is maintaining the policy of phasing out all EDA activities as soon as possible in 1983 and has requested no program funds in 1984.

Funds for community and economic development programs will continue to be available in 1984 through the community development block grant and urban development action grant programs. Specialized assistance for rural areas will continue to be available through the Farmers Home Administration.

Indian programs.—The three major objectives of Federal Indian policy are to meet the trusteeship responsibilities of the U.S. Government, to increase self-determination for American Indian tribal governments, and to encourage economic development on Indian reservations. To further these objectives, the Federal Government provides grants, training, technical assistance, direct Federal loans, loan guarantees, and interest subsidies designed to strengthen tribal management and encourage a variety of economic and community development activities.

Outlays for the Indian programs and for miscellaneous trust funds for regional development are estimated to be $1.1 billion in both 1983 and 1984. The 1984 budget also includes a new demonstration block grant program within the community development block grant program and sets funds aside specifically for Indian housing. Total outlays government-wide for special programs for members of federally recognized Indian tribes amounts to $2.6 billion in 1984. This is in addition to the miscellaneous trust funds and the funds Indians receive from Federal programs available to all qualifying U.S. citizens.

Regional commissions.—The Appalachian Regional Commission's programs are intended to support development in the thirteen State region.

The Appalachian Regional Commission (ARC) and its nonhighway and access roads programs are proposed for termination at the end of 1983. The Appalachian development highway system will continue to be funded from the highway trust fund in the Department of Transportation. The Appalachian system will be terminated by the end of 1986. The system is eligible for funding through Federal-aid for highways, and continued construction after 1986 would be through this funding mechanism, at the discretion of the States. This reflects the administration's policy of relying on the private sector and State and local governments to provide the stimulus for economic development.

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Tennessee Valley Authority (TVA).—TVA programs in this function are aimed primarily at strengthening the economic and natural resource base of the seven State region it serves. Support in such areas as economic and community assistance; land, water, forest and agricultural development; and fertilizer research, development and introduction are among the activities sponsored. Outlays for TVA's activities in this function are estimated to be $130 million in 1984.

Disaster relief and insurance.—Insurance against losses from floods, hurricanes, tornadoes, and other natural disasters is primarily the responsibility of individuals and businesses. State and local governments aid recovery, when necessary, and Federal insurance and disaster relief programs are available to supplement State and local resources when they are insufficient.

SBA disaster loans.—The Small Business Administration (SBA) provides loans to homeowners and non-agricultural businesses that suffer losses as a result of physical disasters, such as hurricanes or floods. Loan repayments for this program are estimated to exceed gross outlays by $193 million in 1984.

Disaster relief.—The Federal Emergency Management Agency administers the Federal disaster assistance program. This nationwide program provides supplemental assistance to individuals, and State and local governments in the event of a Presidentially declared emergency or disaster. In addition, States or Federal agencies may be reimbursed for disaster relief work performed under this authority.

It is difficult to forecast levels of disaster activity with any degree of certainty. Demands on the fund were light in 1981 and 1982. As a result, the existing balance in the fund increased to over $500 million through unused appropriations. This balance is estimated to be sufficient for 1983 and 1984.

National flood insurance fund.—The Federal Emergency Management Agency operates a national program of direct Federal flood insurance at subsidized rates. Over the past 5 years, the program has cost the taxpayer approximately $150 million per year. The proposed 1984 budget continues the plan to phase out this costly subsidy by 1988 through a series of rate increases. This plan supports the administration's policy of recovering clearly allocable costs of flood insurance from those who receive the benefits of this program. The change will eliminate a substantial portion of the subsidy that the taxpayer now provides and discourage uneconomical development in flood prone areas. Outlays for this program are estimated to be $63 million for 1984.

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Credit programs.—For a number of programs in this function, the amount of credit activity is only partially reflected by budget authority and outlays. As shown in the table, total credit activity is estimated to be $1.0 billion in 1984, $0.8 billion less than in 1983. Direct loan obligations are estimated to decrease by $0.4 billion from 1983 to 1984 primarily due to a proposed reduction in rural development lending discussed earlier, and guaranteed loan commitments are estimated to decrease by $0.3 billion also in rural develpment programs.

CREDIT PROGRAMS—COMMUNITY AND REGIONAL DEVELOPMENT

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Rural development insurance fund (FmHA):					
New obligations [1]	568	518	360	406	362
Net outlays	−132	21	−108		
Outstandings	153	173	65	65	65
Rural development insurance fund (FmHA) (loans held by FFB): [1]					
Net outlays	1,060	686	664	415	248
Outstandings	6,403	7,089	7,753	8,169	8,416
Economic development assistance:					
New obligations	14				
Net outlays	−107	−36	−199	−100	−100
Outstandings	782	746	547	447	347
Small Business Administration disaster loans:					
New obligations	237	440	440	440	440
Net outlays	−371	−332	−274	−252	−234
Outstandings	6,073	5,741	5,467	5,215	4,981
Rural Telephone Bank:					
New obligations	185	185	185	185	185
Net outlays	102	173	171	170	166
Outstandings	1,173	1,345	1,516	1,686	1,852
Other:					
New obligations	56	108	16	19	19
Net outlays	−146	9	22	−70	−85
Outstandings	1,496	1,505	1,527	1,457	1,372
Other (loans made by the FFB): [2]					
New obligations	179	225			
Net outlays	43	119	134	−18	−106
Outstandings	150	269	403	352	247
Total, direct loans:					
New obligations	1,239	1,475	1,001	1,049	1,006
Net outlays	448	640	409	145	−111
Outstandings	16,230	16,869	17,279	17,390	17,280
Guaranteed loans:					
Rural development insurance fund (FmHA):					
New commitments	139	300			
Net change	−11	−61	−274	−457	−609
Outstandings	3,387	3,326	3,051	2,595	1,986
Economic development assistance:					
New commitments	14				
Net change	−70	−82	−80	−80	−80

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CREDIT PROGRAMS—COMMUNITY AND REGIONAL DEVELOPMENT—Continued

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Outstandings	629	547	467	387	307
Small Business Administration disaster loans:					
New commitments	6				
Net change	3	−3	−3	−2	−1
Outstandings	11	8	5	3	2
Other:					
New commitments	28	21	19	30	31
Net change	−45	−52	1	−26	−11
Outstandings	262	210	211	218	228
Total, guaranteed loans:					
New commitments	186	321	19	30	31
Net change	−122	−198	−357	−565	−678
Outstandings	4,290	4,091	3,734	3,203	2,523
Total credit budget (new obligations and new commitments)	**1,425**	**1,796**	**1,020**	**1,079**	**1,037**

[1] The direct lending activities of the Farmers Home Administration (FmHA) are financed by the Federal Financing Bank (FFB). Certificates of beneficial ownership (CBO's) are issued by the FmHA. According to law, these certificates are backed by loans that the agency continues to service. FmHA guarantees the CBO's, sells them to the FFB, and repurchases them upon maturity. FFB net outlays for REA represent acquisition of CBO's less repurchases by FmHA. Increases in the volume of sales of CBO's are added to FFB direct loan outstandings, while the FmHA's direct loan outstandings decrease by the amount of CBO's sold to the FFB.

[2] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency.

Tax expenditures.—Congress has not yet approved the President's enterprise zone proposal to test a free-market approach to our Nation's urban problems. The administration will seek swift congressional approval this year. Past Federal efforts to revitalize our distressed urban areas have been largely unsuccessful and much too expensive, in part because they often neglected to work with our country's greatest productive force, the private sector. To rectify this, the enterprise zone legislation would reduce business tax and regulatory burdens, provide employment incentives, and increase local services in clearly delineated, distressed areas. Tax expenditure estimates for enterprise zones are $265 million in 1984.

Direct Federal funding for community and regional development is supplemented by several other tax expenditures. Under certain conditions, taxpayers may elect to amortize rehabilitation expenditures for low- and moderate-income rental housing over a 5-year period. The 1984 tax expenditure for this provision is $70 million. A tax credit of 15% is also available for rehabilitation of nonresidential buildings 30 to 39 years old and 20% for rehabilition of nonresidential buildings over 39 years old. For 1984, the estimate for this program is $460 million. Total tax expenditures for community and regional development for 1984 are estimated to be $535 million.

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Related programs.—Many programs that fulfill other national needs as their primary purpose also promote community and regional development. For example, Federal outlays for all civil public works and grants for local health, education, transportation and general revenue sharing programs support State and local development. Community development is also encouraged by other Federal activities, including defense contracting, management of public forests and parks, and the operation of Federal facilities, such as Veterans Administration hospitals, naval shipyards, and NASA research facilities.

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EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

National Needs Statement

Federal programs for education, training, employment, and social services are intended to: (1) assist parents, States, and localities in providing education, especially for educationally disadvantaged, low-income, and handicapped persons; (2) assist economically disadvantaged or dislocated workers in finding permanent, unsubsidized employment opportunities; (3) help employers and employees maintain stable and productive relations; and (4) help provide social services for needy children, families, the elderly, and other groups.

The Federal role in meeting education, training, employment, and social services needs should be limited to those specific areas where a demonstrated Federal responsibility exists and is of sufficient priority to warrant scarce Federal budget resources. Historically, the responsibility for meeting most of these needs has rested with State and local governments and the private sector. Total outlays for this function are estimated to be $25.3 billion for 1984. This is a 5.3% decrease from the 1983 level of $26.7 billion.

The major 1984 changes in education, training, employment, and social services would:

- redesign student financial aid for higher education so families and students pay their fair share of the costs as a condition for eligibility for Federal grants; and
- implement the new Job Training Partnership Act, which restructures the delivery system and creates a partnership between government and the private sector in the planning and providing of job training and employment services.

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NATIONAL NEED: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

(Functional code 500; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Education:					
Elementary, secondary, and vocational education:					
Education for the disadvantaged	3,041	3,034	3,014	3,014	3,014
State education block grant	442	451	451	451	451
Science and math education (proposed legislation)			50	50	50
Indian education	343	318	250	255	261
Impact aid	466	475	465	465	465
Education for the handicapped	1,069	1,110	1,110	1,108	1,101
Vocational and adult education:					
Existing law	742	824	7	7	7
Proposed legislation			493	493	493
Other	300	190	190	189	188
Subtotal, elementary, secondary, and vocational education	6,403	6,402	6,030	6,032	6,030
Higher education:					
Student aid	(6,644)	(5,768)	(5,615)	(5,607)	(5,599)
Self-help grants (proposed legislation)			2,714	2,714	2,714
College work study	528	540	850	850	850
Guaranteed student loans:					
Existing law	3,074	2,200	2,169	2,238	2,161
Proposed legislation			−122	−199	−130
Pell grants	2,419	2,419			
Supplemental educational opportunity grants	355	355			
State student incentive grants	74	60			
National direct student loans	194	194	4	4	4
Institutional aid	757	675	587	583	580
Subtotal, higher education	7,401	6,444	6,202	6,190	6,178
Research and general education aids	999	1,023	867	832	843
Subtotal, education	14,803	13,869	13,099	13,054	13,051
Training, employment, and labor services:					
Training and employment:					
Block grants to States [1]	1,525	2,181	1,886	1,886	1,886
Summer youth employment:					
Existing law	675	725	725	725	725
Proposed legislation		−85	−87	−87	−87
Assistance to dislocated workers	25	50	240	240	240
Job Corps	583	586	586	586	586
Older Americans employment	277	282			
Work incentive program	281	271			
Other training programs	263	343	293	279	279
Federal-State employment service	757	824	886	938	992
Forward funding of training and employment programs			912	11	12
Subtotal, training and employment	4,386	5,175	5,441	4,578	4,632
Other labor services	600	643	682	692	700
Subtotal, training, employment, and labor services	4,986	5,818	6,123	5,270	5,332

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NATIONAL NEED: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES—Continued

(Functional code 500; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Social services:					
Social services block grant	2,400	2,450	2,500	2,600	2,700
Rehabilitation services:					
Existing law	952	1,037			
Proposed legislation			1,037	1,037	1,037
Community service programs	378	359	3		
Family social services	465	560	601	601	601
Services for children, youth, and families	926	940	1,068	1,068	1,068
Services for the elderly and other special groups	792	827	1,125	1,125	1,125
Domestic volunteer programs	132	129	110	110	110
Other social services	49	48	31	31	31
Subtotal, social services	6,094	6,350	6,475	6,572	6,672
Deductions for offsetting receipts	−29	−42	−57	−73	−84
Total, budget authority	**25,854**	**25,996**	**25,640**	**24,823**	**24,970**
OUTLAYS					
Education:					
Elementary, secondary, and vocational education:					
Education for the disadvantaged	2,954	3,024	3,016	3,017	3,014
State education block grant	48	355	440	451	451
Science and math education (proposed legislation)			6	40	50
Indian education	339	330	270	248	251
Impact aid	546	572	499	478	468
Education for the handicapped	1,141	1,128	1,160	1,100	1,107
Vocational and adult education:					
Existing law	818	773	781	236	42
Proposed legislation			20	365	473
Other	934	364	245	190	186
Subtotal, elementary, secondary, and vocational education	6,780	6,546	6,437	6,125	6,042
Higher education:					
Student aid	(5,755)	(5,922)	(5,507)	(5,788)	(5,601)
Self-help grants (proposed legislation)			407	2,171	2,578
College work study	533	568	545	842	850
Guaranteed student loans:					
Existing law	3,023	2,284	2,134	2,235	2,157
Proposed legislation			−102	−194	−124
Pell grants	1,589	2,408	1,991	730	136
Supplemental educational opportunity grants	371	395	325		
State student incentive grants	57	63	14		
National direct student loans	182	204	193	4	4
Institutional aid	751	819	608	475	420
Subtotal, higher education	6,507	6,739	6,084	6,263	6,021
Research and general education aids	1,040	1,118	999	874	841
Subtotal, education	**14,327**	**14,403**	**13,520**	**13,262**	**12,904**

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NATIONAL NEED: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES—Continued

(Functional code 500; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Training, employment, and labor services:					
Training and employment:					
Block grants to States [1]	2,374	2,039	1,851	1,886	1,886
Summer youth employment:					
Existing law	679	729	725	725	725
Proposed legislation		−76	−87	−87	−87
Assistance to dislocated workers	7	47	204	240	240
Job Corps	570	605	589	586	586
Older Americans employment	269	278	211		
Work incentive program	235	315	26		
Other training programs	325	387	315	285	280
Federal-State employment service	731	812	886	938	992
Expired programs	274	14			
Subtotal, training and employment	5,464	5,150	4,719	4,572	4,621
Other labor services	589	633	680	691	699
Subtotal, training, employment, and labor services	6,053	5,783	5,400	5,264	5,321
Social services:					
Social services block grant	2,567	2,571	2,500	2,600	2,700
Rehabilitation services:					
Existing law	780	1,038	213	106	
Proposed legislation			798	964	1,037
Community services programs	387	421	100		
Family social services	389	565	590	608	601
Services for children, youth, and families	853	939	999	1,068	1,068
Services for the elderly and other special groups	784	814	1,033	1,126	1,121
Domestic volunteer programs	136	132	113	110	110
Other social services	55	52	47	33	31
Subtotal, social services	5,950	6,530	6,394	6,615	6,668
Deductions for offsetting receipts	−29	−42	−57	−73	−84
Total, outlays	**26,300**	**26,676**	**25,256**	**25,068**	**24,809**
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Student Loan Marketing Association:					
Budget authority	700				
Outlays	700				

[1] In 1982, 1983, and 1984 the numbers include programs replaced by the block grant.

EDUCATION

The Federal Government has traditionally played a limited role in financing education. About 10% of the total national support for education comes from the Federal Government. However, the Federal Government's actual spending on specific education programs and its prescriptive regulations increased substantially in the 1960's and 1970's, resulting in a growing and inappropriate influ-

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ence on parental, State, and local education decision making. The administration has moved forcefully to change that trend. Actions taken to date include: enactment in 1981 of the Education Consolidation and Improvement Act to simplify the largest compensatory education grant program and to combine some 30 small grant programs into one flexible State and local block grant; review and simplification of regulations in several programs; reduction of unnecessary intrusion in local affairs; and slowing of the excessive growth in spending.

The administration continues to believe that a Cabinet-level agency for education is inappropriate and unnecessary and will work with the Congress to develop a different structure more appropriate for the Federal role in education.

In 1984, the budget would continue these broad policies with the following goals:

- hold education spending in most major programs to current levels; and
- propose major legislative initiatives for:
  - —student aid, to restore emphasis on family and student responsibility in meeting postsecondary education costs and to provide tax advantages to those who save to pay education costs;
  - —tuition tax credits, to help families exercise choice in obtaining quality education for their children;
  - —compensatory education, to allow States and localities the option of using funds to finance vouchers that enhance the opportunities for choice in the provision of compensatory education services; and,
  - —science and mathematics learning, to assist States in training additional teachers.

Federal spending in 1984 is expected to continue the policy of the last 2 years in stopping the excessive rates of past growth. For 1984, the administration proposes $13.1 billion in budget authority for education programs, $0.7 billion less than is proposed in 1983. Outlays are estimated to be $14.4 billion for 1983 and $13.5 billion for 1984. These estimates assume congressional approval of rescissions of $330 million of 1983 budget authority for discretionary programs. Another $900 million is proposed for rescission to eliminate unneeded budget authority for the guaranteed student loan program. This rescission would have no effect on policy or program activity. Some education programs may be included in the federalism initiative, described in Special Analysis H: "Federal Aid to State and Local Governments," in the Special Analyses volume of the *1984 Budget.*

Elementary, secondary, and vocational education.—The budget includes an estimated $6.4 billion in outlays in 1984 for these

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programs. Most funds are to assist States and localities educate students with special needs.

Education for the disadvantaged.—The largest share of the funds for elementary and secondary education goes to States and localities for supplementary compensatory education services to low-achieving students under Chapter 1 of the Education Consolidation and Improvement Act (ECIA) of 1981. In the 1984-85 school year, approximately 13,800 school districts in all 50 States, the District of Columbia, Puerto Rico, and the outlying areas will participate in these programs. The 1984 request of $3.0 billion in budget authority is approximately the same as the 1983 request. For 1984, the administration will propose legislation to give States and local educational agencies the option of providing compensatory education services through a voucher system.

State education block grant.—Chapter 2 of the ECIA combined about 30 categorical program authorities into one block grant. State and local education agencies determine which of the authorized activities in the Act most appropriately address local educational priorities. In 1984, $451 million in budget authority is requested for State education block grants, the same amount provided in 1983.

Science and math education.—Legislation is proposed to provide $50 million in budget authority to States for training additional teachers in science and mathematics. Combined with National Science Foundation support for science and technical education (see the discussion in general science, space, and technology), this initiative represents a substantial commitment to helping the States reverse the disturbing decline in the quality of science and mathematics learning in America.

Indian education.—Education of Indians is largely carried out by local public schools or the Bureau of Indian Affairs through direct operation of schools, support of tribally operated schools, and financial assistance to public schools that serve Indian children. The Indian education program in the Department of Education is proposed to be phased down in 1983 and terminated in 1984; educationally disadvantaged individuals served in this program are eligible for a number of other education programs. Total estimated outlays for Indian education are $270 million in 1984, compared with $330 million in 1983.

Impact aid.—This program compensates local school districts deemed adversely affected by Federal activity. Proposed budget authority of $465 million in 1984 will be made directly available to local districts, which will use the funds for operating expenses and,

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in some cases, construction. School districts will receive payments only on behalf of children who live on Federal property including Indian lands and whose parents work on Federal property. Payments would be made to approximately 1,700 school districts on behalf of 330,000 children.

Education for the handicapped.—Grants to States and other programs help States and localities educate handicapped children. For 1984, $1.1 billion in budget authority is requested, the same amount as provided in 1983.

Vocational and adult education.—Vocational education funds assist youth in preparing for careers and assist adults who need job training or retraining. The adult education program provides formula grants to States to reduce functional illiteracy. Budget authority of $500 million is requested for 1984, a $324 million decrease from 1983. Federal funds are 10% or less of all vocational training, a share that has been declining for some time. Legislation will be proposed to provide States and localities with greater flexibility in the use of these funds.

Higher education.—The administration requests $6.2 billion in budget authority and $6.1 billion in estimated outlays to support higher education in 1984.

Student aid.—Student aid grants—in combination with the family's contribution, student work, loans, and other sources of self help—are intended to support the student's effort to meet the costs of, and thereby gain access to, postsecondary education. Under current law, schools and students can assemble monies from as many as six different Federal programs (plus other sources of aid) to pay for education costs in ways that require only limited contribution from the family and none from the student before receiving a Federal grant.

The 1984 budget would restore the primary roles of the family and the student in meeting the responsibility for postsecondary educational costs. Legislation will be proposed that will require every student to contribute to the cost of education before receiving a Federal grant. This change is essential to re-establish a Federal system that encourages rather than supplants student self-help efforts. The proposal provides low-income students with more direct Federal grant aid than they would receive under current law.

For 1984, $5.6 billion in budget authority is requested, of which $2.7 billion is for self-help grants, $850 million is for work-study, and $2.0 billion is for the cost of guaranteed student loans.

Proposed legislation would restructure the Pell grant program into a self-help grant program that supplements the student's self-help effort. After taking into account the family contribution, the stu-

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dent would be required to provide at least 40% of educational costs. Student contributions would be financed preferably through summer and part-time earnings or through the expanded work-study program, although loans and other sources of funds may also be used. Self-help grants would then be available to meet remaining costs. The grant would be increased from the present Pell grant maximum of $1,800 to a self-help grant maximum of $3,000. This will provide support to low-income needy students at a wider range of schools.

College work study budget authority would be increased by more than 50% to $850 million in 1984 in order to increase opportunities for students to meet their self-help contribution requirement through work. The additional funding would expand student employment on campuses, in State and local governments, and in the private non-profit sector.

The *guaranteed student loan* (GSL) program, another major source for the student self-help contribution, would continue as under current law with two significant changes. First, all applications would be subject to a need analysis to ensure that Federal interest subsidy benefits do not go to those who do not need them. Under current law, only applications from students with family income of more than $30,000 are subject to a need analysis. Second, graduate and professional students (who would continue to be eligible for regular GSLs) would pay a 10% origination fee (increased from 5%). This reduction in the interest benefits for these students recognizes that these students can be expected to earn a substantially higher income than the general population and, therefore, can afford to pay more toward the interest costs of their subsidized loans.

The supplemental educational opportunity grants, State student incentive grants, and new Federal capital contributions to the national direct student loan program would not be funded in 1984.

In addition, administrative actions will continue to improve the accuracy of student assistance payment determinations; ensure that student assistance payments are used for educational purposes; and ensure that participating schools employ uniform standards of academic progress. Verification activities will be expanded to include student loan and campus-based student aid program applications and awards. Legislation also will be proposed to simplify the overly complex student assistance eligibility and award determinations.

A major initiative is underway to reduce defaults in student loans and other education loan programs, to accelerate and improve collection efforts of lenders and State loan guarantee agencies, and to expand and improve the collection effort of the Federal Government on loans it guarantees or that have been assigned to it

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for collection. In 1984, there are expected to be $4.3 billion in outstanding defaulted education program loans. The debt collection target for education loans and recovery of overpayments for 1984 is $1.0 billion, $450 million over the amount collected in 1982 and $225 million more than the 1983 goal.

Institutional aid.—The administration requests budget authority in 1984 of $587 million for general institutional assistance. Funding for the *historically black colleges* under Title III of the Higher Education Act provides grants to strengthen the management of these institutions. For these institutions the administration requests budget authority of $46 million, $3 million more than the level requested in 1983.

The American Printing House for the Blind (APHB) (classified in elementary, secondary, and vocational education), Gallaudet College, the National Technical Institute for the Deaf, and Howard University are private institutions that receive substantial operating and capital subsidies from the Federal Government. The 1984 request for special institutions for higher education is $248 million in budget authority, an increase of $20 million over 1983. Legislation will be proposed to require States to pay 10% of the costs for materials now provided at Federal expense by the APHB.

Budget authority of $293 million is requested in 1984 for other general institutional aid programs such as special services for the disadvantaged, mandatory payments for certain loan programs, and Title III Higher Education Act funding for institutions other than historically black colleges. The administration is proposing no funding in 1984 and a rescission that would result in no funding for 1983 for a number of the general institutional assistance programs such as cooperative education, talent search, public service fellowships, and certain special endowments of individual schools. These actions are proposed because these programs are of lower priority or were designed to serve special groups that are eligible for assistance under other higher education programs.

Research and general education aids.—The administration requests $0.9 billion in 1984 budget authority for educational research and statistics, cultural activities, and other general education.

The administration is requesting $249 million in budget authority for the three agencies of the National Foundation for the Arts and Humanities, $179 million for the Library of Congress and $214 million for the Smithsonian Institution. Budget authority of $225 million is requested for other research and general education programs.

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Credit programs.—The total credit budget in this function is proposed to be $7.8 billion in 1984, $0.5 billion above the 1983 level. The largest credit program in this function is the guaranteed student loan program. This program subsidizes interest and guarantees the repayment of loans made by commercial and non-profit institutions to students and their parents for higher education. The administration is anticipating new commitments of $7.4 billion for guaranteed loans in 1984. New commitments have increased dramatically from $1.8 billion in 1977. This increase is partially offset by a proposed decrease for new obligations for direct student loans for student financial assistance, which is part of the overall policy to consolidate the student aid programs and emphasize family contributions and student self-help in meeting the expenses of postsecondary education.

CREDIT PROGRAMS—EDUCATION

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Guaranteed student loans:[1]					
New obligations	289	391	424	524	574
Net outlays	162	335	230	266	398
Outstandings	1,525	1,860	2,090	2,356	2,754
Student financial assistance:					
New obligations	175	179			
Net outlays	466	125	126	−56	−66
Outstandings	4,790	4,915	5,042	4,986	4,919
SLMA obligations (loans made by FFB):					
New obligations [2]	700				
Net outlays	700				
Outstandings	5,000	5,000	5,000	5,000	5,000
Other education:					
New obligations	40	40			
Net outlays	13	10	−61	−149	−124
Outstandings	3,543	3,553	3,492	3,343	3,219
Total, direct loans:					
New obligations	1,204	570	424	524	574
Net outlays	1,341	470	294	62	207
Outstandings	14,859	15,329	15,623	15,685	15,892
Guaranteed loans:					
Guaranteed student loans:					
New commitments	6,195	6,778	7,391	7,858	8,354
Net change	4,985	2,900	2,300	1,700	1,600
Outstandings	22,700	25,600	27,900	29,600	31,200
Total credit budget (new obligations and new commitments)	**7,399**	**7,348**	**7,815**	**8,382**	**8,928**

[1] These are purchases of defaulted guaranteed student loans from lenders, prior to Federal collection efforts.
[2] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency.

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Tax expenditures.—The major tax expenditures under current law that aid higher education are the exclusion of interest on State and local student loan bonds, the personal income tax exemptions available to parents of children age 19 and over who are in school, the deductibility of charitable contributions to educational institutions, and employer educational assistance plans. The tax expenditure estimates for these provisions in 1984 are $240 million, $945 million, $805 million, and $15 million, respectively. Total tax expenditures for education are estimated to be $2.0 billion in 1984.

The administration will again propose legislation for a tuition tax credit for parents who choose to send their children to qualified private elementary and secondary schools. This is an essential measure that supports freedom of educational choice and is expected to help improve all aspects of elementary and secondary education. This tax expenditure is estimated to be $630 million in 1984.

The administration is also proposing educational savings account legislation that will encourage savings to cover the costs of postsecondary education by making the interest and dividends on such accounts tax exempt. This proposal would be effective January 1, 1984. The tax expenditure is estimated to be $35 million in 1984.

TRAINING, EMPLOYMENT, AND OTHER LABOR SERVICES

Programs that carry out the training and employment mission are intended to improve the operation of the labor market and enhance individuals' long-term employment and earnings prospects. The major programs provide training that is intended to develop and improve work skills or provide job counseling and labor exchange services that match workers and jobs. Other labor services programs include the regulation of employer-employee relations and the publication of labor statistics. The budget includes $5.4 billion in estimated outlays for these activities in 1984, a reduction of $0.4 billion from the 1983 estimate of $5.8 billion.

Training and employment.—Training and employment activities are financed through grants to States for training, summer youth employment programs, assistance to dislocated workers, and the Employment Service; and through various national programs, including the Job Corps. Legislation enacted in 1982 will enhance the operation of our Federal system in this area by providing States with more flexibility in the use of grants for training and the Employment Service.

Block grants to States.—Under the new Job Training Partnership Act of 1982 (JTPA), general Federal assistance to States for training has been consolidated into a block grant, providing them the discretion to use the resources to address their most pressing training and employment problems. Each State, planning and operating

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with the close cooperation of private sector employers, can design programs and service mix to meet its economic situation. Directing resources to the States permits increased coordination with other programs which are intended to provide training and to improve the operation of the labor market, such as vocational and adult education and the Employment Service, and which are already primarily the responsibility of State governments. The cooperation of private sector employers will ensure that disadvantaged people are trained for real jobs. Although few restrictions are included in the Act, 70% of the grant amount must be used for training. In the past, an average of only 18% of Federal aid went for training, with the remainder being spent on income transfers, administration, and various support services. As a result, it is expected that the $1.9 billion in budget authority requested for 1984 will support 406,000 years of service, compared to 303,000 to be served under the replaced programs in 1983.

Outlays for the job training block grant are estimated to be $1.9 billion in 1984.

Summer youth employment.—The new Job Training Partnership Act continues the summer youth employment program that subsidizes public sector jobs during the summer months for youth between the ages of 14 and 20. Estimated outlays of $638 million in 1984 will provide approximately 718,000 summer jobs, about the same as in 1983. Legislation will be proposed to reduce the minimum wage for youth during the summer months to enable employers to afford to hire unskilled youth. Such youth will then be able to obtain invaluable work experience. The legislation will have the secondary effect of reducing the cost of these subsidized jobs in both 1983 and 1984, as reflected in the estimates.

Assistance to dislocated workers.—JTPA also authorizes a new program of grants to States to help them assist unemployed workers who are unlikely to return to their previous jobs or occupations. Such workers can be helped into new fields of endeavor through identification of alternative occupations that fit their skills, training in new skills for which demand exceeds supply, assistance in finding suitable new jobs, and payment of the costs of a worker's move to a new location when he has found a long-term job. States must contribute their own money to the readjustment effort in a ratio that depends upon each State's unemployment experience. These matching funds can include amounts provided by other State or local programs (such as vocational education) and State unemployment compensation paid to workers undergoing retraining in this program. Proposed budget authority of $240 million for this program in 1984 will provide for assistance to approximately 96,000 dislocated workers. A previous program of training and

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relocation services only to those deemed displaced by increased imports (for which $25 million was provided in both 1982 and 1983) expires at the end of 1983.

Job Corps.—The Job Corps residential training program will continue to provide approximately 40,000 years of service in 1984, the same as in 1983. Outlays are estimated to be $589 million in 1984.

Older Americans employment.—Although separate 1984 budget authority for the program providing part-time public service employment for older workers is not being requested, the authority for such jobs will continue under the consolidated grants for services to older Americans discussed under social services, below. Estimated outlays of $211 million in 1984 represent the costs of these jobs financed through June 30, 1984, with separate 1983 budget authority.

Work incentive program.—This program has financed job services, training, and public service employment to recipients of aid to families with dependent children (AFDC). This separate categorical program has not been demonstrated to be cost-effective. The administration proposes mandatory work programs for appropriate AFDC recipients, discussed in the income security function, and the Job Training Partnership Act requires that eligible AFDC recipients be served on an equitable basis with others. Therefore, the need for a separate jobs program for AFDC recipients no longer exists and no budget authority is requested for the work incentive program for 1984.

Other training programs.—In 1984 estimated outlays of $315 million will be spent on other national training activities, including special programs for veterans, native Americans, and migrant and seasonal farm workers. In addition, new training approaches will be designed and tested, labor market information development will be supported, training programs will be evaluated, and technical assistance, training, and other support and administrative services will be provided to the State-operated programs.

Federal-State employment services.—The Job Training Partnership Act of 1982 also revised the Wagner-Peyser Act, originally enacted in 1933 to support State activities designed to match jobs and workers. The revised law now provides States with greater flexibility in the planning and operation of the basic employment services, while enabling a greater coordination by the States between the employment service and Federal training activities. Grants for these basic employment services will be allocated among the States by formula. In addition, employment service activities designed to serve national needs, such as services to veterans and

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collection of general purpose labor market statistics, will be financed through specific agreements between the States and the Federal Government. Estimated outlays of $886 million in 1984 will maintain the same overall level of employment services as are financed in 1983 under the old system.

Forward funding of training and employment programs.—This proposal for later transmittal would convert financing for most training and employment services programs to a January through December program-year basis and does not involve an increase in program level. The proposal will be transmitted to Congress as soon as agreement has been reached on the appropriateness of forward-funding for these programs.

Other labor services.—The Federal Government establishes and enforces standards affecting the relationship between employers and employees and between unions and their members. The activities include enforcement of the minimum wage and related laws, regulation of welfare and pension plans, supervision of labor-management relations, regulation of the equal employment practices of Federal contractors, and assurances that election of labor union officials are democratic and that such officials do not abuse their stewardship. In addition, employment and unemployment statistics and data on wages, prices, and productivity are collected and disseminated. Outlays for these activities are estimated at $680 million in 1984.

Tax expenditures.—The targeted jobs credit provides incentives for employers to hire disadvantaged individuals and recipients of certain welfare benefits. Tax credits are also provided to encourage individuals with dependents to work by allowing tax credits for child care expenses. In 1984 the targeted jobs credit and the credit for child and dependent care expenses result in tax expenditure estimates of $705 million and $2.4 billion respectively. The proposed tax expenditure to encourage employers to hire the long-term unemployed is discussed in the income security function.

Training and employment-related programs.—A number of Federal programs are related to training and employment, although their primary purpose is to meet other national needs. Job training services provided by the Veterans Administration are included in the veterans function; job safety and health activities are included in the health function; and activities relating to job discrimination on the basis of race, age, or sex are included in the administration of justice function.

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SOCIAL SERVICES

The Federal Government makes grants to States and to local public and private institutions for a variety of social services. These services are primarily designed to meet the needs of low-income people, children and youth, the elderly, the disabled, and other groups with special needs. Outlays for social services are expected to be $6.5 billion in 1983 and $6.4 billion in 1984. Some of these programs may be in a block grant to States under the administration's federalism proposal, described in Special Analysis H: "Federal Aid to State and Local Governments." in the Special Analyses volume of the *1984 Budget.*

Social services block grant.—The Omnibus Budget Reconciliation Act of 1981 created a block grant for social services that gives States wide discretion in determining the types of services offered and who is eligible to receive them. Services provided by States may include child day care, foster care, child protective services, homemaker services, family planning, preparation and delivery of meals, transportation, counselling, legal services, and substitute care and day care for adults. Funds may also be used for State and local administrative costs. The funds are distributed among the States on the basis of population. States also have the flexibility of transferring up to 10% of any block grant allotment to other block grants that support health services, health promotion and disease prevention activities, or low-income home energy assistance.

Budget authority of $2.5 billion is requested for the social services block grant in 1984, $50 million more than in 1983.

Rehabilitation services.—This program makes grants to States for vocational rehabilitation of physically and mentally handicapped individuals to help them become gainfully employed and live more independently. The administration is proposing legislation to reform this program by providing greater State flexibility in direct service delivery along with stricter State accountability to objective standards of program performance. Budget authority of $1.0 billion is being requested in 1984 for rehabilitation services. The administration's proposal assumes implementation of significant management improvements during 1984. By 1985, up to one-third of the funds allocated to States would be distributed based primarily on their success in rehabilitating severely disabled individuals.

Community service programs.—In 1984, budget authority of $3 million is requested to close out the community services block grant. States have the flexibility to fund community services activities under the social services block grant for which a $50 million increase in budget authority is requested in 1984.

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Family social services.—In 1984, budget authority of $601 million is requested for foster care, adoption assistance, and a consolidated child welfare services program that combines funding for child welfare services and training. These funds support State services that are designed to strengthen and reunite families and place children promptly and permanently in adoptive homes when they cannot be reunited with their families.

Services for children, youth, and families.—These programs are designed to improve the quality of services for low income, neglected, abused, or homeless children. Budget authority of $1.1 billion is requested for these programs in 1984, an increase of $0.1 billion from 1983.

Funding in this area is almost entirely for Head Start, which assists local community groups in providing comprehensive services for low-income pre-school children and their families. The 1984 funding level will allow the program to increase enrollment from 395,800 to 424,900 children in the most efficient projects and in projects testing innovative approaches, such as employer-based centers. Beginning in 1984, Head Start projects will receive all funding directly from the Department of Health and Human Services, rather than applying to the Department of Agriculture separately for nutrition funds.

Services for the elderly and other special groups.—For 1984, budget authority of $1.1 billion is requested for social services for elderly people and other special groups. Grants are made to State and area agencies on aging to assist in financing a range of services to older Americans, particularly those with the greatest economic and social need. Services include transportation, information and referral, legal, and community services in addition to a variety of services provided in the home. Nutrition projects for the elderly finance meals served in a group setting or delivered to the homebound elderly. The administration is proposing to broaden the range of services to include subsidized part-time employment for low-income elderly persons, thus enabling the continuation of programs previously financed separately.

Domestic volunteer programs.—ACTION, a Federal agency for volunteer programs, supports Foster Grandparents, the Retired Senior Volunteer program (RSVP), Senior Companions, and programs to stimulate volunteer services. Authority to fund the Volunteers in Service to America (VISTA) program expires at the end of 1983. Reauthorization is not requested for 1984 because VISTA is both more expensive and less effective than other volunteer programs. ACTION will encourage volunteer service through technical assistance, demonstrations, and small grants and will support

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groups of Vietnam veterans to help other veterans of the Vietnam war with problems stemming from their military service. Outlays for ACTION are estimated to decrease from $132 million in 1983 to $113 million in 1984.

Tax expenditures.—The provision of social services by a wide variety of private charitable and religions institutions is encouraged by the tax deductibility of contributions to those institutions. The tax expenditure estimate for charitable contributions, other than to educational and health institutions, is $7.2 billion in 1984. Total tax expenditures for education, training, employment, and social services are estimated to be $15.9 billion in 1984.

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HEALTH

National Needs Statement

The Federal Government contributes to meeting the Nation's health care needs by reducing the rise in health care costs, financing and providing health care services, promoting preventive health measures, and supporting research and training.

A major problem for both individuals and the Federal Government in meeting health care needs is the rapid inflation of health care costs. Increasingly expensive health care costs undermine the American people's ability to purchase needed health care. Federal policies have contributed significantly to health care cost increases. The budget contains major initiatives to reduce cost increases. These include building on reforms recently legislated by Congress as well as a limit in tax subsidies for employment-based health insurance, and other steps to control costs in medicare and medicaid.

Health care services.—More than 90% of Federal outlays for health is devoted to financing or providing health care services directly to individuals. Federal outlays for health care services are estimated to rise from $76.5 billion in 1983 to $84.9 billion in 1984 and $94.7 billion in 1985, despite proposed savings of $2.0 billion in 1984, and $3.9 billion in 1985.

Medicare and medicaid.—Medicare and medicaid outlays, which finance health care services for poor, disabled, and aged Americans, are estimated to be $80.7 billion in 1984 including proposed legislative savings of $2.0 billion. Medicare outlays are estimated at $59.8 billion in 1984 including proposed legislation of $1.7 billion in savings. These outlays are expected to finance services for 27 million aged and 3 million disabled Americans. Estimated Federal medicaid outlays of $20.8 billion in 1984, including proposed savings of $0.3 billion, and an additional $17.8 billion provided by States, are expected to finance care for 23 million poor Americans. Together, medicare and medicaid are expected to aid nearly one in every five Americans in 1984.

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NATIONAL NEED: HEALTH

(Functional code 550; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Health care services:					
Medicare:					
Hospital and supplementary medical insurance:					
Existing law	55,237	[3] 47,223	65,998	74,367	84,990
Proposed legislation		−129	338	−387	−134
Premiums and collections: [1]					
Existing law	−3,855	−4,355	−5,010	−5,843	−6,264
Proposed legislation		126	160	−260	−1,371
Subtotal, medicare	51,382	42,865	61,486	67,877	77,221
Medicaid:					
Existing law [2]	18,014	14,795	21,038	23,990	26,068
Proposed legislation		0	−300	−858	−722
Health block grants:					
Existing law	884	1,196	1,196	1,196	1,196
Proposed legislation			165	165	165
Other health care services:					
Existing law	3,190	2,943	2,836	3,283	3,651
Proposed legislation			−495	−788	−1,046
Subtotal, health care services	73,469	61,798	85,927	94,866	106,534
Health research:					
National Institutes of Health research	3,450	3,791	3,868	3,850	3,850
Other research programs	394	437	479	479	479
Subtotal, health research	3,844	4,228	4,347	4,328	4,328
Education and training of the health care work force:					
Research training	192	211	209	209	209
Clinical training	239	233	138	138	138
Other	63	37	18	18	18
Subtotal, education and training of the health care work force	494	481	365	365	365
Consumer and occupational health and safety:					
Consumer safety:					
Existing law	689	717	754	752	747
Proposed legislation			−2	−5	−4
Occupational safety and health:					
Existing law	348	362	366	368	370
Proposed legislation			−4	−4	−4
Subtotal, consumer and occupational health and safety	1,037	1,079	1,113	1,111	1,109
Deductions for offsetting receipts	15	−28	−27	−27	−27
Total, budget authority	78,859	67,558	91,725	100,643	112,309
OUTLAYS					
Health care services:					
Medicare:					
Hospital and supplementary medical insurance:					
Existing law	50,423	57,360	66,535	76,432	85,370
Proposed legislation		−100	−1,856	−2,781	−3,220
Premiums and collections: [1]					
Existing law	−3,855	−4,355	−5,010	−5,843	−6,264
Proposed legislation		126	160	−260	−1,371
Subtotal, medicare	46,568	53,031	59,829	67,548	74,515

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NATIONAL NEED: HEALTH—Continued

(Functional code 550; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Medicaid:					
Existing law	17,391	19,333	21,092	23,990	26,068
Proposed legislation		−7	−293	−858	−722
Health block grants:					
Existing law	663	1,119	1,196	1,196	1,196
Proposed legislation			107	165	165
Other health care services:					
Existing law	3,730	3,039	3,066	2,892	3,113
Proposed legislation			−137	−200	−545
Subtotal, health care services	68,350	76,515	84,860	94,734	103,791
Health research:					
National Institutes of Health research	3,470	3,757	3,828	3,850	3,850
Other research programs	478	447	452	483	483
Subtotal, research programs	3,948	4,204	4,281	4,333	4,333
Education and training of the health care work force:					
Research training	195	202	204	209	209
Clinical training	374	319	176	138	138
Other	101	59	35	18	18
Subtotal, education and training of the health care work force	670	580	414	365	365
Consumer and occupational health and safety:					
Consumer safety:					
Existing law	698	729	762	764	755
Proposed legislation			−2	−5	−4
Occupational safety and health:					
Existing law	336	361	363	366	370
Proposed legislation			−3	−4	−4
Subtotal, consumer and occupational health and safety	1,034	1,090	1,119	1,121	1,116
Deductions for offsetting receipts	15	−28	−27	−27	−27
Total, outlays	**74,017**	**82,362**	**90,647**	**100,525**	**109,577**
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Health care services:					
Budget authority	17	16	6	5	1
Outlays	10	−24	*	*	−4

[1] Includes voluntary enrollee premiums for medicare coverage.
[2] The large decrease in 1983 budget authority is due to a transitional quarter resulting from a technical change in the appropriations language.
[3] Reflects interfund loans of $12.4 billion in 1983 to OASI.
*$500,000 or less.

Since 1981, the administration has successfully advanced a number of reforms of the medicare and medicaid programs. In response, Congress has passed the Omnibus Budget Reconciliation Act of 1981 (OBRA) and the 1982 Tax Equity and Fiscal Responsibility Act (TEFRA) that institute reforms enhancing medicare and medicaid program economy and effectiveness.

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Under OBRA, excessive reimbursements to medicare providers were reduced through such measures as imposition of tighter reimbursement limits on hospitals, home health agencies and skilled nursing facilities, and elimination of an unwarranted reimbursement bonus to hospitals for nursing services to medicare patients. The medicare benefit structure was improved through such measures as raising the level of the SMI deductible to deter unnecessary use of services.

Under TEFRA, a major reform of the current medicare hospital reimbursement system was enacted. Hospitals with excessive rates of cost increase or with very high costs relative to other hospitals will experience reimbursement reductions. At the same time, hospitals that control their cost increases effectively can receive reimbursement bonuses.

OBRA reformed the medicaid program by establishing target amounts for medicaid cost increases to encourage States to limit the program's explosive growth. Federal matching funds are reduced for States whose spending exceeds targets established by Congress. TEFRA allowed States to impose additional small copayments on certain medicaid beneficiaries and services. Congress also adopted a number of administration proposals to increase the ability of States to assure continuation of basic health care services to welfare recipients and to manage their programs more efficiently and effectively. The accompanying table displays medicare and medicaid savings adopted by the Congress in 1982.

The 1984 budget builds on these achievements by Congress and the administration and proposes additional measures to achieve savings and improve services in medicaid and medicare. Those measures are discussed below and displayed in a table in Part 3 and will save $2.0 billion in outlays in 1984.

The administration is proposing four major medicare reforms:

- *Catastrophic hospital cost protection and user cost sharing.*—In most cases, the present cost sharing structure provides no deterrent to avoid unnecessary use of hospital services once a patient is admitted and pays the deductible. Severely ill patients, however, face a potentially unlimited financial burden. The administration proposes to protect medicare beneficiaries against costly hospital stays and establish better incentives for hospital use by restructuring medicare cost sharing. Currently, beneficiaries pay a deductible (approximately $350 in 1984) for the first day of hospital care for each hospital admission in a spell of illness. The medicare program pays the full cost for the 2nd through the 60th day of care. From the 61st to 90th day of care, beneficiaries pay 25% of the deductible for each day in the hospital; after the 90th day, the benefici-

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OUTLAY SAVINGS AND REVENUE INCREASES ADOPTED IN 1982

(In millions of dollars)

	1984 estimate	1985 estimate	1986 estimate
Medicare:			
Reform hospital reimbursement	−1,450	−2,620	−3,980
Institute single reimbursement limit for skilled nursing facilities	−53	−62	−69
Institute single reimbursement limit for home health agencies	−6	−6	−7
Revise reimbursement for hospital-based physicians	−80	−100	−110
Eliminate hospital nursing reimbursement bonus	−115	−128	−144
Eliminate duplicate payment for outpatient physician overhead	−135	−175	−210
Conform radiologist and pathologist reimbursement to other physicians	−189	−213	−240
Reform reimbursement for assistants at surgery	−75	−90	−100
Make medicare reimbursement secondary for the working aged	−315	−365	−410
Reform audit and medical claims review	−88	−116	−144
Institute temporary delay in periodic interim payments	−100	870	.....
Provide medicare coverage for Federal employees	50	75	105
Provide medicare coverage of hospice care	70	110	140
Subtotal, medicare outlay impact	−2,486	−2,820	−5,169
Medicaid:			
Allow nominal copayments	−90	−103	−107
Facilitate liens on beneficiary estates	−127	−141	−157
Reduce Federal matching for State payment errors	−66	−78	−87
Extend medicaid to American Samoa	1	1	1
Reflect medicaid offset due to medicare changes	25	41	43
Reflect medicaid offset due to AFDC proposals	−18	−20	−22
Subtotal, medicaid outlay impact	−275	−300	−329
Offsetting receipts:			
Collect employer share of HI tax on postal workers	−169	−185	−211
Maintain SMI premium at a constant share of program costs	−175	−405	−440
Subtotal, offsetting receipts	−344	−590	−651
Total, outlay impact	3,105	3,710	6,149
Revenues:			
Collect Federal employee share of HI tax	846	927	1,057
Total, deficit reduction	−3,951	−4,637	−7,206

ary has unlimited liability for the cost of care, except for 60 lifetime reserve days during which patients pay 50% of the deductible for each day. Under the administration proposal, beneficiaries would pay for each spell of illness 8% of the deductible for the second through 15th day of care and 5% of the deductible for the 16th through the 60th day of care. Medicare will pay all costs after the 60th day, without any limit on covered hospital days; no beneficiary would be liable for more than a total of 60 days of cost sharing a year, including not more than two hospital deductibles. In addition, the beneficiary coinsurance for the 21st through 100th day in a skilled nursing facility would be reduced from 12.5% to 5% of the inpatient hospital deductible.

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- *Supplementary medical insurance (SMI) premiums and deductibles.*—SMI is a voluntary program for the aged who want to buy additional medical outpatient insurance. This proposal will delay the SMI premium increase from July 1, 1983 to January 1, 1984, when it would be set at 25% of program costs. On January 1, 1985 the SMI premium will be set at 27.5% of program costs; it will grow 2.5% annually until it reaches 35% on January 1, 1988. When the program began, beneficiary premiums were supposed to finance 50% of SMI program costs; the remaining 50% was financed by general revenues. This was the case from 1966 to 1971. From 1972 to 1982, however, the SMI premium increase was limited by the rate of increase of social security contributions and fell to under 25% of program costs. Currently, SMI premiums are scheduled to cover 25% of program costs through 1985, when they would once again be linked to social security contributions. In view of the economic difficulties confronting the working population, this proposal would shift more of SMI financing to those who choose SMI rather than the taxpayer; this is consistent with the original program design. The SMI deductible would also be indexed to the medicare economic index in order to keep its economic value constant.
- *Hospital reimbursement reform.*—Medicare's cost-based reimbursement system encourages inefficiency in the delivery of hospital services. The incentives inherent in the current system have contributed to an excessive rate of growth in medicare's hospital insurance program, for example, 19.2% in 1982 compared to a GNP increase of 5.6%. Reforms enacted in TEFRA provided incentives for hospital efficiency, but these reforms expire in 1985. The administration will propose a new prospective payment system for hospitals. The system will establish incentives for hospitals to limit cost increases, and will produce approximately the same level of savings as would result from an extension of TEFRA reforms.
- *Physician payment freeze and hospital reimbursement limits.*—As part of the overall effort to hold down Federal spending and the deficit, the target increase in hospital reimbursements scheduled in TEFRA will be limited to the hospital market basket rate—i.e., the percentage increase of goods and services that hospitals purchase—in 1984. In addition, medicare payments to physicians will be frozen at 1983 reimbursement rates. Together, these budget proposals will save $780 million in 1984.

Other proposals for medicare include beginning medicare eligibility with the first full month after the 65th birthday rather than the beginning of the month in which the birthday occurred, instituting a voluntary voucher progam, selecting medicare contractors

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by competitive bidding, and terminating mandatory hospital utilization review activities.

In addition, beginning in 1984, medicare revenues will be generated through the inclusion of all non-profit organization employees in the Social Security system.

The administration is also proposing to require States to set nominal copayments in medicaid beginning in 1984. Nominal copayments can help deter unnecessary use of medical services. The budget proposal would expand the present copayment provisions passed by Congress by requiring States to impose nominal copayments on all services except those to nursing home patients. Such copayments would be $1.00 and $1.50 for physician visits and $1.00 and $2.00 for each day in the hospital. The higher copayments would apply to medically needy beneficiaries in medicaid. Nursing home patients would be exempted from mandatory copayments because they typically have incurred large out-of-pocket costs before entering nursing homes or gaining medicaid eligibility.

Health block grants.—The budget authority requested for health block grants increases from $1.2 billion in 1983 to $1.4 billion in 1984. This results from proposed legislation to consolidate additional programs into these grants. The block grants allow States flexibility to coordinate and improve the effectiveness of services for their citizens. States will be able to streamline program administration because unnecessary Federal regulatory, legal and reporting requirements previously imposed on States and grantees will no longer apply. The administration's legislative proposal would expand the primary care block grant to include narrow categorical programs for black lung clinics, migrant health, and family planning.

Other health care services.—To promote competition in health care, the budget reflects the continuing the phaseout of the health planning program that bars market entry to providers, and the phaseout of direct Federal subsidies for the professional standards review organization (PSRO) program. Under TEFRA and the administration's proposed prospective payment system, hospitals have financial incentives to reduce length of stays and the need for PSRO length-of-stay reviews is diminished. Legislation will also be proposed to assist federally funded health maintenance organizations (HMOs) to compete with other health care providers by removing unnecessary Federal requirements, thus allowing a phaseout of Federal grant and loan subsidies.

For 1984, the administration is requesting $63 million in budget authority for the direct Federal subsidy to St. Elizabeths Hospital for the care of District of Columbia residents. This request is a reduction of $14 million from 1983 and represents the second year

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of a ten-year phase-down of direct Federal subsidies for District residents at St. Elizabeths Hospital. It includes a three-year phase-down of the subsidy for 740 District residents who are currently inpatients that the District court has ordered to be placed in the community by the end of December, 1985. Compliance with the court order will result in less restrictive, less expensive, and more appropriate care for many patients currently institutionalized at St. Elizabeths. Legislation will also be proposed to establish a corporation to administer the hospital.

The phase down of direct Federal subsidies for District residents' mental health care will make Federal policy with regard to the District of Columbia consistent with the Federal role for other States and jurisdictions. The District will have increased responsibility for and control over the financing and delivery of mental health services to its residents, consistent with the principles of home rule and federalism.

Budget authority is requested for the Indian Health Service (IHS) at a level of $688 million in 1983 and $653 million in 1984. In 1984, the IHS will embark on an expanded program of seeking $70 million in third-party reimbursements for health services provided to American Indians and Alaskan Natives. Budget authority for the National Health Service Corps (NHSC) is requested at a level of $96 million in 1984. Increased emphasis will be placed on encouraging NHSC scholarship recipients to go into private practice in areas with a shortage of medical professionals.

As part of the administration's health initiative, legislation reforming the Federal employees health benefits (FEHB) program is proposed. The proposal will strengthen competition in the program, encourage a wider range of benefit packages, and assist in moderating the excessive rate of increase in health insurance premiums. Major features of the proposal include requiring catastrophic protection for all enrollees, changing the method for determining Government contributions to health plan premiums, providing incentives that would encourage cost control by participating plans and enrollees, and removing current barriers to plan entry into the program.

- Government contributions would no longer be based on average premiums of the six largest and most comprehensive plans in the program. Instead, it would be based on average Government contributions in 1983, indexed in future years to reflect price increases. Off-budget entities would now have to make this contribution for their retirees. Disproportionate increases in the premiums for these plans would not automatically result in large increases in Government contributions. This would enhance incentives for participating plans to control costs in order to remain competitive.

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- Under existing law, the Government contribution to an enrollee's selected plan cannot exceed 75% of the plan premium. Under the proposal, the Government contribution would be fixed, regardless of the percent, and if the employee chose a plan costing less than the Government contribution, the employee would receive the difference. This enhances incentives for enrollees to select less costly plans.
- Existing law limits the number of Government-wide plans eligible to participate in the program. The proposal allows for entry of additional Government-wide plans.

Health research.—In 1981, the Federal Government provided more than four-fifths of total to national health expenditures for research, excluding drug and medical industries' research. The budget proposes to increase budget authority for health research from $4.2 billion in 1983 to $4.3 billion in 1984. These funds primarily will support basic biomedical research conducted by the National Institutes of Health (NIH). Support will be provided for such activities as research project grants, research centers, training of biomedical scientists, and the NIH intramural research program. Funds are also requested for continued support of research on chemical and related behavioral disorders, such as mental illness and alcohol and drug abuse, as well as health services research and health statistical activities.

Education and training of the health care workforce.—In 1984, $365 million in budget authority is requested for these programs. As the supply of most health care professionals is now adequate, direct Federal support for health professions training is no longer essential. For this reason, budget authority requested for clinical training of health care professionals decreases from $233 million in 1983 to $138 million in 1984. Support will continue, however for about 10,000 research trainees. Support will also continue for minority health professions schools and disadvantaged students. Nearly 22,000 students in health programs will be supported by an additional $175 million in new loan guarantees under the health education assistance loan program.

Consumer and occupational health and safety.—Budget authority of $1.1 billion in 1984 is requested for protecting consumers from unsafe and defective products and for protecting workers from occupational hazards.

Consumer safety.—Budget authority for consumer safety activities is proposed to be $752 million in 1984. Funding will support research, dissemination of information, and regulatory measures to protect consumers from unreasonable consumer product risks. In-

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spections will be continued to assure the safety and efficacy of drugs, medical devices, and foods.

Occupational safety and health.—The budget includes $362 million in budget authority to improve occupational safety and health in 1984. The Occupational Safety and Health Administration (OSHA) and the Mine Safety and Health Administration (MSHA) in the Department of Labor issue and enforce standards to eliminate workplace hazards causing injury, illness, or death. During 1983 and 1984, both OSHA and MSHA will continue efforts to revise or eliminate standards that burden employers without providing additional protection for workers. Resources will be focused on those activities most likely to ensure safe and healthful working conditions. The 1984 request includes proposed amendments to the Federal Mine Safety and Health Act of 1977 that would allow MSHA to concentrate its efforts on mines most likely to be hazardous.

Credit programs.—The health function includes several small loan and loan guarantee programs, including health-related student loans and assistance to health maintenance organizations. The proposed credit budget totals for health programs is estimated to be $83 million below the 1983 level. The decrease is due primarily to declines in new commitments of guaranteed loans for health professionals' education.

Tax expenditures.—Federal tax laws help finance health care by allowing employees to exclude from their taxable income the insurance premiums paid by their employers. The estimate for this provision is $29 billion for 1984. Individuals also are permitted to itemize as deductions certain expenses for health care. TEFRA increased the floor under the itemized deduction for medical expenses for calendar year 1983 from 3% to 5% of adjusted gross income, and eliminated the separate deduction of health insurance premiums. In 1984, the estimates of these tax deductions are $2.6 billion. In addition, health-related charitable contributions result in an estimate in 1984 of $1.2 billion, and the exclusion of interest on State and local hospital bonds results in an estimate of $1.1 billion. After 1982, a tax credit of 50% is allowed for qualified clinical testing of drugs used to treat certain rare diseases or conditions. The estimate for this provision is $25 million in 1984. Estimated tax expenditures for existing health provisions total $34.3 billion in 1984.

The current tax subsidy for the cost of health insurance premiums paid by employers has artificially increased the value of this fringe benefit. Thus, it has stimulated excessive health insurance coverage and contributed to health care cost inflation, because

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CREDIT PROGRAMS—HEALTH

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Health programs:					
New obligations	27	47	16	13	9
Net outlays	2	25	5	6	1
Outstandings	880	905	910	916	917
Health programs (loans held by the FFB): [1]					
Net outlays	10	−24	−*	−*	−4
Outstandings	287	263	263	262	257
Total, direct loans:					
New obligations	27	47	16	13	9
Net outlays	12	1	5	6	−3
Outstandings	1,166	1,168	1,172	1,178	1,174
Guaranteed loans:					
Health programs:					
New commitments	200	233	181	180	180
Net change	169	155	127	151	159
Outstandings	1,253	1,408	1,535	1,686	1,836
Total credit budget (new obligations and new commitments)	**227**	**280**	**197**	**193**	**189**

*$500 thousand or less.

[1] The direct lending activities of these programs are financed by the FFB. Loan assets are issued by the agency. According to law, these assets are backed by loans that the agency continues to service. The agency guarantees the loan assets, sells them to the FFB, and repurchases them upon maturity. FFB net outlays for this account represent acquisition of loan assets less repurchases by the agency. Increases in the volume of sales of loan assets are added to FFB direct loan outstandings, while the agency's direct loan outstandings decrease by the amount of loan assets sold to the FFB.

consumers have no incentive to hold down costs if they bear only a very limited part of the costs directly. The administration proposes to limit the subsidy to the portion of the monthly premium under $175 for a family plan and $70 for an individual plan. This proposal would continue the subsidy at a level sufficient to promote adequate coverage, but one that would make the tax law neutral with respect to wages and added health insurance. The tax expenditure estimate of this proposal is $2.4 billion in 1984.

Health-related expenditures.—The Federal Government supports health-related expenditures that are reported in other budget functions. Among the most important are medical care for veterans and military personnel, reported in the veterans benefits and services and national defense functions. Agency contributions to Federal employees health benefits were described under health care services, but are included in the section on undistributed offsetting receipts.

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INCOME SECURITY

National Needs Statement

Federal programs in the income security function help meet national needs by insuring against the loss of income resulting from unemployment, old age, disability, or death of a wage earner and by assisting the truly needy who are unable to provide for themselves.

Income security is the largest and traditionally one of the most rapidly growing functions in the Federal budget. In 1984, income security outlays are estimated to be $282.4 billion, about 33% of total Federal budget outlays. The income security function has grown from 3.7% of gross national product (GNP) in 1960 to an estimated 8.1% of GNP in 1984. This growth has been, and will continue to be, dominated by social security. Increases in the income security programs result largely from cost-of-living adjustments and growth in the number of beneficiaries. Most of the benefits are paid under entitlement standards established by law.

Reforms enacted in 1981 and 1982 have significantly improved the focus and administration of Federal entitlement programs. Additional proposals included in this budget will produce further improvements. The administration's proposals to reduce the budget deficit include proposals to freeze cost-of-living increases for Federal programs by 6 to 12 months. For social security, a 6-month freeze is proposed, consistent with the bipartisan National Commission on Social Security Reform proposal. Similar freezes are also proposed for supplementary security income, railroad retirement, veterans pensions and compensation, and food stamps and child nutrition programs. For Federal employee retirement and disability programs and the disabled coal miners program, which is linked to Federal pay schedules, a 12-month freeze is proposed. Other proposed reforms are discussed below.

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NATIONAL NEED: PROVIDING INCOME SECURITY

(Functional code 600; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
General retirement and disability insurance:					
Social security (OASDI):					
Existing law	146,207	161,948	163,047	183,584	203,372
Proposed legislation		20,500	10,383	16,148	17,389
Railroad retirement	5,195	5,656	5,913	5,408	6,166
Benefits for disabled coal miners:					
Existing law	1,878	1,666	1,775	1,764	1,798
Proposed legislation			−37	−45	−52
Other	36	39	46	52	60
Subtotal, general retirement and disability insurance	153,316	189,808	181,127	206,911	228,733
Federal employee retirement and disability:					
Retirement and disability programs:					
Existing law	31,921	35,104	36,255	38,148	40,096
Proposed legislation			1,456	4,610	4,298
Federal employees workers' compensation:					
Existing law	345	336	228	217	201
Proposed legislation			−17	−30	−31
Subtotal, Federal employee retirement and disability	32,266	35,440	37,922	42,946	44,564
Unemployment compensation:					
Existing law	21,177	30,034	29,892	30,034	30,882
Proposed legislation		1,850			
Subtotal, unemployment compensation	21,177	31,884	29,892	30,034	30,882
Housing assistance:					
Subsidized housing	12,245	4,267	−2,319	−2,093	2,053
Public housing operating subsidies	1,491	1,282	1,636	1,525	1,481
Indian housing (proposed legislation)			76	76	76
Rural housing block grant (proposed legislation)			850	850	850
Other housing assistance	139	112	154	215	263
Subtotal, housing assistance	13,876	5,660	397	573	4,724
Food and nutrition assistance:					
Food stamps and aid to Puerto Rico:					
Existing law	11,286	12,815	12,492	12,650	12,906
Proposed legislation			−766	−1,052	−1,102
Child nutrition and other programs:					
Existing law	4,498	4,932	4,889	5,053	5,287
Proposed legislation			−313	−388	−460
Subtotal, food and nutrition assistance	15,784	17,747	16,302	16,264	16,630
Other income security:					
Supplemental security income:					
Existing law	7,769	8,459	7,511	8,249	8,404
Proposed legislation		85	341	329	307
AFDC and child support enforcement:					
Existing law	6,007	8,223	8,243	8,357	8,537
Proposed legislation			−732	−1,006	−1,010
Earned income tax credit	1,201	1,205	1,123	1,004	926
Refugee assistance	689	578	485	355	288
Low income home energy assistance:	1,875	1,986	1,300	1,300	1,300
Other	228	252	268	268	268
Subtotal, other income security	17,770	20,789	18,539	18,856	19,019
Total, budget authority	254,188	301,328	284,178	315,583	344,552

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NATIONAL NEED: PROVIDING INCOME SECURITY—Continued

(Functional code 600; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
General retirement and disability insurance:					
Social security (OASDI):					
Existing law	154,144	170,324	182,388	196,326	210,719
Proposed legislation		−2,056	−4,140	−4,548	−4,811
Railroad retirement	5,717	6,127	5,786	5,177	6,093
Benefits for disabled coal miners:					
Existing law	1,980	1,816	1,780	1,771	1,798
Proposed legislation			−37	−45	−52
Pension Benefit Guaranty Corporation:					
Existing law	−67	−32	−26	−18	−15
Proposed legislation			−132	−180	−202
Other	31	37	42	48	55
Subtotal, general retirement and disability insurance	161,805	176,216	185,661	198,531	213,585
Federal employee retirement and disability:					
Retirement and disability program:					
Existing law	19,616	21,250	22,941	24,720	27,000
Proposed legislation			−362	−1,116	−1,525
Federal employees workers' compensation:					
Existing law	264	218	228	217	201
Proposed legislation			−17	−30	−31
Federal employees life insurance fund	−492	−612	−636	−662	−688
Subtotal, Federal employee retirement and disability	19,388	20,856	22,153	23,129	24,956
Unemployment compensation:					
Existing law	23,756	35,020	28,774	25,867	24,707
Proposed legislation		1,850			
Subtotal, unemployment compensation	23,756	36,870	28,774	25,867	24,707
Housing assistance:					
Subsidized housing	6,880	7,774	8,532	9,235	9,690
Public housing operating subsidies	1,008	1,551	1,520	1,581	1,503
Indian housing (proposed legislation)			40	43	45
Rural housing block grant (proposed legislation)			280	561	850
Other housing assistance	155	257	450	454	459
Subtotal, housing assistance	8,043	9,582	10,823	11,874	12,547
Food and nutrition assistance:					
Food stamps and aid to Puerto Rico:					
Existing law	11,014	12,825	12,496	12,648	12,903
Proposed legislation			−757	−1,049	−1,101
Child nutrition and other programs:					
Existing law	4,565	5,008	4,878	5,042	5,273
Proposed legislation		−2	−295	−383	−456
Subtotal, food and nutrition assistance	15,579	17,831	16,322	16,258	16,619
Other income security:					
Supplemental security income:					
Existing law	7,677	8,760	7,509	8,252	8,404

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NATIONAL NEED: PROVIDING INCOME SECURITY—Continued

(Functional code 600; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Proposed legislation		85	341	329	307
AFDC and child support enforcement:					
Existing law	7,990	8,224	8,263	8,357	8,537
Proposed legislation			−732	−1,006	−1,010
Earned income tax credit	1,201	1,205	1,123	1,004	926
Refugee assistance	1,011	632	521	366	299
Low income home energy assistance	1,687	1,963	1,398	1,351	1,300
Other	206	249	265	266	267
Subtotal, other income security	19,773	21,117	18,688	18,919	19,029
Total, outlays	248,343	282,472	282,422	294,579	311,443
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Housing assistance:					
Budget authority	732	625			
Outlays	696	591	−37	−27	−29

General retirement and disability insurance.—Sixty-six percent of income security outlays are for retirement and disability insurance programs. In almost all cases the beneficiaries during their working years have paid to help support these programs. On the average, however, benefits are substantially higher, even after allowing for inflation, than the amounts the beneficiaries paid into the program. Outlays for general retirement and disability insurance are estimated to increase from $176.2 billion in 1983 to $185.7 billion in 1984 because of:

- benefit increases tied to the Consumer Price Index;
- an increase in the number of aged persons receiving benefits; and
- increases in individual earnings histories upon which the benefits are based.

Old-age, survivors, and disability insurance (OASDI) touches the lives of virtually every American either through benefits received or through payroll taxes deducted from earnings which finance the programs. In 1984 estimated outlays are $178.2 billion. However, without changes to current law, the largest of the social security trust funds, the old-age and survivors insurance (OASI) trust fund, would be unable to pay full benefits on a timely basis starting in July 1983. However, the budget reflects the bipartisan solution to the social security problem recommended by the National Commission on Social Security Reform and endorsed by the President, the Speaker of the House, and the Majority Leader of the Senate.

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Full OASI benefits will continue to be paid if the bipartisan solution is enacted. The bipartisan solution recommended by the National Commission on Social Security Reform is projected not only to keep social security solvent in the short term but also correct the long-range actuarial imbalance facing social security.

The main elements of the recommended solution are summarized below:

—Cover all non-profit employees and new Federal employees under social security, and ban withdrawal from coverage by State and local employers;

—Credit to the OASDI trust funds the revenues raised by having only those taxpayers with adjusted gross incomes in excess of $20,000 for an individual and $25,000 for a couple pay income taxes on 50% of their OASDI benefits;

—Shift the automatic increase in benefits to a calendar year basis, making the increase payable in January instead of July;

—Move the OASDI tax rate increase scheduled for 1985 to 1984, reschedule the 1988–89 rate, and provide a refundable tax credit for the year 1984 for the part of the employee rate that was rescheduled;

—Improve the equity of social security benefits;

—Make the self-employment OASDI tax rate comparable to the combined employer-employee rate, allowing one-half of the combined rate to be deducted as a business expense;

—Reimburse the OASDI trust funds for the full cost of certain military service credits and uncashed OASDI checks;

—Provide for reallocating the OASDI tax rates between OASI and DI and for inter-fund borrowing during 1983–87, from Hospital Insurance to OASDI; and,

—Provide a series of long-range reforms to stabilize the financial condition of the OASDI trust funds and restore the system to actuarial balance.

In 1984 the estimated outlay savings of these proposals are $4.1 billion. The unified budget impact of the bipartisan recommendations is discussed in more detail in Part 3.

Railroad retirement.—The Railroad Retirement Board (RRB) administers social security equivalent benefits, industry pensions funded by the rail sector, and windfall payments fully subsidized by the American taxpayer. In 1984, estimated outlays of $5.8 billion will provide benefits to 976 thousand retired and disabled railroad employees, their dependents, and survivors.

Rail workers, whose annual income will average over $32,000 in 1984, can expect to receive a pension in excess of their pre-retirement take-home pay. In 1984, the budget includes estimated outlays of $350 million for the Federal windfall subsidy for railroad retirement, a subsidy of over $800 per active rail worker.

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The social security benefits administered by RRB remain financially sound. Major changes in the rail industry pension plan sought by rail labor and management and enacted by the Congress in 1981, require the Board to adjust industry pensions to the available resources. Section 22 of the Railroad Retirement Act requires that:

—Full social security benefits be paid;
—Monthly rail pensions be paid during the year at the highest level rate financed by rail industry contributions; and
—Representatives of rail labor and management may submit proposals to alter the system's financing or pensions.

Benefits for disabled coal miners.—Benefits are provided to coal miners disabled from pneumoconiosis (commonly known as "black lung disease") and to their dependents and survivors. Under the Black Lung Benefits Act, miners suffering from chronic dust disease of the lungs and meeting specified medical criteria are entitled to benefits. These benefits are set at 50% of the GS-2 Federal salary level. Total outlays for the black lung program are estimated to be $1.7 billion in 1984. The program has recently undergone legislative changes to assure that the coal industry pays, through an excise tax, for claims filed after 1973 and to target benefits to those who have presented adequate proof that their disability is due to black lung disease. The proposal to freeze Federal pay increases for 12 months will also freeze increases in black lung benefits.

Pension Benefit Guaranty Corporation.—The Pension Benefit Guaranty Corporation (PBGC) is a Government corporation established under the Employee Retirement Income Security Act (ERISA) to insure pension benefits promised by private employers. If a defined benefit pension plan terminates, the Corporation pays the workers' monthly benefits up to a legal maximum. In addition, the Corporation may provide loans to financially troubled multiemployer plans to prevent termination and thereby avoid subsequent Corporation responsibility to pay benefits. PBGC costs are covered by premiums paid by pension plans, assessments of sponsors of terminated plans, and earnings on investments. Terminations of single-employer plans have exceeded expectations. Therefore, the Corporation had accumulated a deficit of $320 million by the end of 1982, which is expected to rise to $550 million by the end of 1984. The budget reflects the administration's request that Congress approve an increase of the single-employer premium from the current level of $2.60 per participant, per year, to a level that would be sufficient to cover both current and projected claims. In addition, the administration supports legislation to revise the insurance program for single-employer plans to prevent the unwar-

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ranted assignment of unfunded benefit promises to the Corporation.

Federal employee retirement and disability.—Federal employee retirement and disability programs include a number of Federal employee retirement programs in the legislative, judicial, and executive branches. The largest program is the civil service retirement and disability program. Outlays for Federal employee retirement and disability are estimated to increase from $20.9 billion in 1983 to $22.2 billion in 1984.

Retirement and disability programs.—The Federal employee retirement system is one of the most generous pension plans available in the United States. Workers' contributions cover only 20% of the cost of the system; the Federal taxpayer pays the remaining 80%.

Legislation is proposed that would reform the civil service system to deal with the problems created by these factors. This legislative package includes:

- *Annuity adjustment for early retirement.*—Current law provides that civil service employees may retire as early as age 55 with 30 years service and receive full benefits. By contrast, social security provides no retirement benefits before age 62. The proposal would continue to permit retirement at age 55 with 30 years service, but annuities would be reduced by an actuarial factor—5% for each year the worker chooses to retire prior to age 65. This change would be phased in over a period of 10 years, and employees age 55 or over at enactment would not be affected. The proposal is a responsible, measured way to address the early retirement problem. Since the average age at which Federal employees retire is 61, few will experience the full reduction. In addition, the reduction would not apply to persons retiring because of disability.
- *Cost-of-living adjustments (COLAs).*—As part of a proposed Government-wide COLA policy, this proposal would freeze the cost-of-living adjustment for 1984. The proposal would also make permanent the current limitation on cost-of-living adjustments (COLAs) for non-disability retirees under age 62 by allowing one-half the full COLA increase after 1985. Under current law, the limitation of one-half of specified COLA increases expires at the end of fiscal year 1985.
- *Increase employee deductions for retirement.*—Although retirement costs have skyrocketed, the amount withheld from Federal employees' salaries has remained constant at 7% since 1969. This has resulted in a significant departure from the principle that employees should pay 50% of the cost of the

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retirement system. The proposal would increase employee deductions to 9% in 1984 and to 11% in 1985. This represents approximately one-half of the cost of civil service retirement, taking into account the other reforms proposed.

- *Increase employer deductions for retirement.*—Employer contributions for retirement would also increase to match the increase in employee deductions described above. This would include matching contributions from other entities including the U.S. Postal Service, and the District of Columbia Government, for employees who participate in the Civil Service Retirement System.
- *Base annuity calculations on the retirees' highest 5 years of earnings, instead of the current highest 3.*—As recently as 1969, the formula for computing annuities was based on the average of an employee's 5 highest salary years; since then the three highest salary years have been used. With a return to more moderate inflation levels, it is sensible to use the highest 5 years as the base. Employees within 3 years of retirement eligibility would not be affected by the change.
- *Modify replacement rates.*—Currently, a formula is used that determines the percentage of salary that is replaced by retirement benefits. For example, this replacement rate is now 56.25% of the final 3 years' salary for 30 years of service. The administration would alter this formula to reduce the replacement rate, if necessary in conjunction with other proposals, to reduce the cost of the system to 22% of payroll and enable employer contributions to be limited to 11% of salary.

Federal employees workers' compensation.—Federal employees or their survivors are provided tax-free cash and medical benefits for job-related injuries, illnesses, or deaths. About 47,000 workers with long-term disabilities, or their survivors are expected to receive monthly payments in 1984. This is 1,000 fewer than in 1983 because of increased efforts to return recipients to work and to remove those no longer eligible from the rolls. Outlays are estimated to decrease from $218 million in 1983 to $211 million in 1984 as a result of the proposal to delay the cost-of-living increase for 1 year.

Unemployment compensation.—About 97% of wage and salaried employment in the United States is covered by unemployment compensation programs that pay benefits to individuals who are temporarily out of work and are searching for jobs. Based on the economic assumptions described in Part 2, an estimated average of 5.4 million workers per week will receive unemployment benefits during 1983 and 4.6 million workers in 1984. Outlays are estimated to decrease from $36.9 billion in 1983 to $28.8 billion in 1984 due to

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a decline in the projected average unemployment rate from 10.7% in fiscal year 1983 to 10.1% in 1984.

Regular benefits (usually up to 26 weeks) are financed by a State tax on employers and vary according to benefit levels set by each State. State and Federal administrative costs are financed by a Federal tax on employers.

The number of weeks an unemployed worker can receive unemployment insurance is increased by 50%, to a maximum of 39 weeks in any State where the unemployment rate of covered individuals claiming regular benefits averages 5% or more for 13 consecutive weeks and is at least 120% of the rate in the corresponding period in each of the previous 2 years. States may also provide these extended benefits when their insured unemployment rate reaches 6% for a 13-week period regardless of the rate in prior years. Extended benefits are financed in equal portion by State and Federal taxes on employers.

A temporary program, Federal supplemental compensation (FSC), pays additional weeks of benefits to those who exhaust their weeks of regular and, where available, extended benefits. These benefits are payable for people unemployed between September 11, 1982, and March 31, 1983. As originally enacted, FSC provided up to 10 additional weeks of benefits, but as recently amended it pays up to 16 additional weeks. The number of weeks available varies by State depending on the level of unemployment and whether the State has paid or is paying extended benefits. It is estimated that $2.5 billion of FSC benefits will be paid to some 2 million claimants.

The administration proposes a six month extension and modification of the Federal Supplemental Compensation program with an option for recipients to receive assistance in securing work through a system of tax credits to employers. Under the proposal, those with a significant work history who lost jobs through no fault of their own would have the choice of receiving up to 16 weeks of unemployment compensation or a set of vouchers that will give anyone who employs them a wage offset equal to half the usual unemployment benefits for twice as many weeks as those who remain unemployed will receive—that is, for up to 32 weeks. The number of weeks of benefits or vouchers will depend on the level of unemployment in the worker's State. The wage offset, provided through a tax credit, will give employers a strong incentive to hire the long-term unemployed. Workers in the program would receive full wages, rather than the lower unemployment benefit. The program would provide unemployment benefits from April 1 through September 30, 1983, with wage offsets remaining available until March 31, 1984. The estimated outlays for this proposal are $1.8 billion in 1983. The estimates of the tax

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expenditure for this proposal are $184 million in 1983 and $642 million in 1984.

The program of unemployment compensation for ex-servicemembers pays up to 13 weeks of benefits to ex-servicemembers, beginning with the fifth week after discharge or release from the service. Beginning October 1, 1983, the costs of these benefits will be reimbursed to the unemployment trust fund by the uniformed services.

In addition to regular unemployment compensation programs, special extra benefits are available to certain workers under specific circumstances, such as former Conrail employees. Special trade adjustment assistance benefits for workers deemed unemployed because of increased imports, estimated at $54 million in 1983, are scheduled to expire at the end of 1983.

Housing assistance.—The Federal Government subsidizes housing for low-income families and individuals through several programs in the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA). Budget authority for these programs is proposed to decline from $5.7 billion in 1983 to $0.4 billion in 1984. Despite this dramatic decline, outlays are estimated to increase from $9.6 billion in 1983 to $10.8 billion in 1984 due to commitments from prior years.

Subsidized housing.—Although budget authority for the HUD subsidized housing programs is projected to decline dramatically—from $4.3 billion in 1983 to $-2.3 billion in 1984—estimated outlays will continue to rise from $7.8 billion in 1983 to $8.5 billion in 1984. The decline in budget authority being requested results from proposed rescissions of budget authority no longer needed for the Rent Supplement and Rental housing assistance programs and the administration's deferral of $3.1 billion of budget authority from 1983 to 1984. These reductions are partially offset by proposed new budget authority of $515 million for the public housing and section 8 lower income housing assistance program. By the end of 1982, 3.5 million households lived in housing subsidized by HUD. The Department also had outstanding commitments to build an additional 379,000 units of subsidized housing. This inventory of 3.9 million subsidized housing units will require Federal subsidies of about $250 billion over the next 30 to 40 years, in addition to the operating subsidies for the 1.2 million units of public housing.

Under the current section 8 existing rental housing assistance program low-income households find their own rental housing and receive rental subsidy payments, provided that the housing unit meets housing quality standards and does not rent for more than a maximum amount. Tenants may not contribute more than 30% of their income for rent, and most current tenants now pay 27% or

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less of their income for rent. The Federal subsidy equals the difference between the rent paid by the tenant and the rent charged by the landlord.

The 1984 budget proposes a major reform of the structure of Federal housing assistance that would build upon the current Section 8 existing rental housing assistance program. The proposed modification would eliminate the maximum rent amount. Instead, HUD will establish a reasonable rent level that a tenant could be expected to pay for a standard quality unit. The Federal subsidy would be the difference between this level and 30% of the tenant's income. Participating households could use this subsidy to shop for any unit meeting minimum housing quality standards as long as any rent charges above the section 8 rent subsidy were paid by the tenant. The initial level of the annual Federal subsidy payment is estimated to average $2,000 per household, which is roughly equal to the benefit received by households now entering the section 8 existing housing program. Actual amounts will be based on the difference between local market rent levels and an assumed tenant rent contribution.

In 1984, the administration will continue to provide subsidies under the section 8 new construction/substantial rehabilitation program for units built for the elderly or handicapped in conjunction with the section 202 direct loan program.

Public housing operating subsidies.—Estimated outlays for public housing operating subsidies will be $1.5 billion in 1984. The administration proposes to revise the formula that determines the operating subsidy payment. Currently, the payment is determined on the basis of historic costs. Under the new proposal, private market rents would be the basis for the payment, consistent with the proposals for the section 8 housing payment certificate program. In addition, the separate public housing modernization program would be gradually consolidated into the operating subsidy program. This will provide housing authorities with increased flexibility to repair and renovate their housing units as part of ongoing operations.

Indian housing.—A new program in the Department of Housing and Urban Development (HUD) is proposed to support the construction of housing for Indians on reservations. This program would replace the current HUD public housing program procedures as adapted for Indian reservations. The proposed program would allow for the construction of housing that is more suitable to the unique needs and cultural desires of Indian communities than the present program. Outlays for this new program are estimated to be $40 million in 1984.

Rural housing block grant.—The administration requests budget authority of $850 million for a new rural housing block grant to

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States to provide housing for low-income families. The rental assistance program will continue to provide subsidies to low-income households living in FmHA financed units. The Department of Agriculture will also continue to assist farmers in constructing housing for farm laborers.

Other housing assistance.—The budget includes estimated outlays of $450 million for other housing assistance administered by the Farmers Home Administration (FmHA) and HUD.

Other major forms of Federal support for housing are tax expenditures and housing credit programs. The housing credit programs and the tax expenditures for housing in general are discussed under the commerce and housing credit function.

Food and nutrition assistance.—Needy families and individuals receive food and nutrition assistance through a number of Federal programs.

Food stamps and aid to Puerto Rico.—Food stamps help lower-income Americans maintain a nutritious diet. Eligible families receive monthly allotments of stamps based on income and household size to finance food purchases. These benefits are entirely federally funded; administrative costs are shared equally by the States and the Federal Government. Monthly food stamp participation is estimated at 21.5 million individuals in 1984, with associated Federal outlays of $10.9 billion. A nutrition assistance block grant for Puerto Rico replaced the food stamp program in Puerto Rico in the last quarter of 1982. Outlays for the block grant are estimated to be $825 million in 1984.

Efforts to improve program administration highlight this year's budget proposals for food stamps. Overpayments currently account for almost 10% of all benefits and cost the American taxpayer more than $1 billion annually. States lack financial incentives to improve their administration of the program since benefits are 100% federally financed. To encourage States to improve program integrity, this budget includes a proposal to hold States liable for overpayments that exceed 3% of the value of total benefits. The other major assistance programs, aid to families with dependent children and medicaid, already operate under a 3% target error rate. Other budget proposals will help States reduce erroneous payments by streamlining the calculation of benefits and simplifying the definition of a household.

In addition, the administration is proposing that all States would be required to adopt a community work experience program, in which able-bodied food stamp recipients must participate in work-related activities as a condition of their eligibility. This program will encourage recipients to find work in the private sector or

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perform useful public services when no private job is available. Another 1984 proposal would freeze cost-of-living adjustments 6 months.

Child nutrition and other programs.—The child nutrition programs subsidize meals for children in schools, child care facilities, and other institutional settings. Approximately 24.3 million young Americans will receive federally subsidized meals in 1983. Subsidies consist of both cash and commodity assistance. Federal outlays in 1984 are estimated to be $4.6 billion for all programs in this category.

In past years, changes were made in the child nutrition programs to focus assistance on needy youngsters, reduce duplication in subsidies, and restrain the growth in Federal costs. Several additional changes are reflected in this budget such as a 6-month freeze on cost-of-living adjustments. Legislation will be proposed to consolidate the school breakfast, child care, and summer feeding programs into a general nutrition assistance grant for the States. This will reduce costly and complicated Federal regulations and maximize State flexibility in providing nutrition assistance for meals consumed away from home outside a school lunch setting. Outlays for this grant are estimated to be $535 million in 1984.

Other proposals would tie the reimbursement rate for all lunches to the cost-of-living and relieve schools of the burden of determining eligibility for reduced price and free school lunches.

The special supplemental food program for women, infants, and children (WIC) will provide nutritious food supplements to an estimated 2.3 million low-income women and their young children in 1984. It lessens health problems associated with inadequate diets during critical stages of child development. WIC has grown rapidly since its inception, with outlays rising from $14 million in 1974 to an estimated $1.1 billion in 1984.

Other income security.—A number of other income security programs assist the poor. Estimated outlays are $18.7 billion in 1984.

Supplemental security income.—The supplemental security income (SSI) program, administered and financed by the Federal Government, will make cash payments to about 4 million needy aged, blind, or disabled individuals in 1984. The basic Federal grant to recipients is supplemented by State payments in some States.

The recently enacted Tax Equity and Fiscal Responsibility Act of 1982 contained changes for SSI, such as prorating benefits from the date of application or the date of eligibility and rounding benefit and income eligibility amounts to the next lower dollar. SSI and

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social security cost-of-living increases are coordinated in determining monthly benefit awards.

Federal outlays for SSI in 1984 are estimated at $7.8 billion, compared to the 1983 level of $8.8 billion. The decrease results in part because the first 1984 monthly payment date falls on a weekend and therefore will be paid in 1983. In addition, the number of recipients is expected to decline in 1984 as a result of fewer claims and fewer new awards. However, proposed legislation is estimated to increase outlays $341 million in 1984. This is the net effect of decreases in benefits because of the delay in cost-of-living adjustments and an increase in benefits because an additional $30 of social security benefits will not be counted as income in calculating the SSI benefit.

AFDC and child support enforcement.—Aid to families with dependent children (AFDC) helps State and local governments finance cash assistance to needy families. States administer the AFDC program, determining guidelines for eligibility and the level of benefits within broad Federal rules. The Federal Government reimburses States, on average, for slightly more than half of benefit costs. Child support enforcement (CSE) finances most State and local administrative expenses for establishing paternity and collecting support from legally liable absent parents. These collections offset State and Federal AFDC costs. Federal outlays for AFDC and CSE are estimated to be $7.5 billion in 1984, compared to $8.2 billion in 1983. About 3.8 million families are expected to receive AFDC benefits in 1984. Child support collections on behalf of about 900,000 of these families are also anticipated.

Reforms enacted in the Omnibus Budget Reconciliation Act of 1981 and the Tax Equity and Fiscal Responsibility Act of 1982 have helped refocus AFDC on its original goal: to serve as an aid for dependent children in families where the resources for complete self-support do not exist. These reforms created new opportunities for work and work experience, corrected inequities that provided higher benefits from receiving welfare than from working, and retargeted assistance more to the needy by taking into account resources and income available to the family that were previously not counted.

Legislation is proposed for 1984 to establish comprehensive programs of work-related activity for AFDC applicants and recipients in all States; those who are able to work would be required to do so as a condition of AFDC eligibility. The work incentive (WIN) program, classified in the education, training, employment, and social services function, which has not been proven successful, would be replaced by this reform. Legislation is also proposed to improve equity among similarly situated families by including all related adults and children in the AFDC assistance unit, and adjusting

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payments for shelter and utilities costs where costs can be shared with other household members. Several new incentives are proposed to improve State and local performance in collecting child support payments. These changes would restructure Federal financing to reward and encourage increased collections and improved cost effectiveness. Tougher State laws and procedures would also be required. These reforms to AFDC and CSE will save an estimated $0.7 billion in Federal outlays in 1984 and a comparable amount in State and local costs. Proposed child support reforms will also strengthen family responsibility and improve the financial situation of women.

Earned income tax credit.—Since 1975, the Federal Government has provided a tax credit for low-income workers that reduces their income tax liabilities. Where the credit amounts to more than the income taxes owed, the worker receives the difference. Beginning in 1979, provision was made for the credit to be received in advance through additions to wages. In 1984, total budget outlays for these payments are estimated to be $1.1 billion. The tax expenditure is estimated at $340 million in 1984.

Refugee assistance.—The Federal Government provides grants to States for cash and medical assistance, employment training, social services, child welfare services, and other assistance to needy refugees and entrants. In 1984, the administration proposes a per capita grant assistance program to fund State assistance to refugees and entrants not categorically eligible for AFDC, medicaid, or general assistance. Estimated outlays are $521 million in 1984. Additional funding for refugee assistance is discussed in the international affairs function.

Low-income home energy assistance.—To assist low-income families with rising heating costs, $1.3 billion in budget authority is proposed for low-income home energy assistance in 1984. This is a $686 million reduction from 1983. The program makes grants to States for aid to low-income persons in the form of direct cash assistance, direct payments to fuel vendors, or payments to public housing building operators. In an effort to direct these funds more to low-income heating needs, legislation is proposed to revise the State allotment formula. The new formula will target more funds to States with severe winter climates and large, low-income populations.

Credit programs.—The credit budget totals in this function are estimated to be $15.7 billion in 1984. Most of the credit activities in this function finance public housing operation and construction. For 1984, new direct loan obligations in this function are proposed to be $1.0 billion and guaranteed loan commitments are proposed

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to be $14.7 billion. As shown in the credit program table, a portion of the guaranteed loans for public housing operation and construction are financed as off-budget direct loans by the Federal Financing Bank.

CREDIT PROGRAMS—INCOME SECURITY

(In millions of dollars)

	Actual 1982	Estimate 1983	1984	1985	1986
Direct loans:					
Low rent public housing:					
New obligations	905	1,000	1,000	750	500
Net outlays	−21			−42	−45
Outstandings	162	162	162	120	75
Low rent public housing (loans made by FFB):[1]					
Net outlays	696	591	−37	−27	−29
Outstandings	1,624	2,216	2,179	2,152	2,122
Other income security:					
New obligations	1	5	2	2	3
Net outlays	−1	2	−*	−*	−*
Outstandings	24	26	26	26	25
Total, direct loans:					
New obligations	906	1,005	1,002	752	503
Net outlays	674	593	−37	−70	−74
Outstandings	1,811	2,404	2,367	2,297	2,223
Guaranteed loans:					
Low rent public housing:					
New commitments	13,284	14,637	14,709	16,493	18,146
Net change	2,552	1,628	1,915	1,688	1,461
Outstandings	19,145	20,773	22,688	24,376	25,837
Total credit budget (new obligations and new commitments)	**14,191**	**15,642**	**15,711**	**17,245**	**18,648**

[1] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency. The totals for low-rent public housing loans made by FFB in this table are not identical to the entries in the addendum to the National Needs table for off-budget Federal entities due to timing differences between budget authority and new obligations.

Tax expenditures.—A variety of income tax exclusions, deferrals, and tax credits assist the unemployed, aged, retired, and disabled. Unemployment compensation benefits received by people with an annual income, including unemployment compensation, of under $12,000 (single persons) or under $18,000 (married couples) are excluded from taxable income. This results in an estimate of $2.9 billion in 1984. The exclusion from income subject to tax of most social security (including benefits for dependents and survivors) and most railroad retirement benefits results in estimates of $20.7 billion and $725 million, respectively, in 1984. The exclusion of workers' compensation benefits and the exclusion from income of benefits for the disabled result in estimates of $2.1 billion and $1.7 billion, respectively, in 1984. The exclusion of disability pay from income taxes will result in an estimate of $150 million. The esti-

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mates resulting from the extra personal exemption for those over 64, the blind, and from tax credits for the elderly are $2.4 billion, $35 million, and $135 million, respectively, in 1984.

Special tax provisions also provide incentives for employers to provide their workers with pensions and other benefits such as life, accident and disability insurance, and supplemental unemployment compensation. Excluding the cost of these benefits from taxable income results in tax expenditures estimates of $78.8 billion, $3.1 billion, $160.0 million, and $5.0 million, respectively, in 1984.

An itemized deduction for up to $1,500 of expenses for adoption of children with special needs results in a tax expenditure of $15 million in 1984. The cost of all self-employed retirement plans and the IRA and Keogh Plans is $6.5 billion in 1984. Total tax expenditures for existing income security provisions are estimated to be $123.3 billion in 1984.

As part of the bipartisan plan to restore social security reserves to safer levels, the administration supports two tax expenditures proposals. Half of the social security benefits received by people whose income is above specified levels would be subject to tax. This would reduce the present tax expenditure, which excludes all social security benefits from adjusted gross income. In addition, employees would receive a refundable tax credit in 1984 that would offset the additional social security tax they would pay in that year due to an acceleration of the scheduled increase in the payroll tax rate. The 1984 estimates for these two provisions are $2.7 and $3.2 billion, respectively.

The new proposal to both extend the Federal supplementary compensation benefit program and provide incentives for employers to hire the long-term unemployed is discussed under employment compensation.

Related programs.—A number of other programs are related to income security but have as their primary purpose meeting other national needs and servicing other major missions. Examples of such programs are veterans pensions and compensation, military retirement and a number of health programs, such as medicare and medicaid, that help the aged or needy.

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VETERANS BENEFITS AND SERVICES

National Needs Statement

Federal funds for veterans benefits and services are to meet the Nation's obligation to veterans of military service.

The benefits and services provided to veterans recognize the special needs of veterans and their survivors that result from sacrifices made in military service. Benefits compensate for loss of earnings resulting from service-related disabilities, provide medical care for physical and psychological disabilities suffered in military service, and assist in preparing returning veterans for civilian life. In addition, veterans benefits assist needy veterans of wartime service and their survivors. Outlays for veterans benefits and services are estimated at $24.4 billion in 1983 and $25.7 billion in 1984.

Additional assistance is provided to veterans through loan guarantees and direct loans. The credit budget for veterans benefits and services is expected to increase dramatically from $6.9 billion in 1982 to $19.5 billion in 1983 and $20.8 billion in 1984.

This budget includes a legislative proposal for a 5.1% cost-of-living increase in compensation benefits for veterans with service-related disabilities to be effective in April 1984.

Funds are included for health care for the growing number of elderly veterans. During the 1980's, the number of veterans over age 65 is expected to more than double as virtually all of the 11.4 million veterans of World War II reach that age. In anticipation of this change, the Veterans Administration's (VA's) medical care and research activities are devoting more attention to the problems of aging veterans by increasing the availability of long-term and geriatric care and devoting more research to the illnesses and disabilities of the aged.

This budget also provides construction funds to maintain, renovate, modernize, and systematically replace aging VA medical structures in order to prevent deterioration of the physical facilities housing VA medical services. Construction projects will focus especially on correcting fire and safety deficiencies, and minimizing potential risks from earthquakes.

Several legislative proposals, which are described below, would offset part of the costs of these improvements.

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NATIONAL NEED: PROVIDING VETERANS BENEFITS AND SERVICES

(Functional code 700; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Income security for veterans:					
Compensation and pensions:					
Service-connected compensation:					
Existing law	9,590	9,463	9,856	10,006	10,022
Proposed legislation			238	663	1,049
Non-service-connected pensions:					
Existing law	4,048	3,827	3,950	3,967	4,090
Proposed legislation			−113	−150	−173
Burial and other benefits	140	141	149	156	164
Insurance programs:					
National service life insurance trust fund	1,164	1,187	1,209	1,242	1,263
U.S. Government life insurance trust fund	31	26	23	20	18
All other insurance programs	9	6	7	8	9
Insurance program receipts	−473	−445	−433	−440	−442
Subtotal, income security for veterans	14,510	14,205	14,887	15,474	16,000
Veterans education, training, and rehabilitation:					
Existing law	1,964	1,666	1,392	1,171	991
Proposed legislation			−20	−4	−2
Subtotal, veterans education, training, and rehabilitation	1,964	1,666	1,371	1,167	989
Hospital and medical care for veterans:					
Medical care and hospital services	7,101	7,695	8,079	8,408	8,720
Construction	490	567	886	928	1,061
Medical administration, research, and other	211	212	223	228	233
Subtotal, hospital and medical care for veterans	7,802	8,474	9,188	9,564	10,014
Veterans housing (receipts)		−82	−90	−92	
Other veterans benefits and services:					
Cemeteries, undistributed VA overhead, and other:					
Existing law	672	702	732	738	749
Proposed legislation			−1	−1	−1
Non-VA support programs	37	40	46	45	44
Subtotal, other veterans benefits and services	709	742	776	782	792
Deductions for offsetting receipts	−3	−3	−3	−3	−3
Total, budget authority	**24,982**	**25,002**	**26,129**	**26,891**	**27,792**

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NATIONAL NEED: PROVIDING VETERANS BENEFITS AND SERVICES—Continued

(Functional code 700; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
Income security for veterans:					
Compensation and pensions:					
Service-connected compensation:					
Existing law	9,276	9,687	9,855	10,000	10,020
Proposed legislation			198	632	1,016
Non-service-connected pensions:					
Existing law	3,879	3,954	3,940	3,957	4,079
Proposed legislation		−46	−68	−150	−173
Burial and other benefits	140	141	148	156	164
Insurance programs:					
National service life insurance trust fund	925	954	986	1,014	1,046
U.S. Government life insurance trust fund	64	61	54	50	47
All other insurance programs	−102	−87	−88	−61	−46
Insurance program receipts	−473	−445	−433	−440	−442
Subtotal, income security for veterans	13,710	14,219	14,593	15,158	15,710
Veterans education, training, and rehabilitation:					
Existing law	1,947	1,624	1,350	1,128	948
Proposed legislation			−20	−4	−2
Subtotal, veterans education, training and rehabilitation	1,947	1,624	1,329	1,124	946
Hospital and medical care for veterans:					
Medical care and hospital services	6,851	7,563	7,981	8,303	8,607
Construction	444	494	688	808	815
Medical administration, research, and other	221	235	231	230	233
Subtotal, hospital and medical care for veterans	7,517	8,292	8,900	9,341	9,656
Veterans housing:					
Loan guaranty revolving fund	183	−192	261	183	89
Direct loan revolving fund	−62	−174	−25	−23	−22
Other (HUD participation sales trust fund)	−19	−16	−16	−4	−7
Housing program receipts		−82	−90	−92	
Subtotal, veterans housing	102	−464	130	64	60
Other veterans benefits and services:					
Cemeteries, undistributed VA overhead, and other:					
Existing law	646	703	733	739	749
Proposed legislation			−1	−1	−1
Non-VA support programs	36	40	44	43	42
Subtotal, other veterans benefits and services	682	744	776	782	791
Deductions for offsetting receipts	−3	−3	−3	−3	−3
Total, outlays	**23,955**	**24,411**	**25,724**	**26,466**	**27,159**

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Income security for veterans.—In addition to Federal income security programs for the general population, such as social security, unemployment insurance, and food stamps, several VA programs help certain veterans and their survivors maintain their income when the veteran is disabled, aged, or deceased. Outlays for this mission are estimated to increase from $14.2 billion in 1983 to $14.6 billion in 1984.

Service-connected compensation.—Monthly compensation payments are provided to veterans with disabilities resulting from military service. The amount of the benefit depends on the degree to which average earnings of individuals with a particular disability are reduced. Payments also are made to survivors of veterans who die from service-connected injuries. Legislation effective in October 1982 increased compensation benefits by an average of 7.4%.

The administration proposes legislation to provide a 5.1% cost-of-living increase in compensation benefits, effective in April 1984. The effective date of this increase reflects a 6-month delay from the past practice of providing cost-of-living increases effective in October of each year. Estimates for subsequent years assume annual cost-of-living increases based on the projected increase in the Consumer Price Index. Beginning in April 1985, the administration proposes to pay compensation cost-of-living increases in accordance with the following schedule:

Percent of rated disability:	*Percent of cost-of-living increase to be provided*
100	100
60–90	85
40–50	60
10–30	45

Allowances provided to compensate beneficiaries for dependents and clothing would continue to reflect 100% of the cost-of-living increase.

An estimated 2.6 million veterans and their survivors are expected to receive compensation benefits in each of the years 1983 through 1986. Outlays for this mission are estimated to increase from $9.7 billion in 1983 to $10.1 billion in 1984.

Non-service-connected pensions.—Pensions are provided to needy wartime-service veterans who are 65 or older or who have become disabled subsequent to their military service. Survivors of wartime-service veterans also may qualify for pension benefits based on

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financial need. This program would be subject to a proposed 6-month postponement in cost-of-living increases from June to December of each year. The December 1983 cost-of-living increase is estimated to be 5.1%.

Even though the number of veterans age 65 and over is expected to double during the 1980's, the number of pension recipients is expected to decline from 1.8 million in 1982 to 1.7 million in 1984. This is due to the Veterans and Survivors Pension Improvement Act of 1978, which sharpened the focus of veterans pension benefits upon needy, nonservice disabled veterans. Outlays for veterans pensions are estimated at $3.9 billion in 1983 and 1984.

Burial and other benefits.—Families of deceased wartime veterans who are to be buried in private cemeteries may receive an allowance to apply toward the purchase of burial plots. Families of deceased veterans who were in receipt of compensation or pensions also receive burial benefits to assist in defraying funeral expenses. Outlays for burial and other allowances are estimated to increase from $141 million in 1983 to $148 million in 1984.

Insurance programs.—The budget assumes that life insurance programs for veterans and their survivors will provide an estimated $29.2 billion of coverage on over 4 million policies in 1984. Direct loan obligations against life insurance policies in 1984 are expected to be $163 million, 4.5% higher than the $156 million estimated for 1983.

Veterans education, training, and rehabilitation.—The GI bill provides education benefits ranging from college courses to vocational and on-the-job training. These benefits help eligible veterans make the transition from military to civilian life by assisting them to obtain the education they might have received had they not entered military service. Active duty servicepersons and widows and children of veterans who have died or been totally disabled in military service also are eligible for these benefits.

Individuals who entered military service after 1976 are eligible for the post-Vietnam-era education program, which allows them to set aside $25 to $100 from their monthly pay to finance future education. These amounts are matched by the Government on a two-for-one basis and returned to them in education payments after they are discharged. The Veterans Administration administers this program, but it is funded by the Department of Defense and is classified in the national defense function.

Legislation is being proposed that would eliminate correspondence training and terminate the advance payment of educational assistance allowances to veterans and dependents under the GI bill.

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The anticipated savings in 1984 from enactment of this proposal is $20 million.

More than 65% of all Vietnam-era veterans have utilized GI bill benefits. In 1984, nearly 534 thousand GI bill trainees are expected to participate in the program, compared with 683 thousand in 1983. The number of GI bill trainees (including dependents) will continue to drop in the future as the number of eligible veterans becomes smaller. Thus, outlays for this mission are estimated to decline from $1.6 billion in 1983 to $1.3 billion in 1984, and to $0.9 billion by 1986.

Hospital and medical care for veterans.—The Veterans Administration provides hospital and medical care to veterans by operating a nationwide medical care system consisting of 172 hospitals, 226 outpatient clinics, 101 nursing homes, and 16 domiciliary facilities. In 1984, it is expected to accommodate over 18.4 million outpatient medical and dental visits, and to treat nearly 1.4 million patients in VA and community facilities. Outlays for medical programs are estimated to be $8.3 billion in 1983 and $8.9 billion in 1984.

Medical care and hospital services.—In 1983 and 1984 the VA plans to continue to reorder its program of health care services to provide the most appropriate types of care and to accommodate the anticipated influx of World War II veterans. Almost all of this group of about 11.4 million veterans (40% of all veterans) will reach age 65 during the 1980's. This milestone is especially significant because veterans reaching age 65 become eligible for a wide variety of medical benefits without regard to financial status. The VA therefore anticipates a rapid increase in the number of veterans seeking long-term and geriatric care.

The Veterans Administration Health Care Amendments of 1981 require that VA medical facilities provide care for veterans whose disabilities result from exposure to agent orange and low-level ionizing radiation. These cases receive outpatient priority second only to veterans being treated for service-connected disabilities. Outlays for medical care and hospital services are estimated to be $8.0 billion in 1984, a 5.5% increase from the $7.6 billion estimated for 1983.

Construction of hospital and extended care facilities.—Budget authority of $886 million is requested for these programs in 1984. This includes $868 million for VA medical construction in 1984, $319 million more than for 1983. The 1984 request recognizes the critical need for renovation and modification of many of the aging facilities in which medical services are provided. Funding is included for new nursing homes, projects to remedy health and safety

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deficiencies, and construction of a replacement hospital in Minneapolis, Minn. Budget authority of $18 million is requested for 1984, the same as that enacted for 1983, for grants to States for the construction or repair of State veterans homes for the care of aging veterans.

Veterans housing.—VA mortgage loan guarantee and direct loan programs are expected to assist 310 thousand veterans obtain mortgages in 1984. New guaranteed loan commitments and direct loan obligations for mortgage loans in 1984 are estimated at $19.9 billion and $0.7 billion, respectively. Sales of housing assets (VA mortgages), estimated at $408 million in 1984, will partially offset the direct cost of these programs, resulting in net outlays of $130 million.

CREDIT PROGRAMS—VETERANS BENEFITS AND SERVICES

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Income security programs:					
New obligations	152	156	163	166	168
Net outlays	−20	−7	−6	−6	−6
Outstandings	1,400	1,393	1,387	1,381	1,375
Education programs:					
New obligations	2	1	1	1	1
Net outlays	−3	−7	−9	−9	−9
Outstandings	62	55	47	38	29
Mortgage insurance and other housing programs:					
New obligations	720	691	721	735	753
Net outlays	251	−390	259	234	163
Outstandings	1,906	1,516	1,774	2,008	2,171
Total, direct loans:					
New obligations	874	849	885	902	923
Net outlays	228	−404	244	219	147
Outstandings	3,368	2,964	3,208	3,427	3,575
Guaranteed loans:					
Mortgage insurance and other housing programs:					
New commitments	5,983	18,648	19,875	20,355	20,994
Net change	5,171	17,075	18,314	18,759	19,391
Outstandings	108,784	125,858	144,172	162,931	182,322
Total credit budget (new obligations and new commitments)	**6,857**	**19,497**	**20,760**	**21,257**	**21,917**

Other veterans benefits and services.—The Veterans Administration oversees a national cemetery system for burial of eligible veterans, servicepersons, and their survivors. Outlays for these and related programs are estimated to be $744 million in 1983 and $776 million in 1984.

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Credit programs.—The credit budget totals in this function are estimated to rise dramatically from $6.9 billion in 1982 to $19.5 billion in 1983 and $20.8 billion in 1984. This large increase is due almost entirely to an increase in demand for new commitments for guaranteed loans for mortgage insurance and other housing programs, due in large part to the projected decline in market interest rates. These commitments are estimated to increase from $6.0 billion in 1982 to $18.6 billion in 1983, and $19.9 billion in 1984.

Tax expenditures.—In addition to direct Federal funding, a number of tax expenditures provide assistance to veterans. Disability compensation, pension, and GI bill benefits for veterans are excluded from taxable income. The estimates for these exclusions in 1984 are $1.8 billion, $295 million, and $125 million, respectively. Total tax expenditures for veterans are estimated to be $2.3 billion for 1984.

Related programs.—In addition to the assistance provided specifically for veterans by the VA, many veterans receive assistance from other income security, health, housing, education, training, employment, and social service programs supported by the Federal Government and available to the general population. Some of these programs have components specifically intended to assist veterans.

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ADMINISTRATION OF JUSTICE

National Needs Statement

Federal expenditures for the administration of justice are to protect persons and their property through enforcement of Federal laws; to defend the public interest in criminal and civil proceedings; and to operate detention and correctional facilities for those charged with or convicted of violating Federal law.

One of the most fundamental responsibilities of the Government is to provide a means to ensure the safety of the people and to resolve disputes peacefully and fairly. In 1984, the Federal Government will spend an estimated $5.5 billion in outlays to meet these needs. State and local governments will spend an estimated seven times as much, reflecting their more immediate involvement in this area.

An important theme in the administration of justice is enhancing the Nation's law enforcement abilities, particularly in the battle against illegal drug trafficking. This effort, carried on by the task force operating in South Florida and 12 additional task forces created in 1983 which are located throughout the country, will continue in 1984.

A second theme is increasing criminal justice assistance to State and local governments through a new formula and categorical grant program.

The third theme is providing additional prison space through construction of new prisons and expansion of existing facilities to accommodate the rapidly increasing Federal inmate population.

Federal law enforcement activities.—As in the past, over half of the total Federal resources for the administration of justice are dedicated to law enforcement activities. Estimated outlays of $3.3 billion in 1984, 9% above the 1983 level, will maintain current activities and meet the objectives outlined above.

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NATIONAL NEED: ADMINISTRATION OF JUSTICE

(Functional code 750; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Federal law enforcement activities:					
Organized crime drug enforcement (OCDE)	.....	128	106	82	80
Narcotics violation investigation (DEA and FBI)	283	310	331	341	346
Other investigation (FBI)	733	798	1,001	963	926
Alcohol, tobacco, and firearms investigation (ATF)	142	147	157	157	160
Border enforcement activities (Customs and INS)	974	1,067	1,118	1,104	1,122
Protection and other activities (Secret Service)	204	249	282	267	265
Other enforcement	323	345	354	355	357
Subtotal, Federal law enforcement activities	2,658	3,045	3,348	3,269	3,255
Federal litigative and judicial activities:					
Civil and criminal prosecution and representation	553	604	658	678	688
Federal judicial activities	735	840	934	923	941
Representation of indigents in civil cases	241	241	.....	.....	.....
Subtotal, Federal litigative and judicial activities	1,529	1,685	1,592	1,601	1,628
Federal correctional activities	423	404	523	531	496
Criminal justice assistance:					
Existing law	140	137	72	73	73
Proposed legislation	.....	.....	92	92	2
Subtotal, criminal justice assistance	140	137	165	165	76
Deductions for offsetting receipts	−32	−26	−26	−26	−26
Total, budget authority	**4,718**	**5,245**	**5,602**	**5,541**	**5,429**
OUTLAYS					
Federal law enforcement activities:					
Organized crime drug enforcement (OCDE)	.....	104	103	87	79
Narcotics violation investigation (DEA and FBI)	265	305	324	336	340
Other investigation (FBI)	697	801	966	975	938
Alcohol, tobacco, and firearms investigation (ATF)	137	145	155	155	158
Border enforcement activities (Customs and INS)	933	1,064	1,096	1,078	1,095
Protection and other activities (Secret Service)	198	244	276	262	259
Other enforcement	299	353	354	353	354
Subtotal, Federal law enforcement activities	2,529	3,017	3,276	3,246	3,222
Federal litigative and judicial activities:					
Civil and criminal prosecution and representation	541	592	646	667	676
Federal judicial activities	716	835	924	913	930
Representation of indigents in civil cases	259	242	21	.....	.....
Subtotal, Federal litigative and judicial activities	1,516	1,669	1,592	1,580	1,607
Federal correctional activities	364	424	466	494	531
Criminal justice assistance:					
Existing law	294	189	148	97	73
Proposed legislation	.....	.....	36	92	58
Subtotal, criminal justice assistance	294	189	184	189	131
Deductions for offsetting receipts	−32	−26	−26	−26	−26
Total, outlays	**4,671**	**5,273**	**5,491**	**5,483**	**5,464**

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Organized crime drug enforcement (OCDE).—The OCDE program is a network of 12 regional task forces, in addition to the South Florida task force, covering the entire United States. Comprising investigators, prosecutors, and other enforcement experts, these task forces focus on preventing drug trafficking by prosecuting high-level organized crime violators. OCDE is an interagency effort including resources from the U.S. Attorneys, the Federal Bureau of Investigation (FBI) and the Drug Enforcement Administration (DEA), as well as the Internal Revenue Service, the Customs Service, the Bureau of Alcohol, Tobacco and Firearms, and the Coast Guard.

In addition to the prosecutors, investigators, and agents, the OCDE proposal provides funding for local jail improvements, FBI and DEA automated information systems, and additional Federal prison space. The table entries for 1984 show estimated OCDE outlays and proposed budget authority for the Department of Justice only, while the 1983 OCDE entry includes Justice, Department of the Treasury, and Coast Guard activities for this program. Total outlays for this effort in 1984, including those classified in Treasury, are estimated to be $135 million, a 30% increase over 1983.

Narcotics violation investigation (DEA and FBI).—The DEA was established in 1973 to provide leadership in suppressing the national and international trade of narcotics and dangerous drugs. To combat the growing menace of drug trafficking, the FBI was given concurrent jurisdiction in this area in January 1982, and the DEA now reports to the Director of the FBI. In 1984, DEA will upgrade its data processing systems and expand its laboratory resources and foreign investigations. Total outlays for narcotics violation investigation are expected to be $324 million in 1984, a $19 million or 6% increase above 1983 levels.

Other investigation (FBI).—The FBI enforces a broad range of Federal criminal statutes, works with State and local authorities to support FBI missions, and assists States and localities through training, dissemination of information, and other assistance. Federal law enforcement funds are used primarily for investigating crimes that are purely Federal, multijurisdictional, or of a unique nature requiring Federal involvement. Creating a more efficient, effective investigative organization through major capital invest-

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ments is a high priority. A major initiative is to complete the third phase of the long-planned Automated Identification Division System (AIDS-III) program which will eventually result in a fully automated fingerprint identification service. Outlays are estimated to be $966 million in 1984, an increase of 21% above 1983 levels.

Border enforcement activities (Customs and INS).—The United States Customs Service administers the Tariff Act of 1930 and other laws regarding assessment and collection of customs duties, excise taxes, fees and penalties on imported merchandise; stopping and seizing contraband; and processing persons, carriers, cargo and mail into and out of the United States. The 1984 budget proposal for Customs provides additional support for the OCDE regional task forces and increases funding for several administration priorities, including "Operation Exodus," a program to control the illegal export of critical technology.

The Immigration and Naturalization Service (INS) administers laws related to the admission, exclusion, deportation and naturalization of aliens. Increased productivity and better management will be achieved through additional data processing equipment and the establishment of a national records center. The budget also maintains the administration's commitment to strong border enforcement. Outlays for border enforcement are estimated to be $1.1 billion in 1984.

Federal litigative and judicial activities.—The Department of Justice litigates all of the Federal Government's criminal cases and most of its civil cases. During the past few years, the Department has been increasing its efforts on the more complex, lengthy criminal cases involving organized crime and drug trafficking.

Civil and criminal prosecution and representation.—Outlays for civil and criminal prosecution and representation are estimated to rise from $592 million in 1983 to $646 million in 1984.

Among the administration's priorities in this area are:

- enforcement operations directed at identifying and seizing the assets and profits of illegal drug trafficking organizations;
- maintaining an active role in civil litigation to protect the Government's financial interests in court, particularly in the area of debt collection;
- continued support for the recently established law enforcement coordinating committees, composed of Federal, State and local law enforcement officials, which help coordinate joint efforts and help formulate local enforcement cooperation plans; and
- increased support for civil rights enforcement.

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Federal judicial activities.—Budget estimates from the judiciary are included in the budget without modification by the executive branch. The U.S. Courts have estimated outlays of $924 million in 1984 for judicial branch activities in this function, an 11% increase over the 1983 level.

Representation of indigents in civil cases.—The Legal Services Corporation is a private non-profit organization that funds State and local agencies providing free civil legal assistance to the poor. Grantees are currently involved in cases both for individual clients and in broader "law reform" activities.

The administration proposes that the Corporation not be reauthorized, and that no further separate Federal funding be provided. The administration's social services block grant includes adequate authority to fund legal services activities that States wish to provide for their citizens. In addition, private attorneys are expected to increase free services to the indigent in accordance with the legal profession's ethical obligations.

Federal correctional activities.—The Federal Government is responsible for the care and custody of prisoners charged with or convicted of violating Federal laws.

Those people charged with a Federal crime and not yet convicted or acquitted come under the jurisdiction of the U.S. Marshals, in their role as agents of the U.S. Courts. Those not released on bond or on their own recognizance are detained, usually in State or local jail facilities, on a reimbursable basis. In some cases, they are held in one of five Federal jails. In 1984, a sixth new Federal jail is proposed for the Los Angeles area. In addition, $10 million will be made available for the renovation, equipping, and, under certain circumstances, construction of State and local jail facilities through the Cooperative Agreement Program. If convicted, the offender is transferred to one of the 37 Federal prison facilities.

In response to the burgeoning Federal prison population, which has grown 21% since January 1981, full funding for one new prison and planning funds for a second, both of which will be located in the Northeast, are proposed in the 1984 budget. Additional funds will also be made available to renovate and expand existing facilities. Outlays for correctional activities in 1984 are estimated to be $466 million, 10% above the 1983 level.

Criminal justice assistance.—A new $92 million criminal justice assistance program is proposed to provide training, technical assistance, and financial assistance to State and local criminal justice agencies through both formula and discretionary grants. These grants will support innovative projects or programs of proven effectiveness.

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The administration is not requesting any new budget authority for juvenile justice and delinquency prevention programs. The primary objective of these programs was to deinstitutionalize juveniles whose offense, such as running away from home, would not be a crime if committed by an adult. This goal has been accomplished. Resources to deal with serious juvenile offenders will be available through the new criminal justice assistance program.

Outlays for criminal justice assistance are estimated to be $184 million in 1984, about the same as in 1983.

Related programs.—A number of programs classified in other functions support the administration of justice. Over 100 agencies and regulatory commissions perform some type of law enforcement activity. About 30 Federal agencies, including the Departments of Agriculture and Labor, the Environmental Protection Agency, and most independent regulatory commissions, have some litigation authority independent of the Department of Justice.

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GENERAL GOVERNMENT

National Needs Statement

Federal funds for general government are to provide central policy formulation and management that responds effectively and efficiently to the needs of the Nation.

The general government function includes the central management and policy responsibilities of the Federal Government. The goals of the President, his staff, the Congress, and other personnel in this function are to address the needs of the Nation and to improve the management and efficiency of Federal finances, property, and personnel. Central services include tax collection, fiscal operations, personnel management, property control, and records management.

Outlays for general government are estimated to be $6.0 billion in 1984, compared with $5.8 billion in 1983. Major goals in this function are to enhance efforts to identify and collect unpaid taxes and improve productivity in the Federal Government.

Legislative functions.—By law, budget estimates for the legislative branch are included in the President's budget without change as submitted by the Congress. Estimated outlays for the legislative branch activities in this function are $1.3 billion in 1984 and include the operation of the Congress, the General Accounting Office, the Congressional Research Service, and similar activities.

Executive direction and management.—Outlays for the White House, other components of the Executive Office of the President, and related activities are estimated to be $112 million in 1984, an increase of $8 million over 1983.

Central fiscal operations.—The mission of central fiscal operations is to collect taxes, administer the public debt, and carry out certain other financial operations of the Federal Government. Outlays are estimated to be $3.5 billion in 1984, a 7.1% increase over the 1983 level.

Collection of taxes.—This mission is carried out by the Internal Revenue Service (IRS), which seeks to improve voluntary compliance with the tax laws. The Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982, which included new administrative incentives for compliance, should help in accomplishing this mission.

Major new administrative provisions of the Act authorize:

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NATIONAL NEED: GENERAL GOVERNMENT

(Functional code 800; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Legislative functions	1,172	1,260	1,328	1,317	1,376
Executive direction and management:					
Existing law	95	103	114	121	122
Proposed legislation			−2	−2	−2
Subtotal, executive direction and management	95	103	113	119	120
Central fiscal operations:					
Collection of taxes	2,672	3,043	3,292	3,447	3,499
Federal Financing Bank	−148	−152	−179	−204	−215
Other fiscal operations	323	402	424	425	444
Subtotal, central fiscal operations	2,847	3,293	3,537	3,668	3,728
General property and records management:					
Personal property	20	37	61	62	62
Records management	81	88	87	89	92
Other:					
Existing law	285	329	351	357	362
Proposed legislation			2		
Subtotal, general property and records management	386	454	502	509	516
Central personnel management	141	142	151	153	155
Other general government:					
Territories	192	170	150	160	141
Indian affairs	22	9	18	18	20
Treasury claims	285	406	405	400	400
Other	8	8	34	−14	−14
Subtotal, other general government	507	592	607	564	547
Deductions for offsetting receipt	−177	−163	−184	−173	−169
Total, budget authority	**4,970**	**5,682**	**6,055**	**6,159**	**6,273**

- withholding of taxes at a rate of 10% on most interest and dividend payments made after June 30, 1983;
- imposition of new civil penalties on persons who file or prepare false tax returns;
- expansion of reporting requirements and penalties for failure to comply; and
- a change in the rules regarding the computation of interest on underpayments and overpayments of tax to require biannual adjustment of the interest rate, daily compounding, and to limit interest on overpayments claimed on late returns.

These and other compliance provisions of the Act are expected to increase receipts to the Treasury by an estimated $9 billion in 1984 and by $12 billion annually by 1988. The expected increase of 1,300 IRS personnel in 1984 is primarily to enforce this legislation.

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NATIONAL NEED: GENERAL GOVERNMENT—Continued

(Functional code 800; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
OUTLAYS					
Legislative functions	1,177	1,253	1,324	1,298	1,360
Executive direction and management:					
Existing law	96	104	113	117	118
Proposed legislation			−2	−2	−2
Subtotal, executive direction and management	96	104	112	115	116
Central fiscal operations:					
Collection of taxes	2,513	3,031	3,278	3,415	3,467
Federal Financing Bank	−148	−152	−179	−204	−215
Other fiscal operations	291	396	408	417	432
Subtotal, central fiscal operations	2,656	3,275	3,507	3,629	3,684
General property and records management:					
Real property	−92	94	−137	−30	−64
Personal property	70	37	61	62	62
Records management	73	90	85	88	90
Other:					
Existing law	283	335	354	352	357
Proposed legislation			2		
Subtotal, general property and records management	334	557	365	472	445
Central personnel management	136	140	152	152	155
Other general government:					
Territories	250	233	178	180	168
Indian affairs	18	13	18	18	20
Treasury claims	285	406	405	400	400
Other	−49	−23	116	−61	−63
Subtotal, other general government	504	628	717	537	525
Deductions for offsetting receipts	−177	−163	−184	−173	−169
Total, outlays	**4,726**	**5,794**	**5,993**	**6,032**	**6,116**
ADDENDUM					
Off-budget Federal entity:					
Federal Financing Bank:					
Federal buildings fund:					
Budget authority	12				
Outlays	8	−9	−10	−10	−11
Territories:					
Budget authority	36				
Outlays	*	*	*	*	*
Other:					
Budget authority					
Outlays	−12	12			
Total:					
Budget authority	48				
Outlays	−5	3	−10	−11	−12

*$500 thousand or less.

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In 1984, IRS will continue a 1983 initiative designed to increase emphasis on identification and collection of unpaid taxes, which will yield $2.4 billion in additional receipts in 1984 and $4.5 billion over the two year period.

Outlays for the collection of taxes are estimated to be $3.3 billion in 1984, 8% higher than in 1983.

Federal Financing Bank (FFB).—The Federal Financing Bank (FFB) is an off-budget Federal entity under the supervision of the Treasury Department. It was created to reduce the cost of Federal agency and federally assisted borrowing from the public and to ensure that such borrowing takes place with the least disruption to financial markets. The FFB neither initiates nor reviews Federal programs; it is solely a financing vehicle. The Government agency initiating the program is responsible for its review.

The FFB charges a fee to borrowers. It uses a small portion of the funds received for administrative expenses. The surplus monies are transferred to central fiscal operations and shown as offsetting Treasury receipts. They are estimated to be $179 million in 1984.

Further discussion of the Federal Financing Bank is in Part 6 of this volume, in Special Analysis E, "Borrowing and Debt," and in Special Analysis F, "Federal Credit Programs." These sources also summarize the distribution of FFB activity according to the agencies that use the bank. The tables in each function that show budget authority and outlays display off-budget activity of the FFB as addendum items.

Other fiscal operations.—Other fiscal operations include manufacturing coins by the Bureau of the Mint and printing currency by the Bureau of Engraving and Printing. Estimated outlays in 1984 for other fiscal operations are $408 million, slightly higher than estimated outlays of $396 million in 1983.

General property and records management.—The General Services Administration (GSA) is the Government's builder and landlord, wholesaler and retailer, historian and records keeper. These housekeeping services support the activities of other Federal agencies. Outlays for general property and records management are estimated to be $365 million in 1984.

Central personnel management.—Personnel management functions are carried out by the Office of Personnel Management (OPM), the Federal Labor Relations Authority and the Merit Systems Protection Board. Estimated outlays for 1984 are $152 million.

The administration, through the Office of Personnel Management and the Office of Management and Budget, plans to analyze the distribution of the workforce and make whatever changes are necessary to ensure sound position management and conformance

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with classification standards. An OPM study published in 1982, for example, showed that over 14% of the general schedule workforce was overclassified. Net savings of nearly $700 million would result if all positions in the Federal workforce were correctly classified. Critical review of the ways in which jobs are classified and work is assigned is expected to produce substantial savings Government-wide.

Other general government.—Other activities in the general government function include payments of claims and judgments against the Federal Government, funding for the territories, and other activities. Outlays are expected to be $717 million in 1984, compared to $628 million in 1983.

Territories.—Budget authority of $62 million is proposed for 1984 for continued support of the U.S. territories of Guam, American Samoa, the Virgin Islands, and the Northern Marianas. The administration will propose legislation establishing a territorial lending facility to promote economic development for these areas.

Budget authority of $88 million in 1984 is requested for operations and construction in the Trust Territory of the Pacific Islands. The United States seeks to promote local self-government through the termination of the trusteeship (begun shortly after World War II) upon final agreement on a compact of free association with the governments of Palau, the Federated States of Micronesia, and the Marshall Islands.

In addition to these programs funded by the Department of the Interior, the territories and the Trust Territory receive grants and payments from many other Federal agencies for programs classified in other functions.

Indian affairs.—Funding for American Indians in this function includes miscellaneous trust fund payments to tribes and program support for the Navajo and Hopi Indian Relocation Commission. Additional assistance to Indian tribes is classified in a number of functions—health; natural resources and environment; community and regional development; and education, training, employment, and social services.

Credit programs.—This function contains two credit programs financed as direct loans by the Federal Financing Bank (FFB). These are General Services Administration loans originated for lease-purchase agreements on some Federal buildings and loans to the territories. The accompanying table shows the level of operation of these two programs. No new activity is proposed for credit programs in this function for 1984.

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CREDIT PROGRAMS—GENERAL GOVERNMENT

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Loans to U.S. territories (loans made by FFB):					
Net outlays	−18	−*	−*	−*	−1
Outstandings	66	65	65	64	64
Federal buildings fund (loans made by FFB):					
New obligations [1]	12				
Net outlays	8	−9	−10	−10	−11
Outstandings	522	513	504	493	48
Total, direct loans:					
New obligations	12				
Net outlays	−11	−9	−10	−11	−12
Outstandings	588	579	569	558	546
Guaranteed loans:					
Federal building fund:					
Net change	−35	−19	−20	−22	−21
Outstandings	674	655	635	613	592
Total credit budget (new obligations and new commitments)	**12**				

* $500 thousand or less.

[1] These are commitments made by the agency to guarantee loans that the FFB will disburse. In effect, they are commitments for off-budget direct loans, and are counted as such in the credit budget. Policy responsibility for these loans rests with the guaranteeing agency.

Tax expenditures.—In addition to direct Federal funds for general government, the tax code permits individuals to claim a 50% tax credit on political contributions of up to $100 ($200 for joint returns). The tax expenditure estimate for this provision is $295 million in 1984.

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GENERAL PURPOSE FISCAL ASSISTANCE

National Needs Statement

Federal funds for general purpose fiscal assistance provide State and local governments with Federal assistance that has few or no restrictions.

General purpose fiscal assistance provides financial aid to State and local governments without major restrictions or matching requirements. This assistance can generally be used for State or local services, construction, debt retirement, and other purposes of general government. Programs in this category include general revenue sharing, payments and loans to the District of Columbia, Forest Service receipts paid to the States, payments in lieu of taxes, and payments to territories and Puerto Rico.

Outlays for this function are estimated to be $7.0 billion in 1984, compared to $6.4 billion in 1983.

General revenue sharing.—The purpose of the general revenue sharing program is to provide local governments with Federal funds that have few restrictions on their use. Outlays for the program, which the administration proposes to renew in 1983, are proposed to remain at $4.6 billion in both 1983 and 1984. Under the administration's federalism initiative, general revenue sharing may be combined with the entitlement portion of the community development block grant program into one grant to local governments beginning in 1984.

General revenue sharing provides funds to approximately 39,000 local jurisdictions. The funds are first divided among States on the basis of total population, urban population, personal and per capita income, income tax collections, and general tax effort. Local governments' share of the allocation are in turn based primarily on population, per capita income, and tax effort. This formula helps target assistance to governments with the greatest needs.

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NATIONAL NEED: FISCAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

(Functional code 850; in millions of dollars)

Major missions and programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
General revenue sharing:					
General revenue sharing payments	4,567	4,567	4,567	4,567	4,567
Administration	6	7	8	8	8
Subtotal, general revenue sharing	4,573	4,574	4,574	4,575	4,575
Other general purpose fiscal assistance:					
Payments and loans to the District of Columbia	449	494	544	428	428
New York City loan guarantees (administrative expenses)	1				
Other payments:					
Payments to States from Forest Service receipts	243	145	269	340	375
Payments to States from receipts under the Mineral Leasing Act			995	877	1,053
Payments to States and counties from Federal land management activities	654	616	73	81	88
Payments in-lieu-of taxes	96	96	96	96	96
Payments to territories and Puerto Rico	368	399	410	422	433
Other	7	6	6	7	7
Subtotal, other general purpose fiscal assistance	1,819	1,756	2,394	2,250	2,480
Total, budget authority	**6,392**	**6,330**	**6,969**	**6,825**	**7,055**
OUTLAYS					
General revenue sharing:					
General revenue sharing payments	4,569	4,567	4,567	4,567	4,567
Administration	6	7	7	8	8
Subtotal, general revenue sharing	4,575	4,573	4,574	4,574	4,574
Other general purpose fiscal assistance:					
Payments and loans to the District of Columbia	439	543	544	428	428
New York City loan guarantees (administrative expenses)	*	*			
Other payments:					
Payments to States from Forest Service receipts	243	145	269	340	375
Payments to States from receipts under the Mineral Leasing Act			995	877	1,053
Payments to States and counties from Federal land management activities	653	615	73	81	88
Payments in-lieu-of taxes	96	96	96	96	96
Payments to territories and Puerto Rico	381	402	410	422	433
Other	6	7	6	6	7
Subtotal, other general purpose fiscal assistance	1,818	1,809	2,394	2,250	2,480
Total, outlays	**6,393**	**6,382**	**6,968**	**6,824**	**7,054**

*$500 thousand or less.

Other general purpose fiscal assistance.—Several other programs provide funds with minimal restrictions to States and localities.

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Outlays for these programs are estimated to be $1.8 billion in 1983 and $2.4 billion in 1984.

Payments and loans to the District of Columbia.—The District of Columbia's operating budget is financed in part by annual payments from the Federal Government in recognition of the costs to the local government of the Federal presence. The administration requests $544 million in budget authority for the District of Columbia in 1984, net of loan repayments by the District. An estimated $386 million is for the Federal payment. Also included in the request is $52 million for the annual Federal contribution to the retirement funds for the District's police officers, firefighters, teachers, and judges as required under the pension reform legislation enacted in 1979.

In anticipation of the District of Columbia's entry into the private capital market, the 1984 estimates assume that the City will borrow in the private market for short-term, cash management purposes rather than borrow interest-free from the Treasury. For long-term borrowing, the 1984 budget requests, for transitional purposes only, $115 million for Federal loans to fund capital projects in the District. It is expected that the District will make significant progress in its ability to finance long-term borrowing in the tax exempt private market. The administration proposes that long-term loans from the Federal Government end after 1984.

New York City loan guarantees.—Under the New York City Loan Guarantee Act of 1978, the Secretary of the Treasury was authorized to guarantee up to $1.7 billion of New York City obligations. A total of $1.7 billion was guaranteed under this program, which ended June 30, 1982.

Other payments.—Some jurisdictions receive payments from the Federal Government based on a percentage of receipts generated from the sale of timber, mineral leases, grazing permits, and other activities on Federal property.

Payments to States from Forest Service receipts will return an estimated $145 million in 1983, and $269 million in 1984, to States for distribution to counties in which National forests are located. These funds are to be used for schools and roads.

Payments to States from receipts under Mineral Leasing Act were included in payments to States and counties from Federal land management activities in 1982 and 1983. The increase in payments made to States out of Mineral Leasing Act receipts in 1984, is due to the passage of the Federal Oil and Gas Royalty Management Act of 1982. The Act requires that beginning in 1984, receipts will be distributed to the States monthly, rather than semi-annually. This change moves five additional months' payments into 1984 and also

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increases 1985-1988 payments. Outlays are estimated to be $1.0 billion in 1984.

Payments to States and counties from Federal land management activities are estimated to be $615 million in 1983 and $73 million in 1984 for shared revenues from oil and gas, coal, timber, and grazing activities on Federal lands. The decrease is caused by the transfer of the responsibility for collecting and distributing mineral leasing receipts within the Department of the Interior, from the Bureau of Land Management to the Minerals Management Service shown in the previous category.

Payments in lieu of taxes provide fees to local governments for some Federal lands located within their jurisdictions. Outlays are estimated to be $96 million for 1984.

Payments to territories and Puerto Rico are made because the Federal Government returns certain taxes to the territories and Puerto Rico. These payments comprise (1) annual advance payments of certain income tax withholding and excise tax collections involving Guam and the Virgin Islands, and (2) excise tax withholding for Puerto Rico. Outlays are estimated at $402 million in 1983 and $410 million in 1984.

Credit programs.—The major credit programs in this function are direct loans to the District of Columbia and short-term advances to the District's general fund. Expected levels of new activity, as shown in the table below, is estimated to be $115 million in 1984, $180 million below the 1983 level.

CREDIT PROGRAMS—GENERAL PURPOSE FISCAL ASSISTANCE

(In millions of dollars)

	Actual 1982	Estimate			
		1983	1984	1985	1986
Direct loans:					
Loans to the District of Columbia:					
New obligations	285	295	115	.....	.....
Net outlays	117	116	84	−34	−36
Outstandings	1,684	1,799	1,883	1,849	1,813
Guaranteed loans:					
Guarantees of New York City loans:					
New commitments	600	.....	.....	.....	.....
Net change	507	−156	−154	−140	−133
Outstandings	1,444	1,288	1,134	994	861
Total credit budget (new obligations and new commitments)	**885**	**295**	**115**	.....	.....

Tax expenditures.—Interest on State and local government debt is excluded from the taxable income of both businesses (mainly commercial banks and casualty insurance companies) and individ-

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uals. As a result, States and local governments can sell their debt at lower interest rates than would be possible if such interest were taxable. Only the effect of excluding interest on general purpose obligations and revenue bonds for public purposes such as toll roads is included in this function. The tax expenditure estimate for the exclusion of interest on general purpose State and local debt is $9.4 billion in 1984.

A tax credit for certain U.S. corporations doing business in U.S. possessions results in an estimated tax expenditure of $1.8 billion in 1984.

Itemized deductions for nonbusiness State and local taxes gives indirect assistance to these governments of $21.8 billion in 1984. This tax expenditure is primarily for the deductibility of State and local income and sales taxes. The deductibility of property taxes on owner-occupied homes is classified in the commerce and housing credit function. Total tax expenditures for general purpose fiscal assistance are estimated to be $33.3 billion in 1984.

Related programs.—In addition to general purpose fiscal assistance, the Federal Government provides States and localities with assistance through a variety of Federal grant-in-aid programs. These programs, which range from relatively narrow categorical programs to broader grant programs, are more restrictive than general purpose fiscal assistance, and are designed to meet other national needs and to serve other major missions. Therefore, they are not included as general purpose fiscal assistance, although they provide, when taken together, a large source—22% in 1982—of total State and local expenditures. Total grant-in-aid outlays to States and localities are estimated to increase from $93.5 billion in 1983 to $95.9 billion in 1984.

Grants are discussed in more detail in Special Analysis H, "Federal Aid to State and Local Governments."

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NET INTEREST

Interest is the cost of borrowing or the income from lending money. This function includes both interest paid by the Federal Government and, as an offset, interest received. Interest received by trust funds from the Treasury, which in previous budgets was included in undistributed offsetting receipts, is included as an offset to outlays in this function this year.

Net interest outlays are estimated to rise from $88.9 billion in 1983 to $103.2 billion in 1984, or from 11.0% to 12.2% of total budget outlays. In comparison, net interest outlays averaged 7.5% of total budget outlays during the 1970's.

Interest on the public debt.—This subfunction includes all interest paid on the public debt. The public debt consists of Treasury securities sold to the public and to trust funds, revolving funds, and deposit funds within the Federal Government. Outlays for interest on the public debt are estimated to be $144.5 billion in 1984.

Estimates of interest on the public debt are highly sensitive to assumptions about interest rates and the amount of public debt outstanding. It is assumed that the 91-day bill rate will decline steadily from an average of 10.8% in calendar year 1982, to 7.9% in 1984, and to 6.8% by 1986.

Despite the estimated decline in interest rates, interest on the public debt is estimated to increase by $10.9 billion in 1983 and an additional $16.4 billion in 1984. These increases are because of higher debt outstanding due to higher Treasury borrowing required to finance the Federal deficit.

Interest received by trust funds.—Most trust fund balances are required by law to be invested in Federal securities. The interest outlays on this debt are included in interest on the public debt. Interest earned by the trust funds on the Federal securities they hold is deducted in this subfunction so that the budget totals include only net transactions with the public, not payments between Government accounts. These interest earnings are estimated to be $16.3 billion in 1983 and $16.9 billion in 1984.

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NET INTEREST

(Functional code 900; in millions of dollars)

Programs	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Interest on the public debt	117,190	128,063	144,500	164,700	179,400
Interest received by trust funds:					
Existing law	−16,067	−15,752	−15,992	−18,269	−21,023
Proposed legislation		−597	−870	−4,763	−7,045
Subtotal, interest received by trust funds	−16,067	−16,349	−16,862	−23,032	−28,068
Other interest:					
Interest on refunds of tax collections	1,789	1,904	1,586	1,285	1,443
Interest on loans to the Federal Financing Bank	−12,235	−14,129	−15,141	−16,958	−17,753
Other:					
Existing law	−5,981	−10,565	−11,031	−12,265	−13,208
Proposed legislation		11	128	480	877
Subtotal, other interest	−16,427	−22,779	−24,458	−27,458	−28,641
Total, budget authority	**84,697**	**88,935**	**103,180**	**114,210**	**122,692**
OUTLAYS					
Interest on the public debt	**117,190**	**128,063**	**144,500**	**164,700**	**179,400**
Interest received by trust funds:					
Existing law	−16,067	−15,752	−15,992	−18,269	−21,023
Proposed legislation		−597	−870	−4,763	−7,045
Subtotal, interest received by trust funds	−16,067	−16,349	−16,862	−23,032	−28,068
Other interest:					
Interest on refunds of tax collections	1,789	1,904	1,586	1,285	1,443
Interest on loans to the Federal Financing Bank	−12,235	−14,129	−15,141	−16,958	−17,753
Other:					
Existing law	−5,981	−10,564	−11,031	−12,265	−13,208
Proposed legislation		11	128	480	877
Subtotal, other interest	−16,427	−22,778	−24,458	−27,458	−28,641
Total, outlays	**84,697**	**88,936**	**103,180**	**114,210**	**122,692**
ADDENDUM					
Net interest function	84,697	88,936	103,180	114,210	122,692
Deposits of earnings by the Federal Reserve System [1]	15,186	13,406	12,819	13,326	13,573
Net budgetary effect [2]	69,511	75,530	90,361	100,884	109,119

[1] Shown as budget receipts.
[2] Net effect on the budget deficit. See text for discussion.

More than half of these interest earnings is received by the civil service retirement and disability fund, and about one-fourth is received by social security and medicare. Several of the proposed legislation items discussed in the other functions, such as proposals for the medicare and social security trust funds, change trust fund balances invested in public debt and thereby affect interest earnings. The total effect of these proposals is to increase interest received by trust funds by $0.9 billion in 1984 from the levels that would otherwise exist.

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Other interest.—This subfunction includes interest payments on tax refunds and, as an offset, interest collections from Federal agencies and the public.

Interest on refunds of tax collections.—Interest payments by the Treasury on tax refunds are estimated to be $1.9 billion in 1983 and $1.6 billion in 1984. Under current law, the rate paid on refunds of tax collections is set at the prime rate. As projected interest rates decline for later years, projected outlays also decline.

Interest on loans to the Federal Financing Bank (FFB).—The off-budget Federal Financing Bank is the major source of funds for many Government programs. The FFB borrows directly from the Treasury and uses these funds to purchase agency debt and financial assets from various Government programs and to make direct loans to the public at the request of different agencies. It then pays interest to the Treasury on its borrowings. Interest payments from the FFB to the Treasury are estimated to be $14.1 billion in 1983 and $15.1 billion in 1984.

Other.—Offsetting interest collections other than from the FFB are estimated to be $10.6 billion in 1983 and $10.9 billion in 1984. These come from two principal sources: interest charged by Treasury to Federal agency revolving funds, which is by far the largest source, and interest collected from the public by funds other than revolving funds. Revolving funds borrow from the Treasury primarily to finance direct loans to the public, and then pay interest to the Treasury on their borrowings. Other interest collections are received from loans made to the public by non-revolving funds and interest paid by banks on Federal tax collections deposited in those banks.

Net budgetary effect.—The Federal Reserve System owns Government securities for the purpose of carrying out monetary policy. Most of the interest it receives on these securities is paid to the Treasury as deposits of earnings, which are classified as budget receipts. As shown in the addendum to the preceding table, these deposits are projected to be $13.4 billion in 1983 and $12.8 billion in 1984. Deducting these receipts from the function total shows the net effect on the budget deficit, which is $75.5 billion in 1983 and $90.4 billion in 1984.

Tax expenditures.—A tax expenditure arises from the optional deferral of interest income on U.S. savings bonds. Interest is normally taxed each year as it is earned, but the holder of savings bonds may defer paying tax until the bond is redeemed. The tax expenditure estimate for this provision is $500 million in 1984.

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ALLOWANCES

The budget includes allowances to cover certain forms of budgetary transactions that are expected to occur, but that are not reflected in the program details shown in the preceding functions. When these transactions actually take place, they are reported as outlays or receipts for the appropriate agencies and functions rather than as allowances. For this reason, allowances for completed years are always zero.

The allowances included in the current budget fall into three groupings—civilian agency pay raises; increased employing agency payments for employee retirement; and allowances for contingencies.

ALLOWANCES

(Functional code 920; in millions of dollars)

Program	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY					
Civilian agency pay raises				1,881	3,894
Increased employing agency payments for employee retirement: Proposed legislation			949	1,898	1,898
Allowances for contingencies:					
Relatively uncontrollable programs					
Other requirements					
Total, budget authority			**949**	**3,779**	**5,792**
OUTLAYS					
Civilian agency pay raises				1,806	3,814
Increased employing agency payments for employee retirement: Proposed legislation			949	1,898	1,898
Allowances for contingencies:					
Relatively uncontrollable programs					
Other requirements					
Total, outlays			**949**	**3,704**	**5,712**

Civilian agency pay raises.—This allowance covers the costs of future civilian agency pay raises. In addition to this allowance, two pay raise allowances are included in the national defense function and an allowance for Coast Guard military pay is included in the transportation function. The undistributed pay allowance included in this section is for all other employees of civilian agencies.

Because of the need for budget austerity, this budget anticipates that there will not be an October 1983 pay increase for Federal civilian employees. It does, however, anticipate that in October 1984 and annually thereafter, there will be civilian pay increases that match the average of those granted to non-Federal employees during the previous year. The final decision on the amount of the fiscal year 1984 pay increase will be made in the late summer, as

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the law provides, after Presidential review of the recommendations of the President's Pay Agent, the Federal Employees Pay Council, and the Advisory Committee on Federal Pay, and after a review of the economic conditions prevailing at that time.

Increased employing agency payments for employee retirement.—The administration is proposing to move toward civilian retirement systems whose costs are shared equally by employee and employer. To achieve this objective, legislation is being proposed to increase the payments contributed by both Federal employees and employing agencies to these funds from the current 7% of payroll to 9% in 1984 and 11% in 1985 and beyond. This allowance covers the full amount of the increased contribution by employing agencies. Upon enactment of the legislation, the allowance will be distributed to the agency budgets. The increased contribution by employees is described in the income security function.

Allowances for contingencies.—The Congressional Budget Act of 1974 requires that the budget include two allowances—one for unanticipated spending or savings in relatively uncontrollable programs (such as social security) that would occur under current law and without any new appropriations; and the other for additional spending or reductions in discretionary programs, which would require appropriations for the coming year.

The estimates for each of these contingency allowances are zero in this budget. The contingency allowance for relatively uncontrollable programs is estimated to be zero because the chances of these outlays being lower than the estimates are as great as their chances of being higher. The contingency allowance for other requirements is also assumed to net to zero, with probable increases being offset by anticipated decreases.

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UNDISTRIBUTED OFFSETTING RECEIPTS

Offsetting receipts are generally deducted from outlays and budget authority at the function, subfunction, and agency levels. In three instances, however, such payments are deducted from the budget totals as undistributed offsetting receipts. These are for the employer share of employee retirement, rents and royalties on the Outer Continental Shelf, and Federal surplus property disposition.

Interest received by trust funds, which was previously displayed in this function, is now included in the net interest function.

Undistributed offsetting receipts are estimated to be $20.4 billion in 1983 and $22.8 billion in 1984. Details of all offsetting receipts are shown in table 13 in Part 9 of this *Budget*.

UNDISTRIBUTED OFFSETTING RECEIPTS

(Functional code 950; in millions of dollars)

Offsetting Receipts	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
BUDGET AUTHORITY AND OUTLAYS					
Employer share, employee retirement:					
Existing law	−7,020	−8,214	−8,648	−9,011	−9,395
Proposed legislation			−1,205	−2,493	−2,640
Subtotal, employer share, employee retirement	−7,020	−8,214	−9,853	−11,504	−12,035
Rents and royalties on the Outer Continental Shelf	−6,250	−11,793	−11,895	−12,200	−13,400
Federal surplus property disposition:					
Proposed legislation		−408	−1,003	−925	−981
Total	**−13,270**	**−20,414**	**−22,750**	**−24,628**	**−26,416**

Employer share, employee retirement.—The payments by Federal agencies to employee retirement funds are counted as outlays of the agencies and as receipts of the respective retirement funds. A deduction equal to the total amount of these payments is included as undistributed offsetting receipts in order to measure properly the transactions of the Government with the public. About two-thirds of these payments are to the civil service retirement fund. Most of the remainder is paid to the social security trust funds, including medicare.

Effective on January 1, 1983, all Federal employees were covered under medicare. This requires the collection of employee contributions (governmental receipts) and matching employer contributions (offsetting collections) at the same rates paid by all other participants. Collections for this purpose are estimated to be $1.1 billion in 1983 and $1.3 billion in 1984.

The amounts for proposed legislation in this subfunction contain two elements: the offsetting collections for the increased employing agency payments for employee retirement, discussed in the allow-

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ances section, and similar collections from the off-budget Postal Service, discussed in the income security function. Total offsetting collections for the employer share of employee retirement are estimated to be $8.2 billion in 1983 and $9.9 billion in 1984.

Rents and royalties on the Outer Continental Shelf (OCS).—Payments to the Government for rents and royalties on the Outer Continental Shelf are large, and their inclusion in a particular function would distort the display of Federal program budget authority and outlays. These estimates include cash bonuses received from the leasing of OCS lands that have the promise of containing oil and gas; annual rents on existing leases, based on a percentage share of profits; and royalties, based on a percentage of the value of production. OCS collections from certain lands immediately adjoining State lands or from disputed lands are recorded in deposit funds rather than as offsetting receipts until the title to these amounts is settled. On September 30, 1982, such deposit funds held $4.8 billion.

The 5-year OCS leasing program now in effect significantly accelerates leasing by offering larger areas and by streamlining leasing procedures. The current estimates of $11.8 billion in 1983 and $11.9 billion in 1984 assume that 10 OCS sales will be conducted in 1983 and 7 sales in 1984. No final decision will be made on any of these sales until environmental studies and other requirements under the National Environmental Policy Act have been completed.

Federal surplus property disposition.—The General Services Administration (GSA) manages 36 million acres of property, much of which is developed and is owned to carry out Federal programs. The Departments of the Interior and Agriculture manage about 665 million acres of public lands, much of which is undeveloped and some of which has been set aside to protect its unique characteristics and national value. These protected areas include national parks, monuments, historic sites, refuges, and wilderness areas.

The administration has established a Cabinet level Property Review Board to review Federal asset management policies and practices and to identify unneeded Federal properties for disposal. These surplus assets include those that are in excess of the needs of the agencies holding them, properties not fully or efficiently utilized, public lands too small or widely scattered to be efficiently managed, and public lands hindering local growth and economic development. Property integral to agency operations or of unique national value will not be sold.

Offsetting collections from the disposition of surplus property are estimated to be $0.4 billion in 1983 and $1.0 billion in 1984. The administration is proposing legislation to earmark the receipts from these sales into a special fund for the purpose of retiring public debt.

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PART 6

PERSPECTIVES ON THE BUDGET

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PERSPECTIVES ON THE BUDGET

This part of the budget explains several topics that help to interpret the budget totals and to place the budget in perspective:

- the relationship of budget authority to outlays;
- fiscal activities outside the Federal budget:
  - —outlays of off-budget Federal entities,
  - —Government-sponsored enterprises,
  - —loan guarantees, and
  - —tax expenditures;
- Federal budgeting for capital expenditures:
  - —the basic role of the budget, and
  - —capital budgeting issues;
- Federal debt and the relationship of budget funds to changes in Federal debt;
- the difference between this Administration's initial 1982 budget estimate and the actual outcome for:
  - —total outlays,
  - —outlays of relatively uncontrollable programs, and
  - —total receipts; and
- the allocation of windfall profit tax receipts.

RELATIONSHIP OF BUDGET AUTHORITY TO OUTLAYS

The Congress must usually provide budget authority, generally in the form of appropriations, before Federal agencies can obligate the Government to make outlays. For 1984, $900.1 billion of new budget authority is proposed for those Federal agencies included in the budget. In addition, $27.1 billion in new budget authority is proposed for those Federal entities that are excluded from the budget.[1]

Of the total new budget authority proposed for budget agencies in 1984, $528.5 billion will require congressional action. New budget authority of $519.2 billion will be available through permanent appropriations under existing law. This consists mainly of trust fund receipts, which in most trust fund programs are automatically appropriated under existing law, and interest on the public debt, for which budget authority is automatically provided under a permanent appropriation enacted in 1847. This gross new budget authority is offset by $147.6 billion of deductions for offset-

[1] Budget authority is discussed further in Part 7 of this volume.

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BUDGET AUTHORITY

(In billions of dollars)

Description	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Available through current action by the Congress:					
Enacted and pending appropriations	457.1	495.6			
Proposed in this budget:					
Appropriations			513.4	565.5	606.6
Supplemental requests		12.9	*		
Rescission proposals		−1.5			
To be requested separately:					
Upon enactment of proposed legislation		41.1	14.2	14.7	11.3
Allowances:					
Civilian agencies [1]				1.9	4.0
Department of Defense—Military [2]		1.0		5.9	9.9
Other allowances [3]			0.9	1.9	1.9
Subtotal, available through current action by the Congress	457.1	549.1	528.5	589.9	633.6
Available without current action by the Congress (permanent appropriations):					
Trust funds (existing law)	285.2	309.2	346.1	377.6	414.3
Interest on the public debt	117.4	128.2	144.5	164.7	179.4
Other	33.6	23.9	28.5	25.5	25.3
Subtotal, available without current action by the Congress	436.2	461.3	519.2	567.8	619.0
Deductions for offsetting receipts	−113.4	−163.0	−147.6	−160.2	−173.0
Total, budget authority	**779.9**	**847.4**	**900.1**	**997.4**	**1,079.6**
ADDENDUM					
Budget authority for off-budget Federal entities:					
Available through current action by the Congress	3.7	2.1	0.6	1.4	1.5
Available without current action by the Congress	30.2	27.6	26.5	22.1	18.7
Total, off-budget Federal entities	34.0	29.7	27.1	23.5	20.2
Total, budget authority including off-budget Federal entities	813.9	877.1	927.2	1,020.9	1,099.7

* $50 million or less.
[1] Includes allowances for civilian agency pay raises, Coast Guard military pay raises, and contingencies.
[2] Includes allowances for civilian and military pay raises for Department of Defense.
[3] Allowance for increased employing agency payments for employee retirement.

ting receipts, which consist of transactions within the Government and proprietary receipts from the public. Most of the budget authority proposed for off-budget Federal entities will be available under existing law.

Not all of the new budget authority for 1984 will be obligated or spent in that year: [2]

[2] This subject is also discussed in a separate OMB report, "Balances of Budget Authority," which can be purchased from the National Technical Information Service shortly after the budget is transmitted.

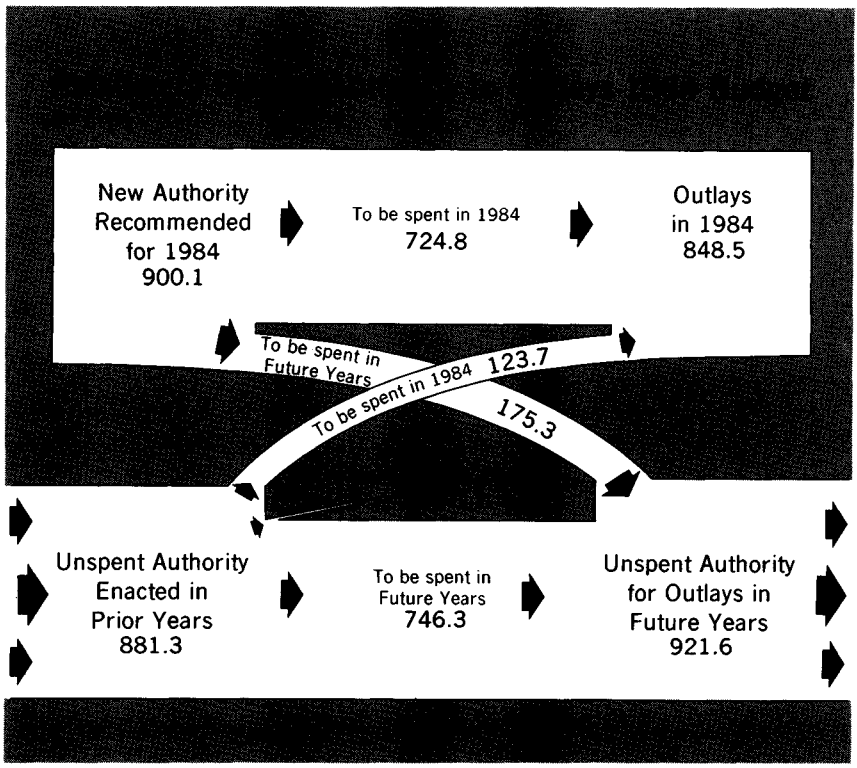
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- Budget authority for most trust funds comes from the authority of these funds to spend their receipts from special taxes and contributions and from Federal fund payments. Any balances arising from these receipts remain available to these trust funds indefinitely in order to finance benefits and other purposes specified by law.
- Budget authority for most major construction and procurement projects covers the entire cost estimated when the projects are initiated, even though costs will be incurred and outlays made over a period extending beyond the year for which the budget authority is enacted. An exception to this policy is made for water resource programs.
- Government enterprises are occasionally given budget authority for standby reserves that will be used only in the event of special circumstances.
- Budget authority for the subsidized housing programs is equal to the Government's estimated obligation to pay subsidies under contracts, which may extend for periods of up to 40 years.
- Budget authority for most other long-term contracts also covers the estimated maximum obligation of the Government. For example, budget authority for many direct loan programs provides financing for a number of years; budget authority for many insurance and loan guarantee programs consists of amounts to be used only in the event of defaults or other claims made upon the programs.

As a result of these factors, a substantial amount of budget authority carries over from one year to the next. Most of this is earmarked for specific uses and is not available for new programs. A small part may never be obligated or spent, because it is primarily for contingencies that do not occur or reserves that never have to be used.

As shown in the chart on the next page, $123.7 billion of the budget outlays in 1984, 15% of the total, will be made from budget authority enacted in previous years. At the same time, $175.3 billion of the new budget authority proposed for 1984, which is 19% of the total amount proposed, will not lead to budget outlays until future years. Thus, the total budget authority for a particular year is not useful for the analysis of that year's outlays, since it combines various types of budget authority that have different short-term and long-term implications for budget obligations and outlays. The relationship between budget authority, obligations, and outlays is discussed further in Part 7 of the *Budget* and displayed in table 7 of Part 9.

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FISCAL ACTIVITIES OUTSIDE THE FEDERAL BUDGET

The budget does not include a number of fiscal activities of the Federal Government that result in spending similar to budget outlays. These activities, nevertheless, channel economic resources toward particular uses in ways that are analogous to the effects of budget spending.

The outlays of off-budget Federal entities are a major exclusion from the budget. They are discussed in some detail below. This is followed by a description of the Government-sponsored enterprises, which are outside the budget because of their private ownership. Loan guarantees, which are discussed next, allocate economic resources toward particular uses by providing credit to borrowers at more favorable terms than would otherwise be available in the private market. Taxation and tax expenditures, which also have significant allocative effects on the economy, are discussed subsequently.

The regulation of economic activity changes resource allocation in different ways. Some types of regulation have economic effects that in certain respects are similar to budget outlays by requiring the private sector to make expenditures for specified purposes such as safety and pollution control. The effects of this spending are

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very important, but many of them have not been quantified satisfactorily and therefore cannot be clearly related to the budget.

Outlays of off-budget Federal entities.—Off-budget Federal entities are federally owned and controlled, but their transactions have been excluded from the budget totals under provisions of law.[3, 4] Therefore, their spending is not reflected in either budget outlays or the budget surplus or deficit; appropriation requests for their programs are not included in the totals of budget authority for the budget; and their outlays are not subject to the targets set by the congressional budget resolutions. As shown in the table on page 6-30, the outlays of the off-budget Federal entities are added to the budget deficit to derive the total Government deficit, which for the most part has to be financed by borrowing from the public. When off-budget outlays are financed by Treasury borrowing, as is usual, the additional debt is subject to the statutory debt limitation; when financed by the entities' own borrowing, it is not. In either case the additional debt is part of the gross Federal debt.

Since the 1969 budget, the Federal Government has used the unified budget concept as the foundation for its budgetary analysis and presentation. This concept measures the Government's cash payments to and from the public. The first departure from the unified budget concept occurred in August 1971, when the Export-Import Bank was excluded by statute from the budget. Further departures followed in the next few years under various statutes. The Postal Service fund, the Rural Telephone Bank, the lending transactions that became the Rural Electrification and Telephone revolving fund, and the Housing for the Elderly or Handicapped fund were removed from the budget. The Federal Financing Bank, the U.S. Railway Association, and the Pension Benefit Guaranty Corporation were established off-budget. The Exchange Stabilization Fund had always been outside the unified budget, although it was initially classified as a deposit fund instead of an off-budget Federal entity.

In the past few years the trend toward steadily increasing the number of off-budget Federal entities has been changed. The Export-Import Bank, the Housing for the Elderly or Handicapped fund, and the Pension Benefit Guaranty Corporation were put on-budget by statute in different years. The operations of the Exchange Stabilization Fund were put on-budget in a series of legislative and administrative actions. Most of the transactions of the U.S. Railway Association were brought into the budget by legislation that required its purchases of Conrail securities to be included

[3] Financial statements for off-budget entities are published in the *Appendix, Budget of the United States Government, Fiscal Year 1984.* See Part IV, "Off-Budget Federal Entities."

[4] The Board of Governors of the Federal Reserve System is a Federal organization. It is excluded from the budget and from this discussion.

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in the budget. Whenever a former off-budget entity was put on-budget, the budget outlays and deficits of previous years were revised to include the entity to the extent feasible so that the historical series measuring budget transactions would be as accurate and consistent as possible.

Two new off-budget Federal entities, however, were established to carry out energy programs. The Synthetic Fuels Corporation was created outside of the budget in 1980, although all of its funding is provided in the budget totals of the Treasury Department. The cost of purchasing oil for the strategic petroleum reserve was put off-budget beginning in 1982. The costs of operations, maintenance, construction, and administration, however, remain in the budget.

Despite the exclusion of the off-budget entities from the budget, some of the outlays related to their operations are nonetheless included in the budget totals. The budget totals include the funding of the Synthetic Fuels Corporation, the operating costs and certain other expenses of the strategic petroleum reserve, the Federal payment to the Postal Service fund, and the administrative expenses of the Rural Electrification Administration lending programs and the U.S. Railway Association. Moreover, while the budget authority and outlays of off-budget Federal entities are excluded from the budget totals, some of their activities are subject to Presidential and congressional review. For example, the credit budget, discussed in Part 7 of this volume, includes the direct loans and loan guarantees of off-budget entities as well as budget agencies; and the outstanding debt and annual borrowing of the Postal Service are limited by statute.

Even though the exclusion of off-budget Federal entities from the budget results from provisions of law, the executive and the Congress have on several occasions expressed concern about this practice and have taken actions to control off-budget spending. This Administration has been very concerned about the effects of off-budget direct loans in allocating credit toward particular uses and about the necessity of financing these loans by additional Federal borrowing from the public. It has used the credit budget process to reduce off-budget direct loans from $20.9 billion in 1981 to an estimated $10.1 billion in 1984 and still lower levels in later years.

Within Congress, the House Budget Committee held hearings on off-budget entities in 1976 and subsequently recommended that they all be included in the budget.[5] The congressional budget resolutions for 1980 recommended that the congressional budget process should accurately relate the off-budget outlays to the budget. Following this procedural recommendation, the budget resolutions

[5]House of Representatives, Committee on the Budget, *Off-Budget Activities of the Federal Government*, Report No. 94-1740 (1976); *First Concurrent Resolution on the Budget—Fiscal Year 1978*, Report No. 95-189 (1977), pp. 11-12 and 135; and *First Concurrent Resolution on the Budget—Fiscal Year 1979*, Report No. 95-1055 (1978), p. 23.

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for 1981 and 1982 recommended separate aggregate limits on obligations for new direct loans made by the off-budget entities and by the budget agencies. The 1981, 1982, and 1983 resolutions all recommended aggregate limits on direct loan obligations and loan guarantee commitments whether made on-budget or off-budget.

The off-budget Federal entities, except for the strategic petroleum reserve account and the Postal Service, incur their outlays in order to carry out direct loan programs. These programs have the same general characteristics as the direct loan programs in the budget. The outlays of the off-budget loan programs are approximately equal to the difference between the new loans disbursed and the repayments of principal. The difference is due to such factors as administrative expenses and interest paid and received.

Like direct loans in the budget, the loans of the off-budget entities are designed to allocate economic resources toward particular purposes. Part 5 of the *Budget,* "Meeting National Needs: the Federal Program by Function," shows the outlays of the off-budget Federal entities by function and discusses some of their more significant activities.

OUTLAYS OF OFF-BUDGET FEDERAL ENTITIES

(In billions of dollars)

Off-budget Federal entity	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Federal Financing Bank	14.1	14.3	10.2	9.1	8.0
Rural Electrification and Telephone revolving fund	*				
Rural Telephone Bank	.1	.1	.1	.1	.1
Strategic Petroleum Reserve account	3.7	1.8	1.9	1.4	1.4
Postal Service fund	−.6	.9	1.9	−.2	−.1
U.S. Railway Association	−*	−.1	−*		
Synthetic Fuels Corporation					
Total	**17.3**	**17.0**	**14.0**	**10.5**	**9.4**

*$50 million or less.

As the table above shows, the Federal Financing Bank (FFB) accounts for most of the off-budget outlays and also for most of the decline estimated in off-budget outlays from 1982 to 1986. Among the other off-budget Federal entities, only the strategic petroleum reserve account and, in some years, the Postal Service fund have comparatively large outlays. The outlays of the Postal Service fund and the Synthetic Fuels Corporation are calculated with offsets for the payments they receive from accounts in the budget. These offsets are estimated to be $0.4 billion and $0.1 billion, respectively, in 1984. The payment to the Postal Service fund is for revenue forgone from carrying certain mail at free or reduced rates; the payment to the Synthetic Fuels Corporation is to provide its entire funding.

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The outlays of the Federal Financing Bank do not come from programs that the FFB operates itself. Rather, the FFB finances other programs within the Government by purchasing their debt securities, making direct loans on their behalf, or purchasing their loan assets. FFB obtains the funds for these transactions by borrowing an equal amount from Treasury. The operation of the assisted programs remains with the agencies that FFB finances.

FFB outlays are generated by its direct loans and its purchases of loan assets. Both types of transaction involve loan guarantees by another agency. FFB makes direct loans to the public upon the request of an agency, with the repayment of the loan to the FFB being guaranteed by that agency. These direct loans are outlays outside the budget.

FFB purchases loan assets from various agencies, also upon agency request. Loan assets are loans that an agency has made to the public and for which repayments are still owed. The agency guarantees the loan assets sold to the FFB in order to ensure that the FFB will be paid in the event of default. Loan asset sales are offsets to the outlays of the agency that sells them. Therefore, if the selling agency is in the budget, the budget outlays caused by its direct loans are offset by the amount of its sales of loan assets. When the FFB buys loan assets, it in effect converts direct loans that have already been made by another agency into off-budget direct loans of the FFB.

According to law, the category of loan assets also includes certificates of beneficial ownership issued by the Farmers Home Administration and the Rural Electrification and Telephone revolving fund. These certificates are securities backed by loans that the agency continues to hold and service, and they comprise almost all of the loan assets bought by FFB. The President's Commission on Budget Concepts recommended that the sale of such securities (also known as participation certificates) be treated as borrowing, since as a means of financing outlays there is no difference between an agency selling securities labeled "certificates of beneficial ownership," the same agency selling securities labeled "debt," and the Treasury selling securities labeled "debt."[6] Under proposed legislation of this Administration, the certificates sold by the Rural Housing Insurance Fund—which is part of the Farmers Home Administration—will be treated as agency debt beginning in 1984. Upon enactment of this legislation, outlays for previous years will be revised retroactively to be consistent with this treatment and to accord with budget concepts.

FFB purchases of agency debt securities do not increase FFB outlays. An agency incurs outlays when it spends the proceeds of

[6] See *Report of the President's Commission on Budget Concepts* (Washington: U.S. Government Printing Office, 1967), pp. 8, 47-48, and 54-55.

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borrowing from the FFB, so FFB outlays must exclude this borrowing transaction in order to prevent double counting. The remainder of FFB outlays consists of the interest that it pays on its borrowings from Treasury, its administrative expenses, and its payment of surplus income to the general fund, the sum of which is offset by the interest that it receives on its holdings of loans and debt. However, under current policy the net interest received (less administrative expenses) is paid in the same year to the general fund. Therefore, this remainder is approximately zero, and FFB outlays approximately equal direct loans to the public plus purchases of loan assets from other agencies, less repayments.

In order to present the effects of the FFB's transactions for different programs, the budget documents attribute the FFB outlays that are made on behalf of an agency to that agency itself. The following table summarizes this attribution, showing the direct loans to the public or purchases of loan assets, less repayments, for selected agencies or programs. The attribution of FFB outlays by function is shown as an addendum to the tables throughout Part 5, and a complete listing is given in Part 8 in the section that displays the off-budget entities.

ATTRIBUTION OF FEDERAL FINANCING BANK OUTLAYS

(In millions of dollars)

Description	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Outlays from loans, by agency or program:					
Farmers Home Administration: certificates of beneficial ownership	4,915	4,171	560	252	32
Rural Electrification and Telephone revolving fund:					
Certificates of beneficial ownership	528	565	465	480	488
Direct loans to public	3,939	5,345	4,591	4,707	3,958
Foreign military sales credit	2,288	2,848	4,187	3,495	3,436
Education activities: Student Loan Marketing Association	700				
Energy activities: Alternative fuels production	340				
Housing and Urban Development:					
Section 108 loan guarantees	43	119	134	−18	−105
Low-rent public housing	696	591	−37	−27	−29
Transportation: Railroad programs	78	22	−13	−13	−13
National Aeronautics and Space Administration	120	175	−140	−90	−91
Small Business Administration	142	248	280	270	260
Tennessee Valley Authority: Seven States Energy Corporation	336	193	181	116	86
Other	30	−39	−16	−23	−32
Subtotal, outlays from loans	14,155	14,239	10,192	9,145	7,990
Interest, administrative expenses, and payment of surplus income	−12	12			
Total, FFB outlays	**14,142**	**14,251**	**10,192**	**9,145**	**7,990**

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As shown in this table, FFB finances a wide variety of programs. Since its inception, over half of its outlays have been for the purchase of certificates of beneficial ownership from the Farmers Home Administration. This proportion was lower in 1982 and is estimated to decline much further in the next few years, as FFB's purchase of new certificates decreases and the repayment of old certificates rises. Direct loans to the public guaranteed by the Rural Electrification and Telephone revolving fund and the foreign military sales credit program now account for the greater part of FFB's outlays and are estimated to account for most of FFB's outlays beginning in 1984. Total FFB outlays are estimated to decrease substantially from 1982 to 1986 due to restraint on the credit programs that FFB finances, less use of the FFB by some of these programs, a rise in the repayment of past loans, and the proposal that the securities of the Rural Housing Insurance Fund be treated as agency debt.

Since the Farmers Home Administration is on-budget, FFB's purchase of its certificates of beneficial ownership reduces total budget outlays as well as Farmers Home outlays. The total outlays of the Federal Government are not affected, since the decrease in budget outlays equals the increase in off-budget outlays. FFB's purchase of certificates of beneficial ownership from the off-budget Rural Electrification and Telephone revolving fund reduces the outlays of this fund to a very small amount, as shown in the preceding table on the outlays of off-budget entities. The purchases by FFB reduce this fund's off-budget outlays and augment the off-budget outlays of the FFB by an equal amount.

The table on the next page compares the outlays of the off-budget Federal entities with budget outlays.[7] The outlays of the entities that are now off-budget were negligible in 1973 but grew rapidly afterwards, especially due to the Federal Financing Bank. The outlays of the off-budget Federal entities decreased from 3.2% of budget outlays in 1981 to 2.4% in 1982 and are estimated to decrease further to 1.7% in 1984 and 1.0% in 1986.

Government-sponsored enterprises.—Several Government-sponsored enterprises have been established and chartered by the Federal Government to perform specialized credit functions. The earlier enterprises were all created with partial or full Government ownership and with direct Government control. In time, however, they were converted to private ownership and some new enterprises were created as privately owned institutions.

[7] The historical data for budget outlays include Federal entities that are now off-budget for any period when they were in the budget, and include Government-sponsored enterprises for periods when they had any Government ownership. The outlays of former off-budget entities are included in the budget totals for all years to the extent practicable.

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COMPARISON OF OUTLAYS FOR THE BUDGET, OFF-BUDGET FEDERAL ENTITIES, AND GOVERNMENT-SPONSORED ENTERPRISES

(In billions of dollars)

Fiscal year	Outlays			
	Federal Government [1]			Government-sponsored enterprises [2]
	Budget	Off-budget Federal entities	Total	
1965	118.4		118.4	1.2
1966	134.7		134.7	1.9
1967	157.6		157.6	−2.9
1968	178.1		178.1	1.7
1969	183.6		183.6	4.3
1970	195.7		195.7	9.6
1971	210.2		210.2	*
1972	230.7		230.7	4.4
1973	245.6	0.1	245.7	11.4
1974	267.9	1.4	269.4	14.5
1975	324.2	8.1	332.3	7.0
1976	364.5	7.3	371.8	4.6
TQ	94.2	1.8	96.0	2.3
1977	400.5	8.7	490.2	9.7
1978	448.4	10.4	458.7	24.5
1979	491.0	12.5	503.5	25.9
1980	576.7	14.2	590.9	25.3
1981	657.2	21.0	678.2	33.4
1982	728.4	17.3	745.7	42.4
1983 estimate	805.2	17.0	822.2	55.4
1984 estimate	848.5	14.0	862.5	55.5
1985 estimate	918.5	10.5	929.0	([3])
1986 estimate	989.6	9.4	999.0	([3])

*$50 million or less.

[1] The 1972–80 data have been revised to include the Export-Import Bank, the Housing for the Elderly or Handicapped fund, and the Pension Benefit Guaranty Corporation in the budget instead of with the off-budget Federal entities. The administrative expenses and interest collections of the Exchange Stabilization Fund are included in the budget beginning in 1976, and the actual profits and losses realized from foreign exchange transactions are included beginning in 1979. Earlier data for the ESF are not available on a comparable basis.

[2] To prevent double counting, outlays of Government-sponsored enterprises exclude loans to other Government-sponsored enterprises and loans to or from Federal agencies and off-budget Federal entities.

[3] Not available.

The rule governing the budget treatment of these enterprises was established in 1967 in accordance with a recommendation by the President's Commission on Budget Concepts. The Commission basically recommended that the budget exclude those Government-sponsored enterprises that are entirely privately owned. However, the Commission recommended that financial statements of their operations be included in the budget documents, because the enterprises carry out federally designed programs and receive benefits from their close association with the Government [8, 9]. These benefits differ from one enterprise to another and from one type of debt

[8] *Report of the President's Commission on Budget Concepts*, pp. 29-30.

[9] Financial statements for the Government-sponsored enterprises are published in the *Appendix*, Part VI, "Government-Sponsored Enterprises." Their borrowing and lending are discussed in Special Analysis E, "Borrowing and Debt," and Special Analysis F, "Federal Credit Programs."

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security to another, but they generally include such advantages as that: the debt securities can be held by federally regulated financial institutions in a number of cases where other private securities or State and local securities are not eligible; the enterprises are exempt from Federal income taxation; the interest on their debt securities is exempt from State and local income taxation; and the enterprises are perceived to have a special relationship with the Federal Government. Because of these benefits, the Government-sponsored enterprises can borrow at interest rates only slightly higher than the interest rates paid by Treasury on Federal debt.

The Federal Land Banks and Federal Home Loan Banks had both become entirely privately owned a number of years before the unified budget was adopted and therefore have always been excluded. The Federal National Mortgage Association, the Banks for Cooperatives, and the Federal Intermediate Credit Banks became wholly privately owned by repaying their Federal equity capital late in calendar year 1968 and were accordingly removed from the budget for all later periods. The Federal Home Loan Mortgage Corporation and the Student Loan Marketing Association were later established with full private ownership. The Federal Home Loan Mortgage Corporation is not privately operated, however, because its board of directors consists entirely of members of the Federal Home Loan Bank Board, who are Federal Government officials appointed by the President.

The Government-sponsored enterprises were all created to carry out loan programs, either lending their funds directly for specifically authorized purposes, or buying loans originated by the private groups that they were established to assist. The loans of these enterprises primarily support housing, but also support agriculture and higher education. As shown in the previous table, their outlays have grown considerably—from relatively small amounts in the latter 1960's to over $20 billion in 1978, over $30 billion in 1981, and $42.4 billion in 1982.

The operations of the Government-sponsored enterprises are not subject to the normal Federal budget review process, and the economic assumptions on which their estimates are based are not necessarily the same as the Administration's economic assumptions shown in Part 2. These enterprises estimate that they will increase their spending to $55.5 billion in 1984, which equals 6.4% of total Federal outlays in that year. The following table shows the total amounts of Government-sponsored loans outstanding and net loans (i.e., the change in loans outstanding) during 1982–84, in billions of dollars: [10]

[10] In order to prevent double counting in adding Government-sponsored loans to Federal direct loans and guaranteed loans, this table excludes loans from one Government-sponsored enterprise to another, loans from the Federal Government, and guaranteed loans acquired.

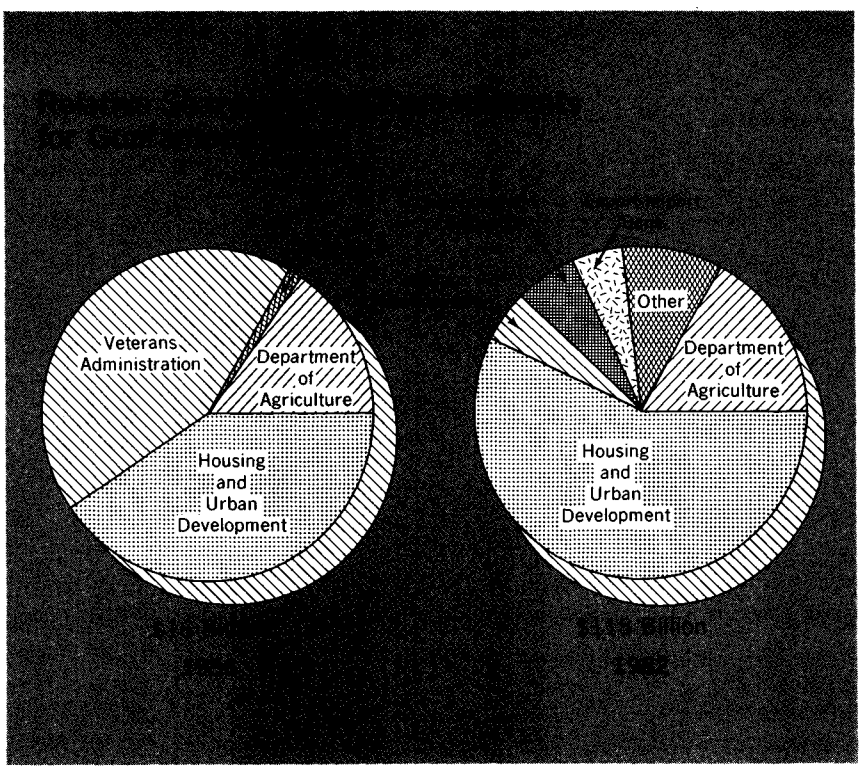
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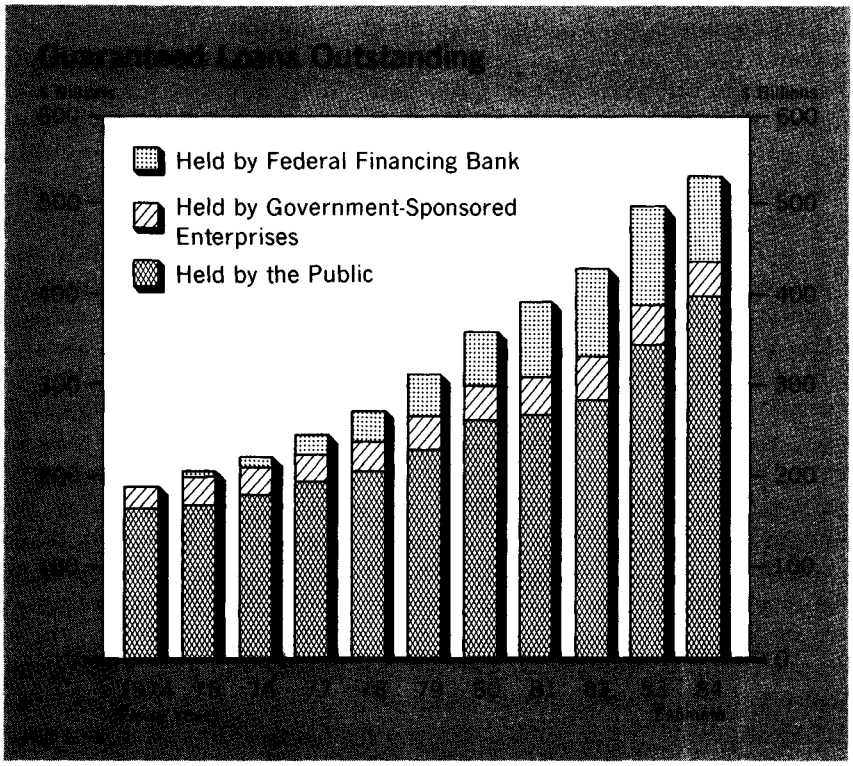
	1982 actual	1983 estimate	1984 estimate
Loans outstanding, end of year	225.6	281.1	337.3
Net loans	43.4	55.5	56.2

Loan guarantees.—Government-guaranteed loans are loans for which the Government guarantees the payment of the principal and the interest in whole or in part. Loan guarantees are contingent liabilities of the Federal Government. They generally do not result in budget outlays except in case of default.

Loan guarantees are designed to allocate economic resources to particular uses by providing credit at more favorable terms than would otherwise be available in the private market. If loan guarantee recipients would not have been sufficiently creditworthy to borrow without Federal assistance, the guarantee reallocates credit toward federally selected uses, increasing the total volume of credit channeled into these uses. This leaves a smaller supply of credit to be allocated to those potential borrowers who do not receive assistance, and increases the interest rate to these borrowers. However, the guarantee does not always change the allocation of credit. Some beneficiaries of loan guarantee programs would have been



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able to secure the funds privately, without Government support. For example, guaranteed mortgage credit might be used to finance, at a lower cost, a house that would have been purchased anyway, although there is a marginal interest rate at which the house would not be bought and, therefore, the loan would not be made. In such a case, the guarantee does not alter the allocation of credit resources, but does provide a subsidy which benefits the borrower to a greater or lesser degree depending on market conditions.

Most of the guarantee programs operated by the Federal Government began in efforts to revive the economy during the depression of the 1930's. The Reconstruction Finance Corporation, created in 1932, was the forerunner of the Export-Import Bank, the Small Business Administration, and other credit programs. The Nation's single largest credit program, the Federal Housing Administration's (FHA) home mortgage insurance program, was created in 1934 to stimulate housing construction.

During the 1950s and 1960s housing credit dominated Federal credit activities. The home mortgage programs of the FHA and Veterans Administration, which comprised most of these agencies' guarantees, accounted for 81% of the total volume of new commitments for guaranteed loans in 1956. As the chart on the previous page shows, the range of activities financed with Federal guarantees has widened since that time. Guarantees are now offered for business, agriculture, energy, and education, though housing con-

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tinues to dominate. For the 1984 budget, home mortgage programs account for about 60% of all new guarantees. Assistance for public housing accounts for about 15%, and aid to business accounts for about 13%. The remaining 12% is primarily for the guaranteed student loan program and guarantees for agriculture.

Guaranteed loans may be made to many types of borrowers: individuals, businesses, State and local governments, and foreign governments. The guarantees may be full or partial, and in some programs, such as the guaranteed student loan program, they are supplemented by explicit subsidies or other forms of assistance. Most guaranteed loans are made by banks or other private institutional lenders, and may take the form of mortgages or bank loans. Others are sold in securities markets. An increasing portion of guaranteed loans is disbursed by the Federal Financing Bank (FFB), which is described above on pages 6-8 to 6-11. Since the FFB is an off-budget Federal entity, these disbursements are off-budget direct loans. An additional amount of guaranteed loans originally made by private institutions is purchased and held by privately owned, Government-sponsored enterprises, as the accompanying chart shows.

Because loan guarantees are not included in the outlay totals or, usually, in the budget authority totals, they were formerly excluded as well from normal budget discipline. In 1980 the credit budget was instituted to subject guaranteed and direct loans to greater scrutiny throughout the budget process. The credit budget covers all direct and guaranteed loans by Federal agencies, whether on- or off-budget. Control is effected through appropriation bill limitations, which cover about two-thirds of all new loan guarantee commitments to be extended in 1984. (See Part 5 for a discussion of credit programs by function, Part 7 for a more complete description of the credit budget and credit control system, and Special Analysis F, "Federal Credit Programs," for a detailed discussion of Federal credit activities.)

Taxation and tax expenditures.—Taxation provides the Government with receipts, which withdraw purchasing power from the private sector in order to finance direct Government expenditure. The structure of the tax system that raises these receipts has important effects on the allocation of resources among private uses and the distribution of income among individuals. These effects are caused by the choice of taxes and by the structural characteristics of each different tax—for example, by the rate schedules, exemptions, deductions, and exclusions of the individual income tax. The effects of taxation on resource allocation and income distribution are analogous to the effects of outlays.

Some features of the tax structure have been defined as "tax expenditures" and receive special attention in the budget. Tax

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expenditures are defined as amounts attributable to provisions of the Federal income tax laws that allow a special exclusion, exemption, or deduction from gross income or that provide a special credit, a preferential rate of tax, or a deferral of tax liability. For a tax provision to cause a tax expenditure under this definition, two conditions are necessary: the provision must be "special" in that it applies to a narrow class of transactions or transactors; and there must be a "general" provision to which the special provision is an exception. The Congressional Budget Act requires that estimates of tax expenditures be published in the budget.

Tax expenditures are so designated because they are one means by which the Federal Government pursues public policy objectives, and because in many cases they can be regarded as an alternative means of achieving the same objectives as direct expenditures. They can also be regarded as an alternative means of achieving the same objectives as other instruments of Government policy, such as loan guarantees, regulations, and provisions of the tax law other than those that give rise to tax expenditures. There are numerous examples of the similarity in objective between tax expenditures and direct outlays. For instance, direct expenditures and tax expenditures both reduce the cost of ship acquisition by shipping companies; and direct loans and the use of tax-exempt bonds both lower the cost of borrowing for eligible persons. Similarly, State and local governments benefit both from direct grants and from the ability to borrow funds at tax-exempt rates; and individuals benefit both from social security payments and from the tax exemption of these payments.

Tax expenditures ordinarily result from permanent legislation and therefore are not submitted to the Congress each year and do not routinely receive a formal and systematic annual review. In this sense they share a legislative status with entitlement programs, such as social security, which do not require annual appropriations. However, tax expenditures, other provisions of the income tax, and other tax laws are generally reviewed whenever fiscal policy decisions are considered regarding the overall level of tax receipts. During the last two years the Administration and the Congress reviewed entitlement programs, tax expenditures, and other provisions of tax law. Part of this work led to the Tax Equity and Fiscal Responsibility Act of 1982, which changed a number of tax expenditures and other tax law provisions. This act, furthermore, was passed in accordance with a reconciliation directive in the congressional budget resolution that called on various committees of the Congress to increase receipts or decrease outlays by specified amounts in order to achieve overall budget targets.

The classification of certain provisions of law as resulting in tax expenditures requires some reference tax structure against which

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the actual tax law can be compared. Deviations of the law from this standard are deemed to cause tax expenditures. The reference tax structure that is used for this purpose consists of the general provisions of the Internal Revenue Code that deal with basic structural features of the income tax. For the individual income tax, this standard includes those provisions that exist under current law for graduated rate schedules, personal exemptions, zero-bracket amounts (standard deductions), and basic accounting rules. By definition, therefore, these characteristics of the tax structure do not cause tax expenditures.

The explicit use of the general provisions of the Internal Revenue Code as the reference tax structure makes it clear that listing an item as a tax expenditure does not imply that it is either a desirable or an undesirable provision. If the general provisions of the Code were different, the estimated amounts for particular provisions would be different and the list of tax expenditures might be different. Similarly, if the reference tax structure was different from the general provisions of the Internal Revenue Code, the list of tax expenditures and the estimated amounts would also be different from what they are now. A reference tax structure could be defined differently with respect to particular provisions of the law. For example, it might exclude the zero-bracket amount (standard deduction) and thus classify this provision as causing a tax expenditure. Alternatively, a different reference tax structure might be based upon a normative judgment about an "ideal" income tax base. Such a standard might, for example, adjust incomes for inflation, or it might integrate the individual and corporation income taxes rather than regarding the separate tax treatment of individuals and corporations as part of the reference tax structure. This would alter the estimates of tax expenditures.

Regardless of how the reference tax structure is defined, the provisions of tax law that do not result in tax expenditures deserve as much scrutiny as the provisions of tax law that do. This is because the other provisions also have major effects on the allocation of resources and the distribution of income, and because they may be alternative means of achieving the same objectives or analogous objectives as tax expenditures achieve. For example, investment in equipment may be stimulated by either an increase in the investment tax credit or a decrease in the corporation income tax rate; the former is a change in a tax expenditure, but the latter is not. Similarly, income support may be provided by either the exclusion of social security benefits from taxable income or by the zero-bracket amount (standard deduction); the former causes a tax expenditure, but the latter does not.

Tax expenditures are presented at two places in the budget. Part 5, "Meeting National Needs: the Federal Program by Function,"

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discusses the major tax expenditures in each functional category, together with outlays and guaranteed loans, in order to describe more fully the Government's policy for meeting each national need. Special Analysis G, "Tax Expenditures," analyzes the concept and measurement of tax expenditures and presents a complete list of tax expenditure estimates for 1982–84.

Tax expenditures were originally estimated as revenue losses. They were defined as the difference between tax receipts and what tax receipts would be if the tax law were different. If removing a tax provision would increase taxable income, for example, the tax expenditure was estimated as the increase in taxable income multiplied by the tax rate that would be paid on the additional income.

The present concept of tax expenditures has been modified in order to make tax expenditures more comparable with direct outlays and therefore more useful in analyzing Federal programs. Tax expenditures are estimated as outlay equivalents, i.e., as the amount of outlays that would be required to provide an equal after-tax income to the taxpayer (and thereby an equal incentive) as the special tax provision provides. In many cases the required outlays are greater than the revenue loss, because taxpayers would have to pay taxes on the higher income derived from the outlays. For example, one tax expenditure provision is the exclusion from taxable income of the value of housing and meals supplied to military personnel. If the Government were to repeal this tax exclusion and instead pay higher salaries, the increase in salaries would be taxed. Consequently, if the Government were to use taxable direct expenditures rather than tax expenditures and were to provide the same total after-tax compensation, the increase in direct outlays for higher salaries would have to be greater than the revenue loss under the special tax provision. The Federal deficit would be the same in either case, however, because higher outlays would be required only to the extent that tax receipts were higher.

Therefore, in order to make the tax expenditure equivalent to a direct outlay in such cases, the revenue loss is adjusted so that the taxpayer's after-tax income is the same regardless of whether the Government uses a direct outlay or a tax expenditure to achieve its objectives. For some tax expenditures, though, the revenue loss is equivalent to a direct outlay without any adjustment. Special Analysis G presents estimates according to both concepts, but for program analysis in this budget only the outlay equivalent estimates are used.

The size of a particular tax expenditure depends not only on the tax provision in question but also on the interaction of this provision with the rest of the tax structure. The reductions in the income tax rate schedule enacted in 1981, for example, automatically decreased many tax expenditures below what they otherwise

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would have been. A tax rate reduction decreases the amount of receipts that would be gained by repealing deductions, exemptions, and exclusions, because lower tax rates are applied to the increase in taxable income.

The interaction among tax provisions means that special calculations are generally needed to add tax expenditures together. For example, if more than one exclusion from individual income were ended, the gain in receipts would generally be greater than the sum of the separate tax expenditures, because some taxpayers would move into higher tax rate brackets. If more than one personal deduction were ended, the gain in receipts would generally be smaller than the sum of the separate tax expenditures, because some taxpayers would switch to using the zero-bracket amount (standard deduction). Consequently, adding together separate tax expenditures would usually be misleading, and they are not aggregated in this budget except for specially computed totals by functional category.

As discussed in Part 4 of this volume, "Budget Receipts," the principal tax change enacted last year was the Tax Equity and Fiscal Responsibility Act of 1982. This act raised receipts through a large number of separate provisions, several of which repealed or reduced tax expenditures. For example, safe-harbor leasing is to be phased-out by December 31, 1983, thereby restricting the conditions under which firms that have no tax liability can use leasing transactions to transfer unused investment tax credits and depreciation deductions to profitable firms; and the personal deductions for medical expenses and casualty losses were reduced. Many other provisions that raised receipts, such as the withholding of taxes on interest and dividends and a higher excise tax on cigarettes, had no effects on tax expenditures.

As part of the bipartisan plan to restore social security reserves to safer levels, the Administration supports several changes in the payroll tax and the individual income tax. Two of the income tax changes would affect tax expenditures. Half of the social security benefits received by people whose income is above specified levels would be subject to tax, which would reduce the present tax expenditure from not including any social security benefits in adjusted gross income; and employees would receive a refundable tax credit in 1984 that would offset the additional social security tax they would pay in that year due to an acceleration of the scheduled increase in the payroll tax rate.

The Administration also proposes to reduce the tax expenditure from not taxing the health insurance premiums that employers pay as part of the total compensation of their employees. Premiums above a specified level would be subject to individual income tax. Several new tax expenditures are proposed for diverse pur-

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poses: a group of incentives for the redevelopment of depressed areas designated as "enterprise zones"; a jobs tax credit for employers who hire the long-term unemployed; a tuition tax credit for students of qualified elementary and secondary schools; and education savings accounts for college and university expenses.

FEDERAL BUDGETING FOR CAPITAL EXPENDITURES

A preceding section discusses a group of Federal outlays—largely loan programs—that are excluded from the Federal budget under terms of law. In recent years a number of proposals have been made to expand greatly the range of activities that are excluded from the budget. Several different reasons have been articulated to justify the exclusion of some types of spending (or taxes and spending) from the budget. The principal arguments are that:

- The program is separate and autonomous from the general fund and, therefore, should not be included in the budget. (This argument is frequently raised when proposals are made to exclude trust or other earmarked funds from the budget.)
- The program is of a nature that should not be reflected as current budget outlays. (This argument is used by proponents of excluding Federal capital investments and Federal loans or other business-type spending.)
- The program is too important to be limited by the budget ceilings and, therefore, should be excluded from the budget. (This rationale was used for the exclusion of the petroleum purchases for the strategic petroleum reserve.)
- The program operates under independent management and should be left out of the budget in order to preserve its independence. (This is the argument for excluding the Postal Service.)

It should be recognized that budget concepts are not sacrosanct. From time to time changes have been made in them in order to cope with new conditions and perceptions, and in the future other changes will need to be made.

The most recent comprehensive review of budget usages occurred in 1967 and was conducted by a temporary study commission entitled the President's Commission on Budget Concepts. The recommendations of that commission were largely incorporated in the 1969 budget and still constitute the dominant guidance for establishing and maintaining consistent budget usages.

Because of the increasing range of proposals for major new exclusions from the coverage of the budget, this section describes the nature and purposes of the budget and analyzes one of the most important of the current proposals for further exclusions—Federal capital investments—in light of how this proposal would affect the Federal budget.

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Basic role of the budget.—The Federal budget serves many purposes. It is a tool for Presidential review and policy formation, for congressional action, for agency financial operations, for public understanding, and for a public accounting for the use of public monies. It is the primary mechanism for the President and the Congress to exercise control over Federal finances. To serve these purposes adequately several conditions must be met:

- The Federal budget must be comprehensive: all Federal taxes and spending must be included.
- Federal budgetary transactions must be arrayed into categories that reflect the sources or types of receipts and the purposes for which outlays have been or are proposed to be spent.
- The budget must link legal responsibility for the use of funds with program operations so that the funds are used for the purposes and under the conditions specified by law.
- Budget transactions must be linked to accounting systems that permit auditing.
- It is important for both economic analysis and for budget control that periodic and reliable data on actual budgetary transactions be available. Hence, budgetary transactions must be susceptible to reliable monthly reporting, so that it is possible to determine the composition and magnitude of Federal receipts and spending as the year progresses.
- Budget presentation must be logical and clear so that programs, proposals, and results can be understood and analyzed by the general public as well as by budget technicians.
- Budget transactions must link the net budget results (the surplus or deficit) to changes in the Federal debt.
- Budget practices must be consistent with the concepts and principles that govern them. The concepts and principles, in turn, must be sound operationally as well as in theory.

One of the most critical elements in the design of the Federal budget is comprehensiveness. A fundamental rule under current Federal budget concepts is that if a tax or spending activity is carried out by the Federal Government it belongs in the budget; the only existing exceptions are under terms of law and are inconsistent with budget concepts. As the 1967 *Report of the President's Commission on Budget Concepts* states:

> "Flowing from the definition of a budget as a basic part of a comprehensive financial plan, the budget should include all programs of the Federal Government and its agencies." [11]

By having a budget that is comprehensive of all Federal taxes and spending, it is possible for the President, the Congress, and the public to assess the relative importance of different programs and

[11] *Report of the President's Commission on Budget Concepts* (Washington, D.C.: U.S. Government Printing Office, 1967), p. 7.

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thereby make policy judgments about the proper size and composition of Federal taxation and spending. Programs that are omitted from the budget almost inevitably receive less scrutiny in the process of setting priorities, even though they are financed from Federal taxes or borrowing. Even when a program is relatively autonomous and not normally constrained by the annual budget process—such as unemployment taxes and benefits—it is important that the program be included in the budget so that overall Federal budget policy can take all Federal taxes and spending into account, and so that legislation affecting such programs can be judged in the light of its effect on the overall budget and the economy as well as its program implications.

Capital budgeting issues.—In recent years proposals have been made that the Federal Government adopt a capital budget. In evaluating this proposal, it is important to distinguish between *capital budgeting* and *capital planning.* Under a capital budget the basic system of accounting for capital investments would be changed. Outlays for new capital would be recorded in the capital budget while all other spending would be reflected in an operating budget.

Capital planning, on the other hand, involves systematic analysis of the optimum use of capital resources in combination with other resources to meet perceived needs in the most cost-effective manner. This is a standard practice within the Federal Government under the present budget system. For example, the Veterans Administration projects medical caseload needs and assesses the adequacy of present and possible future physical facilities and other resources to meet them. The Department of Defense has a systematic procedure for analyzing weapons systems needs and costs. Because resources are finite, the Department must make tradeoffs between research and development, systems acquisition, and operating expenses in deciding how best to meet these needs. Even for areas where the Federal Government finances major investments but generally does not own the resulting facilities—such as highways and pollution control facilities—the Federal Government normally has planning processes designed to match the available resources and needs. Hence, the Government's capital planning processes are integrated into agency budget planning processes, where they can be evaluated in the context of program goals, and alternative means of achieving those goals.

The argument for creation of a Federal capital budget and exclusion of capital spending from the budget is commonly defended by application of business accounting practices to the Federal Government, and by analogies to State and local financial practices. In business accounting, capital investment is clearly separated from operating costs, but operating costs include a charge for the use (or

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depreciation) of capital. It is argued that failure to apply similar accounting conventions to the Federal budget creates perverse incentives that discriminate against capital investments. To examine this argument it is necessary to study both the applicability of business accounting conventions to the Federal budget and whether the current budget conventions do, in fact, discriminate against Federal capital investments.

Applicability of business capital accounting conventions to the budget.—Accounting conventions must be related to the needs and nature of the organization served. It cannot automatically be presumed that accounting practices used in the private sector should also be used by the Federal Government, because the nature, purposes, legal constraints, and power of the Federal Government differ substantially from those of private business enterprises. In the private sector, accounting is focused on identifying profitability, net worth, unit cost, and tax liabilities—factors that are critical for business success. Of these factors, only unit cost measures are generally relevant to the Federal Government, and they are provided by accounting systems, not the budget system.

- Profitability: The Federal Government is inherently not run for profit. Indeed, any activity that is profitable raises the question of whether it should be divested so as to become part of the private sector. While some essentially self-supporting activities (such as the Postal Service) are permanently Federal operations, most Federal operations involve tax and spending programs, not operations designed to generate profits.
- The true net worth of the Federal Government is based on the strength of the American economy, not on what the Government owns as physical or financial assets. Most Federal physical assets—defense installations, public facilities, public parks, national forests, etc.—are held as public trusts, not as a source of profit. The primary financial asset of the Government is an asset not available to any private business: the ability to tax. Similarly, the primary responsibilities of the Government—to defend the nation and to promote the general welfare—have no counterpart in the private sector.
- Unit cost data in manufacturing and other businesses are critical factors in setting prices. In the Federal Government they are used mostly in controlling the cost of operations, and only occasionally in price setting. This follows from the fact that the central core of Federal operations is the provision of tax financed services (such as national defense) and of income transfers (such as social security).

Additionally, in private business practice capital budgeting is used to determine financing, whereas financing of the budget is determined by basic fiscal policy considerations that are unrelated

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to Federal capital investment. Hence, it is clear that the true test of the appropriateness of business accounting principles to the Government lies in examining how their adoption would affect the Federal budget.

Effect of capital budgeting based on normal business accounting on the Federal budget.—If the Federal Government were to adopt a capital budget, a series of changes would occur:

- It would be necessary to create two budgets, dividing Federal capital expenditures and operating costs into two separate budgets.
- The dividing line between which spending components are deemed operating costs and which components are capital expenditures is vague and subject to manipulation, thereby weakening effective control over the budget.
- It would be necessary to compute depreciation charges for Federal capital facilities and equipment and to develop a method of charging the operating budget for them.
- There would be a major difference between Federal borrowing (and changes in Federal debt) and the budget deficit. Capital investments would be financed by borrowing or taxes at the time when the facilities and equipment were acquired and paid for, regardless of when they were charged to the operating budget. Conversely, depreciation would be charged to the operating budget even though it would have no effect on cash payments or borrowing.
- Creation of this dual budget structure would further complicate the Congressional appropriations and budget control processes.
- The budget outlays and surplus or deficit totals would be much less useful than now as a measure of current demands made by the Government on the economy.

Capital budgeting would change the recorded levels of spending in the regular budget by (a) excluding spending for new capital facilities while (b) including estimates for depreciation. The exclusion of new spending would make the regular budget far less useful as a measure of the current level of Federal demands upon the economy, while introduction of depreciation accounting (a necessary corollary to a capital budget based on a business accounting model) would greatly weaken the reliability of recorded outlay totals, since depreciation estimates are necessarily arbitrary. The problem of Federal depreciation accounting is clearly one of the weakest links in the argument for a Federal capital budget. This problem can be illustrated by analyzing the table below.

As the table shows, the dominant form of Federal investment in physical assets is for national defense. In the case of defense spending:

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FEDERAL OUTLAYS FOR MAJOR NEW PHYSICAL CAPITAL INVESTMENT

(In billions of dollars)

	1942	1952	1962	1972	1982
Direct Federal acquisitions:					
National defense	19.9	14.2	17.8	19.1	48.8
Nondefense	1.4	1.5	2.3	3.6	8.5
Grants to State and local governments for capital acquisition	0.2	0.6	3.2	8.4	20.2
Total	21.5	16.2	23.4	31.1	77.4

- The economic burden occurs when the defense goods are built, not when they are used.
- There are no known standards for depreciating defense spending; the very time when the greatest losses occur (wartime) is the very time when depreciation estimates would be least valid. While it would be possible in theory to develop depreciation guidelines for defense, any such accounting system would clearly break down in times of war.
- There is no evidence that within the defense budget physical investment is being shortchanged in favor of operating costs. While total defense spending clearly fluctuates significantly over time, both defense investment and operating costs generally move in tandem.

Hence, it is clear that moving to a capital budget and depreciation accounting for defense spending would be counterproductive. It would make the budget significantly less reliable with no compensating benefits.

As the preceding table shows, the second largest component of Federal capital investment is for grants to State and local governments. It is frequently assumed by capital budgeting advocates that Federal grants for State and local capital investment would be included in a Federal capital budget, but there is no accounting logic for excluding Federal outlays to finance such grants from operating budget outlays. Business accounting has no exact counterpart to the Federal-State-local relationships involved in grants. If a business donates money to another entity—whether for operating or capital expenses of that entity—such donations are current expenses of the business. There does not exist a set of accounting standards that would justify the use of Federal depreciation accounting for physical assets that the Federal Government paid for but gave away.

The component that most nearly resembles private capital investment—nondefense direct capital investment—is the smallest of the three components, and clearly is not sufficiently large to warrant major changes in the budgetary presentation and control processes.

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Capital budgeting and Federal priorities.—One of the principal arguments currently being made in favor of Federal capital budgeting is that it would change the priorities of Federal spending—that it would increase Federal capital spending relative to operating expenditures. If this were so, it would not by itself justify a Federal capital budget. No legitimate public purpose is served by adopting accounting conventions designed to promote certain programmatic goals rather than to afford the President and the Congress a means of making the choices that reflect their goals and the costs of achieving these goals.

However, it is not even clear whether adoption of a Federal capital budget would expand the magnitude of public physical spending. Generally, State and local governments operate using capital budgets. Yet, most of the expressed concern about perceived inadequate public capital investment is a concern about the adequacy of State and local facilities. Furthermore, during recent years State and local capital spending from their own funds—despite capital budgets—has declined precipitously relative to grants to finance State and local capital investment spending.

Applicability of capital budgeting based on State and local government accounting.—Most State and local governments have capital budgets, and it is frequently assumed that if this two-part budgetary system is appropriate for them, it would also be appropriate for the Federal Government. However, both the powers and responsibilities and the legal and constitutional constraints on the Federal Government differ significantly from those of State and local governments.

- Most State constitutions prohibit borrowing except under restricted circumstances, generally related to capital purposes. Similarly, State constitutions and/or laws generally constrain local government borrowing. These constraints generally lead State and local governments to separate their operating and capital expenditures. No such constraints apply to the Federal Government. Except for specific public enterprise capital formation (such as for the Tennessee Valley Authority), there is no relationship between Federal capital formation and Federal borrowing.
- State and local government financing of capital projects through bond funds is commonly justified on the basis of equity. It is argued that it is only fair for the users to pay a proportionate share of the facilities for each year they live in a particular locality. Similar arguments are not applicable to the country as a whole, which the Federal Government encompasses. This is particularly true for spending for defense facilities and equipment.

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It should be noted that capital budgeting practices of State and local governments (except some governmental business enterprises) are different from the business accounting model discussed above. As a normal rule the State or local operating budget is charged for the amortization on bonds (i.e., the amount needed to pay off principal and interest on the bonds) rather than depreciation on the assets. While some bond repayment schedules may closely match depreciation, it is common for such schedules to be more rapid or slower than the rates of depreciation. Since Federal borrowing is not related to capital spending but to the general Federal deficit, there is no need or provision for Federal debt sinking funds akin to those common to State and local government financing.

Improved Budgetary Data on Federal Physical Capital Investments.—Even though the analysis above leads to the conclusion that a Federal capital budget would be undesirable, there is a need for more information on Federal capital spending. For several decades the budget documents have included Special Analysis D ("Investment, Operating, and Other Federal Outlays") as the primary budget source for data on Federal physical capital investment.

However, the analysis has never contained a historical data base to facilitate analysis of trends in Federal investment. To remedy this deficiency, Special Analysis D has been significantly revised this year to provide such a perspective, and a new set of historical tables entitled "Federal Outlays for Major Physical Capital Investment" has been developed to supply a great deal of supplementary historical data. These additional tables, which are available upon request, show the size and composition of Federal physical capital investment in current and constant prices and as a percent of gross national product for a period of over three decades, thereby facilitating evaluation of the adequacy and priorities of Federal capital spending.

BUDGET FUNDS AND THE FEDERAL DEBT

The budget consists of two major groups of funds: Federal funds and trust funds.

The Federal funds are derived mainly from taxes and borrowing and are used for the general purposes of the Government. Most of these funds are not restricted by law to any specific Government program. The trust funds, on the other hand, collect certain taxes and other receipts for specified purposes, such as paying social security and unemployment insurance benefits.

The budget includes the receipts and outlays of both the Federal funds and the trust funds and, as shown in the next table, deducts the various transactions that occur between them. The budget totals for receipts and outlays therefore generally display the net transactions of the Federal Government with the public. The

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BUDGET TOTALS BY FUND GROUP

(In billions of dollars)

	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Budget receipts:					
Federal funds	409.3	376.9	404.7	436.7	525.9
Trust funds	268.4	314.8	330.2	369.2	404.7
Interfund transactions	−59.9	−94.2	−75.3	−81.6	−88.7
Total, budget receipts	617.8	597.5	659.7	724.3	841.9
Budget outlays:					
Federal funds	526.1	603.0	610.5	666.2	719.3
Trust funds	262.2	296.4	313.3	333.9	359.0
Interfund transactions	−59.9	−94.2	−75.3	−81.6	−88.7
Total, budget outlays	728.4	805.2	848.5	918.5	989.6
Budget surplus or deficit (−):					
Federal funds	−116.9	−226.1	−205.7	−229.5	−193.4
Trust funds	6.3	18.4	16.9	35.3	45.7
Total, budget surplus or deficit (−)	**−110.6**	**−207.7**	**−188.8**	**−194.2**	**−147.7**
Addendum:					
Deficit (−), off-budget Federal entities[1]	−17.3	−17.0	−14.0	−10.5	−9.4
Total, surplus or deficit (−) including off-budget Federal entities	**−127.9**	**−224.8**	**−202.8**	**−204.7**	**−157.1**

[1] No off-budget Federal entities collect governmental receipts, so receipts are not adjusted when on and off-budget totals are consolidated. The off-budget outlays would be classified as Federal funds outlays if they were included in the budget.

budget does not, however, include the net transactions with the public of the Federal Financing Bank and the other off-budget Federal entities, which have been excluded from the budget under provisions of law.

Thus, as shown in the table on the next page, the combined deficit or surplus of the budget and the off-budget entities is the principal determinant of the change in the Federal debt held by the public.[12] The budget and off-budget deficits, together with the other factors noted in this table, are estimated to increase the Federal debt held by the public from $929.4 billion at the end of 1982 to $1,347.4 billion at the end of 1984, with the increase in 1984 being a little smaller than in 1983. Borrowing is projected consistently with the economic assumptions that are explained in Part 2 of this volume. The projected change in debt held by the public in 1985 and 1986 continues to be large each year but declines in 1986, when the total Government deficit diminishes.

Gross Federal debt is the sum of the debt held by the public and the debt held by the Government itself, which includes such investments as the Treasury debt held by the social security and other trust funds. At the end of 1984 gross Federal debt is estimated to be $1,606.3 billion, of which debt held by the Government itself is

[12] Table 11 in Part 9 of this *Budget* contains more detail on budget financing through 1984 and shows the levels of debt from 1981 to 1984. Federal debt is discussed further in Special Analysis E, "Borrowing and Debt."

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BUDGET FINANCING AND CHANGE IN DEBT OUTSTANDING [1]

(In billions of dollars)

Description	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Budget surplus or deficit (−)	−110.6	−207.7	−188.8	−194.2	−147.7
Deficit (−) of off-budget Federal entities	−17.3	−17.0	−14.0	−10.5	−9.4
Total, surplus or deficit (−)	−127.9	−224.8	−202.8	−204.7	−157.1
Means of financing other than borrowing from the public:					
Decrease or increase (−) in cash and other monetary assets	−11.9	7.2			
Increase or decrease (−) in liabilities for:					
Checks outstanding, etc	4.1	1.5	.4		
Deposit fund balances	.3	.6	−1.2		
Seigniorage on coins	.4	.5	.6	.8	.9
Total, means of financing other than borrowing from the public	−7.1	9.8	−.2	.8	.9
Total, requirements for borrowing from the public	−135.0	−215.0	−203.0	−203.8	−156.3
Change in debt held by the public	**135.0**	**215.0**	**203.0**	**203.8**	**156.3**
Change in Federal agency investments in Federal debt:					
Federal funds	1.0	2.0	3.2		
Trust funds [2]	5.7	19.5	17.8	35.3	45.7
Off-budget Federal entities	.6	−1.0	−1.0		
Deposit funds [3]	.7	1.4	−.4		
Total, change in Federal agency investments in Federal debt	8.1	21.8	19.6	35.3	45.7
Change in gross Federal debt	**143.0**	**236.8**	**222.6**	**239.1**	**201.9**

[1] Several amounts have been assumed to be zero in 1985 and 1986 because they are usually small and cannot be estimated accurately.
[2] Estimates for 1985 and 1986 are equal to the total trust fund surplus.
[3] Certain deposit funds only.

$258.9 billion. Thus, gross Federal debt is much larger than the Federal debt held by the public.

Gross Federal debt is estimated to rise by $222.6 billion during 1984. As indicated in the lower section of the table above, $19.6 billion of this increment will be held in trust funds and other Federal accounts. This is mainly due to the investment of trust fund surpluses in Treasury debt.

The gross Federal debt consists almost entirely of securities issued by the Treasury Department. However, a few Government agencies are authorized to issue their own debt instruments to the public or to other Government agencies and funds. These securities are part of the gross Federal debt. At the end of 1982 the public held $3.8 billion of agency debt, most of which was issued some years ago. The greater part consists of revenue bonds issued by the Tennessee Valley Authority and participation certificates in pools of loans issued by the Government National Mortgage Association

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on behalf of several agencies. Agency debt is expected to fall by small amounts each year as existing agency debt matures and most new agency borrowing is from the Federal Financing Bank (FFB). The FFB finances its purchases of agency debt by borrowing from Treasury, which in turn borrows from the public. To prevent double counting, FFB's holdings of agency debt are not included in gross Federal debt.

Almost all Treasury securities are covered by a general statutory debt limitation. The limit through September 30, 1983, is $1,290.2 billion. However, to permit the Federal Government to meet its obligations, the limit will have to be raised before that time.

Debt subject to the general statutory limit, like gross Federal debt, includes debt held internally within the Government, such as the Treasury issues held by the social security trust funds. Debt subject to the statutory limit is therefore much larger than the debt held by the public and is nearly as large as gross Federal debt. It is a little less than gross Federal debt primarily because most agency debt is excluded from the general statutory limitation.

FEDERAL FUNDS FINANCING AND CHANGE IN DEBT SUBJECT TO LIMIT

(In billions of dollars)

Description	1982 actual	1983 estimate	1984 estimate
Federal funds surplus or deficit (−)	−116.9	−226.1	−205.7
Deficit (−) of off-budget Federal entities	−17.3	−17.0	−14.0
Total, amount to be financed	−134.2	−243.1	−219.8
Means of financing other than borrowing:			
Decrease or increase (−) in cash and monetary assets	−11.9	7.2	.....
Increase or decrease (−) in liabilities for:			
Checks outstanding, etc	4.7	.4	−.5
Deposit fund balances	.3	.6	−1.2
Seigniorage on coins	.4	.5	.6
Total, means of financing other than borrowing	−6.5	8.7	−1.1
Decrease or increase (−) in investments in Federal debt by Federal funds, off-budget entities, and deposit funds [1]	−2.3	−2.3	−1.8
Increase or decrease (−) in Federal funds and off-budget entity debt not subject to limit	−1.0	−.2	−.1
Total, requirements for borrowing subject to debt limit	−144.1	−237.0	−222.7
Change in debt subject to limit	**144.1**	**237.0**	**222.7**

* $50 million or less.

[1] Certain deposit funds only.

Since trust fund surpluses for the most part have been invested in debt securities, rather than being held as cash assets, the Federal funds deficit and the deficit of the off-budget Federal entities must be financed primarily by selling Federal debt. This debt is almost entirely subject to the statutory limit. As shown in the table above, the Federal funds deficit plus the off-budget deficit

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was $134.2 billion in 1982, and the increase in debt subject to statutory limit was $144.1 billion. Thus, these deficits approximately accounted for the increase in the debt subject to limit.

THE INCREASE IN TOTAL 1982 OUTLAYS OVER THE MARCH 1981 BUDGET ESTMATE

Budget outlays for 1982 were $728.4 billion, which is $40.4 billion higher than the initial proposals made by this Administration in its revised budget transmitted to Congress in March 1981.[13] This increase is the smallest that has occurred between the proposal of a budget and its outcome in the past three years, both in absolute dollars and as a percent of total spending. The average difference in 1980 and 1981 was 8.1%, while in 1982 it was 5.9%. This section reviews the major causes of the 1982 increase.

The table below compares the March 1981 outlay estimate and the actual totals in current and constant (fiscal year 1972) dollars and as a percent of GNP. It also compares defense and nondefense outlays in current dollars. The actual outlays for defense were 0.7% below the estimate. Outlays for nondefense programs were 8.4% higher than the estimate.

1982 OUTLAY INCREASES

(Dollars in billions)

	March 1981 estimate [1]	Actual	Percent change
Budget outlays:			
Current dollars	688.0	728.4	5.9
National defense	188.8	187.4	−0.7
Nondefense	499.2	541.0	8.4
Constant (fiscal year 1972) dollars	319.3	338.7	6.1
As a percent of GNP	22.7	24.0	5.7
Off-budget outlays (current dollars)	20.2	17.3	−14.4

[1] The March 1981 outlay estimate has been adjusted for two account reclassifications in the budget, as explained in footnote 13 in the accompanying text.

Spending increased throughout most of the budget and in different kinds of programs. Outlays were larger than initially estimated in most of the 17 budget functions except defense. Relatively uncontrollable programs increased 5.3%, and relatively controllable programs increased 7.8%. The chronology and causes of the specific changes are described below.

Chronology of outlay increases.—The chronology of outlay increases is displayed in the following table. This Administration's initial outlay estimate for 1982, adjusted for comparability to cur-

[13] The outlay estimate published in the *Fiscal Year 1982 Budget Revisions* has been adjusted retroactively for comparability to reflect the reclassification of two types of transactions. (1) Noncompulsory premiums from individuals insured under medicare were reclassified from being budget (governmental) receipts to being offsetting collections. This reduced estimated budget receipts and outlays by an equal amount ($3.9 billion for 1982). (2) P.L. 97-35 provides that the outlays for the purchase of petroleum for the strategic petroleum reserve shall be classified off-budget. Therefore, the estimated amount for 1982 ($3.5 billion) was removed from the totals.

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rent data, was $688.0 billion. In July 1981, the estimate increased $10.1 billion due primarily to changed economic assumptions. In September 1981, the Administration proposed additional budget savings of $13.0 billion for discretionary, defense, and entitlement programs. These reductions, however, were more than offset by upward economic and technical reestimates and by congressional action for entitlement programs that differed from Administration proposals. Between September 1981 and July 1982, there were more upward revisions, mainly for economic and technical reestimates. Actual outlays were slightly below the final estimate, made in July 1982.

CHRONOLOGY OF THE 1982 OUTLAY INCREASE

(In billions of dollars)

March 1981 (1982 Budget Revisions)	695.3
Accounting changes:	
Shift medicare premiums to outlay side of budget	−3.9
Shift petroleum purchases for strategic petroleum reserve off-budget	−3.5
Subtotal, adjustments	−7.4
Adjusted outlay estimate	688.0
Other changes:	
July 1981 (Mid-Session Review): The largest increases were due to net interest ($8.7 billion) and other interest-related costs ($1.6 billion)	10.1
September 1981 (September Update): Increases for net interest ($6.4 billion), farm price supports ($2.4 billion), and policy changes ($6.9 billion) were offset in part by reductions proposed by the Administration ($13.0 billion)	4.6
February 1982 (1983 Budget): The largest increases were for net interest ($6.6 billion), unemployment compensation ($5.7 billion), and social security ($4.4 billion)	22.7
April 1982 (April Update): The largest increase was for farm price supports ($4.1 billion) and the largest decrease was for unemployment compensation ($1.8 billion)	3.5
July 1982 (Mid-Session Review): The largest increases were for farm price supports ($1.2 billion) and OCS offsetting receipts ($1.0 billion)	2.1
October 1982 (Year-end Statement)	−2.6
Total increase	40.4
Actual	728.4

Major Causes of the Increase.—The following table summarizes the reasons for the increase in budget outlays according to three categories: (1) economic conditions that were different from the original assumptions; (2) policy changes; and (3) estimating and other differences. The amounts in the first two categories include only the major items. The third category is a residual. The figures, therefore, are approximations.

Changes in economic conditions explain 55% of the total increase. The net effect of policy changes was negligible. Estimating and other changes account for the remainder.

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SUMMARY OF REASONS FOR CHANGES IN 1982 OUTLAYS

(in billions of dollars)

	Total
Reasons for change (net):	
Economic conditions	22.4
Policy	−0.9
Estimating differences and other changes	18.9
Total	40.4

Economic conditions differed from those forecast in March 1981, as shown in the table below. Growth in real GNP was 0.7 percentage points lower than projected for 1981, and 6.4 percentage points lower for 1982. Inflation as measured by the GNP deflator was 0.5 percentage points lower than originally projected for 1981, and 2.3 percentage points lower for 1982. As measured by the Consumer Price Index (CPI), inflation was 0.8 percentage points lower than projected for 1981 and 2.3 percentage points lower for 1982. The unemployment rate was slightly lower than projected for 1981, but 2.5 percentage points higher for 1982. Interest rates were higher than the original assumptions. The 91-day Treasury bill rate during 1981 averaged 3.0 percentage points more than the March 1981 assumption, and the 1982 rate was 1.8 percentage points higher.

COMPARISON OF ECONOMIC ASSUMPTIONS: MARCH 1981 AND ACTUAL

(Calendar years)

	March 1981 estimate		Actual		Difference	
	1981	1982	1981	1982	1981	1982
Percent change:						
GNP (constant 1972 dollars): 4th quarter over 4th quarter	1.4	5.2	0.7	−1.2	−0.7	−6.4
Inflation (year over year):						
GNP deflator	9.9	8.3	9.4	6.0	−0.5	−2.3
Consumer Price Index (CPI)	11.1	8.3	10.3	6.0	−0.8	−2.3
Unemployment rate (annual average)	7.8	7.2	7.6	9.7	−0.2	2.5
Interest rate (91-day bills, annual average)	11.1	8.9	14.1	10.7	3.0	1.8

These differences in economic assumptions resulted in a net increase in outlays of $22 billion. Higher interest rates and increases in borrowing accounted for $17 billion—or about 80%—of the increase. Higher unemployment increased outlays by more than $6 billion, primarily for unemployment benefits. Lower inflation reduced outlays for indexed programs by $1 billion. These changes are shown in more detail in the following table.

Policy changes that differed from proposals in the 1982 *Budget Revisions* reduced 1982 outlays by about $1 billion. The largest decrease occurred for nondefense discretionary programs. In Sep-

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EFFECT OF CHANGES IN ECONOMIC ASSUMPTIONS ON 1982 OUTLAYS

(In billions of dollars)

Description	*Difference*
Interest rates and change in borrowing: [1]	
Net interest:	
Interest rates	12.2
Change in borrowing	3.3
Higher education, housing (GNMA), Export-Import Bank, and other	1.8
Subtotal, interest rates and changes in borrowing	17.3
Inflation:	
Indexed programs:	
Social security and railroad retirement	−0.6
Military pay	−0.2
Military retirement	−0.1
Civil service retirement	−0.1
Other	−0.1
Subtotal, inflation	−1.1
Unemployment	6.2
Total	22.4

[1] Change in borrowing for all reasons, including causes other than economic assumptions.

tember 1981, the Administration proposed a 12% across-the-board reduction in the 1982 appropriations request for nondefense discretionary programs. Congress enacted about half of these savings, reducing 1982 outlays $4 billion from the March request. Outlays for defense programs were also reduced $2 billion due to a revised appropriation request proposed by the Administration in September. These decreases were almost entirely offset by congressional action or inaction on Administration proposals for reductions in entitlement programs, for new or increased user fees, and for other budget savings. Congress failed to enact $3 billion in entitlement savings and $2 billion in savings from user fees and other proposals.

Estimating differences and other changes increased 1982 outlays by $19 billion. Most of this increase was due to two reasons. The Commodity Credit Corporation spent $10 billion more for the support of agricultural commodities than expected mainly because of unanticipated increases in farm crop production and lower than expected demand for farm goods. Outer Continental Shelf offsetting receipts were less by $5 billion, due to lower than expected bids for leases and a delay in two sales from late 1982 until 1983.

COMPARISON OF RELATIVELY UNCONTROLLABLE OUTLAYS AND OF RECEIPTS

The Congressional Budget Act requires that the budget contain two comparisons between the initial budget estimates and the actual amounts for the last completed fiscal year: a comparison of

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the differences in relatively uncontrollable outlays by major program, and a comparison of the differences in receipts by major source. These comparisons are made for the 1982 budget in the following two sections. They are based on the *Fiscal Year 1982 Budget Revisions,* which this Administration transmitted to the Congress in March 1981 as its initial proposals for the fiscal year ending on September 30, 1982.

Comparison of relatively uncontrollable outlays.—Outlays in any one year are considered to be relatively uncontrollable when the program level is determined by existing statutes or by contracts or other obligations. Outlays for these programs generally depend on factors that are beyond administrative control under existing law at the start of the fiscal year. For example, the definition of beneficiaries eligible for programs like medicaid and social security is established by law. Prior-year contracts and obligations are also legally binding.

Relatively uncontrollable outlays are grouped into two major categories: open-ended programs and fixed costs, for which outlays are generally mandated by law; and payments from prior-year contracts and obligations, for which outlays are required because of previous action, such as entering into contracts. Budget estimates of relatively uncontrollable outlays do not include the effects of proposed legislation.

For a number of reasons, the amounts estimated in the budget may differ from the actual outlays that are subsequently realized. For example, legislation may change benefit rates or coverage; the actual number of beneficiaries may differ from the number estimated; and economic conditions (such as interest rates) may differ from what was assumed in making the estimates.

The following table shows the differences between actual outlays for relatively uncontrollable programs in 1982 and the amounts estimated in the 1982 budget revisions. The list of programs is the same as in table 18 (Controllability of Budget Outlays) in Part 9. Several categories include revisions in the program classifications, which are shown retroactively for the March 1981 estimates.

Actual outlays for relatively uncontrollable programs in 1982 were $548.4 billion, which is $27.4 billion, or 5.3%, higher than the estimates based on existing law in March 1981. Outlays for open-ended programs and fixed costs were $24.4 billion higher, and outlays from prior-year contracts and obligations were $3.0 billion above the initial estimate.

Payments for individuals were 77% of all open-ended programs and fixed costs in 1982. These outlays are essentially income transfers rather than payments for direct Federal operations. Actual outlays for this grouping were $1.3 billion lower than estimated. This was caused by legislative savings, partly offset by the net

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RELATIVELY UNCONTROLLABLE OUTLAYS FOR 1982

(In billions of dollars)

Relatively uncontrollable under present law	March 1981 estimate (existing law) [1]	Change	Actual
Open-ended programs and fixed costs:			
Payments for individuals:			
Social security and railroad retirement	163.1	−3.8	159.3
Federal employees' retirement and insurance	45.5	−1.0	44.5
(Military retired pay)	(15.7)	(−0.8)	(14.9)
(Other)	(29.8)	(−0.3)	(29.5)
Unemployment assistance	21.6	2.0	23.6
Medical care	66.5	1.3	67.8
Assistance to students	3.5	1.6	5.1
Food and nutrition assistance	4.0	−1.0	3.0
Public assistance and related programs	21.0	−0.3	20.7
All other relatively uncontrollable payments for individuals	3.0	−0.1	2.9
Subtotal, payments for individuals	**328.3**	**−1.3**	**327.0**
Net interest	68.4	16.3	84.7
General revenue sharing	4.6	*	4.6
Farm price supports (CCC)	2.1	9.5	11.6
Other open-ended programs and fixed costs	−0.8	−0.1	−0.9
Total, open-ended programs and fixed costs	**402.5**	**24.4**	**426.9**
Outlays from prior-year contracts and obligations:			
National defense	51.4	5.5	56.9
Civilian programs	67.1	−2.6	64.5
Total, outlays from prior-year contracts and obligations	**118.5**	**3.0**	**121.5**
Total, relatively uncontrollable outlays	**521.0**	**27.4**	**548.4**

*50 million or less.

[1] In 1982, a revision of the controllability classification resulted in some major reclassifications in the 1983 budget. This table has been adjusted to reflect these changes so that the comparisons from the original estimates to the actuals are meaningful. The principal changes were:

—housing assistance was reclassified from being in open-ended programs to being in prior-year contracts and obligations;

—food stamps, food donations, and section 32 commodities were classified as food and nutrition assistance and are now classified as relatively controllable outlays;

—social services and human development services were classified as public assistance and related programs and are now classified as relatively controllable, although part of their outlays are included under prior-year contracts and obligations;

—supplementary medical insurance premiums were reclassified from being budget (governmental) receipts to being offsetting collections and are included under other open-ended programs and fixed costs.

—outlays for the purchase of petroleum for the strategic petroleum reserve are now classified off-budget and are no longer included under prior-year contracts and obligations.

impact of differences between actual and assumed economic conditions and the number of beneficiaries. Actual payments for individuals were below the estimate for the first time in 3 years. In 1980 and 1981, actual outlays for these programs were above the estimate by $15.6 billion and $11.7 billion, respectively.

Outlays for social security and railroad retirement, the largest category of payments for individuals, were $3.8 billion lower than estimated. The orginal estimate assumed automatic benefit increases (based on inflation as measured by the Consumer Price Index) of 11.2 percent in July 1981 and 9.3 percent in July 1982. The actual increases were 11.2 percent and 7.4 percent, respectively. The original estimate also assumed that 36.5 million people

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would collect social security benefits in 1982. At mid-year the program was making monthly payments to only 36.2 million people.

Congressional enactment of changes in both the social security and railroad retirement programs also reduced outlays in 1982. Major changes in the social security program were the phase-out of post-secondary social security student benefits and restrictions on the lump sum death payment. The changes in the railroad retirement program included a provision to restructure industry pension benefits.

Outlays for Federal employees' retirement and disability insurance programs were $1.0 billion below the budget estimate. These programs consist of military retired pay, civilian employee retirement and disability, and veterans service-connected compensation. Except for veterans service-connected compensation, these benefits are indexed to the consumer price index. Outlays for the indexed programs were below the initial estimate, mainly because inflation was lower than expected in 1982. In addition, Congress adopted an Administration proposal limiting cost-of-living adjustments for military and civil service retirees to once each year.

Outlays for unemployment compensation programs were $2.0 billion above the initial estimate. This increase was the net result of a higher than assumed rate of unemployment and savings from enacted legislation. Higher than expected unemployment raised outlays by $4.5 billion but this increase was partially offset by congressional enactment of Administration proposals to concentrate extended benefits on States with high unemployment and to limit trade adjustment assistance to workers displaced for long periods by increased imports.

Outlays for medical care were $1.3 billion higher than estimated. Medicare outlays were $2.1 billion above the initial estimate largely because hospital costs increased at a rate faster than anticipated. Outlays for the medicaid program were $0.8 below the initial estimate because Congress enacted an Administration proposal to limit the growth in medicaid expenditures beginning in 1982.

Assistance to students consists of GI bill benefits and the guaranteed student loan program. Outlays for the guaranteed student loan program were $1.3 billion higher than the estimate due to the effect of higher interest rates than expected on the interest subsidy for student loans. A proposal enacted by Congress to restrict the benefits of this program to students from low-income families offset this increase by $0.1 billion in 1982. Use of GI benefits was greater than anticipated and accounts for $0.4 billion of the total $1.6 billion increase over estimated outlays for these programs.

Food and nutrition assistance includes the child nutrition and special milk programs. Outlays for these programs were $1.0 billion lower than estimated due to congressional enactment of legislation

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proposed by the Administration to reduce subsidies for middle and upper income students.

Public assistance and related programs include public assistance payments, supplemental security income, outlays for earned income tax credits, and veterans non-service-connected pensions. Outlays for these programs were $0.3 billion below the March 1981 estimate.

Uncontrollable outlays for all other payments for individuals were $0.1 billion lower than estimated, mostly because of lower than expected payments for black lung disabilities.

Open-ended programs and fixed costs, other than payments for individuals, account for most of the difference between estimated and actual relatively uncontrollable outlays. The largest difference was for net interest, where outlays were $16.3 billion—or 24%—higher than the original estimate. Interest on the public debt was $19.3 billion higher than assumed, largely because interest rates and Federal borrowing were higher than anticipated. The budget estimate assumed a 8.9% interest rate on 91-day Treasury bills for fiscal year 1982 whereas the actual 91-day rate averaged 11.8%. Interest received by trust funds, which is offset against interest costs to measure transactions with the public, was also $1.7 billion higher than the budget estimate due to higher than anticipated interest rates and despite lower trust fund balances.

Outlays for farm price supports were $9.5 billion above the initial estimate. This change was largely due to unanticipated increases in farm production and lower than expected prices for agricultural commodities.

Outlays for prior-year contracts and obligations for civilian and national defense programs were $3.0 billion above the initial estimate. National defense outlays were $5.5 billion—or 10.7%—above the estimate because of faster than anticipated spending in nearly all defense appropriation categories. Outlays for civilian programs were $2.6 billion, or 3.9%, lower than the initial estimate. The largest decreases from estimated to actual outlays for civilian programs were for the Export-Import Bank, and the Environmental Protection Agency's program for construction of sewage treatment plants.

Comparison of actual and estimated receipts.—Budget receipts in 1982 were $617.8 billion, which is $28.7 billion less than the $646.5 billion estimated in the revised budget transmitted to Congress in March 1981.

Lower than anticipated incomes and oil prices, and higher than expected interest rates, reduced receipts by a net $47.6 billion. This decrease was partially offset by changes in collections patterns and effective tax rates, which increased receipts by $5.1 billion. Differences in tax law from the legislation proposed in the budget revi-

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sions increased receipts by an additional $13.8 billion. These differences in tax law consist primarily of modifications of the proposals reflected in the revised budget and also of changes in law that were not proposed at that time.

Substantial reductions in individual income tax rates and business taxes were proposed in March 1981. These proposals, which included a 30% reduction in marginal tax rates for individuals and a system of accelerated depreciation, were expected to reduce 1982 receipts by $53.9 billion. Other proposals, which were estimated to increase 1982 receipts by $2.6 billion, included an increase in railroad retirement payroll taxes; increases in passport and visa fees; and increases in user fees for aviation and barge operators. Together, the March 1981 proposals were estimated to reduce 1982 receipts by $51.3 billion.

The Economic Recovery Tax Act of 1981 (ERTA), enacted on August 13, 1981, was the only major legislated tax change affecting 1982 receipts. The provisions of this Act included across-the-board reductions in marginal tax rates for individuals, an accelerated cost recovery system for capital investment, reductions in estate and gift taxes, and saving incentives. This Act and several minor legislated changes reduced 1982 receipts by $13.8 billion less than the Administration proposed.

COMPARISON OF ACTUAL 1982 BUDGET RECEIPTS WITH THE MARCH 1981 ESTIMATES

(In billions of dollars)

	March 1981 estimate	Differences in tax law from 1981 proposals	Revised incomes	Technical adjustments	Net change	Actual
Individual income taxes	288.2	16.9	−12.8	5.5	9.6	297.7
Corporation income taxes	62.4	0.8	−14.7	0.6	−13.2	49.2
Social insurance taxes and contributions	[1]210.6	−0.4	−8.8	*	−9.1	201.5
Excise taxes	55.7	−3.4	−12.9	−3.1	−19.4	36.3
Estate and gift taxes	7.6	−0.2	−0.1	0.7	0.4	8.0
Customs duties	7.8	0.2	−0.2	1.2	1.1	8.9
Miscellaneous receipts	14.2	−0.2	1.9	0.2	1.9	16.2
Total	**[1]646.5**	**13.8**	**−47.6**	**5.1**	**−28.7**	**617.8**

*$50 million or less.

[1] The data have been revised to reflect the retroactive reclassification of supplemental medical insurance (SMI) premiums and voluntary hospital insurance premiums, formerly classified as budget receipts, as offsets to outlays. These changes reduce the March 1981 receipts and outlays estimates by $3.9 billion, this having no impact on the deficit.

Individual income taxes were $297.7 billion in 1982, $9.6 billion greater than the budget estimate of $288.2 billion. Differences in tax law from the legislation proposed in March 1981 increased individual income tax receipts by $16.9 billion. This was partially offset by lower than anticipated personal incomes, which reduced individual income taxes by $12.8 billion. Different collection patterns and effective tax rates increased receipts by $5.5 billion.

Corporation income taxes were $13.2 billion below the March 1981 estimate. Substitution of the Economic Recovery Tax Act of

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1981 for the revised budget proposals increased corporation income taxes by $0.8 billion. This increase was more than offset by a $14.7 billion decline in corporation income taxes due to lower than anticipated corporate profits.

Social insurance taxes and contributions (which are composed of employment taxes and contributions, unemployment insurance receipts, and other retirement contributions) were $9.1 billion less than the March 1981 estimate of $210.6 billion. A decline in employment taxes and contributions, due in large part to lower than anticipated wages and salaries, accounts for $7.0 billion of the reduction in social insurance receipts. Lower than anticipated collections of unemployment insurance receipts, primarily due to an overestimate of State taxes deposited in the Treasury to finance unemployment benefits, reduced social insurance taxes and contributions by an additional $2.1 billion.

Reductions in the windfall profit tax, due in large part to lower oil prices than expected, accounted for $15.9 billion of the $19.4 billion decline in excise tax receipts. Inaction on the proposed increase in airport and airway user taxes until August 1982, and a reclassification of the proposed increase in inland waterway user fees as an offset to outlays, reduced other excise taxes by $2.1 billion.

Estate and gift taxes and customs duties were above the March 1981 estimates by $0.4 billion and $1.1 billion, respectively. An underestimate of imports accounted for most of the increase in customs duties receipts.

An increase in deposits of earnings by the Federal Reserve System, primarily reflecting higher interest rates than anticipated in March 1981, accounted for most of the $1.9 billion rise in miscellaneous receipts.

ALLOCATION OF WINDFALL PROFIT TAX RECEIPTS

Section 102 of the Crude Oil Windfall Profit Tax Act of 1980 requires that each year the President propose the allocation of net receipts from the tax in his budget.

This act establishes a Windfall Profit Tax Account in the Treasury "for accounting purposes only." After the Secretary of the Treasury has determined the amount of net receipts from the tax, they are to be allocated to the Windfall Profit Tax Account. Since the Conference Report accompanying the act stated explicitly that the net receipts from the tax "shall not be earmarked or invested separately from general revenues . . .", the allocations referred to in section 102 cannot be interpreted as earmarking funds for specific purposes.

The method for these allocations is prescribed by three formulas in subsections b(1), b(2), and b(3) of section 102. The allocations for

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1984 are compared in the following table with the amounts included in this budget for the functional categories referred to in the formula.

ALLOCATION OF WINDFALL PROFIT TAX, NET RECEIPTS, 1984

(In millions of dollars)

	Section 102 Formula	1984 Budget
Total net receipts	6,374	6,374
Allocation:		
Low-income assistance	1,594	[1] 18,688
Energy and transportation programs	956	[2] 20,555
Income tax reductions	3,824	.....
Total	**6,374**	**39,243**

[1] This amount is the total outlays for the other income security subfunction (609).
[2] This amount is the total outlays for all programs in the energy function (270) and the ground transportation subfunction (401).

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PART 7

THE BUDGET SYSTEM AND CONCEPTS

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THE BUDGET SYSTEM AND CONCEPTS

The budget system of the U.S. Government provides the framework within which decisions on resource allocation and program management are made in relation to the requirements of the Nation, availability of Federal resources, effective financial control, and accountability for use of the resources.

THE BUDGET PROCESS

The budget process has three main phases: (1) executive formulation and transmittal; (2) congressional action; and (3) budget execution and control. Each of these is interrelated with the others.

Executive formulation and transmittal.—The budget sets forth the President's financial plan and indicates his priorities for the Federal Government. The President's transmittal of his budget to the Congress early in each calendar year is the culmination of many months of planning and analysis throughout the executive branch.

Formulation of the 1984 budget began in the spring of 1982. The budget is formulated in the context of a multi-year budget planning and tracking system that extends coverage to the 4 years following the budget year and integrates long-range planning into the executive budget process. This multi-year budget planning system requires that broad fiscal goals and agency spending and employment targets be established beyond the budget year.

During the period when a budget is formulated in the executive branch, there is a continual exchange of information, proposals, evaluations, and policy decisions among the President, the Office of Management and Budget (OMB) and other Executive Office units, and the various Government agencies.

In the spring, program and policy issues are identified and budgetary projections are made, giving attention both to important modifications and innovations in programs and to alternative long-range program plans. These budgetary projections, including projections of estimated receipts prepared by the Department of the Treasury, are then presented to the President for his consideration, and the major issues are discussed. At about the same time, the President receives projections of the economic outlook that are prepared jointly by the Council of Economic Advisers, OMB, and the Treasury.

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Following a review of these projections, the President establishes general budget and fiscal policy guidelines. General policy directions and planning ceilings for both the fiscal year that will begin about 15 months later and for the 4 years beyond are then given to the agencies to govern the preparation of their budget requests.

Throughout the fall and early winter, the executive branch is involved in the development of the President's budget. The primary phase of the budget process involves the formulation and preparation of the President's budget for transmittal to the Congress. Budget determinations are made after detailed reviews of agency budget requests. These determinations are then provided to the agencies but may be revised as a result of later Presidential decisions. Fiscal policy issues—relating to total budget outlays and receipts—are reexamined. The effects of budget decisions on budget authority and outlays in the years that follow are also considered and are explicitly taken into account, consistent with the multiyear budget planning system. Thus, the budget formulation process involves the simultaneous consideration of the resource needs of individual programs and the total outlays and receipts that are appropriate in relation to current and prospective economic conditions.

The Congressional Budget Act of 1974 requires that current services estimates be transmitted to provide the Congress with a basis for reviewing the President's budget. These estimates are projections of budget authority and outlays required to continue Federal programs and activities in the upcoming fiscal year, without policy changes from the fiscal year in progress. The current services estimates are included in the President's budget to facilitate comparison with the budget estimates.[1]

Congressional action.—The Congress can act to approve, modify, or disapprove the President's budget proposals. It can change funding levels, eliminate proposals, or add programs not requested by the President. It also enacts legislation affecting taxes and other sources of receipts.

In making appropriations, the Congress does not vote on the level of outlays directly, but rather on budget authority. The Congress first enacts legislation that *authorizes* an agency to carry out a particular program and, in some cases, includes limits on the amount that can be appropriated for the program. Many programs are authorized for a specified number of years or indefinitely; other programs, such as most nuclear energy, space exploration, defense procurement, foreign affairs, and some construction programs, require annual authorizing legislation.

[1] See Special Analysis A, "Current Services Estimates."

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Provision of *budget authority* is usually a separate, subsequent action. Generally, budget authority becomes available each year only as voted by the Congress in appropriation acts. However, in a number of cases the Congress has voted permanent budget authority, under which funds become available annually without further Congressional action. Many trust fund appropriations are permanent, as are a number of Federal fund appropriations, such as the appropriation to pay interest on the public debt.

Congressional review of the budget begins when the President transmits his budget estimates to the Congress within 15 days after the start of each new session in January, as required by law. Occasionally, the transmittal date is modified by a joint resolution of the Congress. Under the procedures established by the Congressional Budget Act of 1974, the Congress considers budget totals before completing action on individual appropriations. The act requires each standing committee of the Congress to report on budget estimates to the House and Senate Budget Committees by March 15. It also requires the Congressional Budget Office to submit a fiscal policy report to the two budget committees. The Congress adopts the first concurrent budget resolution to guide the Congress in its subsequent consideration of appropriations and revenue measures. The first budget resolution, which is scheduled to be adopted by May 15, sets targets for total receipts and for budget authority and outlays, in total and by functional category. For the past three years, the Congress has enacted omnibus reconciliation legislation that reduced budget authority and outlays or increased revenues in response to directives in the concurrent budget resolution.

Congressional consideration of requests for appropriations and for changes in revenue laws occurs first in the House of Representatives. The Appropriations Committee, through its subcommittees, studies the proposals for appropriations and examines in detail each agency's performance. The Ways and Means Committee reviews proposed revenue measures. Each committee then recommends the action to be taken by the House of Representatives.

When the appropriation and tax bills are approved by the House, they are forwarded to the Senate, where a similar review process is followed. In case of disagreement between the two Houses of the Congress, a conference committee (consisting of Members of both bodies) meets to resolve the differences. The report of the conference committee is returned to both Houses for approval. When the measure is agreed to, first in the House and then in the Senate, it is ready to be transmitted to the President as an enrolled bill, for his approval or veto.

The Congressional Budget Act also calls for the Congress to adopt a second concurrent budget resolution by September 15. In

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1981, however, the second resolution simply endorsed the totals in the first resolution. In 1982, the first resolution provided that its amounts would remain in effect if Congress did not pass a second resolution. The September 15 target was originally set in anticipation of the enactment of all regular appropriations bills by that time.

After the second budget resolution is adopted, the Congressional Budget Act provides that Congress may not consider any spending or revenue legislation that would breach the totals specified in this resolution. The Congress may, however, adopt a new budget resolution changing the levels previously set or waive the requirement not to exceed the resolution totals.

If action on appropriations is not completed by the beginning of the fiscal year, the Congress enacts a *continuing resolution* to provide authority for the affected agencies to continue operations up to a specified date or until their regular appropriations are enacted.

Budget execution and control.—Once approved, the President's budget, as modified by the Congress, becomes the basis for the financial plan for the operations of each agency during the fiscal year. Under the law, most budget authority and other budgetary resources are made available to the agencies of the executive branch through an apportionment system. The Director of OMB apportions (distributes) appropriations and other budgetary resources to each agency by time periods or by activities, to ensure the effective use of available resources and to preclude the need for additional appropriations.

Changes in laws or other factors may indicate the need for additional appropriations during the year, and supplemental requests may have to be sent to the Congress. On the other hand, reserves may be established under certain circumstances to provide for contingencies or to effect savings made possible by changes in requirements or greater efficiency of operations. Amounts may also be withheld from obligation for policy or for other reasons. The Impoundment Control Act of 1974 provides that the executive branch, in regulating the rate of spending, must report to the Congress any deferrals or proposed rescissions of budget authority; that is, any effort through administrative action to postpone or eliminate spending provided by law.

COVERAGE OF THE BUDGET TOTALS

Agencies and programs.—The budget totals cover agencies and programs (including Government corporations) no matter how funded, except for the following off-budget Federal entities:

Rural electrification and telephone revolving fund

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Rural Telephone Bank
Board of Governors of the Federal Reserve System
SPR Petroleum Account
Federal Financing Bank
Postal Service fund
United States Railway Association [2]
United States Synthetic Fuels Corporation [3]

The off-budget Federal entities listed above are discussed in Part 6 of the Budget. Schedules and financial statements are presented in Part IV of the Budget Appendix. Except for the Federal Reserve Board, these data are also presented in selected tables throughout the budget documents.

The budget totals do not include transactions of privately owned, Government-sponsored enterprises, such as the Federal land banks and Federal home loan banks. However, these enterprises are discussed in Part 6 of the Budget, and financial statements are presented in Part VI of the Budget Appendix.

Functional classification.[4]—The functional classification arrays budgetary data according to the major purpose served by the unit being classified. In accordance with the Congressional Budget Act of 1974, the Congress must pass resolutions establishing budget targets by these functional categories.

The following criteria are used in establishing and in assigning activities to functional categories:

- A function must have a common end or ultimate purpose addressed to an important national need. (The emphasis is on what the Federal Government seeks to accomplish rather than the means of accomplishment, what is purchased, or the clientele or geographic area served.)
- A function must be of continuing national importance and the amounts attributable must be significant.
- Each basic unit of classification (generally the appropriation or fund account) is classified into the single best or predominant purpose and assigned to only one subfunction. However, when an account is large and serves more than one major purpose, it may be subdivided into two or more subfunctions.
- Activities and programs are normally classified by common purpose (or function) regardless of which agencies conduct the activities.

[2] Amounts made available for investments in Conrail securities, which comprise almost all of the Association's activity after 1977, are included in the budget totals.

[3] Cash requirements of the Corporation are met by borrowing from the Secretary of the Treasury. Such borrowing is financed by appropriations to the Secretary, and thus is reflected as budget authority and outlays within the budget totals.

[4] A complete discussion of this subject is also found in Part 5 of this volume.

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National needs presentation.—Section 601 of the Congressional Budget Act of 1974 requires that the budget for each fiscal year shall contain a presentation of budget authority, proposed budget authority, outlays, proposed outlays, and descriptive information in terms of—

(1) a detailed structure of national needs, which shall be used to reference all agency missions and programs;

(2) agency missions; and

(3) basic programs.

To meet that requirement of law, the functional classification was refined to focus more sharply on end purposes and accomplishments. Each major function is described in the context of national needs being served, and subfunctions are described in the context of major missions devoted to serving national needs. The national needs presentation can be found in Part 5 ("Meeting National Needs: the Federal Program by Function").

Types of funds.—Agency activities are financed through Federal funds and trust funds.

Federal funds are of several types. The *general fund* is credited with receipts not earmarked by law for a specific purpose and with the proceeds of general borrowing. It is charged with payments from appropriations. *Special funds* contain Federal receipts earmarked for specific purposes, other than for carrying out a cycle of operations. *Public enterprise* (revolving) *funds* finance a cycle of business-type operations in which outlays generate collections, primarily from the public. *Intragovernmental funds*, including revolving and management funds, finance operations within and between Government agencies and are credited with collections from other Government accounts. Intragovernmental revolving funds are credited with collections earmarked by law to carry out a cycle of business-type operations within and between Government agencies.

Trust funds are established to account for the receipt and expenditure of monies by the Government for carrying out specific purposes and programs in accordance with the terms of a statute or trust agreement. These monies are not available for the general purposes of the Government. *Trust revolving funds* are credited with trust-type collections earmarked by law to carry out a cycle of business-type operations.

Current expense and capital investment.—The budget includes spending for both current operating expenses and capital investment, such as the purchase of lands, structures, and equipment. It

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also includes capital investment in the form of lending and the purchase of investments.[5]

BUDGET AUTHORITY AND RELATED TRANSACTIONS

Budget authority.—Government agencies—whether or not they are included in the budget totals—are permitted to enter into obligations requiring either immediate or future payment of money only when they have been granted authority to do so by law. This authority is usually provided as budget authority. Collections specifically authorized to be credited to appropriation and fund accounts, while not scored as budget authority, are also available for obligation.

Budget authority permits *obligations* to be incurred. The amounts of budget authority requested are determined by the nature of the programs or projects being financed and the amount of other resources available for the purpose.

For activities such as operations and maintenance, entitlement programs, and continuing research programs, for which the cost depends upon the program level planned for a fiscal year, the amount of budget authority requested covers the obligations expected to be incurred during the year.

For most projects that are separate and distinct units, particularly direct Federal major procurement and construction projects, "full funding" is requested. That is, budget authority is requested in sufficient amounts at the time the project is initiated to complete it, regardless of the expected time of completion.

Budget authority usually takes the form of *appropriations,* which permit obligations to be incurred and payments to be made. Some budget authority is in the form of *contract authority,* which permits obligations in advance of appropriations but requires a subsequent appropriation or the collection of revenues to liquidate (pay) these obligations. There is also *authority to borrow;* such budget authority permits obligations to be incurred and liquidated by using funds that are borrowed, generally from the Treasury.

It is not in order for either House of the Congress to consider any bill, with certain exceptions, that provides new borrowing or contract authority unless that bill also provides that such new spending authority will be effective only to the extent or in such amounts as provided in appropriations acts.

Most appropriations for current operations are made available for obligation only during a specified fiscal year *(annual appropriations).* Some are for a specified longer period *(multiple-year appropriations).* Others, including most of those for construction, some

[5] Federal budgeting for capital purposes is discussed in Part 6 of this volume and additional information on these categories of outlays is provided in Special Analysis D, "Investment, Operating and Other Federal Outlays."

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for research, and many trust fund appropriations, are made available for obligation until the amount appropriated has been expended or until the objectives have been attained *(no-year appropriations).*

Budget authority can be made available by the Congress for obligation and disbursement during a fiscal year from a succeeding year's appropriation *(advance funding).* For many education programs, Congress provides *forward funding*—budget authority made available for obligation in one fiscal year for the financing of ongoing grant programs during the succeeding fiscal year. When advantageous to the Federal Government, an appropriation is provided by the Congress for use in a fiscal year, or more, beyond the fiscal year for which the appropriation act is passed *(advance appropriations).* Accounts in which budget authority is made available on these bases are listed in Part V of the Budget Appendix.

When budget authority is made available by the Congress for a specific period of time, any part that is not obligated during that period expires and cannot be used later. Congressional actions that continue the availability of unobligated amounts that have expired or would otherwise expire are known as *reappropriations.* The amounts involved are counted as new budget authority in the fiscal year of the legislation in which the reappropriation action is included, regardless of when the amounts were originally appropriated or when they would otherwise lapse.

A *rescission* is a legislative action that cancels new budget authority or unobligated balances previously available, prior to the time the authority would otherwise have expired. Rescissions are offset against new budget authority becoming available in arriving at the total of budget authority for each year. A *deferral* is an executive branch action or inaction—including the establishment of reserves under the Antideficiency Act—that delays the obligation and expenditure of funds within the year that the action is taken. Deferrals are not separately identified in the budget.

Most authority to obligate funds is enacted by the Congress during or immediately preceding the fiscal year in which it becomes available *(current authority).* Most current authority is granted year by year. Some budget authority in Federal funds and most budget authority in trust funds becomes available as the result of previously enacted legislation and does not require current action by the Congress *(permanent authority).* Such authority is presented as "current" in the year in which the legislation is enacted and "permanent" in succeeding years.

The amount of budget authority is usually stated specifically or in an amount stated as "not to exceed" a specific aggregate sum in the legislation that makes it available *(definite authority).* In some cases the legislation permits the amount to be determined by sub-

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sequent circumstances *(indefinite authority).* Examples of the latter type are authority to borrow that is limited only to the amount of borrowing that may be outstanding at any time, the appropriation for interest on the public debt, and the trust fund appropriation equal to receipts under the Federal Insurance Contributions Act (social security). Indefinite budget authority is recorded in the amount of receipts collected or estimated to be collected each year in the case of special and trust funds, and in the amount needed to finance obligations incurred or estimated to be incurred in the case of certain appropriations, contract authority, and authority to borrow.

Obligations incurred.—Following the enactment of budget authority and the completion of required apportionment action, obligations are incurred by Government agencies. Such obligations include the current liabilities for salaries, wages, and interest; agreements to make loans; contracts for the purchase of supplies and equipment, construction, and the acquisition of land; and other arrangements requiring the payment of money.

Outlays.—Obligations generally are liquidated by the issuance of checks or the disbursement of cash; such payments are called *outlays.* In lieu of issuing checks, obligations may also be liquidated (and outlays recorded) by the accrual of interest on Treasury debt securities held by the public; or by the issuance of bonds, debentures, or notes (or by increases in the redemption value of bonds or debentures outstanding). Payments for tax credits in excess of tax liabilities are treated as outlays rather than as an adjustment to budget receipts. Outlays during a fiscal year may be for payment of obligations incurred in prior years or in the same year. Outlays, therefore, flow in part from unexpended balances of prior year budget authority and in part from budget authority provided for the year in which the money is spent. Total budget outlays are stated net of offsetting collections and exclude outlays of off-budget Federal entities.

Balances of authority.[6]—Not all budget authority enacted for a fiscal year is obligated and paid out in the same year. In multiple-year or no-year accounts, budget authority that is still available for obligation *(unobligated balances)* may be carried forward for obligation in the following year. The *obligated* balance is that portion of the budget authority that has been obligated but not yet liquidated (paid). For example, in the case of salaries and wages, 1 to 3 weeks elapse between the time of obligation and the time of payment. In the case of major procurement and construction, payment may

[6] These balances may also include collections credited directly to appropriation or fund accounts.

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occur over several years. Obligated balances of budget authority are carried forward until the obligations are subsequently paid.[7]

Therefore, a change in the amount of budget authority for a given year does not necessarily result in a similar change in either the obligations incurred or the budget outlays of that same year. A change in budget authority in any one year may have an effect on obligations for 2 or more years, and may affect budget outlays for an even longer period.

Allocations between agencies.—In some cases, an agency may share in the administration of a program for which appropriations are made to another agency or to the President. This is made possible by the establishment of allocations from the "parent" account, that is, the account to which the appropriation was made. Obligations incurred under such allocations are included with the parent account in the Budget (without separate identification) and in the Budget Appendix (where the total obligations of each participating agency are identified separately under the parent account).

THE CREDIT BUDGET[8]

The credit budget is a presentation of direct loan obligations and guaranteed loan commitments that provides a framework for making planning and policy decisions on the amount of Federal credit to be extended. It also provides a means to analyze, evaluate, and control Federal credit activity. Development of the credit budget is integrated thoroughly with the executive budget process. The credit budget totals and the limitations on credit activity proposed for enactment in appropriations language are transmitted to the Congress as part of the President's budget.

Concepts used in the credit budget.—The credit budget totals are presented in two parts: total direct loan obligations and total guaranteed loan commitments. These totals are based on the following concepts:

- All direct loan and guaranteed loan activities of the Government are included. The credit budget makes no distinction between on-budget and off-budget Federal entities.
- The credit budget totals represent gross levels of credit activity, without offsets for repayments and other recoveries. By excluding recoveries, the credit budget measures the current level of program activity and enables control to be based on a

[7] Additional information on balances of budget authority is provided in a separate report, "Balances of Budget Authority," which is available from the National Technical Information Service, Department of Commerce, shortly after the budget is transmitted.

[8] The credit budget is shown by function in Part 5 and guaranteed loans are discussed in Part 6 of this volume. Credit schedules and proposed credit limitations in appropriations language are included in the Budget Appendix. Additional information is provided in Special Analysis F, "Federal Credit Programs."

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measure over which the Government has discretion—new extensions of credit.

- The credit budget is based on the amount of *obligations* incurred for direct loans and the amount of *commitments* for guaranteed loans. Obligations for direct loans result from agreements requiring the Government to disburse a loan immediately or at some future time. Commitments for guaranteed loans are agreements entered into by the Government to guarantee the repayment of outstanding principal and/or interest. Since guaranteed loan commitments, unlike direct loan obligations, do not require budget authority and do not require disbursements, the amounts are not included in the President's budget totals. They create Government liabilities of a contingent nature that generally result in obligations and outlays *only* in the event of a borrower default. Direct loan obligations and guaranteed loan commitments represent points at which control can most logically be exercised.
- The amount of guaranteed loans presented in the budget is calculated on the basis of the full principal amount of the loan involved, even though the guaranteed loan may extend to only a portion of the principal. This is done in order to represent the full amount of credit allocated to a particular purpose through a Federal lending program.

Limits on Federal credit programs.—Separate limitations on the amount of new direct loan obligations and commitments for guaranteed loans are proposed for enactment in the appropriations language for the accounts that support credit activities. These limitations, if enacted, place annual ceilings on credit programs that, in most cases, are otherwise relatively unlimited.

Appropriation bill limitations are proposed for about two-thirds of the credit budget totals. Exemptions are primarily for entitlements, emergency and disaster programs. These programs can be controlled, however, through changes in authorizing legislation.

Since initiation of the credit budget, Congress has voted nonbinding targets in the concurrent budget resolutions for total direct loan obligations and total guaranteed loan commitments. Actual control of credit program levels, however, remains with authorizing legislation and appropriations acts.

COLLECTIONS

In general.—Amounts collected by the Government are classified into two major categories:

- *Budget receipts,* which are compared with budget outlays in calculating the budget surplus or deficit.

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- *Offsetting collections,* which are deducted from gross disbursements in calculating budget outlays.

Budget receipts.—These are collections from the public that result from the exercise of the Government's sovereign or governmental powers. These collections, also called *governmental receipts,* consist primarily of tax receipts (including social insurance taxes), but also include receipts from court fines, certain licenses, and deposits of earnings by the Federal Reserve System. Gifts and contributions (as distinguished from payments for services or cost-sharing deposits by State and local governments) are also counted as budget receipts.

Offsetting collections.—These are collections from other Government accounts or the public that are of a business-type or market-oriented nature. They are classified into two major categories: *offsetting collections credited to appropriation or fund accounts* and *offsetting receipts* (that is, amounts deposited in receipt accounts). In general, the distinction between these two major categories is that collections credited to appropriation or fund accounts can be used, generally, without further action by the Congress, whereas amounts in receipt accounts cannot be used without being appropriated.

Offsetting collections are credited to appropriation or fund accounts in two circumstances:

- *Reimbursements.*—When authorized by law, amounts collected in advance or after materials or services are furnished (for example, advances received from the public to pay expenses of providing information under the Freedom of Information Act) are treated as reimbursements to appropriations. These collections are netted against obligations in determining outlays from such appropriations.
- *Revolving funds.*—In the three types of revolving funds—public enterprise, intragovernmental, and trust revolving—collections are netted against obligations, and outlays are determined accordingly.

Offsetting receipts, generally, are deducted from budget authority and outlays by function or subfunction and by agency. Offsetting receipts are subdivided into two categories, as follows:

- *Proprietary receipts from the public.*—These are collections from the public—deposited in receipt accounts of the general fund, special funds, or trust funds—that arise out of the business-type or market-oriented activities of the Government (for example, loan repayments, interest, sale of property and products, charges for nonregulatory services, and rents and royalties). Such collections are not counted as budget receipts but, rather, are offset against budget authority and outlays by

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agency and by function. However, in two cases—receipts from rents and royalties from Outer Continental Shelf lands and receipts from the sale of Federal surplus real property used to retire public debt—the deduction is from total budget authority and outlays for the Government as a whole rather than from any single agency or function.

- *Intragovernmental transactions.*—These are payments into receipt accounts from governmental appropriation or fund accounts. They are treated as offsets to budget authority and outlays, rather than as budget receipts. Intragovernmental transactions may be *intrabudgetary* (where the payment and receipt both occur within the budgetary universe) or result from *receipts from off-budget Federal entities* in those cases where the payment is made by a Federal entity whose budget authority and outlays are excluded from the budget totals. Intragovernmental transactions are deducted from both the outlays and the budget authority for the agency receiving the payment, with two exceptions. Intragovernmental transactions that involve agencies' payments (including payments by off-budget Federal entities) as employers into employee retirement trust funds and interest received by trust funds appear as special deduct lines in computing total budget authority and outlays for the Government.

  Intrabudgetary transactions are subdivided into three categories: (1) *interfund transactions,* where the payment is from one fund group (either Federal funds or trust funds) to a receipt account in the other fund group; (2) *Federal intrafund transactions,* where the payment and receipt both occur within the Federal fund group; and (3) *trust intrafund transactions,* where the payment and receipt both occur within the trust fund group.

OTHER TRANSACTIONS

Borrowing and repayments.—Borrowing and debt repayments are not treated as receipts or outlays. If they were, the budget could be balanced simply by borrowing. This rule applies both to borrowing in the form of public debt securities and to specialized borrowing in the form of agency securities, including the sale of certificates representing participation in a pool of loans. However, some sales of participation certificates, which otherwise would be treated as borrowing, are required by law to be treated as a sale of assets. This results in the proceeds of such sales being credited to an appropriation or fund account with a corresponding reduction in outlays and in the requirement for new budget authority.

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Exercise of the monetary power.—Seigniorage is the profit from coining money. It is the difference between the value of coins as money and their cost of production. Seigniorage on coins arises from the exercise of the Government's monetary powers and differs from receipts coming from the public, since there is no corresponding payment by another party. Therefore, seigniorage is excluded from receipts and treated as a means of financing a deficit or as a supplementary amount to be applied to reduce debt or to increase the cash in the Treasury in a year with a surplus. The increment (profit) resulting from the sale of gold as a monetary asset is treated like seigniorage, since the value of gold is determined by its value as a monetary asset rather than as a commodity.

Liabilities in deposit fund accounts.—Certain accounts outside the budget, known as deposit funds, are established to record amounts held in suspense temporarily (for example, proceeds from mineral leases on the Outer Continental Shelf to which title is in dispute) or held by the Government as agent for others (for example, State and local income taxes withheld from Federal employees' salaries and payroll deductions for the purchase of savings bonds by civilian employees of the Government). To the extent that transactions are conducted with nongovernment entities, Treasury's cash balances are affected, even though they are not a part of the budget. To the extent that deposit fund balances are not invested, changes in the amounts are treated as a means of financing.

Exchange of cash.—The Government's deposits with the International Monetary Fund are considered to be similar to cash assets. Therefore, the movement of money between the IMF and the Department of the Treasury is not considered in itself a receipt or an outlay, borrowing or lending. In a similar manner, the holdings of foreign currency by the Exchange Stabilization Fund are considered to be cash assets. Changes in these holdings are outlays only to the extent there is a realized loss and offsetting collections only to the extent there is a realized profit on the exchange.

BASIS FOR BUDGET FIGURES

In general.—Outlays usually are stated in terms of checks issued, including cash paid in lieu of checks, net of offsetting collections received. The accrual basis is used generally for interest on the public debt held by private investors; however, interest on the public debt held by trust and other Government accounts is stated on a cash basis. When debt securities are issued at a discount (or at a premium), the difference between the sales price and the redemption value is treated as interest and is accrued evenly over time in the account that issued the securities.

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Data for 1982.—The 1982 column of this budget generally presents the actual transactions and balances as recorded in agency accounts and as summarized in the central financial reports prepared by the Department of the Treasury.

Data for 1983.—Many of the regular appropriations acts for 1983 have been enacted. However, funding for activities covered by six appropriations bills (Labor, Health and Human Services, and Education and related agencies; Commerce, Justice, and State, the Judiciary, and related agencies; Treasury, Postal Service and General Government; Foreign Assistance and related programs; Energy and Water Development; and Department of Defense) was provided in a continuing resolution that is effective through September 30, 1983. Supplemental appropriations are proposed in the 1984 budget for various civilian agency pay raises, principally those of October 1982, and for additional amounts requested to meet unforseen program requirements.

Where the word "enacted" is used with reference to 1983 as in tables 1 and 5 of Part 9 of the Budget, the amount generally represents budget authority already voted by the Congress. For the budget accounts covered by the final 1983 continuing resolution, the amount is based on the full year effect of appropriations made available. In the case of indefinite appropriations, the enacted sums include the amounts likely to be required. Where the word "estimate" is used, the amounts include enacted budget authority and requested supplementals.

Data for 1984.—This budget includes complete estimates for 1984. Part I of the Budget Appendix generally includes the proposed appropriation language for the various items identified in the budget. In some instances, estimates are included in the budget schedules without appropriation language for 1983 and 1984. For these, proposed legislation may be required or the estimated amounts will be requested later when the requirements are known. In certain tables of the budget, the items for later transmittal and the related outlays are separately identified. Estimates of the total requirements for 1983 and 1984 include both the amounts formally requested and the amounts planned for later transmittal.

Data for 1985 through 1988.—To place emphasis on longer term objectives and plans consistent with the multi-year budget planning system, this budget presents estimates through 1988. These data often reflect specific Presidential policy determinations and are shown in a number of budget tables.

Allowances.—Lump sum allowances are included in the tables to cover expected additional changes.

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There are no allowances for civilian or military pay raises for 1984. For 1985 through 1988, allowances are included for pay raises for the civilian agencies. Separate allowances for pay raises, for 1985–1988, are shown for civilian and military personnel of the Department of Defense and for military personnel of the Coast Guard and are included in the figures for the Departments of Defense and Transportation, respectively.

An allowance for relatively uncontrollable programs is shown separately, as required by the Congressional Budget Act. The estimates for such programs are zero because the probability of net decreases or net increases for such programs is believed to be equal. Another allowance entitled, "Increased employing agency payments for employee retirement," contains an estimate of the cost of increasing the employer share of contributions to the civil service retirement trust fund.

Budget authority and outlays included in the allowance section are never appropriated as undistributed allowances, but rather indicate the estimated budget authority and outlays that may be requested.

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PART 8

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT

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EXPLANATORY NOTE

This tabulation contains information on budget authority (BA) and outlays (O) for each appropriation and fund account. The budget authority in this tabulation takes account of certain transfers between appropriations. All budget authority items are definite appropriations except where otherwise indicated. Also, budget authority and outlay data for off-budget Federal entities are presented at the end of this table. Within the Federal Financing Bank (FFB) presentation, there is a distribution of its budget authority and outlays to the accounts in the various agencies that are provided credit services by the FFB.

Functional code numbers are shown for each account as a cross reference to table 14, where the figures are summarized by functional classification. Types of funds in the budget and the deduct entries at the end of each chapter of this tabulation are explained in Part 7.

Congressional action in the appropriation process occasionally takes the form of a limitation on the use of a trust fund or other fund, or of an appropriation to liquidate contract authority. Amounts for such items, which do not affect budget authority, are included here in parentheses and identified in the stub column, but are not included in the totals.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch				
Senate				
Federal funds				
General and Special Funds:				
Compensation of Members, Senate 801				
Appropriation, current	BA	**6,932**	.....	.....
Appropriation, permanent, indefinite	BA	.....	**8,431**	**8,793**
Outlays	O	6,790	8,431	8,793
Total Compensation of Members, Senate	BA	**6,932**	**8,431**	**8,793**
	O	6,790	8,431	8,793
Mileage of the Vice President and Senators 801				
Appropriation, current	BA	.....	**60**	**60**
Outlays	O	.....	60	60
Expense allowances of the Vice President, President Pro Tempore, Majority and Minority Leaders and Majority and Minority Whips 801				
Appropriation, current	BA	**45**	**45**	**45**
Outlays	O	35	45	45
Salaries, officers and employees 801				
Appropriation, current	BA	**140,116**	**144,792**	**160,763**
			D **6,989**	
Outlays	O	128,819	151,781	160,763
Total Salaries, officers and employees	BA	**140,116**	**151,781**	**160,763**
	O	128,819	151,781	160,763
Office of the Legislative Counsel of the Senate 801				
Appropriation, current	BA	**1,087**	**1,155**	**1,314**
			D **47**	
Outlays	O	944	1,202	1,314
Total Office of the Legislative Counsel of the Senate	BA	**1,087**	**1,202**	**1,314**
	O	944	1,202	1,314
Office of Senate Legal Counsel 801				
Appropriation, current	BA	**508**	**508**	**555**
			D **12**	
Outlays	O	335	520	555
Total Office of Senate Legal Counsel	BA	**508**	**520**	**555**
	O	335	520	555
Expense allowance for the Secretary of the Senate, Sergeant at Arms, and Doorkeeper of the Senate and secretaries for the majority and 801				
Appropriation, current	BA	**8**	**8**	**8**
Outlays	O	6	8	8
Senate procedure 801				
Appropriation, current	BA	**5**	.....	.....
Outlays	O	5	.....	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Senate—Con.				
Senate policy committees 801				
Appropriation, current	BA	**1,634**	**1,634**	**1,715**
			[D] **78**	
Outlays	0	1,592	1,712	1,715
Total Senate policy committees	BA	**1,634**	**1,712**	**1,715**
	0	1,592	1,712	1,715
Automobiles and maintenance 801				
Appropriation, current	BA	**75**	**90**	**90**
Outlays	0	70	90	90
Inquiries and investigations 801				
Appropriation, current	BA	**43,200**	**43,199**	**45,698**
			[D] **1,764**	
Outlays	0	39,803	44,963	45,698
Total Inquiries and investigations	BA	**43,200**	**44,963**	**45,698**
	0	39,803	44,963	45,698
Folding documents 801				
Appropriation, current	BA	**134**	.....	.....
Outlays	0	121	51	.....
Miscellaneous items 801				
Appropriation, current	BA	**32,734**	**37,900**	**40,981**
			[A] **165**	
Outlays	0	33,887	37,900	40,981
			[A] 165	
Total Miscellaneous items	BA	**32,734**	**38,065**	**40,981**
	0	33,887	38,065	40,981
Postage stamps 801				
Appropriation, current	BA	**9**	**11**	**11**
Outlays	0	9	11	11
Stationery (revolving fund) 801				
Appropriation, current	BA	**43**	**131**	**39**
Outlays	0	60	131	39
Congressional use of foreign currency, Senate 801				
Appropriation, permanent	BA	**500**	.....	.....
Outlays	0	571	.....	.....
Public Enterprise Funds:				
Senate restaurant fund (revolving fund) 801				
Outlays	0	329	.....	.....
Recording studio (revolving fund) 801				
Outlays	0	−137	.....	.....
Senate barber shops (revolving fund) 801				
Outlays	0	−10	.....	.....
Total Federal funds Senate	BA	**227,030**	**247,019**	**260,072**
	0	213,229	247,070	260,072

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
House of Representatives				
Federal funds				
General and Special Funds:				
Payments to widows and heirs of deceased members of Congress 801				
Appropriation, current	BA	**121**	**61**	.....
Outlays	O	121	61	.....
Compensation of Members and related administrative expenses 801				
Appropriation, current	BA	**29,382**	.....	.....
Appropriation, permanent	BA	.....	**33,155**	**34,100**
Outlays	O	29,000	33,155	34,100
Total Compensation of Members and related administrative expenses	BA	**29,382**	**33,155**	**34,100**
	O	29,000	33,155	34,100
Mileage of Members 801				
Appropriation, current	BA	**210**	**210**	**210**
Outlays	O	112	202	210
House leadership offices 801				
Appropriation, current	BA	**2,705**	**2,726**	**2,915**
			[D] **167**	
Outlays	O	2,423	2,784	2,907
Total House leadership offices	BA	**2,705**	**2,893**	**2,915**
	O	2,423	2,784	2,907
Salaries, officers and employees 801				
Appropriation, current	BA	**40,897**	**41,959**	**44,639**
			[D] **1,753**	
Outlays	O	39,305	42,034	44,531
Total Salaries, officers and employees	BA	**40,897**	**43,712**	**44,639**
	O	39,305	42,034	44,531
Committee employees 801				
Appropriation, current	BA	**31,005**	**32,035**	**34,734**
			[D] **1,674**	
Outlays	O	30,540	32,428	34,625
Total Committee employees	BA	**31,005**	**33,709**	**34,734**
	O	30,540	32,428	34,625
Committee on Appropriations (Studies and Investigations) 801				
Appropriation, current	BA	**3,701**	**3,750**	**3,700**
Outlays	O	3,408	3,600	3,700
Committee on the Budget (Studies) 801				
Appropriation, current	BA	**218**	**276**	**299**
Outlays	O	213	265	298

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
House of Representatives—Con.				
Members' clerk hire 801				
Appropriation, current	BA	**143,890**	**143,953**	**150,233**
			[D] 5,966	
Outlays	0	143,868	147,040	150,107
Total Members' clerk hire	BA	**143,890**	**149,919**	**150,233**
	0	143,868	147,040	150,107
Allowances and expenses 801				
Appropriation, current	BA	**86,122**	**81,866**	**103,392**
			[A] 11,946	
			[D] 3,360	
Outlays	0	89,462	81,951	102,531
			[A] 11,946	
Total Allowances and expenses	BA	**86,122**	**97,172**	**103,392**
	0	89,462	93,897	102,531
Stationery (revolving fund) 801				
Outlays	0	588	−262	−262
Special and select committees 801				
Appropriation, current	BA	**42,135**	**42,000**	**44,000**
Outlays	0	35,613	40,000	44,000
Congressional use of foreign currency, House of Representatives 801				
Appropriation, permanent	BA	**1,900**	**1,500**	**1,500**
Outlays	0	1,210	1,500	1,500
Public Enterprise Funds:				
House of Representatives restaurant fund (revolving fund) 801				
Outlays	0	135	255	255
Recording studio (revolving fund) 801				
Outlays	0	−751	167	167
Beauty shop (revolving fund) 801				
Outlays	0	−10	10	10
House barber shops (revolving fund) 801				
Outlays	0	4	−4	−4
Office of the attending physician (revolving fund) 801				
Outlays	0	.....	−1	−1
Total Federal funds House of Representatives	BA	**382,286**	**408,357**	**419,722**
	0	375,241	397,131	418,674
Joint Items				
Federal funds				
General and Special Funds:				
Joint Economic Committee 801				
Appropriation, current	BA	**2,305**	**2,327**	**2,487**
			[D] 60	
Outlays	0	2,127	2,387	2,487
Total Joint Economic Committee	BA	**2,305**	**2,387**	**2,487**
	0	2,127	2,387	2,487

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Joint Items—Con.				
Joint Committee on Printing 801				
Appropriation, current	BA	**816**	**816**	**855**
			[D] **39**	
Outlays	O	767	855	855
Total Joint Committee on Printing	BA	**816**	**855**	**855**
	O	767	855	855
Statements of appropriations, Senate 801				
Appropriation, current	BA	**6**	**6**	**6**
Outlays	O		6	6
Joint Committee on Taxation 801				
Appropriation, current	BA	**3,136**	**3,233**	**3,395**
			[D] **144**	
Outlays	O	2,569	3,248	3,392
Total Joint Committee on Taxation	BA	**3,136**	**3,377**	**3,395**
	O	2,569	3,248	3,392
Office of the Attending Physician 801				
Appropriation, current	BA	**603**	**633**	**646**
			[A] **3**	
Outlays	O	577	608	645
			[A] 3	
Total Office of the Attending Physician	BA	**603**	**636**	**646**
	O	577	611	645
General expenses, Capitol police 801				
Appropriation, current	BA	**887**	**945**	**1,612**
Outlays	O	919	907	1,586
Capitol Police Board 801				
Appropriation, current	BA	**628**	**305**	**213**
Outlays	O	288	305	213
Education of pages 801				
Appropriation, current	BA	**255**	**271**	**295**
			[D] **22**	
Outlays	O	226	282	295
Total Education of pages	BA	**255**	**293**	**295**
	O	226	282	295
Official mail costs 801				
Appropriation, current	BA	**75,095**	**55,196**	**107,077**
			[A] **25,042**	
Outlays	O	96,990	55,196	102,794
			[A] 25,042	
Total Official mail costs	BA	**75,095**	**80,238**	**107,077**
	O	96,990	80,238	102,794

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Joint Items—Con.				
Capitol Guide Service 801				
Appropriation, current	BA	**734**	**734**	**775**
			[D] **31**	
Outlays	O	660	765	775
Total Capitol Guide Service	BA	**734**	**765**	**775**
	O	660	765	775
Statements of appropriations, House of Representatives 801				
Appropriation, current	BA	**7**	**7**	**7**
Outlays	O	.....	7	7
Total Federal funds Joint Items	BA	**84,472**	**89,814**	**117,368**
	O	105,123	89,611	113,055
Congressional Budget Office				
Federal funds				
General and Special Funds:				
Salaries and expenses 801				
Appropriation, current	BA	**13,226**	**14,825**	**16,751**
			[D] **448**	
Outlays	O	13,632	14,963	16,390
Total Salaries and expenses	BA	**13,226**	**15,273**	**16,751**
	O	13,632	14,963	16,390
Architect of the Capitol				
Federal funds				
General and Special Funds:				
Office of the Architect of the Capitol: Salaries 801				
Appropriation, current	BA	**3,897**	**4,301**	**4,829**
			[C] **26**	
			[D] **191**	
Outlays	O	3,755	4,514	4,775
Total Office of the Architect of the Capitol	BA	**3,897**	**4,518**	**4,829**
	O	3,755	4,514	4,775
Contingent expenses 801				
Appropriation, current	BA	**210**	**210**	**210**
Outlays	O	150	480	210
Capitol buildings 801				
Appropriation, current	BA	**10,330**	**9,998**	**11,100**
			[C] **221**	
			[D] **40**	
Outlays	O	8,380	11,292	11,270
Total Capitol buildings	BA	**10,330**	**10,259**	**11,100**
	O	8,380	11,292	11,270

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Architect of the Capitol—Con.				
Capitol grounds 801				
Appropriation, current	BA	**2,480**	**4,921** [C] **87** [D] **3**	**3,199**
Outlays	0	2,454	4,092	4,121
Total Capitol grounds	BA	**2,480**	**5,011**	**3,199**
	0	2,454	4,092	4,121
West central front of the Capitol 801				
Outlays	0	.....	124	.....
Congressional cemetery 801				
Appropriation, current	BA	.....	**300**	.....
Outlays	0	.....	200	100
Master plan for future development of the Capitol grounds and related areas 801				
Outlays	0	[2]	6	.....
Acquisition of property as an addition to the Capitol grounds 801				
Appropriation, current	BA	.....	**4,500**	.....
Outlays	0	11,300	4,698	.....
Senate office buildings 801				
Appropriation, current	BA	**15,051**	**20,308** [A] **8,000** [C] **531**	**17,540**
Outlays	0	12,734	21,652	19,432 [A] 8,000
Total Senate office buildings	BA	**15,051**	**28,839**	**17,540**
	0	12,734	21,652	27,432
Construction of an extension to the New Senate Office Building 801				
Outlays	0	23,271	13,549	2,934
Senate garage 801				
Appropriation, current	BA	**99**	.....	.....
Outlays	0	95	2	.....
House office buildings 801				
Appropriation, current	BA	**20,099**	**20,367** [A] **275** [C] **707**	**22,181**
Outlays	0	19,077	22,837 [A] 275	20,979
Total House office buildings	BA	**20,099**	**21,349**	**22,181**
	0	19,077	23,112	20,979
Acquisition of property, construction, and equipment, additional House Office Building 801				
Outlays	0	.....	79	.....
Installation of solar collectors in House office buildings 801				
Outlays	0	359	1,029	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Architect of the Capitol—Con.				
Capitol Power Plant 801				
Appropriation, current	BA	**22,222**	**23,100** [C] **138**	**23,867**
Outlays	0	18,792	24,906	24,149
Total Capitol Power Plant	BA	**22,222**	**23,238**	**23,867**
	0	18,792	24,906	24,149
Expansion of facilities, Capitol Power Plant 801				
Outlays	0	26	97	.....
Modifications and enlargement, Capitol Power Plant 801				
Outlays	0	2,803	2,397	825
Alterations and improvements, buildings and grounds, to provide facilities for the physically handicapped 801				
Outlays	0	61	736	700
Structural and mechanical care, Library buildings and grounds 801				
Appropriation, current	BA	**8,785**	**5,071** [C] **157**	**5,260**
Outlays	0	5,303	8,159	6,204
Total Structural and mechanical care, Library buildings and grounds	BA	**8,785**	**5,228**	**5,260**
	0	5,303	8,159	6,204
Library of Congress James Madison Memorial Building 801				
Outlays	0	1,317	702	.....
Total Federal funds Architect of the Capitol	BA	**83,173**	**103,452**	**88,186**
	0	109,879	121,826	103,699
Library of Congress				
Federal funds				
General and Special Funds:				
Salaries and expenses 503				
Appropriation, current	BA	**115,301**	**120,303** [C] **225** [D] **4,212**	**129,998**
Outlays	0	109,235	130,681	130,378
Total Salaries and expenses	BA	**115,301**	**124,740**	**129,998**
	0	109,235	130,681	130,378
Copyright Office: Salaries and expenses 376				
Appropriation, current	BA	**9,627**	**10,477** [D] **680**	**10,999**
Outlays	0	9,221	10,890	10,987
Total Copyright Office	BA	**9,627**	**11,157**	**10,999**
	0	9,221	10,890	10,987

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Library of Congress—Con.				
Congressional Research Service: Salaries and expenses 801				
Appropriation, current	BA	**31,605**	**33,851** [D] **1,689**	**38,950**
Outlays	0	30,876	35,174	38,673
Total Congressional Research Service	BA	**31,605**	**35,540**	**38,950**
	0	30,876	35,174	38,673
Books for the blind and physically handicapped: Salaries and expenses 503				
Appropriation, current	BA	**33,221**	**33,384** [C] **11** [D] **159**	**35,691**
Outlays	0	29,592	32,938	33,662
Total Books for the blind and physically handicapped	BA	**33,221**	**33,554**	**35,691**
	0	29,592	32,938	33,662
Collection and distribution of library materials (special foreign currency program) 503				
Appropriation, current	BA	**4,405**	**4,438** [D] **18**	**4,462**
Outlays	0	3,364	4,980	5,669
Total Collection and distribution of library materials (special foreign currency program)	BA	**4,405**	**4,456**	**4,462**
	0	3,364	4,980	5,669
Furniture and furnishings 503				
Appropriation, current	BA	**1,089**	**1,226**	**1,657**
Outlays	0	2,720	1,552	1,691
Payments to copyright owners 376				
Appropriation, permanent, indefinite	BA	**33,768**	**36,239**	**37,758**
Outlays	0	17,996	53,643	36,396
Oliver Wendell Holmes devise fund 503				
Appropriation, permanent, indefinite	BA	**3**	**5**	**6**
Outlays	0	10	10	10
Trust funds				
Gift and trust fund accounts 503				
Appropriation, permanent, indefinite	BA	**6,954**	**7,606**	**7,452**
Outlays	0	6,360	8,014	7,701
Total Federal funds Library of Congress	BA	**229,019**	**246,917**	**259,521**
	0	203,014	269,868	257,466
Total Trust funds Library of Congress	BA	**6,954**	**7,606**	**7,452**
	0	6,360	8,014	7,701

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Government Printing Office				
Federal funds				
General and Special Funds:				
Printing and binding 801				
Appropriation, current	BA	**17,888**	**12,791**	**14,571**
Outlays	0	16,820	14,406	14,505
Congressional printing and binding 801				
Appropriation, current	BA	**84,843**	**81,747**	**89,537**
Outlays	0	72,920	69,698	80,153
Office of Superintendent of Documents: Salaries and expenses 806				
Appropriation, current	BA	**27,120**	**27,291**	**25,738**
Outlays	0	25,315	27,014	26,650
Acquisition of site and general plans and designs of buildings 806				
Outlays	0	4,600	.....	.....
Intragovernmental Funds:				
Government Printing Office revolving fund 806				
Outlays	0	−28,418	−1,335	−2,237
Total Federal funds Government Printing Office...	BA	**129,851**	**121,829**	**129,846**
	0	91,237	109,783	119,071
General Accounting Office				
Federal funds				
General and Special Funds:				
Salaries and expenses 801				
Appropriation, current	BA	**236,000**	**244,900**	**269,625**
			D 9,350	
Outlays	0	229,827	249,957	265,248
Total Salaries and expenses	BA	**236,000**	**254,250**	**269,625**
	0	229,827	249,957	265,248
United States Tax Court				
Federal funds				
General and Special Funds:				
Salaries and expenses 752				
Appropriation, current	BA	**12,471**	**14,000**	**16,871**
			D 517	
Outlays	0	11,360	14,471	16,818
Total Salaries and expenses	BA	**12,471**	**14,517**	**16,871**
	0	11,360	14,471	16,818
Trust funds				
Tax Court judges survivors annuity fund 602				
Appropriation, permanent, indefinite	BA	**187**	**205**	**225**
Outlays	0	39	76	79

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.				
Other Legislative Branch Agencies				
Federal funds				
General and Special Funds:				
Commission on Security and Cooperation in Europe: Salaries and expenses 801				
Appropriation, current	BA	**404**	**550**	**550**
Outlays	0	472	552	630
Botanic Garden: Salaries and expenses 801				
Appropriation, current	BA	**2,351**	**1,827**	**2,043**
			[C]**70**	
Outlays	0	1,801	2,383	2,029
Total Botanic Garden	BA	**2,351**	**1,897**	**2,043**
	0	1,801	2,383	2,029
Copyright Royalty Tribunal: Salaries and expenses 376				
Appropriation, current	BA	**487**	**449**	**480**
			[D]**35**	
Outlays	0	470	470	478
Total Copyright Royalty Tribunal	BA	**487**	**484**	**480**
	0	470	470	478
Cost-Accounting Standards Board: Salaries and expenses 801				
Outlays	0	1	.....	.....
Temporary Commission on Financial Oversight of the District of Columbia: Salaries and expenses 801				
Outlays	0	—229	6	.....
Office of Technology Assessment: Salaries and expenses 801				
Appropriation, current	BA	**12,169**	**12,575**	**14,600**
			[D]**346**	
Outlays	0	11,394	13,688	14,810
Total Office of Technology Assessment	BA	**12,169**	**12,921**	**14,600**
	0	11,394	13,688	14,810
Trust funds				
Office of Technology Assessment: Contributions and donations 801				
Appropriation, permanent, indefinite	BA	**2**	**2**	**3**
Outlays	0	2	2	3
Total Federal funds Other Legislative Branch Agencies	BA	**15,411**	**15,852**	**17,673**
	0	13,909	17,099	17,947
Total Trust funds Other Legislative Branch Agencies	BA	**2**	**2**	**3**
	0	2	2	3

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Legislative Branch—Con.					
Summary					
Federal funds:					
(As shown in detail above)		BA	**1,412,939**	**1,517,280**	**1,595,635**
		O	1,366,451	1,531,779	1,588,440
Deductions for offsetting receipts:					
Intrafund transactions	803	BA			
		O	*−656*	*−485*	*−480*
	908	BA			
		O	*−524*	*−2,844*	*−2,964*
Proprietary receipts from the public	503	BA			
		O	*−529*	*−528*	*−528*
	801	BA			
		O	*−3,893*	*−3,616*	*−3,677*
Total Federal funds		BA	**1,407,337**	**1,509,807**	**1,587,986**
		O	1,360,849	1,524,306	1,580,791
Trust funds:					
(As shown in detail above)		BA	**7,143**	**7,813**	**7,680**
		O	6,401	8,092	7,783
Deductions for offsetting receipts:					
Proprietary receipts from the public	503	BA			
		O	*−4,539*	*−5,021*	*−5,248*
	908	BA			
		O	*−221*	*−322*	*−145*
Total Trust funds		BA	**2,383**	**2,470**	**2,287**
		O	1,641	2,749	2,390
Total Legislative Branch		BA	**1,409,720**	**1,512,277**	**1,590,273**
		O	1,362,490	1,527,055	1,583,181
The Judiciary					
Supreme Court of the United States					
Federal funds					
General and Special Funds:					
Salaries and expenses	752				
Appropriation, current		BA	**11,635**	**12,675** [D] **480**	**13,678**
Outlays		O	11,702	12,593	13,178
Total Salaries and expenses		BA	**11,635**	**13,155**	**13,678**
		O	11,702	12,593	13,178
Care of the building and grounds	752				
Appropriation, current		BA	**1,654**	**2,000** [C] **36**	**1,971**
Outlays		O	1,759	2,805	1,952
Total Care of the building and grounds		BA	**1,654**	**2,036**	**1,971**
		O	1,759	2,805	1,952

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
The Judiciary—Con.				
Supreme Court of the United States—Con.				
Acquisition of property as an addition to the grounds of the Supreme Court building 752				
Outlays	0	613	32	.....
Total Federal funds Supreme Court of the United States	BA	**13,289**	**15,191**	**15,649**
	0	14,074	15,430	15,130
United States Court of Appeals for the Federal Circuit				
Federal funds				
General and Special Funds:				
Salaries and expenses 752				
Appropriation, current	BA	.....	**4,309**	**5,994**
		.....	**D 146**	
Outlays	0	.....	4,244	5,911
Total Salaries and expenses	BA	.....	**4,455**	**5,994**
	0	.....	4,244	5,911
Court of Customs and Patent Appeals				
Federal funds				
General and Special Funds:				
Salaries and expenses 752				
Appropriation, current	BA	**2,008**	.....	.....
Outlays	0	1,979	79	.....
United States Court of International Trade				
Federal funds				
General and Special Funds:				
Salaries and expenses 752				
Appropriation, current	BA	**5,286**	**5,372**	**5,900**
			D 180	
Outlays	0	5,086	5,489	5,880
Total Salaries and expenses	BA	**5,286**	**5,552**	**5,900**
	0	5,086	5,489	5,880
Court of Claims				
Federal funds				
General and Special Funds:				
Salaries and expenses 752				
Appropriation, current	BA	**6,170**	.....	.....
Outlays	0	5,768	381	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
The Judiciary—Con.				
Courts of Appeals, District Courts, and other Judicial Services				
Federal funds				
General and Special Funds:				
Salaries of judges 752				
Appropriation, current	BA	**62,300**	**64,500**	**69,880**
			[A] 1,400	
			[D] 2,510	
Outlays	0	62,236	67,010	69,880
			[A] 1,400	
Total Salaries of judges	BA	**62,300**	**68,410**	**69,880**
	0	62,236	68,410	69,880
Salaries of supporting personnel 752				
Appropriation, current	BA	**276,300**	**294,000**	**330,420**
			[A] 2,450	
			[D] 16,800	
Outlays	0	273,791	308,827	329,648
			[A] 2,356	[A] 94
Total Salaries of supporting personnel	BA	**276,300**	**313,250**	**330,420**
	0	273,791	311,183	329,742
Defender services 752				
Appropriation, current	BA	**28,670**	**32,215**	**38,290**
			[A] 2,400	
			[D] 700	
Outlays	0	28,459	31,436	36,158
			[A] 1,653	[A] 747
Total Defender services	BA	**28,670**	**35,315**	**38,290**
	0	28,459	33,089	36,905
Fees of jurors and commissioners 752				
Appropriation, current	BA	**39,000**	**42,500**	**43,500**
Outlays	0	39,416	43,220	44,355
Expenses of Operation and Maintenance of the Courts 752				
Appropriation, current	BA	**55,600**	**65,000**	**76,540**
Outlays	0	49,576	66,648	75,040
Salaries and expenses of magistrates 752				
Outlays	0	1,175	−20	.....
Bankruptcy courts, salaries and expenses 752				
Appropriation, current	BA	**84,700**	**89,000**	**104,280**
			[A] 2,000	
			[D] 4,100	
Outlays	0	80,813	92,813	102,498
			[A] 750	[A] 1,250
Total Bankruptcy courts, salaries and expenses	BA	**84,700**	**95,100**	**104,280**
	0	80,813	93,563	103,748
Services for drug dependent offenders 752				
Appropriation, current	BA	**3,750**	**4,000**	**5,000**
Outlays	0	2,931	3,840	4,827

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
The Judiciary—Con.					
Courts of Appeals, District Courts, and other Judicial Services—Con.					
Space and facilities	752				
Appropriation, current		BA	**116,950**	**132,412**	**168,490**
Outlays		0	112,049	131,169	163,620
Furniture and furnishings	752				
Outlays		0	347	611	125
Court security	752				
Appropriation, current		BA	.....	**12,000**	**16,250**
Outlays		0	.....	12,000	16,250
Speedy trial planning	752				
Outlays		0	3	.....	.....
Special rail reorganization court	752				
Outlays		0	192	548	242
Total Federal funds Courts of Appeals, District Courts, and other Judicial Services		BA	**667,270**	**767,987**	**852,650**
		0	650,988	764,261	844,734
Administrative Office of the United States Courts					
Federal funds					
General and Special Funds:					
Salaries and expenses	752				
Appropriation, current		BA	**20,750**	**23,406** **[D] 860**	**27,550**
Outlays		0	19,832	23,547	27,092
Total Salaries and expenses		BA	**20,750**	**24,266**	**27,550**
		0	19,832	23,547	27,092
Federal Judicial Center					
Federal funds					
General and Special Funds:					
Salaries and expenses	752				
Appropriation, current		BA	**7,770**	**7,618** **[D] 171**	**9,282**
Outlays		0	7,107	7,420	8,913
Total Salaries and expenses		BA	**7,770**	**7,789**	**9,282**
		0	7,107	7,420	8,913
Bicentennial Expenses, The Judiciary					
Federal funds					
General and Special Funds:					
Bicentennial activities	806				
Outlays		0	16	40	40

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
The Judiciary—Con.					
Judiciary Trust Funds					
Trust funds					
Judicial survivors' annuities fund	602				
Appropriation, permanent, indefinite		BA	**10,200**	**11,466**	**12,317**
Outlays		0	4,068	4,268	4,444
Summary					
Federal funds:					
(As shown in detail above)		BA	**722,543**	**825,240**	**917,025**
		0	704,850	820,891	907,700
Deductions for offsetting receipts:					
Proprietary receipts from the public	750	BA			
		0	*—4,198*	*—4,293*	*—4,353*
	908	BA			
		0	*—383*	*—380*	*—380*
Total Federal funds		BA	**717,962**	**820,567**	**912,292**
		0	700,269	816,218	902,967
Trust funds:					
(As shown in detail above)		BA	**10,200**	**11,466**	**12,317**
		0	4,068	4,268	4,444
Interfund transactions	602	BA			
		0	**730**	.....	.....
Total The Judiciary		BA	**728,892**	**832,033**	**924,609**
		0	705,067	820,486	907,411
Executive Office of the President					
Compensation of the President					
Federal funds					
General and Special Funds:					
Compensation of the President	802				
Appropriation, current		BA	**250**	**250**	**250**
Outlays		0	244	282	250
The White House Office					
Federal funds					
General and Special Funds:					
Salaries and expenses	802				
Appropriation, current		BA	**19,652**	**21,300**	**23,413**
				D **640**	
Outlays		0	19,709	21,898	23,455
Total Salaries and expenses		BA	**19,652**	**21,940**	**23,413**
		0	19,709	21,898	23,455

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Executive Office of the President—Con.				
Executive Residence at the White House				
Federal funds				
General and Special Funds:				
Operating expenses 802				
Appropriation, current	BA	**3,650**	**3,800**	**4,550**
			[C]63	
			[D]86	
Outlays	0	3,586	3,850	4,500
Total Operating expenses	BA	**3,650**	**3,949**	**4,550**
	0	3,586	3,850	4,500
Official Residence of the Vice President				
Federal funds				
General and Special Funds:				
Operating expenses 802				
Appropriation, current	BA	**178**	**281**	**262**
Outlays	0	84	361	275
Special Assistance to the President				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**1,433**	**1,475**	**1,593**
			[D]31	
Outlays	0	1,498	1,460	1,546
Total Salaries and expenses	BA	**1,433**	**1,506**	**1,593**
	0	1,498	1,460	1,546
Council of Economic Advisers				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**1,985**	**2,100**	**2,464**
			[D]77	
Outlays	0	2,103	2,172	2,469
Total Salaries and expenses	BA	**1,985**	**2,177**	**2,464**
	0	2,103	2,172	2,469
Council on Environmental Quality and Office of Environmental Quality				
Federal funds				
General and Special Funds:				
Council on Environmental Quality and Office of Environmental Quality 802				
Appropriation, current	BA	**936**	**926**	**913**
Outlays	0	1,957	1,912	915

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Executive Office of the President—Con.				
Council on Wage and Price Stability				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Outlays	0	80	1	
Office of Policy Development				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**2,604**	**2,600**	**2,861**
			[D] **112**	
Outlays	0	2,753	2,731	2,891
Total Salaries and expenses	BA	**2,604**	**2,712**	**2,861**
	0	2,753	2,731	2,891
National Security Council				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**3,557**	**3,900**	**4,497**
			[D] **164**	
Outlays	0	3,488	3,985	4,420
Total Salaries and expenses	BA	**3,557**	**4,064**	**4,497**
	0	3,488	3,985	4,420
Office of Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**11,912**	**12,904**	**14,900**
			[D] **204**	
Outlays	0	11,965	12,714	14,454
Total Salaries and expenses	BA	**11,912**	**13,108**	**14,900**
	0	11,965	12,714	14,454
Office of Management and Budget				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**33,522**	**33,000**	**39,643**
			[A] **669**	
			[D] **1,318**	
				[J] **—675**
Outlays	0	34,142	34,579	39,193
			[A] 669	
				[J] —675
Total Salaries and expenses	BA	**33,522**	**34,987**	**38,968**
	0	34,142	35,248	38,518

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Executive Office of the President—Con.				
Office of Management and Budget—Con.				
Office of Federal Procurement Policy: Salaries and expenses 802				
Appropriation, current	BA	**2,429**	**2,400**	**2,714**
			[D] **95**	
				[J] **—969**
Outlays	0	2,635	2,823	2,770
				[J] —959
Total Office of Federal Procurement Policy	BA	**2,429**	**2,495**	**1,745**
	0	2,635	2,823	1,811
Summary				
Federal funds:				
(As shown in detail above)	BA	**35,951**	**37,482**	**40,713**
	0	36,777	38,071	40,329
Deductions for offsetting receipts:				
Proprietary receipts from the public 802	BA			
	0	*—55*	*—20*	*—20*
Total Office of Management and Budget	BA	**35,896**	**37,462**	**40,693**
	0	36,722	38,051	40,309
Office of Science and Technology Policy				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**1,576**	**1,839**	**2,088**
			[D] **73**	
Outlays	0	1,501	1,982	2,091
Total Salaries and expenses	BA	**1,576**	**1,912**	**2,088**
	0	1,501	1,982	2,091
Office of the United States Trade Representative				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	**9,188**	**10,100**	.....
				[K] **11,647**
			[D] **409**	
Outlays	0	8,984	10,300	11,400
Total Salaries and expenses	BA	**9,188**	**10,509**	**11,647**
	0	8,984	10,300	11,400
Property Review Board				
Federal funds				
General and Special Funds:				
Salaries and expenses 802				
Appropriation, current	BA	.....	**445**	**415**
Outlays	0	.....	413	386

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Executive Office of the President—Con.					
Special Action Office for Drug Abuse Prevention					
Federal funds					
General and Special Funds:					
Salaries and expenses	554				
Outlays		0		12	
Special fund for drug abuse	554				
Outlays		0	1	66	
Total Federal funds Special Action Office for Drug Abuse Prevention		0	1	78	
Summary					
Federal funds:					
(As shown in detail above)		BA	**92,872**	**101,261**	**110,566**
		0	94,730	102,210	109,381
Deductions for offsetting receipts:					
Proprietary receipts from the public	802	BA			
		0	*−55*	*−20*	*−20*
Total Executive Office of the President		BA	**92,817**	**101,241**	**110,546**
		0	94,675	102,190	109,361
Funds Appropriated to the President					
Appalachian Regional Development Programs					
Federal funds					
General and Special Funds:					
Appalachian regional development programs	452				
Appropriation, current		BA	**150,000**	**165,133**	
				H −15,133	
Outlays		0	311,329	253,000	209,000
					H −4,000
Total Appalachian regional development programs		BA	**150,000**	**150,000**	
		0	311,329	253,000	205,000
Public Enterprise Funds:					
Appalachian housing fund	452				
Outlays		0	477	1,219	
Total Federal funds Appalachian Regional Development Programs		BA	**150,000**	**150,000**	
		0	311,806	254,219	205,000
Disaster Relief					
Federal funds					
General and Special Funds:					
Disaster relief	453				
Appropriation, current		BA	**301,694**	**130,000**	
Outlays		0	115,439	221,804	220,047

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.				
Disaster Relief—Con.				
Trust funds				
Bequests and gifts 453				
Appropriation, permanent, indefinite	BA		**93**	**91**
Outlays	0	−105	30	20
Unanticipated Needs				
Federal funds				
General and Special Funds:				
Unanticipated needs 802				
Appropriation, current	BA	**845**	**1,000**	**1,000**
Outlays	0	227	996	990
Expenses of Management Improvement				
Federal funds				
General and Special Funds:				
Expenses of management improvement 802				
Outlays	0	43	91	10
International Security Assistance				
Federal funds				
General and Special Funds:				
Foreign military sales credit 152				
Appropriation, current	BA	**800,000**	**1,175,000**	
				[K] **1,000,000**
Outlays	0	501,496	880,100	1,006,500
Total Foreign military sales credit	BA	**800,000**	**1,175,000**	**1,000,000**
	0	501,496	880,100	1,006,500
Economic support fund 152				
Appropriation, current	BA	**2,919,300**	**2,661,000**	
				[K] **2,949,000**
			[B] **294,500**	
Outlays	0	2,299,055	2,683,749	2,844,202
			[B] 147,500	[B] 99,375
Total Economic support fund	BA	**2,919,300**	**2,955,500**	**2,949,000**
	0	2,299,055	2,831,249	2,943,577
Military assistance 152				
Appropriation, current	BA	**178,512**	**290,000**	
				[K] **747,000**
			[B] **167,000**	
Outlays	0	175,783	205,740	429,610
			[B] 36,740	[B] 60,120
Total Military assistance	BA	**178,512**	**457,000**	**747,000**
	0	175,783	242,480	489,730

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.				
International Security Assistance—Con.				
International military education and training 152				
Appropriation, current	BA	**42,000**	**45,000**	.....
				[K] **56,532**
			[B] **1,000**	
Outlays	0	30,818	45,400	52,985
			[B] 550	[B] 250
Total International military education and training	BA	**42,000**	**46,000**	**56,532**
	0	30,818	45,950	53,235
Peacekeeping operations 152				
Appropriation, current	BA	**145,700**	**31,100**	.....
				[K] **46,200**
Outlays	0	141,709	43,990	48,710
Total Peacekeeping operations	BA	**145,700**	**31,100**	**46,200**
	0	141,709	43,990	48,710
Assistance for relocation of facilities in Israel 152				
Contract authority, permanent, indefinite	BA	**33,000**	.....	.....
Outlays	0	15,684	151	.....
Public Enterprise Funds:				
Guarantee reserve fund 152				
Outlays	0	141,882	131,000	164,000
Summary				
Federal funds:				
(As shown in detail above)	BA	**4,118,512**	**4,664,600**	**4,798,732**
	0	3,306,427	4,174,920	4,705,752
Deductions for offsetting receipts:				
Proprietary receipts from the public 152	BA			
	0	*—186,835*	*—142,000*	*—98,300*
908	BA			
	0	*—67,370*	*—72,300*	*—65,700*
Total International Security Assistance	BA	**3,864,307**	**4,450,300**	**4,634,732**
	0	3,052,222	3,960,620	4,541,752
International Development Assistance				
Multilateral Assistance				
Federal funds				
General and Special Funds:				
Contribution to the International Bank for Reconstruction and Development 151				
Appropriation, current	BA	**146,889**	**126,042**	**109,721**
Outlays	0	24,526	33,591	36,855

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.				
International Development Assistance—Con.				
Multilateral Assistance—Con.				
Contribution to the International Development Association 151				
Appropriation, current	BA	**700,000**	**700,000**	**1,095,000**
			[A] 245,000	
Outlays	0	747,136	820,650	886,950
			[A] 7,350	[A] 22,050
Total Contribution to the International Development Association	BA	**700,000**	**945,000**	**1,095,000**
	0	747,136	828,000	909,000
Contribution to the International Finance Corporation 151				
Appropriation, current	BA	**14,448**	.....	.....
Outlays	0	14,448	.....	.....
Contribution to the Inter-American Development Bank 151				
Appropriation, current	BA	**221,230**	**284,100**	**41,123**
				[K] 150,501
Outlays	0	217,805	269,254	294,189
Total Contribution to the Inter-American Development Bank	BA	**221,230**	**284,100**	**191,624**
	0	217,805	269,254	294,189
Contribution to the Asian Development Bank 151				
Appropriation, current	BA	**120,812**	**131,882**	**17,116**
				[K] 136,944
Outlays	0	58,718	103,482	110,063
Total Contribution to the Asian Development Bank	BA	**120,812**	**131,882**	**154,060**
	0	58,718	103,482	110,063
Contribution to the African Development Fund 151				
Appropriation, current	BA	**58,333**	.....	.....
			[K] 50,000	**[K] 50,000**
Outlays	0	.....	21,475	38,500
Total Contribution to the African Development Fund	BA	**58,333**	**50,000**	**50,000**
	0	.....	21,475	38,500
Contribution to the African Development Bank 151				
Appropriation, current	BA	.....	.....	**17,987**
Outlays	0	.....	17,987	17,987
Payment to the International Fund for Agricultural Development 151				
Appropriation, current	BA	.....	.....	**50,000**
Outlays	0	23,446	35,000	41,500

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.				
International Development Assistance—Con.				
Multilateral Assistance—Con.				
International organizations and programs 151				
Appropriation, current	BA	**215,438**	**249,002**	.....
				[K] **189,950**
			[B] **4,500**	
Outlays	0	237,790	205,276	200,872
				[B] 4,500
Total International organizations and programs	BA	**215,438**	**253,502**	**189,950**
	0	237,790	205,276	205,372
Total Federal funds Multilateral Assistance	BA	**1,477,150**	**1,790,526**	**1,858,342**
	0	1,323,869	1,514,065	1,653,466
Agency for International Development				
Federal funds				
General and Special Funds:				
Functional development assistance program 151				
Appropriation, current	BA	**1,295,155**	**1,298,243**	.....
				[K] **1,342,000**
Outlays	0	1,094,722	1,188,510	1,236,200
Total Functional development assistance program	BA	**1,295,155**	**1,298,243**	**1,342,000**
	0	1,094,722	1,188,510	1,236,200
Sahel development program 151				
Appropriation, current	BA	**93,758**	**93,757**	.....
				[K] **103,000**
Outlays	0	60,089	78,726	85,637
Total Sahel development program	BA	**93,758**	**93,757**	**103,000**
	0	60,089	78,726	85,637
American schools and hospitals abroad 151				
Appropriation, current	BA	**20,000**	**20,000**	.....
				[K] **7,500**
Outlays	0	30,175	20,091	17,537
Total American schools and hospitals abroad	BA	**20,000**	**20,000**	**7,500**
	0	30,175	20,091	17,537
International disaster assistance 151				
Appropriation, current	BA	**107,000**	**25,000**	.....
				[K] **25,000**
Outlays	0	27,693	63,400	44,253
Total International disaster assistance	BA	**107,000**	**25,000**	**25,000**
	0	27,693	63,400	44,253

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.					
International Development Assistance—Con.					
Agency for International Development—Con.					
Operating expenses Agency for International Development	151				
Appropriation, current		BA	**331,000**	**335,000**	.....
					[K] **378,512**
				[D] **9,938**	
Outlays		0	312,796	349,446	374,272
Total Operating expenses Agency for International Development		BA	**331,000**	**344,938**	**378,512**
		0	312,796	349,446	374,272
Payment to the Foreign Service retirement and disability fund	153				
Appropriation, current		BA	**33,583**	**35,403**	**39,316**
				[A] **1,134**	
					[J] **—5,412**
Outlays		0	42,948	35,403	39,316
				[A] 1,134	
					[J] —5,412
Total Payment to the Foreign Service retirement and disability fund		BA	**33,583**	**36,537**	**33,904**
		0	42,948	36,537	33,904
Miscellaneous appropriations	151				
Outlays		0	4,631	5,000	3,898
Public Enterprise Funds:					
Development loans--revolving fund	151				
Outlays		0	—22,172	.....	.....
Housing and other credit guaranty programs	151				
Outlays		0	130	8,457	3,397
Intragovernmental Funds:					
Advance acquisition of property--revolving fund	151				
Outlays		0	413	.....	.....
Office of the Inspector General of Foreign Assistance	151				
Outlays		0	.....	139	.....
Trust funds					
Miscellaneous trust funds	151				
Appropriation, permanent, indefinite		BA	**151**	**15,000**	**15,000**
Outlays		0	—1,058	15,000	15,000
Summary					
Federal funds:					
(As shown in detail above)		BA	**1,880,496**	**1,818,475**	**1,889,916**
		0	1,551,425	1,750,306	1,799,098
Deductions for offsetting receipts:					
Proprietary receipts from the public	150	BA			
		0	*—593*	*—413*	*—413*
	151	BA			
		0	*—345,768*	*—401,600*	*—431,945*

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.					
International Development Assistance—Con.					
Agency for International Development—Con.					
	908	BA			
		O	*—325,766*	*—377,948*	*—414,483*
Total Federal funds		BA	**1,208,369**	**1,038,514**	**1,043,075**
		O	879,298	970,345	952,257
Trust funds:					
(As shown in detail above)		BA	**151**	**15,000**	**15,000**
		O	—1,058	15,000	15,000
Deductions for offsetting receipts:					
Proprietary receipts from the public	151	BA			
		O	*—100*	*—15,000*	*—15,000*
Total Trust funds		BA	**51**	.....	.....
		O	—1,158	.....	.....
Total Agency for International Development		BA	**1,208,420**	**1,038,514**	**1,043,075**
		O	878,140	970,345	952,257
Trade and Development Program					
Federal funds					
General and Special Funds:					
Trade and development program	151				
Appropriation, current		BA	**6,907**	**10,500**	.....
					[K] **22,000**
Outlays		O	1,876	5,522	10,301
Total Trade and development program		BA	**6,907**	**10,500**	**22,000**
		O	1,876	5,522	10,301
Peace Corps					
Federal funds					
General and Special Funds:					
Peace Corps operating expenses	151				
Appropriation, current		BA	**105,000**	**109,000**	.....
					[K] **108,500**
Outlays		O	103,387	108,600	108,250
Total Peace Corps operating expenses		BA	**105,000**	**109,000**	**108,500**
		O	103,387	108,600	108,250
Trust funds					
Peace Corps miscellaneous trust funds	151				
Appropriation, permanent, indefinite		BA	.....	**210**	**210**
Outlays		O	—122	210	210
Summary					
Federal funds:					
(As shown in detail above)		BA	**105,000**	**109,000**	**108,500**
		O	103,387	108,600	108,250
Deductions for offsetting receipts:					
Proprietary receipts from the public	150	BA			
		O	*—244*	*—48*	*—48*

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.					
International Development Assistance—Con.					
Peace Corps—Con.					
	908	BA			
		O	*—15*	*—9*	*—9*
Total Federal funds		BA	**104,741**	**108,943**	**108,443**
		O	103,128	108,543	108,193
Trust funds:					
(As shown in detail above)		BA	.....	**210**	**210**
		O	—122	210	210
Deductions for offsetting receipts:					
Proprietary receipts from the public	151	BA			
		O	.....	*—80*	*—70*
Total Trust funds		BA	.....	**130**	**140**
		O	—122	130	140
Total Peace Corps		BA	**104,741**	**109,073**	**108,583**
		O	103,006	108,673	108,333
Overseas Private Investment Corporation					
Federal funds					
Public Enterprise Funds:					
Overseas Private Investment Corporation	151				
Outlays		O	—88,198	—81,973	—84,566
Inter-American Foundation					
Federal funds					
Public Enterprise Funds:					
Inter-American Foundation	151				
Appropriation, current		BA	**12,000**	**12,000**	.....
					[K] **10,705**
Outlays		O	10,505	10,709	14,035
Total Inter-American Foundation		BA	**12,000**	**12,000**	**10,705**
		O	10,505	10,709	14,035
Trust funds					
Gifts and contributions, Inter-American Foundation	151				
Appropriation, permanent, indefinite		BA	**21**	.....	.....
Outlays		O	19	3	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.				
International Development Assistance—Con.				
African Development Foundation				
Federal funds				
General and Special Funds:				
African Development Foundation 151				
Appropriation, current	BA			[1] 3,000
Outlays	0			[1] 1,250
Total Federal funds International Development Assistance	BA	**2,809,167**	**2,960,483**	**3,045,565**
	0	2,230,478	2,527,211	2,654,936
Total Trust funds International Development Assistance	BA	**72**	**130**	**140**
	0	−1,261	133	140
International Commodity Agreements				
Federal funds				
General and Special Funds:				
Contributions to international buffer stocks 155				
Outlays	0	40,402	20,000	.....
International Monetary Programs				
Federal funds				
General and Special Funds:				
United States quota, International Monetary Fund 155				
Outlays	0	323,230	.....	.....
Military Sales Programs				
Federal funds				
Public Enterprise Funds:				
Liquidation of foreign military sales fund 155				
Outlays	0	−1,782	−1,483	−500
Special defense acquisition fund 155				
Outlays	0	−203,622	−196,459	−146,542
Trust funds				
Foreign military sales trust fund 155				
Contract authority, permanent, indefinite	BA	**13,263,128**	**15,000,000**	**15,500,000**
Liquidation of contract authority, permanent		(11,839,332)	(12,300,000)	(13,400,000)
Outlays	0	12,027,639	12,800,000	13,800,000
Summary				
Federal funds:				
(As shown in detail above)	0	−205,404	−197,942	−147,042
Trust funds:				
(As shown in detail above)	BA	**13,263,128**	**15,000,000**	**15,500,000**
	0	12,027,639	12,800,000	13,800,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President—Con.					
Military Sales Programs—Con.					
Deductions for offsetting receipts:					
Proprietary receipts from the public	155	BA	*—11,839,332*	*—12,300,000*	*—13,400,000*
		0			
Total Trust funds		BA	**1,423,796**	**2,700,000**	**2,100,000**
		0	188,307	500,000	400,000
Total Military Sales Programs		BA	**1,423,796**	**2,700,000**	**2,100,000**
		0	—17,097	302,058	252,958
Petroleum Reserves					
Federal funds					
General and Special Funds:					
Petroleum reserves	271				
Outlays		0	17,725	2	.....
Summary					
Federal funds:					
(As shown in detail above)		BA	**8,052,604**	**8,686,101**	**8,692,195**
		0	6,812,759	7,781,319	8,486,591
Deductions for offsetting receipts:					
Proprietary receipts from the public	150	BA	*—837*	*—461*	*—461*
		0			
	151	BA	*—345,768*	*—401,600*	*—431,945*
		0			
	152	BA	*—186,835*	*—142,000*	*—98,300*
		0			
	908	BA	*—393,151*	*—450,257*	*—480,192*
		0			
Total Federal funds		BA	**7,126,013**	**7,691,783**	**7,681,297**
		0	5,886,168	6,787,001	7,475,693
Trust funds:					
(As shown in detail above)		BA	**13,263,300**	**15,015,303**	**15,515,301**
		0	12,026,373	12,815,243	13,815,230
Deductions for offsetting receipts:					
Proprietary receipts from the public	151	BA	*—100*	*—15,080*	*—15,070*
		0			
	155	BA	*—11,839,332*	*—12,300,000*	*—13,400,000*
		0			
Total Trust funds		BA	**1,423,868**	**2,700,223**	**2,100,231**
		0	186,941	500,163	400,160
Total Funds Appropriated to the President		BA	**8,549,881**	**10,392,006**	**9,781,528**
		0	6,073,109	7,287,164	7,875,853

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture				
Office of the Secretary				
Federal funds				
General and Special Funds:				
Office of the Secretary 352				
Appropriation, current	BA	**4,999**	**4,377**	**5,045**
			[D] **318**	
Outlays	0	5,227	4,618	5,045
Total Office of the Secretary	BA	**4,999**	**4,695**	**5,045**
	0	5,227	4,618	5,045
Departmental Administration				
Federal funds				
General and Special Funds:				
Departmental administration 352				
Appropriation, current	BA	**14,948**	**12,911**	**17,819**
			[C] **7**	
			[D] **517**	
Outlays	0	16,480	13,427	17,819
Total Departmental administration	BA	**14,948**	**13,435**	**17,819**
	0	16,480	13,427	17,819
Standard level user charges 352				
Appropriation, current	BA	.....	**56,377**	**69,402**
Outlays	0	.....	56,377	69,402
Advisory committees 352				
Appropriation, current	BA	.....	**1,398**	**1,398**
Outlays	0	.....	1,398	1,398
Intragovernmental Funds:				
Working capital fund 352				
Outlays	0	−9,238	689	143
Total Federal funds Departmental Administration.	BA	**14,948**	**71,210**	**88,619**
	0	7,242	71,891	88,762
Office of Governmental and Public Affairs				
Federal funds				
General and Special Funds:				
Governmental and Public Affairs 352				
Appropriation, current	BA	**8,628**	**7,166**	**7,569**
			[D] **216**	
Outlays	0	11,316	7,379	7,569
Total Governmental and Public Affairs	BA	**8,628**	**7,382**	**7,569**
	0	11,316	7,379	7,569

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Office of the Inspector General				
Federal funds				
General and Special Funds:				
Office of the Inspector General 352				
Appropriation, current	BA	**41,906**	**42,213** [D] **273** [G] **555**	**44,579**
Outlays	0	40,170	42,349	43,893
Total Office of the Inspector General	BA	**41,906**	**43,041**	**44,579**
	0	40,170	42,349	43,893
Office of the General Counsel				
Federal funds				
General and Special Funds:				
Office of the General Counsel 352				
Appropriation, current	BA	**13,997**	**13,238** [D] **686**	**14,976**
Outlays	0	14,310	13,795	14,930
Total Office of the General Counsel	BA	**13,997**	**13,924**	**14,976**
	0	14,310	13,795	14,930
Agricultural Research Service				
Federal funds				
General and Special Funds:				
Agricultural Research Service 352				
Appropriation, current	BA	**425,938**	**454,184** [C] **668** [D] **5,774**	**472,410**
Outlays	0	436,075	463,703	470,272
Total Agricultural Research Service	BA	**425,938**	**460,626**	**472,410**
	0	436,075	463,703	470,272
Buildings and facilities 352				
Appropriation, current	BA	**8,596**	**1,927** [H] **—1,927**	.....
Outlays	0	9,087	11,408 [H] —1,927	.....
Total Buildings and facilities	BA	**8,596**	.....	.....
	0	9,087	9,481	.....
Trust funds				
Miscellaneous contributed funds 352				
Appropriation, permanent, indefinite	BA	**1,421**	**2,000**	**2,000**
Outlays	0	1,674	1,820	2,082
Total Federal funds Agricultural Research Service	BA	**434,534**	**460,626**	**472,410**
	0	445,162	473,184	470,272
Total Trust funds Agricultural Research Service	BA	**1,421**	**2,000**	**2,000**
	0	1,674	1,820	2,082

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Cooperative State Research Service				
Federal funds				
General and Special Funds:				
Cooperative State Research Service 352				
Appropriation, current	BA	**221,216**	**244,949**	**231,715**
Outlays	0	219,846	230,438	232,322
Extension Service				
Federal funds				
General and Special Funds:				
Extension Service 352				
Appropriation, current	BA	**315,702**	**328,654**	**287,082**
Outlays	0	306,965	327,917	295,054
National Agricultural Library				
Federal funds				
General and Special Funds:				
National Agricultural Library 352				
Appropriation, current	BA	**8,053**	**8,621**	**9,873**
			D 111	
Outlays	0	8,488	9,096	9,714
Total National Agricultural Library	BA	**8,053**	**8,732**	**9,873**
	0	8,488	9,096	9,714
Statistical Reporting Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current	BA	**51,446**	**50,845**	**55,778**
			D 1,061	
Outlays	0	43,864	51,599	55,548
Total Salaries and expenses	BA	**51,446**	**51,906**	**55,778**
	0	43,864	51,599	55,548
Trust funds				
Miscellaneous contributed funds 352				
Appropriation, permanent, indefinite	BA	**146**	**145**	**145**
Outlays	0	11	164	145
Economics and Statistics Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 352				
Outlays	0	9,787	2,301	.....
Trust funds				
Miscellaneous contributed funds 352				
Outlays	0	4	2	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Economic Research Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current	BA	**39,360**	**37,936**	**45,024**
			[D] **1,028**	
Outlays	0	36,981	38,671	41,320
Total Salaries and expenses	BA	**39,360**	**38,964**	**45,024**
	0	36,981	38,671	41,320
Trust funds				
Miscellaneous contributed funds 352				
Appropriation, permanent, indefinite	BA	**50**	**64**	**64**
Outlays	0	47	76	64
World Agricultural Outlook Board				
Federal funds				
General and Special Funds:				
World agricultural outlook board 352				
Appropriation, current	BA	**1,491**	**1,403**	**1,522**
			[D] **60**	
Outlays	0	1,738	1,461	1,522
Total World agricultural outlook board	BA	**1,491**	**1,463**	**1,522**
	0	1,738	1,461	1,522
Foreign Agricultural Service				
Federal funds				
General and Special Funds:				
Foreign Agricultural Service 352				
Appropriation, current	BA	**68,236**	**74,415**	**85,217**
			[D] **605**	
Outlays	0	60,081	75,020	85,217
Total Foreign Agricultural Service	BA	**68,236**	**75,020**	**85,217**
	0	60,081	75,020	85,217
Salaries and expenses (special foreign currency program) 352				
Outlays	0	247	388	.....
Total Federal funds Foreign Agricultural Service..	BA	**68,236**	**75,020**	**85,217**
	0	60,328	75,408	85,217

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Office of International Cooperation and Development				
Federal funds				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current	BA	**3,627**	**3,617** **[A] 500** **[D] 45**	**4,016**
Outlays	0	227	3,662 [A] 500	4,016
Total Salaries and expenses	BA	**3,627**	**4,162**	**4,016**
	0	227	4,162	4,016
Scientific activities overseas (foreign currency program) 352				
Appropriation, current	BA	**238**	**2,977** **[A] 3,172**	**6,149**
Outlays	0	3,938	4,728 [A] 634	5,658 [A] 634
Total Scientific activities overseas (foreign currency program)	BA	**238**	**6,149**	**6,149**
	0	3,938	5,362	6,292
Trust funds				
Miscellaneous contributed funds 352				
Appropriation, permanent, indefinite	BA	**6,649**	**8,826**	**10,095**
Outlays	0	7,169	12,819	10,095
Total Federal funds Office of International Cooperation and Development	BA	**3,865**	**10,311**	**10,165**
	0	4,165	9,524	10,308
Total Trust funds Office of International Cooperation and Development	BA	**6,649**	**8,826**	**10,095**
	0	7,169	12,819	10,095
Foreign Assistance Programs				
Federal funds				
General and Special Funds:				
Expenses, Public Law 480, foreign assistance programs, Agriculture 151				
Appropriation, current	BA	**1,000,000**	**1,028,000**	**1,052,000**
Outlays	0	929,403	1,035,150	1,052,000
Increase (-) or decrease in amount owed by the Public Law 480 account to the Commodity Credit Corportation 351				
Outlays	0	70,597	−7,150	.....
Total Federal funds Foreign Assistance Programs	BA	**1,000,000**	**1,028,000**	**1,052,000**
	0	1,000,000	1,028,000	1,052,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Agricultural Stabilization and Conservation Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 351				
Appropriation, current	BA	**63,077**	**55,962**	**54,346**
				[L] **−2,360**
Outlays	0	50,338	56,061	56,283
				[L] −2,360
Total Salaries and expenses	BA	**63,077**	**55,962**	**51,986**
	0	50,338	56,061	53,923
Rural clean water program 304				
Outlays	0	5,372	7,000	9,000
Agricultural conservation program 302				
Appropriation, current	BA	**190,000**	**190,000**	**56,000**
Outlays	0	167,828	180,000	193,600
Colorado river basin salinity control program 304				
Appropriation, current	BA			[J] **12,550**
Outlays	0			[J] 6,275
Water Bank program 302				
Appropriation, current	BA	**8,800**	**8,800**	.....
Outlays	0	10,491	10,134	.....
Emergency conservation program 453				
Appropriation, current	BA	**8,800**	.....	.....
Outlays	0	4,400	15,000	.....
Dairy and beekeeper indemnity programs 351				
Appropriation, current	BA	**176**	**7,000**	.....
Outlays	0	15	7,162	.....
Forestry incentives program 302				
Appropriation, current	BA	**12,500**	**12,500**	.....
Outlays	0	13,517	13,500	.....
Total Federal funds Agricultural Stabilization and Conservation Service	BA	**283,353**	**274,262**	**120,536**
	0	251,961	288,857	262,798
Federal Crop Insurance Corporation				
Federal funds				
General and Special Funds:				
Administrative and operating expenses 351				
Appropriation, current	BA	**117,600**	**235,200**	**278,987**
			[D] **991**	
Outlays	0	115,848	236,191	278,987
Total Administrative and operating expenses	BA	**117,600**	**236,191**	**278,987**
	0	115,848	236,191	278,987

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Federal Crop Insurance Corporation—Con.				
Public Enterprise Funds:				
Federal Crop Insurance Corporation fund 351				
Appropriation, current	BA	**307,456**	**293,233**	**194,883**
Outlays	0	103,610	73,332	121,122
Total Federal funds Federal Crop Insurance Corporation	BA	**425,056**	**529,424**	**473,870**
	0	219,458	309,523	400,109
Commodity Credit Corporation				
Support and Related Activities				
Federal funds				
Public Enterprise Funds:				
Price support and related programs: Reimbursement for net realized losses 351				
Appropriation, current	BA	**7,043,229**	**10,466,057**	**10,173,636**
			[A] 5,707,457	
			[J] —1,042,218	**[J] 156,022**
Authority to borrow, permanent	BA	**7,685,886**	**4,671,661**	.....
			[A] —5,707,457	
			[J] 1,035,796	
Contract authority, permanent, indefinite	BA	**1,292,218**	**2,666,064**	**229,188**
			[J] —2,666,064	**[J] —229,188**
Liquidation of contract authority, current			[J] (1,042,218)	[J] (83,333)
Outlays	0	11,598,282	18,770,949	12,305,470
			[J] —604,101	[J] —3,138,973
Total Price support and related programs	BA	**16,021,333**	**15,131,296**	**10,329,658**
	0	11,598,282	18,166,848	9,166,497
Special Activities				
Federal funds				
General and Special Funds:				
National Wool Act (special fund) 351				
Appropriation, permanent, indefinite	BA	**42,078**	**53,855**	**87,694**
Outlays	0	53,855	87,694	89,022
Intragovernmental Funds:				
Increase or decrease (-) in amount owed to the Corporation by the Public Law 480 account 351				
Outlays	0	—70,597	7,150	.....
Total Federal funds Special Activities	BA	**42,078**	**53,855**	**87,694**
	0	—16,742	94,844	89,022
Total Federal funds Commodity Credit Corporation	BA	**16,063,411**	**15,185,151**	**10,417,352**
	0	11,581,540	18,261,692	9,255,519

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Office of Rural Development Policy				
Federal funds				
General and Special Funds:				
Salaries and expenses 452				
Appropriation, current	BA	**1,913**	**2,000**	**2,388**
			D **30**	
Outlays	0	1,262	2,155	2,340
Total Salaries and expenses	BA	**1,913**	**2,030**	**2,388**
	0	1,262	2,155	2,340
Rural development planning grants 452				
Outlays	0	2,919	1,073	81
Total Federal funds Office of Rural Development Policy	BA	**1,913**	**2,030**	**2,388**
	0	4,181	3,228	2,421
Rural Electrification Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 271				
Appropriation, current	BA	**30,273**	**28,945**	**29,585**
			D **581**	
Outlays	0	28,944	29,495	29,564
Total Salaries and expenses	BA	**30,273**	**29,526**	**29,585**
	0	28,944	29,495	29,564
Public Enterprise Funds:				
Rural communication development fund 452				
Appropriation, current	BA	.....	**91**	**375**
Authority to borrow, permanent, indefinite	BA	**375**	**646**	**740**
Outlays	0	3,478	6,543	6,115
Total Rural communication development fund	BA	**375**	**737**	**1,115**
	0	3,478	6,543	6,115
Total Federal funds Rural Electrification Administration	BA	**30,648**	**30,263**	**30,700**
	0	32,422	36,038	35,679
Farmers Home Administration				
Federal funds				
General and Special Funds:				
Rural water and waste disposal grants 452				
Appropriation, current	BA	**125,000**	**125,000**	**90,000**
Outlays	0	209,635	207,502	165,024
Rural development grants 452				
Outlays	0	5,579	4,728	2,496

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Farmers Home Administration—Con.				
Salaries and expenses 452				
Appropriation, current	BA	**279,597**	**289,238**	**318,445**
			[C] **12**	
			[D] **9,779**	
Outlays	0	280,065	296,304	317,980
Total Salaries and expenses	BA	**279,597**	**299,029**	**318,445**
	0	280,065	296,304	317,980
Rural community fire protection grants 452				
Appropriation, current	BA	**3,250**	**3,250**	.....
Outlays	0	2,743	3,148	1,938
Rural housing for domestic farm labor 604				
Appropriation, current	BA	**13,750**	.....	**4,393**
Outlays	0	20,036	19,740	14,938
Mutual and self-help housing 604				
Appropriation, current	BA	**3,950**	**12,500**	.....
Outlays	0	8,084	6,815	7,508
Rural housing supervisory assistance grants 371				
Outlays	0	1,309	801	.....
Very low income housing repair grants 604				
Appropriation, current	BA	**15,000**	**12,500**	.....
Outlays	0	12,716	14,114	250
Rural rental assistance payments 604				
Appropriation, current	BA	.....	.....	**62,000**
Outlays	0	.....	.....	184,850
Compensation for construction defects 371				
Appropriation, current	BA	.....	**2,000**	.....
Outlays	0	.....	2,000	.....
Rural housing block grants 604				
Appropriation, current	BA			[J] **850,000**
Outlays	0			[J] 280,500
Public Enterprise Funds:				
Self-help housing land development fund 371				
Outlays	0	—727	264	—782
				[J] 782
Total Self-help housing land development fund	0	—727	264	.....
Rural housing insurance fund 371				
Appropriation, current	BA	**575,087**	**1,109,722**	**1,508,082**
Indefinite	BA	**82,830**	**173,026**	.....
Authority to borrow, permanent, indefinite	BA	**1,345,626**	**345,014**	.....
				[J] **3,556,109**
Outlays	0	1,246,276	1,607,771	1,913,757
				[J] 324,368
Total Rural housing insurance fund	BA	**2,003,543**	**1,627,762**	**5,064,191**
	0	1,246,276	1,607,771	2,238,125

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Farmers Home Administration—Con.				
Agricultural credit insurance fund 351				
Appropriation, current	BA	**464,083**	**682,074**	**895,522**
Authority to borrow, permanent, indefinite	BA	**174,717**	.....	.....
Outlays	0	1,370,287	732,203	780,600
Total Agricultural credit insurance fund	BA	**638,800**	**682,074**	**895,522**
	0	1,370,287	732,203	780,600
Rural development insurance fund 452				
Appropriation, current	BA	**180,040**	**336,217**	**477,829**
Authority to borrow, permanent, indefinite	BA	.....	**11,103**	.....
Outlays	0	411,689	641,284	547,226
Total Rural development insurance fund	BA	**180,040**	**347,320**	**477,829**
	0	411,689	641,284	547,226
Total Federal funds Farmers Home Administration	BA	**3,262,930**	**3,111,435**	**7,762,380**
	0	3,567,692	3,536,674	4,541,435
Soil Conservation Service				
Federal funds				
General and Special Funds:				
Conservation operations 302				
Appropriation, current	BA	**310,809**	**326,198**	**341,313**
			[G] **9,776**	
Outlays	0	330,480	340,247	341,832
Total Conservation operations	BA	**310,809**	**335,974**	**341,313**
	0	330,480	340,247	341,832
River basin surveys and investigations 301				
Appropriation, current	BA	**15,500**	**16,068**	**13,264**
			[G] **351**	
Outlays	0	15,594	16,369	13,975
Total River basin surveys and investigations	BA	**15,500**	**16,419**	**13,264**
	0	15,594	16,369	13,975
Watershed planning 301				
Appropriation, current	BA	**8,690**	**8,675**	**7,715**
			[G] **202**	
Outlays	0	9,642	8,902	7,809
Total Watershed planning	BA	**8,690**	**8,877**	**7,715**
	0	9,642	8,902	7,809

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Soil Conservation Service—Con.				
Watershed and flood prevention operations 301				
Appropriation, current	BA	**194,045**	**194,925**	**96,593**
			[F] —10,329	
			[H] —68,995	
Outlays	0	197,024	175,655	143,242
			[H] —34,498	[H] —34,497
Total Watershed and flood prevention operations.	BA	**194,045**	**115,601**	**96,593**
	0	197,024	141,157	108,745
Great plains conservation program 302				
Appropriation, current	BA	**21,500**	**21,315**	**15,521**
Outlays	0	22,860	21,111	20,862
Resource conservation and development 302				
Appropriation, current	BA	**26,500**	**25,744**	.....
			[H] —5,600	
Outlays	0	30,393	26,861	12,236
			[H] —1,195	[H] —4,405
Total Resource conservation and development	BA	**26,500**	**20,144**	.....
	0	30,393	25,666	7,831
Trust funds				
Miscellaneous contributed funds:				
(Water resources) 301				
(Appropriation, permanent, indefinite)	BA	**1,029**	**600**	**460**
(Outlays)	0	846	632	634
(Conservation and land management) 302				
(Appropriation, permanent, indefinite)	BA	**100**	**100**	**100**
(Outlays)	0	104	104	102
Total Miscellaneous contributed funds	BA	**1,129**	**700**	**560**
	0	950	736	736
Total Federal funds Soil Conservation Service	BA	**577,044**	**518,330**	**474,406**
	0	605,993	553,452	501,054
Total Trust funds Soil Conservation Service	BA	**1,129**	**700**	**560**
	0	950	736	736
Animal and Plant Health Inspection Service				
Federal funds				
General and Special Funds:				
Animal and Plant Health Inspection Service 352				
Appropriation, current	BA	**281,967**	**268,034**	**228,340**
			[D] 3,600	
				[L] —3,600
Outlays	0	311,194	271,510	238,046
				[L] —3,600
Total Animal and Plant Health Inspection Service.	BA	**281,967**	**271,634**	**224,740**
	0	311,194	271,510	234,446

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Animal and Plant Health Inspection Service—Con.				
Buildings and facilities 352				
Appropriation, current	BA	**3,000**	**2,386**	**2,386**
Outlays	0	1,793	6,327	4,932
Trust funds				
Miscellaneous trust funds 352				
Appropriation, permanent, indefinite	BA	**3,759**	**2,878**	**2,878**
Outlays	0	4,434	2,878	2,878
Total Federal funds Animal and Plant Health Inspection Service	BA	**284,967**	**274,020**	**227,126**
	0	312,987	277,837	239,378
Total Trust funds Animal and Plant Health Inspection Service	BA	**3,759**	**2,878**	**2,878**
	0	4,434	2,878	2,878
Federal Grain Inspection Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current	BA	**5,600**	**5,369**	**6,861**
			D **179**	
Outlays	0	11,162	5,540	6,869
Total Salaries and expenses	BA	**5,600**	**5,548**	**6,861**
	0	11,162	5,540	6,869
Public Enterprise Funds:				
Inspection and weighing services 352				
Outlays	0	1,358	2,000	.....
Total Federal funds Federal Grain Inspection Service	BA	**5,600**	**5,548**	**6,861**
	0	12,520	7,540	6,869
Agricultural Marketing Service				
Federal funds				
General and Special Funds:				
Marketing services 352				
Appropriation, current	BA	**39,033**	**31,793**	**30,731**
			D **3,032**	
				L **−1,806**
Outlays	0	44,252	34,825	30,731
				L −1,806
Total Marketing services	BA	**39,033**	**34,825**	**28,925**
	0	44,252	34,825	28,925
Payments to States and possessions 352				
Appropriation, current	BA	**1,000**	**1,000**	.....
Outlays	0	1,203	1,735	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Agricultural Marketing Service—Con.				
Perishable Agricultural Commodities Act fund 352				
Appropriation, permanent, indefinite	BA	**2,678**	**3,272**	**3,272**
Outlays	0	2,868	3,255	3,255
Funds for strengthening markets, income, and supply (section 32) 605				
Appropriation, permanent, indefinite	BA	**462,701**	**400,433**	**410,346**
Outlays	0	384,885	421,240	365,400
Trust funds				
Miscellaneous trust funds 352				
Appropriation, permanent, indefinite	BA	**60,212**	**71,676**	**78,509**
Outlays	0	54,358	71,869	78,509
Milk market orders assessment fund 351				
Outlays	0	−2,325	−50	.....
Total Federal funds Agricultural Marketing Service	BA	**505,412**	**439,530**	**442,543**
	0	433,208	461,055	397,580
Total Trust funds Agricultural Marketing Service.	BA	**60,212**	**71,676**	**78,509**
	0	52,033	71,819	78,509
Office of Transportation				
Federal funds				
General and Special Funds:				
Office of Transportation 352				
Appropriation, current	BA	**2,400**	**2,367** **[D] 49**	**2,523**
Outlays	0	2,042	2,413	2,526
Total Office of Transportation	BA	**2,400**	**2,416**	**2,523**
	0	2,042	2,413	2,526
Food Safety and Inspection Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 554				
Appropriation, current	BA	**318,250**	**315,557** **[D] 12,520**	**335,696** **[L] −2,000**
Outlays	0	321,307	327,998	336,176 [L] −2,000
Total Salaries and expenses	BA	**318,250**	**328,077**	**333,696**
	0	321,307	327,998	334,176
Trust funds				
Expenses and refunds, inspection and grading of farm products 352				
Appropriation, permanent, indefinite	BA	**659**	**719**	**719**
Outlays	0	−1,580	719	719

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Food and Nutrition Service				
Federal funds				
General and Special Funds:				
Food program administration 605				
Appropriation, current	BA	**86,461**	**82,146**	**80,387**
			[D] 313	
Outlays	0	88,231	86,843	80,572
Total Food program administration	BA	**86,461**	**82,459**	**80,387**
	0	88,231	86,843	80,572
Food stamp program 605				
Appropriation, current	BA	**11,285,841**	**10,800,759**	**11,667,252**
			[A] 1,189,484	
			[F] −555	
				[L] −766,000
Outlays	0	11,014,140	10,869,929	11,656,778
			[A] 1,175,210	[A] 14,274
				[L] −756,808
Total Food stamp program	BA	**11,285,841**	**11,989,688**	**10,901,252**
	0	11,014,140	12,045,139	10,914,244
Nutrition assistance for Puerto Rico 605				
Appropriation, current	BA	.....	**825,000**	**825,000**
Outlays	0	.....	779,600	825,000
Special milk program 605				
Appropriation, current	BA	**28,100**	**20,100**	**11,920**
				[L] −200
Outlays	0	22,884	20,093	20,371
				[L] −171
Total Special milk program	BA	**28,100**	**20,100**	**11,720**
	0	22,884	20,093	20,200
Child nutrition programs 605				
Appropriation, current	BA	**1,082,890**	**896,324**	**937,417**
				[L] −312,848
Appropriation, permanent	BA	**1,763,948**	**2,281,676**	**2,307,295**
Outlays	0	3,019,724	3,198,912	3,243,181
			[L] −2,406	[L] −295,011
Total Child nutrition programs	BA	**2,846,838**	**3,178,000**	**2,931,864**
	0	3,019,724	3,196,506	2,948,170
Special supplemental food programs (WIC) 605				
Appropriation, current	BA	**934,080**	**1,092,600**	**1,092,600**
Outlays	0	929,757	1,117,660	1,093,251

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Food and Nutrition Service—Con.				
Food donations program 605				
Appropriation, current	BA	**141,420**	**156,266**	**50,061**
Reappropriation	BA		[A] **3,462**	
Outlays	0	121,160	165,099	76,742
Total Food donations program	BA	**141,420**	**159,728**	**50,061**
	0	121,160	165,099	76,742
Total Federal funds Food and Nutrition Service	BA	**15,322,740**	**17,347,575**	**15,892,884**
	0	15,195,896	17,410,940	15,958,179
Human Nutrition Information Service				
Federal funds				
General and Special Funds:				
Human Nutrition Information Service 352				
Appropriation, current	BA	**9,203**	**8,096**	**6,564**
			[D] **56**	
Outlays	0	3,767	12,543	6,613
Total Human Nutrition Information Service	BA	**9,203**	**8,152**	**6,564**
	0	3,767	12,543	6,613
Packers and Stockyards Administration				
Federal funds				
General and Special Funds:				
Packers and Stockyards Administration 352				
Appropriation, current	BA	**9,183**	**8,668**	**9,013**
			[D] **166**	
Outlays	0	7,519	8,824	9,023
Total Packers and Stockyards Administration	BA	**9,183**	**8,834**	**9,013**
	0	7,519	8,824	9,023
Agricultural Cooperative Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current	BA	**4,639**	**4,639**	**3,677**
			[H] **−779**	
Outlays	0	4,572	4,761	4,203
			[H] −662	[H] −117
Total Salaries and expenses	BA	**4,639**	**3,860**	**3,677**
	0	4,572	4,099	4,086
Trust funds				
Miscellaneous contributed funds 352				
Outlays	0	7	2	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.				
Forest Service				
Federal funds				
General and Special Funds:				
Forest research 302				
Appropriation, current	BA	**112,145**	**105,021**	**100,766**
			[D] **1,651**	
Outlays	0	113,245	107,269	100,647
Total Forest research	BA	**112,145**	**106,672**	**100,766**
	0	113,245	107,269	100,647
State and private forestry 302				
Appropriation, current	BA	**65,555**	**62,328**	**25,058**
			[D] **357**	
Outlays	0	67,362	62,624	29,415
Total State and private forestry	BA	**65,555**	**62,685**	**25,058**
	0	67,362	62,624	29,415
National forest system 302				
Appropriation, current	BA	**1,049,097**	**1,013,836**	**872,841**
			[A] **59,000**	
			[C] **552**	
			[D] **18,389**	
Outlays	0	1,038,981	1,036,153	877,616
			[A] 53,100	[A] 5,900
Total National forest system	BA	**1,049,097**	**1,091,777**	**872,841**
	0	1,038,981	1,089,253	883,516
Forest management, protection and utilization 302				
Outlays	0	10,123	17,042	.....
Construction 302				
Appropriation, current	BA	**261,095**	**281,431**	**242,291**
			[C] **562**	
			[D] **3,573**	
Outlays	0	420,844	273,861	266,428
Total Construction	BA	**261,095**	**285,566**	**242,291**
	0	420,844	273,861	266,428
Youth Conservation Corps 302				
Outlays	0	276	13	.....
Other general appropriations 302				
Outlays	0	.....	279	.....
Acquisition of lands for national forests, special acts 302				
Appropriation, current	BA	**724**	**753**	**780**
Outlays	0	622	753	780
Acquisition of lands to complete land exchanges 302				
Appropriation, current, indefinite	BA	**151**	**147**	**20**
Outlays	0	90	147	20
Range betterment fund 302				
Appropriation, current, indefinite	BA	**6,583**	**5,800**	**5,200**
Outlays	0	7,398	5,800	5,200

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.					
Forest Service—Con.					
Land acquisition	303				
Appropriation, current		BA	**26,262**	**56,877**	**10,070**
Outlays		0	10,906	56,342	9,580
Forest Service permanent appropriations	302				
Appropriation, permanent, indefinite		BA	**122,020**	**149,760**	**159,000**
Outlays		0	148,471	141,032	154,598
Forest Service permanent appropriations	852				
Appropriation, permanent, indefinite		BA	**243,434**	**144,678**	**268,946**
Outlays		0	243,434	144,678	268,946
Intragovernmental Funds:					
Working capital fund	302				
Outlays		0	11,005	.....	.....
Trust funds					
Miscellaneous trust funds	302				
Appropriation, permanent, indefinite		BA	**104,804**	**146,600**	**150,000**
Outlays		0	112,726	128,625	149,864
Reforestation trust fund	302				
Appropriation, permanent, indefinite		BA	**1,098**	**140,439**	**31,400**
Outlays		0	1,098	109,133	62,706
Highland scenic highway	401				
Outlays		0	36	95	.....
Total Federal funds Forest Service		BA	**1,887,066**	**1,904,715**	**1,684,972**
		0	2,072,757	1,899,093	1,719,130
Total Trust funds Forest Service		BA	**105,902**	**287,039**	**181,400**
		0	113,860	237,853	212,570
Summary					
Federal funds:					
(As shown in detail above)		BA	**41,222,196**	**42,362,499**	**40,303,065**
		0	36,845,411	45,789,437	36,090,051
Deductions for offsetting receipts:					
Intrafund transactions	302	BA	*—149,014*	*—118,284*	*—115,810*
		0			
Proprietary receipts from the public	270	BA	*—27*	.....	.....
		0			
	300	BA	*—291,201*	*—311,656*	*—404,365*
		0			
	/	BA		*[J] 39*	*[J] 53*
		0			
	302	BA	*—176,401*	*—435,821*	*—608,610*
		0			
		BA			*[J] —25,000*
		0			
	350	BA	*—13,638*	*—1,849*	*—1,849*
		0			
	450	BA	*—111*	*—88*	*—63*
		0			
	550	BA	*—5*	*—6*	*—6*
		0			

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Agriculture—Con.					
Summary—Con.					
	605	BA	*—1,632*	*—1,454*	*—1,454*
		0			
	806	BA	*—1*	.....	.....
		0			
	908	BA	*—393*	*—237*	*—267*
		0			
Total Federal funds		BA	**40,589,773**	**41,493,143**	**39,145,694**
		0	36,212,988	44,920,081	34,932,680
Trust funds:					
(As shown in detail above)		BA	**179,927**	**374,047**	**276,370**
		0	178,609	328,888	307,798
Deductions for offsetting receipts:					
Proprietary receipts from the public	302	BA	*—104,804*	*—146,600*	*—150,000*
		0			
	352	BA	*—74,024*	*—87,008*	*—94,970*
		0			
Total Trust funds		BA	**1,099**	**140,439**	**31,400**
		0	—219	95,280	62,828
Total Department of Agriculture		BA	**40,590,872**	**41,633,582**	**39,177,094**
		0	36,212,769	45,015,361	34,995,508
Department of Commerce					
General Administration					
Federal funds					
General and Special Funds:					
Salaries and expenses	376				
Appropriation, current		BA	**28,232**	**32,038** [C] 3 [D] **1,229**	**33,200**
Outlays		0	31,487	33,221	33,165
Total Salaries and expenses		BA	**28,232**	**33,270**	**33,200**
		0	31,487	33,221	33,165
White House conference on productivity	376				
Appropriation, current		BA	.....	**1,500**	.....
Outlays		0	.....	1,500	.....
Special foreign currency program	376				
Appropriation, current		BA	.....	.....	**700**
				[A] **500**	
Outlays		0	242	150	300
				[A] 150	[A] 150
Total Special foreign currency program		BA	.....	**500**	**700**
		0	242	300	450
Intragovernmental Funds:					
Working capital fund	376				
Outlays		0	—163	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.				
General Administration—Con.				
Trust funds				
Miscellaneous trust funds 376				
Appropriation, permanent, indefinite	BA	**443**	**200**	**300**
Outlays	0	309	200	300
Total Federal funds General Administration	BA	**28,232**	**35,270**	**33,900**
	0	31,566	35,021	33,615
Total Trust funds General Administration	BA	**443**	**200**	**300**
	0	309	200	300
Bureau of the Census				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Appropriation, current	BA	**57,200**	**66,552**	**78,200**
			[D] **2,685**	
Outlays	0	67,468	69,079	76,689
Total Salaries and expenses	BA	**57,200**	**69,237**	**78,200**
	0	67,468	69,079	76,689
Periodic censuses and programs 376				
Appropriation, current	BA	**87,898**	**97,294**	**78,000**
			[D] **1,651**	
Outlays	0	92,183	96,078	83,641
Total Periodic censuses and programs	BA	**87,898**	**98,945**	**78,000**
	0	92,183	96,078	83,641
Trust funds				
Special studies, services, and projects 376				
Appropriation, permanent	BA	**9,459**	**10,750**	**10,800**
Outlays	0	−3,170	10,750	10,800
Total Federal funds Bureau of the Census	BA	**145,098**	**168,182**	**156,200**
	0	159,651	165,157	160,330
Total Trust funds Bureau of the Census	BA	**9,459**	**10,750**	**10,800**
	0	−3,170	10,750	10,800
Economic and Statistical Analysis				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Appropriation, current	BA	**28,771**	**37,117**	**38,900**
			[D] **1,333**	
Outlays	0	28,337	38,368	38,370
Total Salaries and expenses	BA	**28,771**	**38,450**	**38,900**
	0	28,337	38,368	38,370
Public Enterprise Funds:				
Technical information clearinghouse fund 376				
Appropriation, current	BA			[J] **5,000**

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.				
Economic and Statistical Analysis—Con.				
Trust funds				
Information products and services 376				
Appropriation, current, indefinite	BA			[J] −29,000
Appropriation, permanent, indefinite	BA	**24,015**	**27,000**	**29,000**
Outlays	0	21,871	27,000	29,000
				[J] −29,000
Total Information products and services	BA	**24,015**	**27,000**	.....
	0	21,871	27,000	.....
Special studies, services, and projects 376				
Appropriation, permanent	BA	**202**	**250**	**338**
Outlays	0	105	250	338
Total Federal funds Economic and Statistical Analysis	BA	**28,771**	**38,450**	**43,900**
	0	28,337	38,368	38,370
Total Trust funds Economic and Statistical Analysis	BA	**24,217**	**27,250**	**338**
	0	21,976	27,250	338
Economic Development Assistance				
Economic Development Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 452				
Appropriation, current	BA	**25,000**	**23,602**	**18,100**
Outlays	0	29,308	24,842	19,260
Economic development assistance programs 452				
Appropriation, current	BA	**198,500**	**168,500**	.....
			[A] −158,500	
Outlays	0	337,293	270,093	206,709
			[A] −23,590	[A] −50,550
Total Economic development assistance programs	BA	**198,500**	**10,000**	.....
	0	337,293	246,503	156,159
Local public works program 452				
Outlays	0	39,687	30,000	30,000
Drought assistance program 453				
Outlays	0	−282	.....	.....
Financial and technical assistance 376				
Outlays	0	123	.....	.....
Job opportunities program 504				
Outlays	0	1,389	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.				
Economic Development Assistance—Con.				
Economic Development Administration—Con.				
Public Enterprise Funds:				
Economic development revolving fund 452				
Outlays	0	45,746	24,000	−24,000
Total Federal funds Economic Development Administration	BA	**223,500**	**33,602**	**18,100**
	0	453,264	325,345	181,419
Regional Development Program				
Federal funds				
General and Special Funds:				
Regional development programs 452				
Outlays	0	5,877	8,633	3,205
Trust funds				
Regional development commissions 452				
Appropriation, permanent, indefinite	BA	**72**	.....	.....
Outlays	0	15,583	3,316	1,360
Total Federal funds Economic Development Assistance	BA	**223,500**	**33,602**	**18,100**
	0	459,141	333,978	184,624
Total Trust funds Economic Development Assistance	BA	**72**	.....	.....
	0	15,583	3,316	1,360
Promotion of Industry and Commerce				
International Trade Administration				
Federal funds				
General and Special Funds:				
Operations and administration 376				
Appropriation, current	BA	**151,995**	**168,133**	**131,815**
				[K] **13,085**
			[A] **−20,100**	
Outlays	0	123,170	169,429	156,430
			[A] −7,640	[A] −9,260
Total Operations and administration	BA	**151,995**	**148,033**	**144,900**
	0	123,170	161,789	147,170
Participation in United States expositions 376				
Appropriation, current	BA	**10,000**	.....	.....
Outlays	0	10,918	5,700	3,759

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.				
Promotion of Industry and Commerce—Con.				
International Trade Administration—Con.				
Trust funds				
Miscellaneous trust funds 376				
Appropriation, permanent, indefinite	BA	**8,251**	**9,723**	**9,028**
Outlays	0	7,984	9,723	9,028
Total Federal funds International Trade Administration	BA	**161,995**	**148,033**	**144,900**
	0	134,088	167,489	150,929
Total Trust funds International Trade Administration	BA	**8,251**	**9,723**	**9,028**
	0	7,984	9,723	9,028
Minority Business Development Agency				
Federal funds				
General and Special Funds:				
Minority business development 376				
Appropriation, current	BA	**56,641**	**47,265**	**54,000**
			[D] **446**	
Outlays	0	49,596	57,691	57,000
Total Minority business development	BA	**56,641**	**47,711**	**54,000**
	0	49,596	57,691	57,000
United States Travel and Tourism Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Appropriation, current	BA	**7,600**	**8,189**	.....
				[K] **5,400**
Outlays	0	7,044	7,932	5,117
Total Salaries and expenses	BA	**7,600**	**8,189**	**5,400**
	0	7,044	7,932	5,117
Trust funds				
Special studies, services, and projects 376				
Appropriation, permanent	BA	**309**	**375**	**375**
Outlays	0	219	375	375
Total Federal funds Promotion of Industry and Commerce	BA	**226,236**	**203,933**	**204,300**
	0	190,728	233,112	213,046
Total Trust funds Promotion of Industry and Commerce	BA	**8,560**	**10,098**	**9,403**
	0	8,203	10,098	9,403

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.				
Science and Technology				
National Oceanic and Atmospheric Administration				
Federal funds				
General and Special Funds:				
Operations, research, and facilities 306				
Appropriation, current	BA	**855,868**	**885,354**	**772,185**
				[K] **43,315**
			[B] **20,000**	
			[G] **2,000**	
Indefinite	BA	**90**	**300**	.....
Outlays	0	783,028	876,863	833,080
			[B] 20,000	
Total Operations, research, and facilities	BA	**855,958**	**907,654**	**815,500**
	0	783,028	896,863	833,080
Construction 306				
Appropriation, current	BA		[F] **−2,000**	
			[H] **−2,000**	
Outlays	0	19,202	12,000	11,000
			[H] −2,000	
Total Construction	BA	.....	**−4,000**	.....
	0	19,202	10,000	11,000
Coastal zone management 302				
Appropriation, current	BA	**7,415**	**8,409**	.....
Outlays	0	65,132	31,647	23,741
Promote and develop fishery products and research pertaining to American fisheries 376				
Appropriation, current	BA	**−10,000**	**−22,600**	**−31,500**
Appropriation, permanent, indefinite	BA	**26,186**	**30,623**	**31,500**
Outlays	0	18,704	20,542	2,186
Total Promote and develop fishery products and research pertaining to American fisheries	BA	**16,186**	**8,023**	.....
	0	18,704	20,542	2,186
Fishing vessel and gear damage compensation fund 376				
Appropriation, current, indefinite	BA	**4,710**	**1,750**	**1,750**
Outlays	0	1,140	1,637	1,750
Fishermen's contingency fund 376				
Appropriation, current	BA	.....	**250**	**250**
Outlays	0	307	221	250
Foreign fishing observer fund 376				
Appropriation, current	BA	**3,046**	**6,950**	**12,000**
Outlays	0	1,742	8,009	12,000
Fisheries loan fund 376				
Appropriation, current	BA	.....	**10,000**	.....
Outlays	0	1,416	9,000	−1,109
Fishermen's guaranty fund 376				
Appropriation, current	BA	**1,800**	**1,800**	**1,800**
Outlays	0	2,647	1,800	1,800

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.				
Science and Technology—Con.				
National Oceanic and Atmospheric Administration—Con.				
Public Enterprise Funds:				
Coastal energy impact fund 452				
Outlays	0	29,098	18,384	10,700
Federal ship financing fund, fishing vessels 376				
Authority to borrow, current, indefinite	BA	**1,900**	**3,100**	.....
Outlays	0	2,473	2,747	−4,200
Trust funds				
Miscellaneous trust funds 306				
Appropriation, permanent, indefinite	BA	**18,865**	**20,360**	**3,764**
Outlays	0	17,590	20,360	3,764
Total Federal funds National Oceanic and Atmospheric Administration	BA	**891,015**	**943,936**	**831,300**
	0	924,889	1,000,850	891,198
Total Trust funds National Oceanic and Atmospheric Administration	BA	**18,865**	**20,360**	**3,764**
	0	17,590	20,360	3,764
Patent and Trademark Office				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Appropriation, current	BA	**125,335**	**73,801**	**82,500**
			[C] **10**	
			[D] **4,648**	
Reappropriation	BA	**8,200**	.....	.....
Outlays	0	128,946	74,720	78,457
Total Salaries and expenses	BA	**133,535**	**78,459**	**82,500**
	0	128,946	74,720	78,457
National Bureau of Standards				
Federal funds				
General and Special Funds:				
Scientific and technical research and services 376				
Appropriation, current	BA	**117,822**	**111,575**	.....
				[K] **94,893**
			[C] **211**	
			[D] **2,526**	
Outlays	0	107,478	114,531	97,490
Total Scientific and technical research and services	BA	**117,822**	**114,312**	**94,893**
	0	107,478	114,531	97,490

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.					
Science and Technology—Con.					
National Bureau of Standards—Con.					
Intragovernmental Funds:					
Working capital fund	376				
Appropriation, current		BA	**7,228**	**6,286**	.....
					[K] **3,807**
Outlays		0	−2,533	5,943	5,060
Total Working capital fund		BA	**7,228**	**6,286**	**3,807**
		0	−2,533	5,943	5,060
Total Federal funds National Bureau of Standards		BA	**125,050**	**120,598**	**98,700**
		0	104,945	120,474	102,550
National Telecommunications and Information Administration					
Federal funds					
General and Special Funds:					
Salaries and expenses	376				
Appropriation, current		BA	**16,483**	**12,190**	**12,200**
Outlays		0	17,140	13,876	12,346
Public telecommunications facilities, planning and construction	503				
Appropriation, current		BA	**18,000**	**15,000**	.....
Outlays		0	12,294	23,800	23,150
Total Federal funds National Telecommunications and Information Administration		BA	**34,483**	**27,190**	**12,200**
		0	29,434	37,676	35,496
Total Federal funds Science and Technology		BA	**1,184,083**	**1,170,183**	**1,024,700**
		0	1,188,214	1,233,720	1,107,701
Total Trust funds Science and Technology		BA	**18,865**	**20,360**	**3,764**
		0	17,590	20,360	3,764
Summary					
Federal funds:					
(As shown in detail above)		BA	**1,835,920**	**1,649,620**	**1,481,100**
		0	2,057,637	2,039,356	1,737,686
Deductions for offsetting receipts:					
Intrafund transactions	908	BA			
		0	*−209*	*−250*	*−300*
Proprietary receipts from the public	300	BA			
		0	*−2,081*	*−16,913*	*−25,482*
		BA			
		0			[J] *−37,779*
	370	BA			
		0	*−1,654*	*−870*	*−870*
	376	BA			
		0	*−2,087*	*−52,110*	*−2,110*
	450	BA			
		0	*−358*	*−145*	*−200*

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Commerce—Con.					
Summary—Con.					
	908	BA			
		O	*—5,275*	*—3,450*	*—3,630*
Total Federal funds		BA	**1,824,256**	**1,575,882**	**1,410,729**
		O	2,045,973	1,965,618	1,667,315
Trust funds:					
(As shown in detail above)		BA	**61,616**	**68,658**	**24,605**
		O	60,491	71,974	25,965
Deductions for offsetting receipts:					
Intrafund transactions	376	BA			
		O	*—1,016*	*—914*	*—914*
Proprietary receipts from the public	306	BA			
		O	*—18,866*	*—20,360*	*—3,764*
	376	BA			
		O	*—37,157*	*—41,341*	*—42,508*
		BA			
		O			*[1] 24,070*
Total Trust funds		BA	**4,577**	**6,043**	**1,489**
		O	3,452	9,359	2,849
Interfund transactions	376	BA			
		O	**—4,158**	**—5,873**	**—6,219**
		BA			
		O			**[1] 4,930**
	452	BA			
		O	**—72**	.....	.....
Total Department of Commerce		BA	**1,824,603**	**1,576,052**	**1,410,929**
		O	2,045,195	1,969,104	1,668,875
Department of Defense--Military					
Military Personnel					
Federal funds					
General and Special Funds:					
Military personnel, Army	051				
Appropriation, current		BA	**14,024,000**	**14,604,848**	**15,214,700**
Outlays		O	13,933,948	14,566,200	15,168,100
Military personnel, Navy	051				
Appropriation, current		BA	**10,324,774**	**10,661,208**	**11,293,600**
Outlays		O	10,097,804	10,735,700	11,247,100
Military personnel, Marine Corps	051				
Appropriation, current		BA	**3,120,745**	**3,330,977**	**3,462,900**
Outlays		O	3,042,104	3,346,600	3,447,300
Military personnel, Air Force	051				
Appropriation, current		BA	**11,477,572**	**12,195,950**	**12,757,900**
Outlays		O	11,448,592	12,074,900	12,687,800
Reserve personnel, Army	051				
Appropriation, current		BA	**1,081,000**	**1,247,250**	**1,386,500**
Outlays		O	1,054,115	1,233,400	1,374,700

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Military Personnel—Con.				
Reserve personnel, Navy 051				
Appropriation, current	BA	**374,600**	**664,325**	**743,200**
Outlays	0	360,960	630,700	728,500
Reserve personnel, Marine Corps 051				
Appropriation, current	BA	**152,500**	**170,900**	**177,300**
Outlays	0	142,781	165,600	172,700
Reserve personnel, Air Force 051				
Appropriation, current	BA	**327,250**	**362,125**	**383,300**
Outlays	0	323,109	356,200	379,700
National Guard personnel, Army 051				
Appropriation, current	BA	**1,512,900**	**1,698,800**	**1,914,800**
Outlays	0	1,468,483	1,658,000	1,881,400
National Guard personnel, Air Force 051				
Appropriation, current	BA	**479,900**	**548,425**	**593,000**
Outlays	0	468,749	540,800	588,200
Total Federal funds Military Personnel	BA	**42,875,241**	**45,484,808**	**47,927,200**
	0	42,340,645	45,308,100	47,675,500
Retired Military Personnel				
Federal funds				
General and Special Funds:				
Retired pay, Defense 051				
Appropriation, current	BA	**14,986,000**	**16,154,800**	**17,087,800**
				[L] **—282,000**
Outlays	0	14,937,897	16,130,300	17,052,400
				[L] —282,000
Total Retired pay, Defense	BA	**14,986,000**	**16,154,800**	**16,805,800**
	0	14,937,897	16,130,300	16,770,400
Operation and Maintenance				
Federal funds				
General and Special Funds:				
Operation and maintenance, Army 051				
Appropriation, current	BA	**15,043,101**	**15,666,339**	.....
				[K] **17,867,800**
Outlays	0	14,102,785	15,587,000	17,242,900
Total Operation and maintenance, Army	BA	**15,043,101**	**15,666,339**	**17,867,800**
	0	14,102,785	15,587,000	17,242,900
Operation and maintenance, Navy 051				
Appropriation, current	BA	**19,728,489**	**21,055,557**	.....
				[K] **23,225,600**
Liquidation of contract authority, current		(43,641)	.....	.....
			[A] (25,000)	
Outlays	0	19,291,491	20,050,900	22,398,700
			[A] 25,000	
Total Operation and maintenance, Navy	BA	**19,728,489**	**21,055,557**	**23,225,600**
	0	19,291,491	20,075,900	22,398,700

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Operation and Maintenance—Con.				
Operation and maintenance, Marine Corps 051				
Appropriation, current	BA	**1,200,040**	**1,460,947**	
				[K] **1,575,900**
Outlays	0	1,103,436	1,373,300	1,514,800
Total Operation and maintenance, Marine Corps	BA	**1,200,040**	**1,460,947**	**1,575,900**
	0	1,103,436	1,373,300	1,514,800
Operation and maintenance, Air Force 051				
Appropriation, current	BA	**16,135,519**	**16,901,103**	
				[K] **18,999,100**
Outlays	0	15,494,144	16,653,900	18,453,800
Total Operation and maintenance, Air Force	BA	**16,135,519**	**16,901,103**	**18,999,100**
	0	15,494,144	16,653,900	18,453,800
Operation and maintenance, Defense agencies 051				
Appropriation, current	BA	**5,268,630**	**5,851,800**	
				[K] **6,871,900**
Outlays	0	4,991,975	5,730,100	6,678,200
Total Operation and maintenance, Defense agencies	BA	**5,268,630**	**5,851,800**	**6,871,900**
	0	4,991,975	5,730,100	6,678,200
Operation and maintenance, Army Reserve 051				
Appropriation, current	BA	**666,661**	**705,081**	
				[K] **662,800**
Outlays	0	595,428	705,500	656,800
Total Operation and maintenance, Army Reserve	BA	**666,661**	**705,081**	**662,800**
	0	595,428	705,500	656,800
Operation and maintenance, Navy Reserve 051				
Appropriation, current	BA	**574,387**	**637,475**	
				[K] **693,000**
Outlays	0	545,320	621,100	654,000
Total Operation and maintenance, Navy Reserve	BA	**574,387**	**637,475**	**693,000**
	0	545,320	621,100	654,000
Operation and maintenance, Marine Corps Reserve 051				
Appropriation, current	BA	**40,444**	**51,112**	
				[K] **53,629**
Outlays	0	33,052	46,100	50,400
Total Operation and maintenance, Marine Corps Reserve	BA	**40,444**	**51,112**	**53,629**
	0	33,052	46,100	50,400

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Operation and Maintenance—Con.				
Operation and maintenance, Air Force Reserve 051				
Appropriation, current	BA	**679,254**	**765,048**	.....
				[K] **815,000**
Outlays	O	671,567	741,900	802,500
Total Operation and maintenance, Air Force Reserve	BA	**679,254**	**765,048**	**815,000**
	O	671,567	741,900	802,500
Operation and maintenance, Army National Guard 051				
Appropriation, current	BA	**1,109,697**	**1,191,174**	.....
				[K] **1,135,000**
Outlays	O	1,025,094	1,198,300	1,133,600
Total Operation and maintenance, Army National Guard	BA	**1,109,697**	**1,191,174**	**1,135,000**
	O	1,025,094	1,198,300	1,133,600
Operation and maintenance, Air National Guard 051				
Appropriation, current	BA	**1,671,218**	**1,822,107**	.....
				[K] **1,824,700**
Outlays	O	1,653,359	1,769,800	1,804,800
Total Operation and maintenance, Air National Guard	BA	**1,671,218**	**1,822,107**	**1,824,700**
	O	1,653,359	1,769,800	1,804,800
National Board for the Promotion of Rifle Practice, Army 051				
Appropriation, current	BA	**861**	**887**	.....
				[K] **899**
Outlays	O	787	800	900
Total National Board for the Promotion of Rifle Practice, Army	BA	**861**	**887**	**899**
	O	787	800	900
Claims, Defense 051				
Appropriation, current	BA	**155,700**	**147,500**	.....
				[K] **222,900**
Outlays	O	163,464	136,500	214,100
Total Claims, Defense	BA	**155,700**	**147,500**	**222,900**
	O	163,464	136,500	214,100
Court of Military Appeals, Defense 051				
Appropriation, current	BA	**2,700**	**3,258**	.....
				[K] **3,372**
Outlays	O	1,999	3,100	3,300
Total Court of Military Appeals, Defense	BA	**2,700**	**3,258**	**3,372**
	O	1,999	3,100	3,300
Foreign currency fluctuations, Defense 051				
Appropriation, current	BA	**189,170**	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Operation and Maintenance—Con.				
Summer olympics 051				
Appropriation, current	BA			[K] **50,000**
Outlays	0			[K] 40,000
XIII olympic winter games 051				
Outlays	0	71	.....	.....
Total Federal funds Operation and Maintenance...	BA	**62,465,871**	**66,259,388**	**74,001,600**
	0	59,673,972	64,643,300	71,648,800
Procurement				
Federal funds				
General and Special Funds:				
Aircraft procurement, Army 051				
Appropriation, current	BA	**1,959,396**	**2,487,072**	.....
				[K] **3,472,100**
Reappropriation	BA	**13,396**	.....	.....
Outlays	0	1,296,516	1,436,000	2,368,500
Total Aircraft procurement, Army	BA	**1,972,792**	**2,487,072**	**3,472,100**
	0	1,296,516	1,436,000	2,368,500
Missile procurement, Army 051				
Appropriation, current	BA	**2,118,500**	**2,266,600**	.....
				[K] **3,088,500**
Outlays	0	1,268,507	1,866,800	2,363,700
Total Missile procurement, Army	BA	**2,118,500**	**2,266,600**	**3,088,500**
	0	1,268,507	1,866,800	2,363,700
Procurement of weapons and tracked combat vehicles, Army 051				
Appropriation, current	BA	**3,805,100**	**4,500,346**	.....
				[K] **4,934,416**
Reappropriation	BA	.....	**198,200**	.....
Outlays	0	2,143,686	3,532,600	4,109,600
Total Procurement of weapons and tracked combat vehicles, Army	BA	**3,805,100**	**4,698,546**	**4,934,416**
	0	2,143,686	3,532,600	4,109,600
Procurement of ammunition, Army 051				
Appropriation, current	BA	**2,332,500**	**2,116,394**	.....
				[K] **2,334,189**
Outlays	0	1,646,825	1,934,300	2,117,100
Total Procurement of ammunition, Army	BA	**2,332,500**	**2,116,394**	**2,334,189**
	0	1,646,825	1,934,300	2,117,100

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Procurement—Con.				
Other procurement, Army 051				
Appropriation, current	BA	**3,718,171**	**4,108,304**	.....
				[K] **5,362,870**
Reappropriation	BA	**28,200**	.....	.....
Outlays	O	2,027,503	2,982,000	3,706,900
Total Other procurement, Army	BA	**3,746,371**	**4,108,304**	**5,362,870**
	O	2,027,503	2,982,000	3,706,900
Aircraft procurement, Navy 051				
Appropriation, current	BA	**9,027,700**	**10,268,327**	.....
				[K] **11,127,300**
Outlays	O	5,872,193	7,552,500	9,317,800
Total Aircraft procurement, Navy	BA	**9,027,700**	**10,268,327**	**11,127,300**
	O	5,872,193	7,552,500	9,317,800
Weapons procurement, Navy 051				
Appropriation, current	BA	**3,165,600**	**3,435,100**	.....
				[K] **4,028,600**
Outlays	O	2,444,315	2,775,700	3,233,200
Total Weapons procurement, Navy	BA	**3,165,600**	**3,435,100**	**4,028,600**
	O	2,444,315	2,775,700	3,233,200
Shipbuilding and conversion, Navy 051				
Appropriation, current	BA	**8,402,400**	**16,036,900**	.....
				[K] **12,698,800**
Reappropriation	BA	**236,500**	**211,200**	.....
Outlays	O	6,738,627	7,248,900	8,506,100
Total Shipbuilding and conversion, Navy	BA	**8,638,900**	**16,248,100**	**12,698,800**
	O	6,738,627	7,248,900	8,506,100
Other procurement, Navy 051				
Appropriation, current	BA	**3,629,577**	**3,653,275**	.....
				[K] **5,001,838**
Outlays	O	2,696,818	3,240,100	3,616,700
Total Other procurement, Navy	BA	**3,629,577**	**3,653,275**	**5,001,838**
	O	2,696,818	3,240,100	3,616,700
Procurement, Marine Corps 051				
Appropriation, current	BA	**1,709,456**	**1,977,383**	.....
				[K] **1,852,049**
Outlays	O	381,615	771,700	1,237,500
Total Procurement, Marine Corps	BA	**1,709,456**	**1,977,383**	**1,852,049**
	O	381,615	771,700	1,237,500

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Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Procurement—Con.				
Aircraft procurement, Air Force 051				
Appropriation, current	BA	**13,738,898**	**17,425,300**	.....
				[K] **22,707,190**
Reappropriation	BA	**89,700**	**170,000**	.....
Outlays	0	9,624,364	12,446,500	15,379,400
Total Aircraft procurement, Air Force	BA	**13,828,598**	**17,595,300**	**22,707,190**
	0	9,624,364	12,446,500	15,379,400
Missile procurement, Air Force 051				
Appropriation, current	BA	**4,532,550**	**4,943,700**	.....
				[K] **8,570,834**
Reappropriation	BA	.....	**15,000**	.....
Outlays	0	3,069,199	3,927,900	5,063,600
Total Missile procurement, Air Force	BA	**4,532,550**	**4,958,700**	**8,570,834**
	0	3,069,199	3,927,900	5,063,600
Other procurement, Air Force 051				
Appropriation, current	BA	**5,385,333**	**5,535,977**	.....
				[K] **7,626,302**
Reappropriation	BA	**800**	**4,963**	.....
Outlays	0	3,662,368	4,978,600	6,418,900
Total Other procurement, Air Force	BA	**5,386,133**	**5,540,940**	**7,626,302**
	0	3,662,368	4,978,600	6,418,900
Procurement, Defense agencies 051				
Appropriation, current	BA	**518,000**	**823,545**	**1,082,791**
Outlays	0	384,042	485,100	727,000
National guard and reserve equipment 051				
Appropriation, current	BA	**50,000**	**125,000**	.....
Outlays	0	.....	19,300	60,600
Defense production act purchases 051				
Appropriation, current	BA			[K] **200,000**
Procurement of aircraft and missiles, Navy 051				
Outlays	0	11,040	10,000	9,000
Procurement of equipment and missiles, Army 051				
Outlays	0	3,358	2,500	2,500
Total Federal funds Procurement	BA	**64,461,777**	**80,302,586**	**94,087,779**
	0	43,270,976	55,210,500	68,238,100

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Research, Development, Test, and Evaluation				
Federal funds				
General and Special Funds:				
Research, development, test, and evaluation, Army 051				
Appropriation, current	BA	**3,609,535**	**3,884,783**	.....
				[K] **4,792,200**
Outlays	O	3,229,713	3,666,000	4,364,400
Total Research, development, test, and evaluation, Army	BA	**3,609,535**	**3,884,783**	**4,792,200**
	O	3,229,713	3,666,000	4,364,400
Research, development, test, and evaluation, Navy 051				
Appropriation, current	BA	**5,808,231**	**6,086,031**	.....
				[K] **8,181,043**
Reappropriation	BA	**19,495**	.....	.....
Outlays	O	5,240,315	5,900,700	7,138,900
Total Research, development, test, and evaluation, Navy	BA	**5,827,726**	**6,086,031**	**8,181,043**
	O	5,240,315	5,900,700	7,138,900
Research, development, test, and evaluation, Air Force 051				
Appropriation, current	BA	**8,859,710**	**10,625,561**	.....
				[K] **13,652,273**
Reappropriation	BA	**12,358**	.....	.....
Outlays	O	7,794,204	9,870,300	12,257,000
Total Research, development, test, and evaluation, Air Force	BA	**8,872,068**	**10,625,561**	**13,652,273**
	O	7,794,204	9,870,300	12,257,000
Research, development, test, and evaluation, Defense agencies 051				
Appropriation, current	BA	**1,697,646**	**2,153,189**	.....
				[K] **2,939,900**
Outlays	O	1,419,975	1,943,200	2,518,800
Total Research, development, test, and evaluation, Defense agencies	BA	**1,697,646**	**2,153,189**	**2,939,900**
	O	1,419,975	1,943,200	2,518,800
Director of test and evaluation, Defense 051				
Appropriation, current	BA	**53,000**	**55,000**	.....
				[K] **56,800**
Outlays	O	44,781	49,800	53,000
Total Director of test and evaluation, Defense	BA	**53,000**	**55,000**	**56,800**
	O	44,781	49,800	53,000
Total Federal funds Research, Development, Test, and Evaluation	BA	**20,059,975**	**22,804,564**	**29,622,216**
	O	17,728,988	21,430,000	26,332,100

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Military Construction				
Federal funds				
General and Special Funds:				
Military construction, Army 051				
Appropriation, current	BA	**950,701**	**929,720**	**41,890**
				[K] 1,333,110
Outlays	0	802,345	905,900	940,300
Total Military construction, Army	BA	**950,701**	**929,720**	**1,375,000**
	0	802,345	905,900	940,300
Military construction, Navy 051				
Appropriation, current	BA	**1,451,393**	**1,080,750**	**118,000**
				[K] 1,225,700
Outlays	0	777,926	1,196,700	1,121,600
Total Military construction, Navy	BA	**1,451,393**	**1,080,750**	**1,343,700**
	0	777,926	1,196,700	1,121,600
Military construction, Air Force 051				
Appropriation, current	BA	**1,558,451**	**1,551,414**	**68,990**
				[K] 2,231,910
Outlays	0	809,302	1,307,400	1,548,000
Total Military construction, Air Force	BA	**1,558,451**	**1,551,414**	**2,300,900**
	0	809,302	1,307,400	1,548,000
Military construction, Defense agencies 051				
Appropriation, current	BA	**299,490**	**339,770**	.....
				[K] 398,400
Outlays	0	220,690	260,700	260,400
Total Military construction, Defense agencies	BA	**299,490**	**339,770**	**398,400**
	0	220,690	260,700	260,400
North Atlantic Treaty Organization infrastructure 051				
Appropriation, current	BA	**345,000**	**325,000**	.....
				[K] 150,000
Outlays	0	111,452	180,000	240,000
Total North Atlantic Treaty Organization infrastructure	BA	**345,000**	**325,000**	**150,000**
	0	111,452	180,000	240,000
Military construction, Army National Guard 051				
Appropriation, current	BA	**67,658**	**54,958**	.....
				[K] 55,300
Outlays	0	29,929	58,900	60,700
Total Military construction, Army National Guard.	BA	**67,658**	**54,958**	**55,300**
	0	29,929	58,900	60,700

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Military Construction—Con.				
Military construction, Air National Guard 051				
Appropriation, current	BA	**105,140**	**127,900**	.....
				[K] **79,900**
Outlays	0	73,032	100,300	109,600
Total Military construction, Air National Guard	BA	**105,140**	**127,900**	**79,900**
	0	73,032	100,300	109,600
Military construction, Army Reserve 051				
Appropriation, current	BA	**65,173**	**41,800**	.....
				[K] **52,700**
Outlays	0	47,972	51,500	46,300
Total Military construction, Army Reserve	BA	**65,173**	**41,800**	**52,700**
	0	47,972	51,500	46,300
Military construction, Naval Reserve 051				
Appropriation, current	BA	**36,000**	**25,200**	.....
				[K] **24,800**
Outlays	0	29,881	30,700	27,700
Total Military construction, Naval Reserve	BA	**36,000**	**25,200**	**24,800**
	0	29,881	30,700	27,700
Military construction, Air Force Reserve 051				
Appropriation, current	BA	**37,400**	**35,600**	.....
				[K] **42,200**
Outlays	0	19,951	31,800	38,100
Total Military construction, Air Force Reserve	BA	**37,400**	**35,600**	**42,200**
	0	19,951	31,800	38,100
Total Federal funds Military Construction	BA	**4,916,406**	**4,512,112**	**5,822,900**
	0	2,922,480	4,123,900	4,392,700
Family Housing				
Federal funds				
General and Special Funds:				
Family housing, Army 051				
Appropriation, current	BA	.....	**966,686**	.....
				[K] **1,240,939**
Outlays	0	.....	913,400	1,125,700
Total Family housing, Army	BA	.....	**966,686**	**1,240,939**
	0	.....	913,400	1,125,700
Family housing, Navy 051				
Appropriation, current	BA	.....	**708,293**	.....
				[K] **675,744**
Outlays	0	.....	641,000	652,200
Total Family housing, Navy	BA	.....	**708,293**	**675,744**
	0	.....	641,000	652,200

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Family Housing—Con.				
Family housing, Air Force 051				
Appropriation, current	BA		**839,636**	
				[K] **895,800**
Outlays	0		783,800	836,100
Total Family housing, Air Force	BA		**839,636**	**895,800**
	0		783,800	836,100
Family housing, Defense agencies 051				
Appropriation, current	BA		**14,313**	
				[K] **19,744**
Outlays	0		16,400	18,100
Total Family housing, Defense agencies	BA		**14,313**	**19,744**
	0		16,400	18,100
Family housing, Defense 051				
Appropriation, current	BA	**2,198,745**		
Reappropriation	BA	**1,992**		
Outlays	0	1,990,601		
Total Family housing, Defense	BA	**2,200,737**		
	0	1,990,601		
Public Enterprise Funds:				
Homeowners assistance fund, Defense 051				
Appropriation, current	BA	**2,000**	**2,000**	
Authority to borrow, permanent, indefinite	BA	**427**	**800**	**600**
Outlays	0	2,283	3,300	3,300
Total Homeowners assistance fund, Defense	BA	**2,427**	**2,800**	**600**
	0	2,283	3,300	3,300
Total Federal funds Family Housing	BA	**2,203,164**	**2,531,728**	**2,832,827**
	0	1,992,884	2,357,900	2,635,400
Special Foreign Currency Program				
Federal funds				
General and Special Funds:				
Special foreign currency program 051				
Appropriation, current	BA	**3,083**	**3,800**	
				[K] **3,050**
Outlays	0	3,522	700	900
Total Special foreign currency program	BA	**3,083**	**3,800**	**3,050**
	0	3,522	700	900
Revolving and Management Funds				
Federal funds				
Public Enterprise Funds:				
Defense production guarantees 051				
Outlays	0	—4	—3	—2
Laundry service, Naval Academy 051				
Outlays	0	70		

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Revolving and Management Funds—Con.				
Intragovernmental Funds:				
Army stock fund 051				
Appropriation, current	BA	**176,300**	**221,138**	**408,600**
Contract authority, permanent, indefinite	BA	**115,220**	.....	.....
Outlays	0	75,103	183,200	388,400
Total Army stock fund	BA	**291,520**	**221,138**	**408,600**
	0	75,103	183,200	388,400
Navy stock fund 051				
Appropriation, current	BA	**9,435**	**354,372**	**682,869**
Contract authority, permanent, indefinite	BA	**541,254**	.....	.....
Outlays	0	160,907	853,600	356,700
Total Navy stock fund	BA	**550,689**	**354,372**	**682,869**
	0	160,907	853,600	356,700
Marine Corps stock fund 051				
Appropriation, current	BA	**13,334**	**11,812**	**22,280**
Contract authority, permanent, indefinite	BA	**68,019**	.....	.....
Outlays	0	10,494	26,800	14,200
Total Marine Corps stock fund	BA	**81,353**	**11,812**	**22,280**
	0	10,494	26,800	14,200
Air Force stock fund 051				
Appropriation, current	BA	**78,800**	**161,600**	**1,638,325**
Outlays	0	158,748	329,300	404,000
Defense stock fund 051				
Appropriation, current	BA	**69,000**	**160,500**	**47,000**
Contract authority, permanent, indefinite	BA	**1,422,701**	.....	.....
Outlays	0	61,072	−1,074,000	377,100
Total Defense stock fund	BA	**1,491,701**	**160,500**	**47,000**
	0	61,072	−1,074,000	377,100
Army industrial fund 051				
Outlays	0	−21,566	−9,200	−76,500
Navy industrial fund 051				
Outlays	0	41,194	20,800	−175,600
Marine Corps industrial fund 051				
Outlays	0	−7,911	−3,000	7,300
Air Force industrial fund 051				
Outlays	0	182,275	−110,400	−216,100
Defense industrial fund 051				
Outlays	0	79,507	6,400	6,000
Army management fund 051				
Outlays	0	7,394	−6,400	.....
Navy management fund 051				
Outlays	0	−12,880	12,900	.....
Air Force management fund 051				
Outlays	0	2	103	2

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.				
Revolving and Management Funds—Con.				
Army conventional ammunition working capital fund 051				
Outlays	0	−40,910	−106,700	−65,500
Total Federal funds Revolving and Management Funds	BA	**2,494,063**	**909,422**	**2,799,074**
	0	693,495	123,400	1,020,000
Allowances				
Federal funds				
General and Special Funds:				
Other legislation 051				
Appropriation, current	BA			**[1]22,100**
Outlays	0			[1]22,100
Supplemental for later transmittal 051				
Appropriation, current	BA		**[1]1,607,800**	
Outlays	0		[1]231,800	[1]679,800
Proposed rescissions for later transmittal 051				
Appropriation, current	BA		**[1]−650,000**	
Outlays	0		[1]−124,500	[1]−295,300
Total Federal funds Allowances	BA	.....	**957,800**	**22,100**
	0	.....	107,300	406,600
Trust Funds				
Trust funds				
Department of the Army trust funds 051				
Appropriation, permanent, indefinite	BA	**313**	**100**	**100**
Outlays	0	119	80	90
Department of the Navy trust funds 051				
Appropriation, permanent, indefinite	BA	**18,807**	**18,340**	**19,335**
Outlays	0	17,063	18,270	19,355
Department of the Air Force general gift fund 051				
Appropriation, permanent, indefinite	BA	**78**	**60**	**65**
Outlays	0	49	50	55
Surcharge collections, sales of commissary stores, Army 051				
Outlays	0	−4,736	2,400	3,600
Department of the Navy trust revolving funds 051				
Outlays	0	6,363	5,800	−1,900
Department of the Air Force trust revolving funds 051				
Outlays	0	104	2,700	2,200
Total Trust funds Trust Funds	BA	**19,198**	**18,500**	**19,500**
	0	18,962	29,300	23,400
Summary				
Federal funds:				
(As shown in detail above)	BA	**214,465,580**	**239,921,008**	**273,924,546**
	0	183,564,859	209,435,400	239,120,500

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Defense--Military—Con.					
Summary—Con.					
Deductions for offsetting receipts:					
Intrafund transactions	051	BA			
		0	*43*	.....	.....
Proprietary receipts from the public	051	BA			
		0	*—716,044*	*—514,900*	*—525,400*
Total Federal funds		BA	**213,749,579**	**239,406,108**	**273,399,146**
		0	182,848,858	208,920,500	238,595,100
Trust funds:					
(As shown in detail above)		BA	**19,198**	**18,500**	**19,500**
		0	18,962	29,300	23,400
Interfund transactions	051	BA			
		0	**—17,493**	**—17,500**	**—18,500**
Total Department of Defense--Military		BA	**213,751,284**	**239,407,108**	**273,400,146**
		0	182,850,327	208,932,300	238,600,000
Department of Defense--Civil					
Cemeterial Expenses, Army					
Federal funds					
General and Special Funds:					
Salaries and expenses	705				
Appropriation, current		BA	**4,555**	**6,682**	**8,203**
				[C] **45**	
				[D] **23**	
Outlays		0	7,268	6,650	8,100
Total Salaries and expenses		BA	**4,555**	**6,750**	**8,203**
		0	7,268	6,650	8,100
Corps of Engineers--Civil					
Federal funds					
General and Special Funds:					
General investigations	301				
Appropriation, current		BA	**137,225**	**129,042**	**110,400**
Outlays		0	130,385	129,000	110,400
Construction, general	301				
Appropriation, current		BA	**1,429,992**	**1,421,405**	**905,700**
				[A] **—140,000**	
Outlays		0	1,452,572	1,218,550	945,800
Total Construction, general		BA	**1,429,992**	**1,281,405**	**905,700**
		0	1,452,572	1,218,550	945,800

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Defense--Civil—Con.				
Corps of Engineers--Civil—Con.				
Operation and maintenance, general 301				
Appropriation, current	BA	**1,025,355**	**1,023,667** **[A] 110,000** **[C] 6,205** **[D] 7,415** **[E] 80**	**1,161,300**
Outlays	0	980,797	1,037,700 [A] 110,000	1,161,300
Total Operation and maintenance, general	BA	**1,025,355**	**1,147,367**	**1,161,300**
	0	980,797	1,147,700	1,161,300
Flood control and coastal emergencies 301				
Appropriation, current	BA	**40,000**	**29,877**	**10,000**
Outlays	0	36,806	27,000	20,000
General expenses 301				
Appropriation, current	BA	**96,000**	**96,000** **[D] 3,900** **[E] 200**	**103,000**
Outlays	0	83,850	100,100	103,000
Total General expenses	BA	**96,000**	**100,100**	**103,000**
	0	83,850	100,100	103,000
Flood control, Mississippi River and tributaries 301				
Appropriation, current	BA	**256,310**	**263,052** **[A] 30,000**	**290,000**
Outlays	0	246,755	263,052 [A] 30,000	276,000
Total Flood control, Mississippi River and tributaries	BA	**256,310**	**293,052**	**290,000**
	0	246,755	293,052	276,000
Special recreation use fees 303				
Appropriation, current	BA	**4,784**	**4,942**	**6,000**
Outlays	0	4,873	4,942	6,000
Permanent appropriations:				
(Water resources) 301				
(Appropriation, permanent, indefinite)	BA	**5,849**	**1,848**	**1,948**
(Outlays)	0	1,564	6,015	1,848
(Other general purpose fiscal assistance) 852				
(Appropriation, permanent, indefinite)	BA	**6,342**	**5,552**	**5,752**
(Outlays)	0	5,207	6,342	5,552
Total Permanent appropriations	BA	**12,191**	**7,400**	**7,700**
	0	6,771	12,357	7,400
Intragovernmental Funds:				
Revolving fund 301				
Outlays	0	30,641	2,000	.....
Trust funds				
Inland waterways trust fund 301				
Appropriation, permanent, indefinite	BA	**191**	.....	.....
Outlays	0	191	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Defense--Civil—Con.					
Corps of Engineers--Civil—Con.					
Rivers and harbors contributed funds	301				
Appropriation, permanent, indefinite		BA	**62,876**	**70,000**	**71,000**
Outlays		O	65,380	70,000	71,000
Summary					
Federal funds:					
(As shown in detail above)		BA	**3,001,857**	**2,993,185**	**2,594,100**
		O	2,973,450	2,934,701	2,629,900
Deductions for offsetting receipts:					
Proprietary receipts from the public	271	BA			
		O	*—1*	*—4*	*—5*
	300	BA			
		O	*—26,398*	*—28,021*	*—30,070*
		BA			
		O		*[1] 3*	*[1] 8*
	301	BA			
		O			*[1] —225,000*
	303	BA			
		O			*[1] —16,000*
	908	BA			
		O	*—5,406*	*—6,975*	*—7,925*
Total Federal funds		BA	**2,970,052**	**2,958,188**	**2,315,108**
		O	2,941,645	2,899,704	2,350,908
Trust funds:					
(As shown in detail above)		BA	**63,067**	**70,000**	**71,000**
		O	65,571	70,000	71,000
Deductions for offsetting receipts:					
Proprietary receipts from the public	301	BA			
		O	*—62,876*	*—70,000*	*—71,000*
		BA			
		O			*[1] —213,000*
Total Trust funds		BA	**191**	.....	**—213,000**
		O	2,695	.....	—213,000
Total Corps of Engineers--Civil		BA	**2,970,243**	**2,958,188**	**2,102,108**
		O	2,944,340	2,899,704	2,137,908
Ryukyu Islands, Army					
Summary					
Federal funds:					
Deductions for offsetting receipts:					
Proprietary receipts from the public	800	BA			
		O	*—410*	*—410*	*—410*
Total Ryukyu Islands, Army		BA	**—410**	**—410**	**—410**
		O	—410	—410	—410

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Defense--Civil—Con.					
Soldiers' and Airmen's Home					
Trust funds					
Operation and maintenance	705				
Appropriation, current		BA	**24,421**	**26,718**	**29,524**
				D 341	
Outlays		0	23,359	26,073	28,440
Total Operation and maintenance		BA	**24,421**	**27,059**	**29,524**
		0	23,359	26,073	28,440
Capital outlays	705				
Appropriation, current		BA	**953**	.....	**1,250**
Outlays		0	.....	953	1,250
Payment of claims	705				
Appropriation, permanent, indefinite		BA	.....	**5**	**5**
Outlays		0	.....	5	5
Soldiers' and Airmen's Home revolving fund	705				
Outlays		0	−38	.....	.....
Summary					
Federal funds:					
Deductions for offsetting receipts:					
Proprietary receipts from the public	705	BA			
		0	*−1*	*−1*	*−1*
Total Federal funds		BA	**−1**	**−1**	**−1**
		0	−1	−1	−1
Trust funds:					
(As shown in detail above)		BA	**25,374**	**27,064**	**30,779**
		0	23,321	27,031	29,695
Deductions for offsetting receipts:					
Proprietary receipts from the public	705	BA			
		0	*−3,579*	*−4,139*	*−4,325*
Total Trust funds		BA	**21,795**	**22,925**	**26,454**
		0	19,742	22,892	25,370
Total Soldiers' and Airmen's Home		BA	**21,794**	**22,924**	**26,453**
		0	19,741	22,891	25,369
Wildlife Conservation, Military Reservations					
Federal funds					
General and Special Funds:					
Wildlife conservation	303				
Appropriation, permanent, indefinite		BA	**1,244**	**1,514**	**1,570**
Outlays		0	1,172	1,475	1,580
Summary					
Federal funds:					
(As shown in detail above)		BA	**1,244**	**1,514**	**1,570**
		0	1,172	1,475	1,580

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Defense--Civil—Con.					
Wildlife Conservation, Military Reservations—Con.					
Deductions for offsetting receipts:					
Proprietary receipts from the public	300	BA	*—1,244*	*—1,514*	*—1,570*
		0			
Total Wildlife Conservation, Military Reservations		0	—72	—39	10
Summary					
Federal funds:					
(As shown in detail above)		BA	**3,007,656**	**3,001,449**	**2,603,873**
		0	2,981,890	2,942,826	2,639,580
Deductions for offsetting receipts:					
Proprietary receipts from the public	271	BA	*—1*	*—4*	*—5*
		0			
	300	BA	*—27,642*	*—29,535*	*—31,640*
		0			
		BA		*[1] 3*	*[1] 8*
		0			
	301	BA			*[1] —225,000*
		0			
	303	BA			*[1] —16,000*
		0			
	705	BA	*—1*	*—1*	*—1*
		0			
	800	BA	*—410*	*—410*	*—410*
		0			
	908	BA	*—5,406*	*—6,975*	*—7,925*
		0			
Total Federal funds		BA	**2,974,196**	**2,964,527**	**2,322,900**
		0	2,948,430	2,905,904	2,358,607
Trust funds:					
(As shown in detail above)		BA	**88,441**	**97,064**	**101,779**
		0	88,892	97,031	100,695
Deductions for offsetting receipts:					
Proprietary receipts from the public	301	BA	*—62,876*	*—70,000*	*—71,000*
		0			
		BA			*[1] —213,000*
		0			
	705	BA	*—3,579*	*—4,139*	*—4,325*
		0			
Total Trust funds		BA	**21,986**	**22,925**	**—186,546**
		0	22,437	22,892	—187,630
Total Department of Defense--Civil		BA	**2,996,182**	**2,987,452**	**2,136,354**
		0	2,970,867	2,928,796	2,170,977

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Education Activities				
Office of Elementary and Secondary Education				
Federal funds				
General and Special Funds:				
Compensatory education for the disadvantaged 501				
Appropriation, current	BA	**3,040,980**	**3,167,894**	**3,013,969**
			[H] **—133,925**	
Outlays	0	2,954,438	3,031,447	3,121,918
			[H] —7,885	[H] —105,812
Total Compensatory education for the disadvantaged	BA	**3,040,980**	**3,033,969**	**3,013,969**
	0	2,954,438	3,023,562	3,016,106
Impact aid 501				
Appropriation, current	BA	**456,200**	**480,200**	**465,000**
			[H] **—5,000**	
Reappropriation	BA	**9,600**	.....	.....
Outlays	0	546,299	576,220	499,845
			[H] —3,800	[H] —1,150
Total Impact aid	BA	**465,800**	**475,200**	**465,000**
	0	546,299	572,420	498,695
Special programs and populations 501				
Appropriation, current	BA	**536,880**	**534,500**	**478,879**
			[H] **—56,639**	
				[J] **50,000**
Outlays	0	751,130	514,107	537,347
			[H] —6,230	[H] —39,082
				[J] 5,500
Total Special programs and populations	BA	**536,880**	**477,861**	**528,879**
	0	751,130	507,877	503,765
Indian education 501				
Appropriation, current	BA	**77,852**	**67,247**	**1,243**
			[H] **—16,128**	
Outlays	0	78,353	81,085	38,787
			[H] —7,258	[H] —8,064
Total Indian education	BA	**77,852**	**51,119**	**1,243**
	0	78,353	73,827	30,723
Total Federal funds Office of Elementary and Secondary Education	BA	**4,121,512**	**4,038,149**	**4,009,091**
	0	4,330,220	4,177,686	4,049,289

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Education Activities—Con.				
Office of Bilingual Education and Minority Languages Affairs				
Federal funds				
General and Special Funds:				
Bilingual education 501				
Appropriation, current	BA	**138,058**	**138,057**	**94,534**
			[H] **−43,523**	
Outlays	O	167,114	141,063	154,039
			[H] −1,717	[H] −31,784
Total Bilingual education	BA	**138,058**	**94,534**	**94,534**
	O	167,114	139,346	122,255
Office of Special Education and Rehabilitative Services				
Federal funds				
General and Special Funds:				
Education for the handicapped 501				
Appropriation, current	BA	**1,068,580**	**1,110,252**	**1,035,180**
				[K] **75,072**
Outlays	O	1,141,444	1,128,274	1,160,006
Total Education for the handicapped	BA	**1,068,580**	**1,110,252**	**1,110,252**
	O	1,141,444	1,128,274	1,160,006
Rehabilitation services and handicapped research 506				
Appropriation, current	BA	**952,171**	**1,036,727**	
				[J] **1,036,727**
Outlays	O	779,699	1,037,651	213,466
				[J] 798,280
Total Rehabilitation services and handicapped research	BA	**952,171**	**1,036,727**	**1,036,727**
	O	779,699	1,037,651	1,011,746
Total Federal funds Office of Special Education and Rehabilitative Services	BA	**2,020,751**	**2,146,979**	**2,146,979**
	O	1,921,143	2,165,925	2,171,752
Office of Vocational and Adult Education				
Federal funds				
General and Special Funds:				
Vocational and adult education 501				
Appropriation, current	BA	**735,025**	**816,500**	
				[J] **492,839**
Appropriation, permanent	BA	**7,161**	**7,161**	**7,161**
Outlays	O	817,544	772,820	780,700
				[J] 19,714
Total Vocational and adult education	BA	**742,186**	**823,661**	**500,000**
	O	817,544	772,820	800,414

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Education Activities—Con.				
Office of Postsecondary Education				
Federal funds				
General and Special Funds:				
Student financial assistance 502				
Appropriation, current	BA	**3,569,480**	**3,567,800**	**854,000**
				[J] **2,713,800**
Outlays	0	2,732,467	3,635,231	3,037,973
				[J] 407,070
Total Student financial assistance	BA	**3,569,480**	**3,567,800**	**3,567,800**
	0	2,732,467	3,635,231	3,445,043
Guaranteed student loans 502				
Appropriation, current	BA	**3,073,846**	**3,100,500**	**2,168,600**
			[H] **−900,000**	
				[L] **−121,500**
Outlays	0	3,023,463	2,284,255	2,133,547
				[L] −102,390
Total Guaranteed student loans	BA	**3,073,846**	**2,200,500**	**2,047,100**
	0	3,023,463	2,284,255	2,031,157
Higher education 502				
Appropriation, current	BA	**382,156**	**394,525**	**204,716**
			[A] **4,816**	
			[H] **−68,941**	
Appropriation, permanent	BA	**2,800**	**2,800**	.....
Reappropriation	BA	**8,067**	**335**	.....
Outlays	0	379,281	429,733	373,954
			[A] 385	[A] 3,371
			[H] −5,515	[H] −48,259
Total Higher education	BA	**393,023**	**333,535**	**204,716**
	0	379,281	424,603	329,066
Higher education facilities loans and insurance 502				
Appropriation, current	BA	**11,096**	**20,143**	**19,846**
Appropriation, permanent, indefinite	BA	**37,783**	**134**	.....
Outlays	0	25,201	21,366	6,119
Total Higher education facilities loans and insurance	BA	**48,879**	**20,277**	**19,846**
	0	25,201	21,366	6,119
Public Enterprise Funds:				
College housing loans 502				
Appropriation, permanent, indefinite	BA	**232**	**40**	.....
Outlays	0	36,531	21,994	−67,205
				[A] −7,000
Total College housing loans	BA	**232**	**40**	.....
	0	36,531	21,994	−74,205
Total Federal funds Office of Postsecondary Education	BA	**7,085,460**	**6,122,152**	**5,839,462**
	0	6,196,943	6,387,449	5,737,180

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Education Activities—Con.				
Office of Educational Research and Improvement				
Federal funds				
General and Special Funds:				
Educational research and statistics 503				
Appropriation, current	BA	**61,979**	**64,203**	**56,978**
			[H] —6,225	
Outlays	0	82,201	101,346	74,222
			[H] —3,486	[H] —2,490
Total Educational research and statistics	BA	**61,979**	**57,978**	**56,978**
	0	82,201	97,860	71,732
Libraries 503				
Appropriation, current	BA	**80,080**	**80,320**	.....
Outlays	0	101,437	135,426	48,347
Total Federal funds Office of Educational Research and Improvement	BA	**142,059**	**138,298**	**56,978**
	0	183,638	233,286	120,079
Special Institutions				
Federal funds				
General and Special Funds:				
Payments to special institutions:				
(Elementary, secondary, and vocational education) 501				
(Appropriation, current)	BA	**21,818**	**23,090**	**23,590**
				[J] —550
(Outlays)	0	17,775	23,064	23,570
				[J] —550
Total (Elementary, secondary, and vocational education)	BA	**21,818**	**23,090**	**23,040**
	0	17,775	23,064	23,020
(Higher education) 502				
(Appropriation, current)	BA	**206,682**	**205,410**	**225,220**
(Outlays)	0	207,700	243,277	230,911
Total Payments to special institutions	BA	**228,500**	**228,500**	**248,260**
	0	225,475	266,341	253,931
Total Federal funds Special Institutions	BA	**228,500**	**228,500**	**248,260**
	0	225,475	266,341	253,931
Departmental Management				
Federal funds				
General and Special Funds:				
Salaries and expenses:				
(Elementary, secondary and vocational education) 501				
(Appropriation, current)	BA	**45,682**	**45,874**	**43,639**
(Outlays)	0	45,045	48,737	42,450

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Education Activities—Con.				
Departmental Management—Con.				
(Higher education) 502				
(Appropriation, current)	BA	**105,138**	**111,904**	**133,253**
(Outlays)	0	102,960	116,039	132,068
(Research and general education aids) 503				
(Appropriation, current)	BA	**45,683**	**44,038**	**41,654**
(Outlays)	0	45,046	46,416	42,451
(Social services) 506				
(Appropriation, current)	BA	**21,927**	**20,184**	**19,836**
(Outlays)	0	21,450	20,887	18,867
(Federal law enforcement activities) 751				
(Appropriation, current)	BA	**57,032**	**57,708**	**56,453**
(Outlays)	0	51,225	57,901	56,929
Total Salaries and expenses	BA	**275,462**	**279,708**	**294,835**
	0	265,726	289,980	292,765
Education and research overseas:				
(Special foreign currency program) (Research and general education aids) 503				
(Appropriation, current)	BA	**960**	**516**	**1,750**
(Outlays)	0	943	939	1,110
(Special foreign currency program) (Social services) 506				
(Outlays)	0	379	1,922	1,515
Total Education and research overseas	BA	**960**	**516**	**1,750**
	0	1,322	2,861	2,625
Trust funds				
Special statistical compilations and surveys 503				
Outlays	0	129	.....	.....
Contributions 503				
Appropriation, permanent, indefinite	BA	**97**	**53**	.....
Outlays	0	18	99	90
Total Federal funds Departmental Management	BA	**276,422**	**280,224**	**296,585**
	0	267,048	292,841	295,390
Total Trust funds Departmental Management	BA	**97**	**53**	.....
	0	147	99	90
Summary				
Federal funds:				
(As shown in detail above)	BA	**14,754,948**	**13,872,497**	**13,191,889**
	0	14,109,125	14,435,694	13,550,290
Deductions for offsetting receipts:				
Proprietary receipts from the public 500	BA			
	0	*−28,141*	*−37,226*	*−52,517*
908	BA			
	0	*−822*	*−2,299*	*−1,602*
Total Federal funds	BA	**14,725,985**	**13,832,972**	**13,137,770**
	0	14,080,162	14,396,169	13,496,171

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Education Activities—Con.				
Summary—Con.				
Trust funds:				
(As shown in detail above)	BA	**97**	**53**	.....
	0	147	99	90
Total Education Activities	BA	**14,726,082**	**13,833,025**	**13,137,770**
	0	14,080,309	14,396,268	13,496,261
Energy Activities				
Atomic Energy Defense Activities				
Federal funds				
General and Special Funds:				
Atomic energy defense activities 053				
Appropriation, current	BA	**4,737,454**	**5,700,000**	**6,778,075**
Outlays	0	4,308,558	5,471,035	6,422,180
Energy Programs				
Federal funds				
General and Special Funds:				
General science and research activities 251				
Appropriation, current	BA	**529,360**	**535,358**	**645,250**
Outlays	0	507,443	547,123	633,550
Energy supply, R&D activities 271				
Appropriation, current	BA	**2,302,586**	**2,432,737**	**2,094,645**
Outlays	0	2,560,234	2,379,215	2,251,619
Uranium supply and enrichment activities 271				
Appropriation, current	BA	**1,806,000**	**1,834,319**	.....
Outlays	0	1,248,420	1,866,150	40,000
Fossil energy research and development 271				
Appropriation, current	BA	**417,737**	**217,514**	**94,000**
Outlays	0	652,459	450,000	277,000
Naval petroleum and oil shale reserves 271				
Appropriation, current	BA	**213,142**	**222,000**	**266,100**
Outlays	0	259,081	257,110	268,171
Energy conservation:				
(Energy conservation) 272				
(Appropriation, current)	BA	**145,800**	**279,290**	**74,377**
(Outlays)	0	517,824	661,900	320,000
(Area and regional development) 452				
(Outlays)	0	10,178	.....	.....
Total Energy conservation	BA	**145,800**	**279,290**	**74,377**
	0	528,002	661,900	320,000
Strategic petroleum reserve 274				
Appropriation, current	BA	**191,432**	**242,118**	**158,770**
Outlays	0	190,700	283,857	227,600

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Energy Activities—Con.				
Energy Programs—Con.				
Energy information administration 276				
Appropriation, current	BA	**78,919**	**56,400** **[D] 946**	**50,800**
Outlays	O	75,170	60,386	51,200
Total Energy information administration	BA	**78,919**	**57,346**	**50,800**
	O	75,170	60,386	51,200
Emergency preparedness and energy regulation 276				
Appropriation, current	BA	**21,416**	**35,106** **[D] 875**	**22,591**
Reappropriation	BA	**3,000**	.....	.....
Outlays	O	65,037	51,592	25,176
Total Emergency preparedness and energy regulation	BA	**24,416**	**35,981**	**22,591**
	O	65,037	51,592	25,176
Federal Energy Regulatory Commission 276				
Appropriation, current	BA	**76,177**	**76,839** **[D] 2,988**	**34,582**
Outlays	O	79,917	80,890	33,314
Total Federal Energy Regulatory Commission	BA	**76,177**	**79,827**	**34,582**
	O	79,917	80,890	33,314
Geothermal resources development fund 271				
Appropriation, current	BA	**2,200**	.....	**2,100**
Outlays	O	1,789	2,200	2,100
Alternative fuels production 271				
Outlays	O	39,213	23,491	.....
Payments to states under Federal Power Act 852				
Appropriation, permanent	BA	**1,039**	**544**	**570**
Outlays	O	385	1,045	544
Nuclear waste disposal fund 271				
Appropriation, current	BA	.....	.....	**306,675**
Outlays	O	.....	145,677	277,271
Trust funds				
Advances for cooperative work 271				
Appropriation, permanent, indefinite	BA	.....	.....	**24,000**
Outlays	O	—1,100	22,148	34,000
Total Federal funds Energy Programs	BA	**5,788,808**	**5,937,034**	**3,750,460**
	O	6,207,850	6,810,636	4,407,545
Total Trust funds Energy Programs	BA	.....	.....	**24,000**
	O	—1,100	22,148	34,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Energy Activities—Con.				
Power Marketing Administration				
Federal funds				
General and Special Funds:				
Operation and maintenance, Alaska Power Administration 271				
Appropriation, current	BA	**3,538**	**3,945**	**3,210**
Outlays	0	3,720	3,090	3,210
Public Enterprise Funds:				
Bonneville Power Administration fund 271				
Authority to borrow, current	BA	.....	**249,500**	.....
Authority to borrow, permanent, indefinite	BA	**275,570**	**205,500**	**324,500**
Outlays	0	56,393	50,900	−60,500
Total Bonneville Power Administration fund	BA	**275,570**	**455,000**	**324,500**
	0	56,393	50,900	−60,500
General and Special Funds:				
Operation and maintenance, Southeastern Power Administration 271				
Appropriation, current	BA	**7,237**	**3,964**	**20,594**
Outlays	0	3,748	7,090	19,566
Continuing fund, Southeastern Power Administration 271				
Appropriation, permanent	BA	**50**	.....	.....
Outlays	0	104	.....	.....
General and Special Funds:				
Operation and maintenance, Southwestern Power Administration 271				
Appropriation, current	BA	**12,269**	**20,756**	**36,229**
Outlays	0	22,667	36,690	36,229
Construction, rehabilitation, operation and maintenance, Western Area Power Administration 271				
Appropriation, current	BA	**210,774**	**149,750**	**219,630**
Outlays	0	112,511	216,463	186,500
Emergency fund, Western Area Power Administration 271				
Appropriation, current	BA	**500**	**337**	**500**
Outlays	0	71	337	500
Public Enterprise Funds:				
Colorado river basins power marketing fund, Western Area Power Administration 271				
Outlays	0	−3,331	−5,000	−5,000
Total Federal funds Power Marketing Administration	BA	**509,938**	**633,752**	**604,663**
	0	195,883	309,570	180,505
Departmental Administration				
Federal funds				
General and Special Funds:				
Departmental administration 276				
Appropriation, current	BA	**362,139**	**379,902**	**141,872**
Outlays	0	345,496	351,405	141,872

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Energy Activities—Con.					
Departmental Administration—Con.					
Special foreign currency program	271				
Outlays		0	312	.....	.....
Total Federal funds Departmental Administration.		BA	**362,139**	**379,902**	**141,872**
		0	345,808	351,405	141,872
Summary					
Federal funds:					
(As shown in detail above)		BA	**11,398,339**	**12,650,688**	**11,275,070**
		0	11,058,099	12,942,646	11,152,102
Deductions for offsetting receipts:					
Proprietary receipts from the public	270	BA			
		0	*—70,810*	*—77,785*	*—81,285*
	271	BA			
		0	*—3,261,406*	*—3,993,849*	*—2,230,599*
	276	BA			
		0	*—136,350*	*—142,541*	.....
	300	BA			
		0	*—11,052*	*—16,942*	*—18,018*
	908	BA			
		0	*—611*	*—611*	*—611*
Total Federal funds		BA	**7,918,110**	**8,418,960**	**8,944,557**
		0	7,577,870	8,710,918	8,821,589
Trust funds:					
(As shown in detail above)		BA	.....	.....	**24,000**
		0	—1,100	22,148	34,000
Deductions for offsetting receipts:					
Proprietary receipts from the public	271	BA			
		0	.....	.....	*—24,000*
Total Trust funds		0	—1,100	22,148	10,000
Total Energy Activities		BA	**7,918,110**	**8,418,960**	**8,944,557**
		0	7,576,770	8,733,066	8,831,589

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services				
Health Programs				
Public Health Service				
Food and Drug Administration				
Federal funds				
General and Special Funds:				
Program expenses 554				
Appropriation, current	BA	**338,332**	**349,130** **[A] 5,000** **[G] 714**	**385,933**
Outlays	0	339,793	356,613 [A] 500	378,995
Total Program expenses	BA	**338,332**	**354,844**	**385,933**
	0	339,793	357,113	378,995
Buildings and facilities 554				
Outlays	0	3,951	8,153	12,000
Public Enterprise Funds:				
Revolving fund for certification and other services 554				
Outlays	0	−290	.....	.....
Total Federal funds Food and Drug Administration	BA	**338,332**	**354,844**	**385,933**
	0	343,454	365,266	390,995
Health Resources and Services Administration				
Federal funds				
General and Special Funds:				
Health resources and services:				
(Health care services) 551				
(Appropriation, current)	BA	**1,231,444**	**1,082,163** **[D] 4,075** **[G] 1,370**	**155,040**
				[L] −720
(Outlays)	0	1,545,563	1,256,884	609,314 [L] −720
Total (Health care services)	BA	**1,231,444**	**1,087,608**	**154,320**
	0	1,545,563	1,256,884	608,594
(Health research) 552				
(Outlays)	0	171	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
Health Resources and Services Administration—Con.				
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**238,558**	**233,063**	**135,486**
				[K] **2,638**
(Outlays)	0	378,144	321,005	178,001
Total (Education and training of health care work force)	BA	**238,558**	**233,063**	**138,124**
	0	378,144	321,005	178,001
Total Health resources and services	BA	**1,470,002**	**1,320,671**	**292,444**
	0	1,923,878	1,577,889	786,595
Indian health 551				
Appropriation, current	BA	**617,805**	**645,583**	**652,706**
			[C] **764**	
			[D] **6,810**	
			[G] **6,700**	
Outlays	0	588,743	654,431	655,466
Total Indian health	BA	**617,805**	**659,857**	**652,706**
	0	588,743	654,431	655,466
Indian health facilities 551				
Appropriation, current	BA	**58,352**	**34,700**	.....
			[F] **−6,700**	
Outlays	0	65,185	72,269	47,196
Total Indian health facilities	BA	**58,352**	**28,000**	.....
	0	65,185	72,269	47,196
Emergency health 054				
Outlays	0	.....	3	.....
Public Enterprise Funds:				
Health professions graduate student loan insurance fund 553				
Outlays	0	−208	−1,950	−1,953
Health education loans 553				
Outlays	0	−3,176	.....	.....
Nurse training fund 553				
Outlays	0	−380	−15	−16
Medical facilities guarantee and loan fund 551				
Appropriation, current	BA	**22,000**	**32,000**	**32,000**
Outlays	0	35,002	32,840	31,971

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
Health Resources and Services Administration—Con.				
Health maintenance organization loan and loan guarantee fund 551				
Appropriation, current, indefinite	BA	**17,500**	.....	.....
Outlays	0	−701	17,995	1,379
Total Federal funds Health Resources and Services Administration	BA	**2,185,659**	**2,040,528**	**977,150**
	0	2,608,343	2,353,462	1,520,638
Centers for Disease Control				
Federal funds				
General and Special Funds:				
Disease control:				
(Health care services) 551				
(Appropriation, current)	BA	**237,880**	**273,420** [D] **2,166** [G] **1,221**	**215,403**
(Outlays)	0	236,376	300,480	226,096
Total (Health care services)	BA	**237,880**	**276,807**	**215,403**
	0	236,376	300,480	226,096
(Health research) 552				
(Appropriation, current)	BA	**62,062**	**56,281** [D] **770** [G] **433**	**54,620**
(Outlays)	0	86,761	67,614	43,534
Total (Health research)	BA	**62,062**	**57,484**	**54,620**
	0	86,761	67,614	43,534
Total Disease control	BA	**299,942**	**334,291**	**270,023**
	0	323,137	368,094	269,630
Total Federal funds Centers for Disease Control	BA	**299,942**	**334,291**	**270,023**
	0	323,137	368,094	269,630
National Institutes of Health				
Federal funds				
General and Special Funds:				
National Cancer Institute:				
(Health research) 552				
(Appropriation, current)	BA	**963,888**	**958,135**	**965,393**
(Outlays)	0	996,550	987,928	967,782
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**22,729**	**25,441**	**23,870**
(Outlays)	0	19,423	22,087	22,213
Total National Cancer Institute	BA	**986,617**	**983,576**	**989,263**
	0	1,015,973	1,010,015	989,995

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
National Institutes of Health—Con.				
National Heart, Lung and Blood Institute:				
(Health research) 552				
(Appropriation, current)	BA	**534,296**	**592,202**	**596,446**
(Outlays)	0	558,856	583,063	593,426
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**25,341**	**30,543**	**31,582**
(Outlays)	0	26,507	30,072	31,385
Total National Heart, Lung and Blood Institute	BA	**559,637**	**622,745**	**628,028**
	0	585,363	613,135	624,811
National Institute of Dental Research:				
(Health research) 552				
(Appropriation, current)	BA	**68,071**	**74,417**	**76,539**
(Outlays)	0	64,120	69,353	74,018
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**3,912**	**4,443**	**4,044**
(Outlays)	0	4,311	4,427	4,725
Total National Institute of Dental Research	BA	**71,983**	**78,860**	**80,583**
	0	68,431	73,780	78,743
National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases:				
(Health research) 552				
(Appropriation, current)	BA	**349,549**	**392,252**	**399,286**
(Outlays)	0	335,431	391,579	396,195
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**18,642**	**19,930**	**20,312**
(Outlays)	0	20,151	18,960	20,074
Total National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases	BA	**368,191**	**412,182**	**419,598**
	0	355,582	410,539	416,269
National Institute of Neurological and Communicative Disorders and Stroke:				
(Health research) 552				
(Appropriation, current)	BA	**257,246**	**285,404**	**290,827**
(Outlays)	0	233,346	277,941	286,668
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**8,655**	**10,315**	**10,195**
(Outlays)	0	9,578	9,042	10,265
Total National Institute of Neurological and Communicative Disorders and Stroke	BA	**265,901**	**295,719**	**301,022**
	0	242,924	286,983	296,933

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
National Institutes of Health—Con.				
National Institute of Allergy and Infectious Diseases:				
(Health research) 552				
(Appropriation, current)	BA	**228,214**	**264,277**	**272,175**
(Outlays)	0	194,698	249,906	266,313
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**7,681**	**9,304**	**9,230**
(Outlays)	0	6,546	8,798	9,011
Total National Institute of Allergy and Infectious Diseases	BA	**235,895**	**273,581**	**281,405**
	0	201,244	258,704	275,324
National Institute of General Medical Sciences:				
(Health research) 552				
(Appropriation, current)	BA	**292,365**	**319,151**	**327,361**
(Outlays)	0	320,851	314,140	324,284
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**47,497**	**50,410**	**47,471**
(Outlays)	0	52,224	49,623	47,058
Total National Institute of General Medical Sciences	BA	**339,862**	**369,561**	**374,832**
	0	373,075	363,763	371,342
National Institute of Child Health and Human Development:				
(Health research) 552				
(Appropriation, current)	BA	**216,518**	**243,410**	**246,682**
(Outlays)	0	234,341	233,351	243,918
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**9,791**	**10,245**	**10,666**
(Outlays)	0	9,337	9,720	9,800
Total National Institute of Child Health and Human Development	BA	**226,309**	**253,655**	**257,348**
	0	243,678	243,071	253,718
National Eye Institute:				
(Health research) 552				
(Appropriation, current)	BA	**123,718**	**137,441**	**139,107**
(Outlays)	0	135,019	133,310	138,418
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**3,656**	**4,120**	**4,169**
(Outlays)	0	3,140	3,535	3,216
Total National Eye Institute	BA	**127,374**	**141,561**	**143,276**
	0	138,159	136,845	141,634

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
National Institutes of Health—Con.				
National Institute of Environmental Health Sciences:				
(Health research) 552				
(Appropriation, current)	BA	**99,672**	**157,340**	**161,679**
(Outlays)	0	62,298	153,534	159,909
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**6,598**	**7,027**	**5,042**
(Outlays)	0	4,124	6,857	4,981
Total National Institute of Environmental Health Sciences	BA	**106,270**	**164,367**	**166,721**
	0	66,422	160,391	164,890
National Institute on Aging:				
(Health research) 552				
(Appropriation, current)	BA	**79,422**	**91,378**	**93,147**
(Outlays)	0	86,724	86,880	91,788
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**2,481**	**2,618**	**2,523**
(Outlays)	0	2,710	2,499	2,338
Total National Institute on Aging	BA	**81,903**	**93,996**	**95,670**
	0	89,434	89,379	94,126
Research resources:				
(Health research) 552				
(Appropriation, current)	BA	**183,473**	**213,072**	**227,771**
(Outlays)	0	181,233	219,079	221,696
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**704**	**732**	**771**
(Outlays)	0	694	747	756
Total Research resources	BA	**184,177**	**213,804**	**228,542**
	0	181,927	219,826	222,452
John E. Fogarty International Center 552				
Appropriation, current	BA	**9,205**	**10,147**	**11,588**
Outlays	0	9,957	8,348	10,102
National Library of Medicine:				
(Health research) 552				
(Appropriation, current)	BA	**12,229**	**12,267**	**12,770**
(Outlays)	0	12,665	11,898	12,453
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**32,806**	**33,776**	**36,846**
(Outlays)	0	33,975	33,798	35,931
Total National Library of Medicine	BA	**45,035**	**46,043**	**49,616**
	0	46,640	45,696	48,384

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
National Institutes of Health—Con.				
Office of the Director:				
(Health research) 552				
(Appropriation, current)	BA	**21,813**	**22,754**	**24,782**
(Outlays)	0	22,439	23,938	24,771
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**1,805**	**1,929**	**2,038**
(Outlays)	0	1,846	1,884	2,034
Total Office of the Director	BA	**23,618**	**24,683**	**26,820**
	0	24,285	25,822	26,805
Buildings and facilities 552				
Appropriation, current	BA	**9,898**	**17,500**	**22,780**
Outlays	0	24,830	13,038	16,552
Intragovernmental Funds:				
National Institutes of Health management fund 552				
Outlays	0	—4,891	.....	.....
Service and supply fund 552				
Outlays	0	1,662	.....	.....
Total Federal funds National Institutes of Health.	BA	**3,641,875**	**4,001,980**	**4,077,092**
	0	3,664,695	3,959,335	4,032,080
Alcohol, Drug Abuse, and Mental Health Administration				
Federal funds				
General and Special Funds:				
Alcohol, drug abuse, and mental health:				
(Health care services) 551				
(Appropriation, current)	BA	**432,000**	**439,000**	.....
(Outlays)	0	656,017	492,398	110,311
(Health research) 552				
(Appropriation, current)	BA	**265,730**	**301,126**	**340,124**
(Outlays)	0	291,942	297,443	323,770
(Education and training of health care work force) 553				
(Appropriation, current)	BA	**63,277**	**37,430**	**17,702**
(Outlays)	0	100,676	59,264	34,659
Total Alcohol, drug abuse, and mental health	BA	**761,007**	**777,556**	**357,826**
	0	1,048,635	849,105	468,740
Construction and renovation, Saint Elizabeths Hospital 551				
Outlays	0	6,240	11,880	10,021

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
Alcohol, Drug Abuse, and Mental Health Administration—Con.				
Federal subsidy for Saint Elizabeths Hospital 551				
Appropriation, current	BA	**95,418**	**76,505**	**62,744**
Outlays	0	63,120	86,576	64,614
Total Federal funds Alcohol, Drug Abuse, and Mental Health Administration	BA	**856,425**	**854,061**	**420,570**
	0	1,117,995	947,561	543,375
Office of Assistant Secretary for Health				
Federal funds				
General and Special Funds:				
Public health service management:				
(Health care services) 551				
(Appropriation, current)	BA	**78,535**	**35,279**	**59,162**
			[G] **981**	
(Outlays)	0	106,680	53,815	57,294
Total (Health care services)	BA	**78,535**	**36,260**	**59,162**
	0	106,680	53,815	57,294
(Health research) 552				
(Appropriation, current)	BA	**54,807**	**56,715**	**63,770**
			[G] **1,281**	
(Outlays)	0	65,566	57,016	60,628
Total (Health research)	BA	**54,807**	**57,996**	**63,770**
	0	65,566	57,016	60,628
Total Public health service management	BA	**133,342**	**94,256**	**122,932**
	0	172,246	110,831	117,922
Grants to States for health 551				
Appropriation, current	BA	.....	.....	**1,196,417**
				[L] **165,312**
Outlays	0	.....	.....	849,781
				[L] 107,452
Total Grants to States for health	BA	.....	.....	**1,361,729**
	0	.....	.....	957,233
Retirement pay and medical benefits for commissioned officers 551				
Appropriation, current	BA	.....	.....	**81,777**
				[L] **—2,894**
Indefinite	BA	**105,941**	**77,102**	.....
Outlays	0	98,600	80,921	84,467
				[L] —2,894
Total Retirement pay and medical benefits for commissioned officers	BA	**105,941**	**77,102**	**78,883**
	0	98,600	80,921	81,573

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Public Health Service—Con.				
Office of Assistant Secretary for Health—Con.				
Scientific activities overseas (special foreign currency program) 552				
Outlays	0	3,823	5,364	5,085
Intragovernmental Funds:				
Service and supply fund 551				
Outlays	0	−1,353	.....	.....
Trust funds				
Miscellaneous trust funds 551				
Appropriation, permanent, indefinite	BA	**8,545**	**8,124**	**8,124**
Outlays	0	6,918	8,303	8,196
Total Federal funds Office of Assistant Secretary for Health	BA	**239,283**	**171,358**	**1,563,544**
	0	273,316	197,116	1,161,813
Total Trust funds Office of Assistant Secretary for Health	BA	**8,545**	**8,124**	**8,124**
	0	6,918	8,303	8,196
Total Federal funds Public Health Service	BA	**7,561,516**	**7,757,062**	**7,694,312**
	0	8,330,940	8,190,834	7,918,531
Total Trust funds Public Health Service	BA	**8,545**	**8,124**	**8,124**
	0	6,918	8,303	8,196
Other Health Programs				
Health Care Financing Administration				
Federal funds				
General and Special Funds:				
Grants to States for Medicaid 551				
Appropriation, current	BA	**18,013,821**	**14,794,512**	**21,037,878**
				[L] **−300,300**
Outlays	0	17,390,734	19,333,069	21,092,233
			[L] −7,000	[L] −293,300
Total Grants to States for Medicaid	BA	**18,013,821**	**14,794,512**	**20,737,578**
	0	17,390,734	19,326,069	20,798,933
Payments to health care trust funds 551				
Appropriation, current	BA	**14,338,000**	**15,347,000**	**17,291,000**
				[J] **82,000**
Outlays	0	14,338,012	15,347,000	17,291,000
				[J] 82,000
Total Payments to health care trust funds	BA	**14,338,000**	**15,347,000**	**17,373,000**
	0	14,338,012	15,347,000	17,373,000

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Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Health Programs—Con.				
Other Health Programs—Con.				
Health Care Financing Administration—Con.				
Program management:				
(Health care services) 551				
(Appropriation, current)	BA	**69,795**	**72,905**	**63,038**
			[D] **1,654**	
(Outlays)	0	54,798	74,559	63,038
Total (Health care services)	BA	**69,795**	**74,559**	**63,038**
	0	54,798	74,559	63,038
(Health research) 552				
(Appropriation, current)	BA	**11,500**	**20,000**	**20,000**
(Outlays)	0	30,305	20,000	20,000
Total Program management	BA	**81,295**	**94,559**	**83,038**
	0	85,103	94,559	83,038
Trust funds				
Federal hospital insurance trust fund 551				
Appropriation, current	BA			[J] **360,000**
Appropriation, permanent, indefinite	BA	**37,610,687**	**28,025,700**	**44,103,000**
Outlays	0	34,864,031	39,297,352	45,342,561
				[J] −1,031,227
Total Federal hospital insurance trust fund	BA	**37,610,687**	**28,025,700**	**44,463,000**
	0	34,864,031	39,297,352	44,311,334
Federal supplementary medical insurance trust fund 551				
Appropriation, current	BA		[J] **−129,000**	[J] **−22,000**
Appropriation, permanent, indefinite	BA	**17,626,989**	**19,199,000**	**21,897,000**
Outlays	0	15,558,821	18,065,024	21,194,115
			[J] −100,000	[J] −824,819
Total Federal supplementary medical insurance trust fund	BA	**17,626,989**	**19,070,000**	**21,875,000**
	0	15,558,821	17,965,024	20,369,296
Total Federal funds Health Care Financing Administration	BA	**32,433,116**	**30,236,071**	**38,193,616**
	0	31,813,849	34,767,628	38,254,971
Total Trust funds Health Care Financing Administration	BA	**55,237,676**	**47,095,700**	**66,338,000**
	0	50,422,852	57,262,376	64,680,630
Total Federal funds Health Programs	BA	**39,994,632**	**37,993,133**	**45,887,928**
	0	40,144,789	42,958,462	46,173,502
Total Trust funds Health Programs	BA	**55,246,221**	**47,103,824**	**66,346,124**
	0	50,429,770	57,270,679	64,688,826

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Social Security Administration				
Federal funds				
General and Special Funds:				
Payments to social security trust funds 601				
Appropriation, current	BA	**843,658**	**855,213**	**838,583**
			[J] 19,900,000	**[J] —420,000**
Outlays	0	843,515	855,213	838,583
			[J] 19,900,000	[J] —420,000
Total Payments to social security trust funds	BA	**843,658**	**20,755,213**	**418,583**
	0	843,515	20,755,213	418,583
Special benefits for disabled coal miners 601				
Appropriation, current	BA	**1,099,065**	**1,093,000**	**1,027,047**
Outlays	0	1,091,774	1,088,000	1,032,047
Supplemental security income program 609				
Appropriation, current	BA	**7,769,436**	**8,458,616**	**7,510,618**
			[L] 85,000	**[L] 340,900**
Outlays	0	7,676,650	8,760,297	7,509,218
			[L] 85,000	[L] 340,900
Total Supplemental security income program	BA	**7,769,436**	**8,543,616**	**7,851,518**
	0	7,676,650	8,845,297	7,850,118
Assistance payments program 609				
Appropriation, current	BA	**6,006,179**	**7,751,448**	**7,816,406**
			[G] 500	
				[L] —722,000
Outlays	0	7,989,656	7,766,790	7,816,406
				[L] —722,000
Total Assistance payments program	BA	**6,006,179**	**7,751,948**	**7,094,406**
	0	7,989,656	7,766,790	7,094,406
Child support enforcement 609				
Appropriation, current	BA	.....	**471,000**	**426,463**
				[L] —10,000
Outlays	0	.....	456,377	445,650
				[L] —10,000
Total Child support enforcement	BA	.....	**471,000**	**416,463**
	0	.....	456,377	435,650
Low income home energy assistance 609				
Appropriation, current	BA	**1,875,000**	**1,975,000**	**1,300,000**
			[A] 11,000	
Outlays	0	1,687,147	1,960,284	1,390,000
			[A] 2,750	[A] 8,250
Total Low income home energy assistance	BA	**1,875,000**	**1,986,000**	**1,300,000**
	0	1,687,147	1,963,034	1,398,250

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Social Security Administration—Con.				
Refugee and entrant assistance 609				
Appropriation, current	BA	**689,070**	**585,000**	**485,328**
			[F] **−6,500**	
Outlays	O	1,011,251	631,552	520,676
Total Refugee and entrant assistance	BA	**689,070**	**578,500**	**485,328**
	O	1,011,251	631,552	520,676
Payments to states from receipts for child support 609				
Appropriation, permanent	BA	**571**	**450**	**450**
Outlays	O	526	566	450
Trust funds				
Federal old-age and survivors insurance trust fund 601				
Appropriation, current	BA		[J] **20,500,000**	[J] **10,383,117**
Appropriation, permanent, indefinite	BA	**126,629,045**	**145,502,521**	**139,163,780**
Outlays	O	137,928,747	154,443,217	142,768,375
				[I] 23,764,713
			[J] −1,856,000	[J] −3,716,000
Total Federal old-age and survivors insurance trust fund	BA	**126,629,045**	**166,002,521**	**149,546,897**
	O	137,928,747	152,587,217	162,817,088
Federal disability insurance trust fund 601				
Appropriation, permanent, indefinite	BA	**21,398,044**	**18,667,992**	**26,395,803**
Outlays	O	18,035,351	18,103,296	18,367,473
			[J] −200,000	[J] −424,000
Limitation on administrative expenses		(3,131,000)	(3,408,451)	(3,723,317)
			[D] (103,434)	
Total Federal disability insurance trust fund	BA	**21,398,044**	**18,667,992**	**26,395,803**
	O	18,035,351	17,903,296	17,943,473
Total Federal funds Social Security Administration	BA	**18,282,979**	**41,179,727**	**18,593,795**
	O	20,300,519	41,506,829	18,750,180
Total Trust funds Social Security Administration	BA	**148,027,089**	**184,670,513**	**175,942,700**
	O	155,964,098	170,490,513	180,760,561
Human Development Services				
Federal funds				
General and Special Funds:				
Social services block grant 506				
Appropriation, current	BA	**2,400,000**	**2,450,000**	**2,500,000**
Outlays	O	2,567,499	2,570,664	2,500,000

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Human Development Services—Con.				
Human development services 506				
Appropriation, current	BA	**1,717,740**	**1,765,535**	**2,193,446**
			[G] **1,414**	
Outlays	O	1,636,672	1,752,624	2,032,050
Total Human development services	BA	**1,717,740**	**1,766,949**	**2,193,446**
	O	1,636,672	1,752,624	2,032,050
Human resources research and demonstration 506				
Appropriation, current	BA	**21,999**	**21,999**	**9,250**
Outlays	O	28,525	23,193	21,225
Family social services 506				
Appropriation, current	BA	**464,949**	**560,149**	**601,496**
Outlays	O	389,450	565,104	589,805
Work incentives 504				
Appropriation, current	BA	**280,760**	**270,760**	.....
Outlays	O	234,541	314,668	26,376
Community services 506				
Appropriation, current	BA	**365,817**	**360,500**	**2,852**
			[F] **−1,414**	
Outlays	O	253,038	370,325	100,309
Total Community services	BA	**365,817**	**359,086**	**2,852**
	O	253,038	370,325	100,309
Public Enterprise Funds:				
Rural development loan fund 452				
Outlays	O	−10,503	−148	−1,000
Community development credit union revolving loan fund 452				
Outlays	O	896	−900	−1,000
Total Federal funds Human Development Services	BA	**5,251,265**	**5,428,943**	**5,307,044**
	O	5,100,118	5,595,530	5,267,765
Departmental Management				
Federal funds				
General and Special Funds:				
General Departmental management 609				
Appropriation, current	BA	**146,601**	**158,143**	**169,963**
Outlays	O	133,518	156,543	168,298
Office of the Inspector General 609				
Appropriation, current	BA	**69,983**	**81,267**	**88,263**
Outlays	O	52,542	79,870	86,137
Office for Civil Rights 751				
Appropriation, current	BA	**17,460**	**19,163**	**19,363**
Outlays	O	17,051	19,625	19,584
Office of Consumer Affairs 506				
Appropriation, current	BA	**1,848**	**1,947**	**2,011**
Outlays	O	1,934	1,952	2,006
Policy research 609				
Appropriation, current	BA	**13,440**	**14,718**	**11,000**
Outlays	O	21,560	14,082	12,681

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.					
Departmental Management—Con.					
Intragovernmental Funds:					
Working capital fund	506				
Outlays		0	−668	824	.....
Total Federal funds Departmental Management...		BA	**249,332**	**275,238**	**290,600**
		0	225,937	272,896	288,706
Summary					
Federal funds:					
(As shown in detail above)		BA	**63,778,208**	**84,877,041**	**70,079,367**
		0	65,771,363	90,333,717	70,480,153
Deductions for offsetting receipts:					
Proprietary receipts from the public	500	BA			
		0	*−67*	*−581*	*−571*
		BA			
		0		*[1] 554*	*[1] 554*
	550	BA			
		0	*14,889*	*−27,304*	*−26,724*
	908	BA			
		0	*−6,691*	*−4,554*	*−3,754*
Total Federal funds		BA	**63,786,339**	**84,845,156**	**70,048,872**
		0	65,779,494	90,301,832	70,449,658
Trust funds:					
(As shown in detail above)		BA	**203,273,310**	**231,774,337**	**242,288,824**
		0	206,393,868	227,761,192	245,449,387
Deductions for offsetting receipts:					
Intrafund transactions	601	BA			
		0	*−1,819,634*	*−2,223,000*	*−2,513,000*
	908	BA			
		0	*−42,480*	*−1,028,000*	*−1,931,000*
Proprietary receipts from the public	551	BA			
		0	*−3,855,632*	*−4,357,000*	*−5,012,000*
		BA			
		0		*[1] 126,000*	*[1] 160,000*
	554	BA			
		0	*−7,219*	*−7,219*	*−7,219*
	601	BA			
		0	*−156*	.....	.....
	908	BA			
		0	*−2*	*−24,000*	*−14,000*
		BA			
		0			*[1] −3,000*
Total Trust funds		BA	**197,548,187**	**224,261,118**	**232,968,605**
		0	200,668,745	220,247,973	236,129,168
Interfund transactions	551	BA			
		0	**−14,338,022**	**−15,347,000**	**−17,291,000**
		BA			
		0			**[1] −82,000**
	601	BA			
		0	**−843,515**	**−855,213**	**−838,583**

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Health and Human Services—Con.				
Summary—Con.				
	BA		[J] −19,900,000	[J] 420,000
	0			
Total Department of Health and Human Services	BA	**246,152,989**	**273,004,061**	**285,225,894**
	0	251,266,702	274,447,592	288,787,243
Department of Housing and Urban Development				
Housing Programs				
Federal funds				
General and Special Funds:				
Subsidized housing programs 604				
Contract authority, current	BA	**12,215,129**	**5,821,116**	**−2,343,189**
Indefinite	BA		[A] −1,579,231	
Contract authority, permanent	BA	**30,258**	**24,666**	**23,800**
Liquidation of contract authority, current		(8,379,758)	(9,538,000)	(10,697,000)
Outlays	0	6,880,150	7,774,000	8,532,000
Total Subsidized housing programs	BA	**12,245,387**	**4,266,551**	**−2,319,389**
	0	6,880,150	7,774,000	8,532,000
Indian housing 604				
Appropriation, current	BA			[J] **76,000**
Outlays	0			[J] 40,357
Payments for operation of low income housing projects 604				
Appropriation, current	BA	**1,490,906**	**1,350,000**	.....
			[H] −69,000	[K] **1,636,500**
Reappropriation	BA	.....	**597**	.....
Outlays	0	1,007,558	1,582,000	1,558,000
			[H] −31,000	[H] −38,000
Total Payments for operation of low income housing projects	BA	**1,490,906**	**1,281,597**	**1,636,500**
	0	1,007,558	1,551,000	1,520,000
Troubled projects operating subsidy 604				
Appropriation, current	BA	**4,000**	.....	.....
Outlays	0	28,644	23,000	13,000
Congregate services program 604				
Appropriation, current	BA	.....	**4,000**	.....
Outlays	0	3,073	4,600	6,200
Housing counseling assistance 506				
Appropriation, current	BA	**3,520**	**3,500**	.....
Outlays	0	3,009	3,000	3,000
Mobile home standards program 376				
Outlays	0	8	198	.....
Manufactured home inspection and monitoring 376				
Appropriation, permanent, indefinite	BA	**3,539**	**5,016**	**5,700**
Outlays	0	4,431	7,847	5,700

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Housing and Urban Development—Con.				
Housing Programs—Con.				
Interstate land sales 376				
Appropriation, permanent, indefinite	BA	**183**	**180**	**180**
Outlays	0	.....	363	180
Public Enterprise Funds:				
Federal Housing Administration fund 371				
Appropriation, current, indefinite	BA	**117,148**	**111,630**	**79,640**
Authority to borrow, permanent	BA	**86,123**	**71,800**	**46,940**
Outlays	0	−236,648	−328,663	−1,546,251
Total Federal Housing Administration fund	BA	**203,271**	**183,430**	**126,580**
	0	−236,648	−328,663	−1,546,251
Low-rent public housing--loans and other expenses 604				
Outlays	0	−21,118	101,973	135,648
Housing for the elderly or handicapped fund 371				
Authority to borrow, current, indefinite	BA	**710,014**	**564,358**	**436,102**
Outlays	0	742,379	255,277	50,677
Nonprofit sponsor assistance 604				
Outlays	0	−78	250	150
Community disposal operations fund 451				
Outlays	0	−327	−278	−248
Rental housing assistance fund 604				
Outlays	0	29	2,513	.....
Revolving fund (liquidating programs) 451				
Appropriation, current	BA	**84**	**962**	**897**
Outlays	0	−27,872	−24,449	−6,596
				[L] −7,677
Total Revolving fund (liquidating programs)	BA	**84**	**962**	**897**
	0	−27,872	−24,449	−14,273
Intragovernmental Funds:				
Disaster assistance fund 453				
Outlays	0	−4,739	.....	.....
Total Federal funds Housing Programs	BA	**14,660,904**	**6,309,594**	**−37,430**
	0	8,378,499	9,370,631	8,746,140
Government National Mortgage Association				
Federal funds				
Public Enterprise Funds:				
Special assistance functions fund 371				
Appropriation, current	BA	**1,880**	**1,764**	**1,100**
				[L] −1,100
Appropriation, permanent, indefinite	BA	**205**	**116**	**100**
				[L] −100
Authority to borrow, permanent, indefinite	BA	**1,099,217**	.....	.....
Outlays	0	1,666,402	1,432,740	1,399,400
				[L] −1,399,400
Total Special assistance functions fund	BA	**1,101,302**	**1,880**	.....
	0	1,666,402	1,432,740	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Housing and Urban Development—Con.				
Government National Mortgage Association—Con.				
Emergency mortgage purchase assistance 371				
Authority to borrow, permanent, indefinite	BA			**247,830**
				[L] **—247,830**
Outlays	0	—37,412	—227,197	247,830
				[L] —247,830
Total Emergency mortgage purchase assistance	0	—37,412	—227,197	
Management and liquidating functions fund 371				
Appropriation, current, indefinite	BA			[L] **1,100**
Appropriation, permanent, indefinite	BA			[L] **100**
Outlays	0	—23,883	—10,000	—8,700
				[L] 804,871
Total Management and liquidating functions fund	BA			**1,200**
	0	—23,883	—10,000	796,171
Guarantees of mortgage-backed securities 371				
Outlays	0	—118,935	—155,600	—182,000
Participation sales fund:				
(Mortgage credit and thrift insurance) 371				
(Outlays)	0	17,534	—21,253	—23,138
(Other advancement of commerce) 376				
(Outlays)	0	—15,938	—14,981	—16,961
(Community development) 451				
(Outlays)	0	611	647	400
(Higher education) 502				
(Outlays)	0	—2,701	—10,886	—18,609
(Health research) 552				
(Outlays)	0	—763	—591	—592
(Veterans housing) 704				
(Outlays)	0	—18,539	—15,762	—16,484
Total Participation sales fund	0	—19,796	—62,826	—75,384
Total Federal funds Government National Mortgage Association	BA	**1,101,302**	**1,880**	**1,200**
	0	1,466,376	977,117	538,787
Solar Energy and Energy Conservation Bank				
Federal funds				
General and Special Funds:				
Assistance for solar and conservation improvements 272				
Appropriation, current	BA	**21,850**	**20,000**	
			[A] **—11,000**	
Outlays	0		10,675	31,175
			[A] —2,750	[A] —8,250
Total Assistance for solar and conservation improvements	BA	**21,850**	**9,000**	
	0		7,925	22,925

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Housing and Urban Development—Con.				
Community Planning and Development				
Federal funds				
General and Special Funds:				
Community development grants 451				
Appropriation, current	BA	**3,456,000**	**3,456,000**	.....
				[K] 3,500,000
Outlays	0	3,791,621	3,525,000	3,526,000
Total Community development grants	BA	**3,456,000**	**3,456,000**	**3,500,000**
	0	3,791,621	3,525,000	3,526,000
Urban development action grants 451				
Appropriation, current	BA	**435,100**	**440,000**	.....
				[K] 196,000
Reappropriation	BA	**38,611**	.....	.....
Outlays	0	387,895	488,300	512,000
Total Urban development action grants	BA	**473,711**	**440,000**	**196,000**
	0	387,895	488,300	512,000
Urban homesteading 451				
Appropriation, current	BA		**[K] 12,000**	**[K] 12,000**
Outlays	0	11,639	20,361	12,000
Rental rehabilitation grants 451				
Appropriation, current	BA	.....	.....	**150,000**
Planning assistance 451				
Appropriation, current	BA	**—1,026**	.....	.....
Outlays	0	19,548	4,455	.....
Neighborhood self-help development program 451				
Outlays	0	3,705	925	.....
Miscellaneous appropriations 451				
Outlays	0	818	2,282	.....
Public Enterprise Funds:				
Rehabilitation loan fund 451				
Outlays	0	—23,183	1,000	.....
Urban renewal programs 451				
Liquidation of contract authority, permanent		(92,652)	(70,000)	(50,000)
Outlays	0	89,607	69,850	49,935
Total Federal funds Community Planning and Development	BA	**3,928,685**	**3,908,000**	**3,858,000**
	0	4,281,650	4,112,173	4,099,935
New Community Development Corporation				
Federal funds				
General and Special Funds:				
New community assistance grants 451				
Appropriation, current, indefinite	BA	**—882**	.....	.....
Outlays	0	918	1,032	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Housing and Urban Development—Con.				
New Community Development Corporation—Con.				
Public Enterprise Funds:				
New communities fund 451				
Authority to borrow, permanent, indefinite	BA	**18,587**	**32,396**	**26,100**
				[L] —26,100
Contract authority, permanent, indefinite	BA	**12,366**	**77,275**	.....
Outlays	O	15,983	37,122	30,100
				[L] —30,100
Total New communities fund	BA	**30,953**	**109,671**	.....
	O	15,983	37,122	.....
Total Federal funds New Community Development Corporation	BA	**30,071**	**109,671**	.....
	O	16,901	38,154	.....
Policy Development and Research				
Federal funds				
General and Special Funds:				
Research and technology 451				
Appropriation, current	BA	**20,000**	**18,000**	.....
				[K] 18,000
Outlays	O	26,699	25,440	22,000
Total Research and technology	BA	**20,000**	**18,000**	**18,000**
	O	26,699	25,440	22,000
Fair Housing and Equal Opportunity				
Federal funds				
General and Special Funds:				
Fair housing assistance 751				
Appropriation, current	BA	**5,016**	**5,700**	**4,700**
Outlays	O	2,360	10,800	6,400
Management and Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses, Including transfer of funds:				
(Community development) 451				
(Appropriation, current)	BA	**194,800**	**201,660**	**191,350**
(Outlays)	O	196,152	205,056	191,591
(Public assistance and other income supplements) 604				
(Appropriation, current)	BA	**102,720**	**82,578**	**87,782**
(Outlays)	O	103,433	83,969	87,893
(Federal law enforcement activities) 751				
(Appropriation, current)	BA	**21,980**	**23,262**	**23,975**
(Outlays)	O	22,132	23,654	24,005
Total Salaries and expenses, Including transfer of funds	BA	**319,500**	**307,500**	**303,107**
	O	321,717	312,679	303,489

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Housing and Urban Development—Con.					
Management and Administration—Con.					
Intragovernmental Funds:					
Working capital fund	451				
Appropriation, current		BA	**528**	.....	.....
Outlays		0	−432	467	.....
Trust funds					
Gifts and bequests	451				
Appropriation, permanent, indefinite		BA	.....	**10**	**10**
Outlays		0	−1	10	10
Total Federal funds Management and Administration		BA	**320,028**	**307,500**	**303,107**
		0	321,285	313,146	303,489
Total Trust funds Management and Administration		BA	.....	**10**	**10**
		0	−1	10	10
Summary					
Federal funds:					
(As shown in detail above)		BA	**20,087,856**	**10,669,345**	**4,147,577**
		0	14,493,770	14,855,386	13,739,676
Deductions for offsetting receipts:					
Proprietary receipts from the public	450	BA			
		0	*496*	*−500*	*−500*
	908	BA			
		0	*−3,622*	*−1,800*	*−1,800*
Total Federal funds		BA	**20,084,730**	**10,667,045**	**4,145,277**
		0	14,490,644	14,853,086	13,737,376
Trust funds:					
(As shown in detail above)		BA	.....	**10**	**10**
		0	−1	10	10
Total Department of Housing and Urban Development		BA	**20,084,730**	**10,667,055**	**4,145,287**
		0	14,490,643	14,853,096	13,737,386

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior				
Land and Water Resources				
Bureau of Land Management				
Federal funds				
General and Special Funds:				
Management of lands and resources 302				
Appropriation, current	BA	**414,269**	**330,226** **[A] 45,000** **[D] 4,595**	**352,563**
Outlays	0	385,549	317,101 [A] 45,000	335,422
Total Management of lands and resources	BA	**414,269**	**379,821**	**352,563**
	0	385,549	362,101	335,422
Construction and access 302				
Appropriation, current	BA	**12,211**	**2,243**	**1,200**
Outlays	0	12,996	4,359	1,132
Land acquisition 302				
Appropriation, current	BA	**3,712**	**311**	**130**
Outlays	0	346	2,929	130
Payments in lieu of taxes 852				
Appropriation, current	BA	**95,520**	**96,320**	**96,320**
Outlays	0	95,533	96,320	96,320
Oregon and California grant lands 302				
Appropriation, current	BA	**52,788**	**56,963** **[D] 657**	**49,136**
Outlays	0	51,432	54,351	47,802
Total Oregon and California grant lands	BA	**52,788**	**57,620**	**49,136**
	0	51,432	54,351	47,802
Range improvements 302				
Appropriation, current, indefinite	BA	**13,226**	**11,199**	**10,000**
Outlays	0	11,864	11,199	9,750
Recreation development and operation of recreation facilities 302				
Outlays	0	3	22	.....
Service charges, deposits, and forfeitures 302				
Appropriation, current, indefinite	BA	**6,341**	**10,000**	**13,000**
Outlays	0	6,370	9,503	12,500
Payments from proceeds, sale of water 301				
Appropriation, permanent, indefinite	BA	**2**	.....	.....
Miscellaneous permanent appropriations:				
(Conservation and land management) 302				
(Appropriation, permanent, indefinite)	BA	**2,315**	**4,000**	**4,000**
(Outlays)	0	226	4,000	4,000
(Other general purpose fiscal assistance) 852				
(Appropriation, permanent, indefinite)	BA	**639,092**	**600,907**	**57,828**
(Outlays)	0	639,433	600,707	57,628
Total Miscellaneous permanent appropriations	BA	**641,407**	**604,907**	**61,828**
	0	639,659	604,707	61,628
Intragovernmental Funds:				
Working capital fund 302				
Outlays	0	−2,802	.....	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Land and Water Resources—Con.				
Bureau of Land Management—Con.				
Trust funds				
Miscellaneous trust funds 302				
Appropriation, current, indefinite	BA	−19	100	100
Appropriation, permanent, indefinite	BA	1,241	600	600
Outlays	0	936	700	614
Total Miscellaneous trust funds	BA	1,222	700	700
	0	936	700	614
Total Federal funds Bureau of Land Management	BA	1,239,476	1,162,421	584,177
	0	1,200,950	1,145,491	564,684
Total Trust funds Bureau of Land Management...	BA	1,222	700	700
	0	936	700	614
Bureau of Reclamation				
Federal funds				
General and Special Funds:				
Loan program 301				
Appropriation, current	BA	22,614	25,106	41,500
Outlays	0	29,458	26,453	41,500
Construction program 301				
Appropriation, current	BA	548,505	577,470 [C]586 [D]2,019	699,388
Outlays	0	569,315	582,449	695,544
Total Construction program	BA	548,505	580,075	699,388
	0	569,315	582,449	695,544
General investigations 301				
Appropriation, current	BA	41,173	38,474 [D]397	31,831
Outlays	0	55,993	49,503	38,754
Total General investigations	BA	41,173	38,871	31,831
	0	55,993	49,503	38,754
Emergency fund 301				
Appropriation, current	BA	.....	1,919	1,000
Outlays	0	8,066	3,000	1,000
Operation and maintenance 301				
Appropriation, current	BA	118,518	119,866 [C]365 [D]1,293	145,091
Outlays	0	113,350	130,892	145,191
Total Operation and maintenance	BA	118,518	121,524	145,091
	0	113,350	130,892	145,191

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Land and Water Resources—Con.				
Bureau of Reclamation—Con.				
General administrative expenses 301				
Appropriation, current	BA	**39,928**	**39,928**	**53,400**
			[D] **799**	
Outlays	0	39,767	41,180	53,484
Total General administrative expenses	BA	**39,928**	**40,727**	**53,400**
	0	39,767	41,180	53,484
Miscellaneous permanent appropriations 852				
Appropriation, permanent	BA	**600**	**600**	**600**
Indefinite	BA	**1,867**	**2,100**	**2,100**
Outlays	0	2,383	2,700	2,700
Total Miscellaneous permanent appropriations	BA	**2,467**	**2,700**	**2,700**
	0	2,383	2,700	2,700
Public Enterprise Funds:				
Colorado River Basin project 301				
Outlays	0	−17,990	.....	.....
Upper Colorado River storage project 301				
Outlays	0	9,948	.....	.....
Trust funds				
Reclamation trust funds 301				
Appropriation, permanent, indefinite	BA	**5,402**	**13,800**	**27,675**
Outlays	0	5,418	13,800	27,675
Total Federal funds Bureau of Reclamation	BA	**773,205**	**810,922**	**974,910**
	0	810,290	836,177	978,173
Total Trust funds Bureau of Reclamation	BA	**5,402**	**13,800**	**27,675**
	0	5,418	13,800	27,675
Total Federal funds Land and Water Resources	BA	**2,012,681**	**1,973,343**	**1,559,087**
	0	2,011,240	1,981,668	1,542,857
Total Trust funds Land and Water Resources	BA	**6,624**	**14,500**	**28,375**
	0	6,354	14,500	28,289
Fish and Wildlife and Parks				
United States Fish and Wildlife Service				
Federal funds				
General and Special Funds:				
Resource management 303				
Appropriation, current	BA	**226,722**	**241,987**	**246,340**
			[C] **138**	
			[D] **1,392**	
				[J] **2,628**
Outlays	0	238,613	261,283	252,598
				[J] 2,628
Total Resource management	BA	**226,722**	**243,517**	**248,968**
	0	238,613	261,283	255,226

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Fish and Wildlife and Parks—Con.				
United States Fish and Wildlife Service—Con.				
Construction 303				
Appropriation, current	BA	**10,683**	**16,665**	**14,400**
Outlays	0	32,554	22,420	14,878
Land acquisition 303				
Appropriation, current	BA	**16,491**	**27,200**	.....
Outlays	0	11,033	22,144	10,024
Migratory bird conservation account 303				
Appropriation, current	BA	**1,200**	**2,000**	.....
Appropriation, permanent, indefinite	BA	**15,845**	**16,376**	**25,376**
Outlays	0	17,092	18,066	24,264
Total Migratory bird conservation account	BA	**17,045**	**18,376**	**25,376**
	0	17,092	18,066	24,264
Development and operation of recreation facilities 303				
Outlays	0	39	13	.....
National wildlife refuge fund 852				
Appropriation, current	BA	**5,760**	**5,760**	**5,760**
Appropriation, permanent	BA	**7,054**	**6,740**	**6,778**
Outlays	0	11,579	11,645	12,938
Total National wildlife refuge fund	BA	**12,814**	**12,500**	**12,538**
	0	11,579	11,645	12,938
Miscellaneous permanent appropriations 303				
Appropriation, permanent, indefinite	BA	**154,498**	**146,936**	**171,100**
Outlays	0	146,419	157,198	167,565
Trust funds				
Contributed funds 303				
Appropriation, permanent, indefinite	BA	**3,210**	**3,750**	**3,572**
Outlays	0	3,301	3,600	3,429
Total Federal funds United States Fish and Wildlife Service	BA	**438,253**	**465,194**	**472,382**
	0	457,329	492,769	484,895
Total Trust funds United States Fish and Wildlife Service	BA	**3,210**	**3,750**	**3,572**
	0	3,301	3,600	3,429
National Park Service				
Federal funds				
General and Special Funds:				
Operation of the national park system 303				
Appropriation, current	BA	**521,528**	**567,760**	**599,792**
			[C] **2,042**	
			[D] **6,977**	
Outlays	0	509,431	577,340	599,335
Total Operation of the national park system	BA	**521,528**	**576,779**	**599,792**
	0	509,431	577,340	599,335

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Fish and Wildlife and Parks—Con.				
National Park Service—Con.				
National recreation and preservation 303				
Appropriation, current	BA	**12,607**	**9,887**	
			[D] **168**	
Outlays	O	11,053	11,066	
Total National recreation and preservation	BA	**12,607**	**10,055**	
	O	11,053	11,066	
Construction 303				
Appropriation, current	BA	**95,852**	**159,096**	**78,275**
			[H] **−63,600**	
Outlays	O	86,768	181,962	115,527
			[H] −15,900	[H] −47,700
Total Construction	BA	**95,852**	**95,496**	**78,275**
	O	86,768	166,062	67,827
Road construction 303				
Outlays	O	2,120	2,895	
John F. Kennedy Center for the Performing Arts 303				
Appropriation, current	BA	**4,212**	**4,247**	
				[K] **4,342**
			[C] **35**	
			[D] **54**	
Outlays	O	3,964	4,334	4,331
Total John F. Kennedy Center for the Performing Arts	BA	**4,212**	**4,336**	**4,342**
	O	3,964	4,334	4,331
Urban park and recreation fund 303				
Appropriation, current	BA	**7,680**		
Outlays	O	31,910	36,000	30,000
Land and water conservation fund 303				
Contract authority, current	BA	**−30,000**		
Contract authority, permanent	BA	**30,000**	**30,000**	
Outlays	O	272,901		
Total Land and water conservation fund	BA		**30,000**	
	O	272,901		
Land acquisition 303				
Appropriation, current	BA	**133,462**	**142,505**	**54,671**
Outlays	O	54,345	306,000	267,000
Planning, development, and operation of recreation facilities 303				
Outlays	O	1,546	741	
Historic preservation fund 303				
Appropriation, current	BA	**25,440**	**26,000**	
Outlays	O	36,723	25,024	13,985
Commemorative activities fund 303				
Outlays	O	212	83	

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Fish and Wildlife and Parks—Con.				
National Park Service—Con.				
Miscellaneous permanent appropriations 303				
Appropriation, permanent, indefinite	BA	**411**	**405**	**445**
Outlays	0	443	354	445
Trust funds				
Construction (trust fund) 401				
Outlays	0	126	3,373	.....
Miscellaneous trust funds 303				
Appropriation, permanent, indefinite	BA	**1,163**	**1,700**	**1,660**
Outlays	0	958	1,700	1,660
Total Federal funds National Park Service	BA	**801,192**	**885,576**	**737,525**
	0	1,011,416	1,129,899	982,923
Total Trust funds National Park Service	BA	**1,163**	**1,700**	**1,660**
	0	1,084	5,073	1,660
Total Federal funds Fish and Wildlife and Parks	BA	**1,239,445**	**1,350,770**	**1,209,907**
	0	1,468,745	1,622,668	1,467,818
Total Trust funds Fish and Wildlife and Parks	BA	**4,373**	**5,450**	**5,232**
	0	4,385	8,673	5,089
Energy and Minerals				
Geological Survey				
Federal funds				
General and Special Funds:				
Surveys, investigations and research 306				
Appropriation, current	BA	**507,846**	**363,389** [C] 165 [D] 6,730	**350,928**
Appropriation, permanent, indefinite	BA	.....	.....	**8,500**
Outlays	0	499,411	409,987	373,426
Total Surveys, investigations and research	BA	**507,846**	**370,284**	**359,428**
	0	499,411	409,987	373,426
Barrow area gas operation, exploration, and development 271				
Appropriation, current	BA	.....	**6,400**	.....
Outlays	0	.....	5,900	500
Exploration of national petroleum reserve in Alaska 271				
Appropriation, current	BA	**2,196**	.....	.....
Outlays	0	32,283	29,295	275
Intragovernmental Funds:				
Digitial cartography 306				
Appropriation, current	BA	.....	.....	**6,028**
Outlays	0	.....	.....	5,485

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Energy and Minerals—Con.				
Geological Survey—Con.				
Trust funds				
Contributed funds 306				
Appropriation, permanent, indefinite	BA	.....	**500**	**500**
Outlays	0	.....	500	500
Total Federal funds Geological Survey	BA	**510,042**	**376,684**	**365,456**
	0	531,694	445,182	379,686
Total Trust funds Geological Survey	BA	.....	**500**	**500**
	0	.....	500	500
Minerals Management Service				
Federal funds				
General and Special Funds:				
Minerals and royalty management 302				
Appropriation, current	BA	.....	**196,506**	**155,518**
			[C] **2**	
			[D] **1,987**	
Outlays	0	.....	166,021	164,603
Total Minerals and royalty management	BA	.....	**198,495**	**155,518**
	0	.....	166,021	164,603
Payments to states from receipts under Mineral Leasing Act 852				
Appropriation, permanent, indefinite	BA	.....	.....	**995,434**
Outlays	0	.....	.....	995,434
Total Federal funds Minerals Management Service	BA	.....	**198,495**	**1,150,952**
	0	.....	166,021	1,160,037
Office of Surface Mining Reclamation and Enforcement				
Federal funds				
General and Special Funds:				
Regulation and technology 302				
Appropriation, current	BA	**58,515**	**60,461**	**63,497**
			[D] **522**	
Outlays	0	64,167	59,050	63,041
Total Regulation and technology	BA	**58,515**	**60,983**	**63,497**
	0	64,167	59,050	63,041
Abandoned mine reclamation fund 302				
Appropriation, current	BA	**115,333**	**161,209**	**218,802**
Outlays	0	54,596	82,062	117,143
Total Federal funds Office of Surface Mining Reclamation and Enforcement	BA	**173,848**	**222,192**	**282,299**
	0	118,763	141,112	180,184

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Energy and Minerals—Con.				
Bureau of Mines				
Federal funds				
General and Special Funds:				
Mines and minerals 306				
Appropriation, current	BA	**150,602**	**143,053**	**117,583**
			[D] **1,515**	
Outlays	O	158,288	168,452	132,863
Total Mines and minerals	BA	**150,602**	**144,568**	**117,583**
	O	158,288	168,452	132,863
Drainage of anthracite mines 306				
Outlays	O	26	.....	.....
Public Enterprise Funds:				
Helium fund 306				
Outlays	O	−6,659	.....	.....
Trust funds				
Contributed funds 306				
Appropriation, permanent, indefinite	BA	**244**	**800**	**800**
Outlays	O	682	800	800
Total Federal funds Bureau of Mines	BA	**150,602**	**144,568**	**117,583**
	O	151,655	168,452	132,863
Total Trust funds Bureau of Mines	BA	**244**	**800**	**800**
	O	682	800	800
Total Federal funds Energy and Minerals	BA	**834,492**	**941,939**	**1,916,290**
	O	802,112	920,767	1,852,770
Total Trust funds Energy and Minerals	BA	**244**	**1,300**	**1,300**
	O	682	1,300	1,300
Indian Affairs				
Bureau of Indian Affairs				
Federal funds				
General and Special Funds:				
Operation of Indian programs:				
(Conservation and land management) 302				
(Appropriation, current)	BA	**84,743**	**84,341**	**89,283**
			[A] **14,000**	
			[C] **90**	
			[D] **810**	
(Outlays)	O	83,050	81,802	85,700
			[A] 14,000	
Total (Conservation and land management)	BA	**84,743**	**99,241**	**89,283**
	O	83,050	95,802	85,700

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Indian Affairs—Con.				
Bureau of Indian Affairs—Con.				
(Area and regional development) 452				
(Appropriation, current)	BA	**478,223**	**495,062**	**503,164**
			[C] 1,864	
			[D] 2,017	
(Outlays)	0	472,197	484,404	483,150
Total (Area and regional development)	BA	**478,223**	**498,943**	**503,164**
	0	472,197	484,404	483,150
(Elementary, secondary, and vocational education) 501				
(Appropriation, current)	BA	**265,606**	**264,105**	**249,068**
			[C] 1,000	
			[D] 1,688	
(Outlays)	0	260,380	256,304	239,663
Total (Elementary, secondary, and vocational education)	BA	**265,606**	**266,793**	**249,068**
	0	260,380	256,304	239,663
Total Operation of Indian programs	BA	**828,572**	**864,977**	**841,515**
	0	815,627	836,510	808,513
Construction 452				
Appropriation, current	BA	**94,628**	**67,250**	**55,875**
Outlays	0	108,317	71,000	65,675
Road construction 452				
Appropriation, current	BA	**47,160**	**43,585**	**4,000**
Outlays	0	47,258	44,325	30,000
Eastern Indian land claims settlement fund 806				
Outlays	0	600	357	.....
Miscellaneous permanent appropriations:				
(Area and regional development) 452				
(Appropriation, permanent, indefinite)	BA	**33,096**	**33,000**	**33,000**
(Outlays)	0	32,314	31,000	31,000
(Other general government) 806				
(Appropriation, permanent, indefinite)	BA	**1,281**	**1,000**	**1,000**
(Outlays)	0	1,278	1,000	1,000
Total Miscellaneous permanent appropriations	BA	**34,377**	**34,000**	**34,000**
	0	33,592	32,000	32,000
Public Enterprise Funds:				
Revolving fund for loans 452				
Outlays	0	−1,232	9,191	4,305
Indian loan guaranty and insurance fund 452				
Outlays	0	1,848	1,383	3,695
Liquidation of Hoonah Housing Project revolving fund 452				
Outlays	0	5	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Indian Affairs—Con.				
Bureau of Indian Affairs—Con.				
Trust funds				
Miscellaneous trust funds:				
(Area and regional development) 452				
(Appropriation, current)	BA	**2,001**	**3,000**	**4,000**
(Indefinite)	BA	**53,290**	**60,000**	**59,000**
(Appropriation, permanent, indefinite)	BA	**447,681**	**429,015**	**421,215**
(Outlays)	O	417,307	435,150	507,200
Total (Area and regional development)	BA	**502,972**	**492,015**	**484,215**
	O	417,307	435,150	507,200
(Other general government) 806				
(Appropriation, permanent, indefinite)	BA	**8,230**	.....	.....
(Outlays)	O	8,230	.....	.....
Total Miscellaneous trust funds	BA	**511,202**	**492,015**	**484,215**
	O	425,537	435,150	507,200
Total Federal funds Bureau of Indian Affairs	BA	**1,004,737**	**1,009,812**	**935,390**
	O	1,006,015	994,766	944,188
Total Trust funds Bureau of Indian Affairs	BA	**511,202**	**492,015**	**484,215**
	O	425,537	435,150	507,200
Territorial Affairs				
Office of Territorial Affairs				
Federal funds				
General and Special Funds:				
Administration of territories 806				
Appropriation, current	BA	**92,892**	**73,892**	**56,112**
			[D] **39**	[K] **6,038**
Outlays	O	119,657	82,913	66,539
Total Administration of territories	BA	**92,892**	**73,931**	**62,150**
	O	119,657	82,913	66,539
Trust Territory of the Pacific Islands 806				
Appropriation, current	BA	**98,614**	**95,810**	**87,989**
			[D] **30**	
Outlays	O	130,646	148,378	111,614
Total Trust Territory of the Pacific Islands	BA	**98,614**	**95,840**	**87,989**
	O	130,646	148,378	111,614
Micronesian claims fund, Trust Territory of the Pacific Islands 806				
Outlays	O	60	1,616	.....
Payments to the United States territories, fiscal assistance 852				
Appropriation, permanent, indefinite	BA	**66,094**	**57,000**	**59,800**
Outlays	O	66,094	60,159	59,800

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.				
Territorial Affairs—Con.				
Office of Territorial Affairs—Con.				
Internal revenue collections for the Virgin Islands 852				
Outlays	0	231	.....	.....
Total Federal funds Office of Territorial Affairs	BA	**257,600**	**226,771**	**209,939**
	0	316,688	293,066	237,953
Secretarial Offices				
Office of the Solicitor and Office of the Secretary				
Federal funds				
General and Special Funds:				
Office of the Solicitor, salaries and expenses 306				
Appropriation, current	BA	**17,750**	**18,404**	**18,647**
			[D] **663**	
Outlays	0	17,575	18,686	18,487
Total Office of the Solicitor, salaries and expenses	BA	**17,750**	**19,067**	**18,647**
	0	17,575	18,686	18,487
Departmental management 306				
Appropriation, current	BA	**40,988**	**41,589**	**44,006**
			[D] **998**	
Outlays	0	40,279	40,913	42,705
Total Departmental management	BA	**40,988**	**42,587**	**44,006**
	0	40,279	40,913	42,705
Office of Water Policy, salaries and expenses 301				
Appropriation, current	BA	.....	**8,118**	**1,532**
Outlays	0	.....	7,270	2,130
Construction management 306				
Appropriation, current	BA	**3,840**	**896**	**896**
Outlays	0	3,665	4,800	2,818
Office of Inspector General, salaries and expenses 306				
Appropriation, current	BA	**13,369**	**21,500**	**17,185**
			[D] **400**	
Outlays	0	10,441	21,730	21,100
Total Office of Inspector General, salaries and expenses	BA	**13,369**	**21,900**	**17,185**
	0	10,441	21,730	21,100
Youth conservation corps 302				
Appropriation, current	BA	**285**	.....	.....
Outlays	0	6,164	86	.....
Salaries and expenses (special foreign currency program) 306				
Appropriation, current	BA	.....	.....	**420**
Outlays	0	359	550	840

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.					
Secretarial Offices—Con.					
Office of the Solicitor and Office of the Secretary—Con.					
Intragovernmental Funds:					
Working capital fund	306				
Outlays		0	1,611	.....	.....
Total Federal funds Office of the Solicitor and Office of the Secretary		BA	**76,232**	**92,568**	**82,686**
		0	80,094	94,035	88,080
Summary					
Federal funds:					
(As shown in detail above)		BA	**5,425,187**	**5,595,203**	**5,913,299**
		0	5,684,894	5,906,970	6,133,666
Deductions for offsetting receipts:					
Proprietary receipts from the public	300	BA	*−1,527,131*	*−1,755,704*	*−2,039,971*
		0		*[1] 80*	*[1] −25,120*
	301	BA	*−46*	*−45*	*−45*
		0			
	302	BA	*−78,750*	*−33,650*	*−39,370*
		0			
	450	BA	*−33,986*	*−33,433*	*−33,433*
		0			
	500	BA	*−33*	*−35*	*−35*
		0			
	908	BA	*−90,063*	*−5,513*	*−406,291*
		0			
Total Federal funds		BA	**3,695,178**	**3,766,903**	**3,369,034**
		0	3,954,885	4,078,670	3,589,401
Trust funds:					
(As shown in detail above)		BA	**522,443**	**513,265**	**519,122**
		0	436,958	459,623	541,878
Deductions for offsetting receipts:					
Proprietary receipts from the public	301	BA	*−5,402*	*−13,800*	*−27,675*
		0			
	302	BA	*−1,221*	*−700*	*−700*
		0			
	303	BA	*−3,210*	*−3,750*	*−3,572*
		0			
	306	BA	*−244*	*−1,300*	*−1,300*
		0			
	452	BA	*−268,059*	*−271,800*	*−286,000*
		0			
	908	BA	*−122,217*	*−124,600*	*−127,200*
		0			
Total Trust funds		BA	**122,090**	**97,315**	**72,675**
		0	36,605	43,673	95,431

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of the Interior—Con.					
Summary—Con.					
Interfund transactions	806	BA			
		0	**—69,629**	**—75,000**	**—50,000**
Total Department of the Interior		BA	**3,747,639**	**3,789,218**	**3,391,709**
		0	3,921,861	4,047,343	3,634,832
Department of Justice					
General Administration					
Federal funds					
General and Special Funds:					
Salaries and expenses	751				
Appropriation, current		BA	**42,274**	**54,873**	**56,364**
				D 1,831	
Outlays		0	39,473	52,763	54,652
Total Salaries and expenses		BA	**42,274**	**56,704**	**56,364**
		0	39,473	52,763	54,652
Intragovernmental Funds:					
Working capital fund	751				
Outlays		0	—6,885	5,750	—971
Total Federal funds General Administration		BA	**42,274**	**56,704**	**56,364**
		0	32,588	58,513	53,681
United States Parole Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	751				
Appropriation, current		BA	**6,406**	**6,663**	**7,836**
				D 216	
Outlays		0	6,180	6,734	7,677
Total Salaries and expenses		BA	**6,406**	**6,879**	**7,836**
		0	6,180	6,734	7,677
Legal Activities					
Federal funds					
General and Special Funds:					
Salaries and expenses, General Legal Activities	752				
Appropriation, current		BA	**130,405**	**136,128**	**160,440**
				D 4,720	
Outlays		0	125,579	138,179	157,138
Total Salaries and expenses, General Legal Activities		BA	**130,405**	**140,848**	**160,440**
		0	125,579	138,179	157,138

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Justice—Con.				
Legal Activities—Con.				
Salaries and expenses, Antitrust Division 752				
Appropriation, current	BA	**41,200**	**43,389**	**45,791**
			[D] **1,133**	
Outlays	0	42,638	43,872	45,102
Total Salaries and expenses, Antitrust Division	BA	**41,200**	**44,522**	**45,791**
	0	42,638	43,872	45,102
Salaries and expenses, Foreign Claims Settlement Commission 153				
Appropriation, current	BA	**734**	**774**	**954**
			[D] **28**	
Outlays	0	645	821	958
Total Salaries and expenses, Foreign Claims Settlement Commission	BA	**734**	**802**	**954**
	0	645	821	958
Payment of Vietnam and U.S.S. Pueblo prisoner of war claims 153				
Outlays	0		10	20
Salaries and expenses, United States Attorneys and Marshals 752				
Appropriation, current	BA	**313,132**	**331,781**	**362,707**
			[C] **2**	
			[D] **10,808**	
Outlays	0	310,562	335,739	355,473
Total Salaries and expenses, United States Attorneys and Marshals	BA	**313,132**	**342,591**	**362,707**
	0	310,562	335,739	355,473
Support of United States prisoners 752				
Appropriation, current	BA	**29,923**	**34,254**	**44,768**
Outlays	0	27,662	32,489	44,504
Fees and expenses of witnesses 752				
Appropriation, current	BA	**32,671**	**35,700**	**38,266**
Outlays	0	28,794	35,106	37,500
Salaries and expenses, Community Relations Service 752				
Appropriation, current	BA	**5,727**	**5,764**	**6,314**
			[D] **203**	
Outlays	0	5,527	5,872	6,265
Total Salaries and expenses, Community Relations Service	BA	**5,727**	**5,967**	**6,314**
	0	5,527	5,872	6,265
Total Federal funds Legal Activities	BA	**553,792**	**604,684**	**659,240**
	0	541,408	592,088	646,960

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Justice—Con.				
Interagency Law Enforcement				
Federal funds				
General and Special Funds:				
Organized crime drug enforcement 751				
Appropriation, current	BA	.....	**127,500**	**105,949**
Outlays	0	.....	104,150	103,143
Federal Bureau of Investigation				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**767,009**	**825,154** [C] **250** [D] **27,915**	**1,055,690**
Reappropriation	BA	**5,600**	.....	.....
Outlays	0	736,982	855,591	1,021,213
Total Salaries and expenses	BA	**772,609**	**853,319**	**1,055,690**
	0	736,982	855,591	1,021,213
Drug Enforcement Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**241,709**	**248,162** [D] **7,334**	**275,623**
Reappropriation	BA	**1,000**	.....	.....
Outlays	0	224,629	250,451	269,141
Total Salaries and expenses	BA	**242,709**	**255,496**	**275,623**
	0	224,629	250,451	269,141
Immigration and Naturalization Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**444,357**	**484,431** [C] **264** [D] **10,999**	**539,261**
Reappropriation	BA	**2,104**	.....	.....
Outlays	0	416,762	499,380	534,896
Total Salaries and expenses	BA	**446,461**	**495,694**	**539,261**
	0	416,762	499,380	534,896

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Justice—Con.				
Federal Prison System				
Federal funds				
General and Special Funds:				
Salaries and expenses 753				
Appropriation, current	BA	**366,830**	**387,049**	**426,263**
			[C] **1,552**	
			[D] **8,821**	
Outlays	0	354,565	393,887	420,487
Total Salaries and expenses	BA	**366,830**	**397,422**	**426,263**
	0	354,565	393,887	420,487
National Institute of Corrections 754				
Appropriation, current	BA	**11,186**	**11,050**	**11,665**
Outlays	0	11,445	10,550	11,080
Buildings and facilities 753				
Appropriation, current	BA	**55,481**	**6,667**	**97,142**
Reappropriation	BA	**1,000**	.....	.....
Outlays	0	14,905	29,821	45,390
Total Buildings and facilities	BA	**56,481**	**6,667**	**97,142**
	0	14,905	29,821	45,390
Intragovernmental Funds:				
Federal Prison Industries, Incorporated 753				
Outlays	0	−5,233	.....	.....
Limitation on administrative expenses		(2,373)	(2,633)	(2,710)
Limitation on vocational expenses		(2,839)	(6,329)	(6,613)
Trust funds				
Commissary funds, Federal prisons (trust revolving fund) 753				
Outlays	0	−511	.....	.....
Total Federal funds Federal Prison System	BA	**434,497**	**415,139**	**535,070**
	0	375,682	434,258	476,957
Total Trust funds Federal Prison System	0	−511	.....	.....
Office of Justice Assistance				
Federal funds				
General and Special Funds:				
Justice assistance 754				
Appropriation, current	BA	**128,554**	**125,523**	.....
				[K] **60,659**
				[J] **92,200**
Outlays	0	282,741	178,146	136,650
				[J] 36,290
Total Justice assistance	BA	**128,554**	**125,523**	**152,859**
	0	282,741	178,146	172,940

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Justice—Con.					
Office of Justice Assistance—Con.					
Public Enterprise Funds:					
Revolving fund	754				
Outlays		0	140	137	.....
Total Federal funds Office of Justice Assistance..		BA	**128,554**	**125,523**	**152,859**
		0	282,881	178,283	172,940
Summary					
Federal funds:					
(As shown in detail above)		BA	**2,627,302**	**2,940,938**	**3,387,892**
		0	2,617,112	2,979,448	3,286,608
Deductions for offsetting receipts:					
Proprietary receipts from the public	750	BA			
		0	*—27,900*	*—21,385*	*—21,565*
	908	BA			
		0	*—4,330*	*—2,894*	*—2,894*
Total Federal funds		BA	**2,595,072**	**2,916,659**	**3,363,433**
		0	2,584,882	2,955,169	3,262,149
Trust funds:					
(As shown in detail above)		0	—511	.....	.....
Total Department of Justice		BA	**2,595,072**	**2,916,659**	**3,363,433**
		0	2,584,371	2,955,169	3,262,149
Department of Labor					
Employment and Training Administration					
Federal funds					
General and Special Funds:					
Program administration	504				
Appropriation, current		BA	**87,695**	**91,465**	**86,271**
				[D] **2,652**	
Outlays		0	79,416	97,374	87,229
Total Program administration		BA	**87,695**	**94,117**	**86,271**
		0	79,416	97,374	87,229
Training and employment services	504				
Appropriation, current		BA	**2,983,658**	**3,789,302**	**3,643,330**
					[I] **724,696**
				[J] **—85,000**	[J] **—87,000**
Outlays		0	4,110,422	3,723,930	3,595,087
				[J] —76,500	[J] —86,800
Total Training and employment services		BA	**2,983,658**	**3,704,302**	**4,281,026**
		0	4,110,422	3,647,430	3,508,287
Community service employment for older Americans	504				
Appropriation, current		BA	**277,100**	**281,950**	.....
Outlays		0	268,964	278,312	211,462

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Labor—Con.				
Employment and Training Administration—Con.				
Temporary employment assistance 504				
Outlays	0	37,846	.....	.....
Federal unemployment benefits and allowances 603				
Appropriation, current	BA	**306,000**	**230,000**	**7,000**
			[J] **1,850,000**	
Outlays	0	314,833	230,000	7,000
			[J] 1,850,000	
Total Federal unemployment benefits and allowances	BA	**306,000**	**2,080,000**	**7,000**
	0	314,833	2,080,000	7,000
State unemployment insurance and employment service operations:				
(Training and employment) 504				
(Appropriation, current)	BA	**19,272**	**22,200**	**25,700**
				[I] **5,700**
(Outlays)	0	23,823	10,656	25,700
Total (Training and employment)	BA	**19,272**	**22,200**	**31,400**
	0	23,823	10,656	25,700
(Unemployment compensation) 603				
(Appropriation, current)	BA	**20,000**	.....	.....
(Outlays)	0	5,100	14,900	.....
Total State unemployment insurance and employment service operations	BA	**39,272**	**22,200**	**31,400**
	0	28,923	25,556	25,700
Advances to the unemployment trust fund and other funds:				
(General retirement and disability insurance) 601				
(Appropriation, current)	BA	**283,002**	.....	**136,000**
				[L] **—37,000**
(Outlays)	0	283,002	154,998	136,000
				[L] —37,000
Total (General retirement and disability insurance)	BA	**283,002**	.....	**99,000**
	0	283,002	154,998	99,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Labor—Con.				
Employment and Training Administration—Con.				
(Unemployment compensation) 603				
(Appropriation, current)	BA	**4,034,998**	**5,411,000**	**7,010,000**
			[A] 5,033,000	
(Outlays)	0	2,674,000	6,617,000	7,010,000
			[A] 5,033,000	
Total (Unemployment compensation)	BA	**4,034,998**	**10,444,000**	**7,010,000**
	0	2,674,000	11,650,000	7,010,000
Total Advances to the unemployment trust fund and other funds	BA	**4,318,000**	**10,444,000**	**7,109,000**
	0	2,957,002	11,804,998	7,109,000
Intragovernmental Funds:				
Advances to the Employment Security Administration account of the Unemployment trust fund 603				
Outlays	0			—300,000
Trust funds				
Gifts and bequests 504				
Appropriation, permanent, indefinite	BA	**18**	**100**	**100**
Outlays	0	108	100	100
Unemployment trust fund:				
(Training and employment) 504				
(Appropriation, permanent, indefinite)	BA	**737,916**	**801,508**	**860,159**
				[I] 182,100
(Outlays)	0	707,318	801,508	860,159
Total (Training and employment)	BA	**737,916**	**801,508**	**1,042,259**
	0	707,318	801,508	860,159
(Unemployment compensation) 603				
(Appropriation, permanent, indefinite)	BA	**19,753,300**	**26,165,492**	**30,939,841**
			[A] 5,033,000	
				[I] —182,100
(Outlays)	0	23,574,962	29,589,392	29,939,841
			[A] 5,309,100	
Total (Unemployment compensation)	BA	**19,753,300**	**31,198,492**	**30,757,741**
	0	23,574,962	34,898,492	29,939,841
Total Unemployment trust fund	BA	**20,491,216**	**32,000,000**	**31,800,000**
	0	24,282,280	35,700,000	30,800,000
Total Federal funds Employment and Training Administration	BA	**8,011,725**	**16,626,569**	**11,514,697**
	0	7,797,406	17,933,670	10,648,678
Total Trust funds Employment and Training Administration	BA	**20,491,234**	**32,000,100**	**31,800,100**
	0	24,282,388	35,700,100	30,800,100

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Labor—Con.				
Labor-Management Services Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 505				
Appropriation, current	BA	**54,910**	**58,077**	**64,130**
Outlays	0	54,637	56,315	63,031
Pension Benefit Guaranty Corporation				
Federal funds				
Public Enterprise Funds:				
Pension Benefit Guaranty Corporation fund 601				
Outlays	0	−66,910	−31,611	−25,887 [J] −132,375
Total Pension Benefit Guaranty Corporation fund.	0	−66,910	−31,611	−158,262
Employment Standards Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 505				
Appropriation, current	BA	**158,203**	**169,296** [D] **4,390**	**185,835**
Outlays	0	154,511	169,780	184,433
Total Salaries and expenses	BA	**158,203**	**173,686**	**185,835**
	0	154,511	169,780	184,433
Special benefits:				
(General retirement and disability insurance) 601				
(Appropriation, current)	BA	**3,966**	**4,000**	**4,100**
(Outlays)	0	3,880	4,000	4,100
(Federal employee retirement and disability) 602				
(Appropriation, current)	BA	**344,926**	**335,600**	**228,000** [L] **−17,000**
(Outlays)	0	264,225	218,000	228,000 [L] −17,000
Total (Federal employee retirement and disability)	BA	**344,926**	**335,600**	**211,000**
	0	264,225	218,000	211,000
Total Special benefits	BA	**348,892**	**339,600**	**215,100**
	0	268,105	222,000	215,100

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Labor—Con.				
Employment Standards Administration—Con.				
Trust funds				
Black lung disability trust fund 601				
Appropriation, current	BA	**773,936**	**668,852**	**743,244**
			[A] **54,000**	
			[D] **368**	
				[L] **—37,000**
Indefinite	BA	**694**	**756**	**756**
Outlays	0	884,119	669,976	744,000
			[A] 54,000	
				[L] —37,000
Total Black lung disability trust fund	BA	**774,630**	**723,976**	**707,000**
	0	884,119	723,976	707,000
Special workers' compensation expenses 601				
Appropriation, permanent, indefinite	BA	**36,063**	**39,000**	**46,000**
Outlays	0	28,009	36,500	42,000
Total Federal funds Employment Standards Administration	BA	**507,095**	**513,286**	**400,935**
	0	422,616	391,780	399,533
Total Trust funds Employment Standards Administration	BA	**810,693**	**762,976**	**753,000**
	0	912,128	760,476	749,000
Occupational Safety and Health Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 554				
Appropriation, current	BA	**195,465**	**205,256**	**210,860**
			[G] **1,393**	
Outlays	0	194,029	202,976	206,925
Total Salaries and expenses	BA	**195,465**	**206,649**	**210,860**
	0	194,029	202,976	206,925
Mine Safety and Health Administration				
Federal funds				
General and Special Funds:				
Salaries and expenses 554				
Appropriation, current	BA	**149,313**	**153,828**	**151,792**
			[F] **—1,393**	
				[L] **—3,760**
Outlays	0	138,831	155,356	152,742
				[L] —3,459
Total Salaries and expenses	BA	**149,313**	**152,435**	**148,032**
	0	138,831	155,356	149,283

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Labor—Con.					
Bureau of Labor Statistics					
Federal funds					
General and Special Funds:					
Salaries and expenses	505				
Appropriation, current		BA	**113,067**	**120,143**	**136,290**
				[D] **3,600**	
Outlays		0	110,005	122,817	135,042
Total Salaries and expenses		BA	**113,067**	**123,743**	**136,290**
		0	110,005	122,817	135,042
Departmental Management					
Federal funds					
General and Special Funds:					
Salaries and expenses	505				
Appropriation, current		BA	**126,069**	**93,864**	**94,390**
					[K] **1,001**
				[D] **400**	
Outlays		0	115,027	93,777	95,288
Total Salaries and expenses		BA	**126,069**	**94,264**	**95,391**
		0	115,027	93,777	95,288
Office of the Inspector General	505				
Appropriation, current		BA	.....	**38,133**	**37,707**
Outlays		0	.....	39,056	40,406
Special foreign currency program	505				
Appropriation, current		BA	**67**	**67**	**200**
Outlays		0	54	67	200
Intragovernmental Funds:					
Working capital fund	505				
Outlays		0	5,931	.....	.....
Total Federal funds Departmental Management		BA	**126,136**	**132,464**	**133,298**
		0	121,012	132,900	135,894
Summary					
Federal funds:					
(As shown in detail above)		BA	**9,157,711**	**17,813,223**	**12,608,242**
		0	8,771,626	18,964,203	11,580,124
Deductions for offsetting receipts:					
Proprietary receipts from the public	500	BA			
		0	*—761*	*—4,232*	*—4,232*
	550	BA			
		0	*—180*	*—180*	*—180*
	609	BA			
		0	*—1,631*	*—1,631*	*—1,631*
	908	BA			
		0	*—6,657*	*—419,657*	*—852,657*
Total Federal funds		BA	**9,148,482**	**17,387,523**	**11,749,542**
		0	8,762,397	18,538,503	10,721,424

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Labor—Con.					
Summary—Con.					
Trust funds:					
(As shown in detail above)		BA	**21,301,927**	**32,763,076**	**32,553,100**
		O	25,194,516	36,460,576	31,549,100
Deductions for offsetting receipts:					
Intrafund transactions	601	BA			
		O	.....	.....	.....
		BA			
		O			
Proprietary receipts from the public	908	BA			
		O	*—254*	*—300*	*—300*
Total Trust funds		BA	**21,301,673**	**32,762,776**	**32,552,800**
		O	25,194,262	36,460,276	31,548,800
Interfund transactions	601	BA			
		O	**—283,002**	**—154,998**	**—136,000**
		BA			
		O			[J] **37,000**
	603	BA			
		O	**—2,937,565**	**—11,848,540**	**—7,902,950**
Total Department of Labor		BA	**27,229,588**	**38,146,761**	**36,300,392**
		O	30,736,092	42,995,241	34,268,274
Department of State					
Administration of Foreign Affairs					
Federal funds					
General and Special Funds:					
Salaries and expenses	153				
Appropriation, current		BA	**950,814**	**984,494**	.....
					[K] **1,148,586**
				[D] **13,642**	
				[G] **8,111**	
Outlays		O	848,549	926,630	1,103,513
Total Salaries and expenses		BA	**950,814**	**1,006,247**	**1,148,586**
		O	848,549	926,630	1,103,513
Representation allowances	153				
Appropriation, current		BA	**3,570**	**3,876**	.....
					[K] **4,247**
Outlays		O	3,375	3,815	4,185
Total Representation allowances		BA	**3,570**	**3,876**	**4,247**
		O	3,375	3,815	4,185
Protection of foreign consulates in the United States	153				
Appropriation, current		BA			[K] **6,000**
Outlays		O			[K] 5,000

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of State—Con.				
Administration of Foreign Affairs—Con.				
Acquisition, operation, and maintenance of buildings abroad 153				
Appropriation, current	BA	**203,625**	**193,040**	.....
				[K] **202,889**
Outlays	0	157,529	183,852	206,685
Total Acquisition, operation, and maintenance of buildings abroad	BA	**203,625**	**193,040**	**202,889**
	0	157,529	183,852	206,685
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program) 153				
Appropriation, current	BA	**9,102**	**8,360**	.....
				[K] **10,113**
Outlays	0	14,439	14,100	16,907
Total Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)	BA	**9,102**	**8,360**	**10,113**
	0	14,439	14,100	16,907
Emergencies in the diplomatic and consular service 153				
Appropriation, current	BA	**4,400**	**4,400**	.....
				[K] **4,400**
Outlays	0	2,702	6,222	4,381
Total Emergencies in the diplomatic and consular service	BA	**4,400**	**4,400**	**4,400**
	0	2,702	6,222	4,381
Buying power maintenance 153				
Appropriation, current	BA	**1,700**	**16,006**	.....
				[K] **4,500**
Total Buying power maintenance	BA	**1,700**	**16,006**	**4,500**
Payment to the American Institute in Taiwan 153				
Appropriation, current	BA	**8,128**	**8,744**	.....
				[K] **9,475**
Outlays	0	7,684	8,816	9,347
Total Payment to the American Institute in Taiwan	BA	**8,128**	**8,744**	**9,475**
	0	7,684	8,816	9,347

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of State—Con.				
Administration of Foreign Affairs—Con.				
Payment to the Foreign Service retirement and disability fund 153				
Appropriation, current	BA	**77,812**	**91,312**	.....
				[K] **103,791**
			[A] **4,658**	
				[J] **—42,688**
Appropriation, permanent, indefinite	BA	**206,600**	**219,600**	**224,500**
Outlays	0	284,412	310,912	328,291
			[A] 4,658	
				[J] —42,688
Total Payment to the Foreign Service retirement and disability fund	BA	**284,412**	**315,570**	**285,603**
	0	284,412	315,570	285,603
Intragovernmental Funds:				
Working capital fund 153				
Outlays	0	156	—103	—150
Trust funds				
Foreign Service retirement and disability fund 602				
Appropriation, current	BA		[A] **5,792**	
Indefinite	BA			[J] **—41,438**
Appropriation, permanent, indefinite	BA	**491,289**	**541,992**	**567,295**
Outlays	0	183,609	200,924	212,779
				[J] —4,977
Total Foreign Service retirement and disability fund	BA	**491,289**	**547,784**	**525,857**
	0	183,609	200,924	207,802
Miscellaneous trust funds 153				
Appropriation, permanent, indefinite	BA	**1,799**	**1,766**	**1,700**
Outlays	0	1,546	1,727	1,700
Total Federal funds Administration of Foreign Affairs	BA	**1,465,751**	**1,556,243**	**1,675,813**
	0	1,318,846	1,458,902	1,635,471
Total Trust funds Administration of Foreign Affairs	BA	**493,088**	**549,550**	**527,557**
	0	185,155	202,651	209,502
International Organizations and Conferences				
Federal funds				
General and Special Funds:				
Contributions to international organizations 153				
Appropriation, current	BA	**398,240**	**444,315**	.....
				[K] **525,773**
			[F] **—8,111**	
Outlays	0	481,028	427,109	525,277
Total Contributions to international organizations	BA	**398,240**	**436,204**	**525,773**
	0	481,028	427,109	525,277

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of State—Con.				
International Organizations and Conferences—Con.				
Contributions for international peacekeeping activities 153				
Appropriation, current	BA	**60,938**	**73,400**	
				[K] **66,948**
Outlays	O	57,934	76,404	66,948
Total Contributions for international peacekeeping activities	BA	**60,938**	**73,400**	**66,948**
	O	57,934	76,404	66,948
Missions to international organizations 153				
Outlays	O	−1,007		
International conferences and contingencies 153				
Appropriation, current	BA	**7,284**	**9,200**	
				[K] **9,622**
Outlays	O	5,853	8,771	9,298
Total International conferences and contingencies	BA	**7,284**	**9,200**	**9,622**
	O	5,853	8,771	9,298
International trade negotiations 153				
Outlays	O	−1		
Trust funds				
Gifts and bequests, National Commission on Educational, Scientific, and Cultural Cooperation 153				
Appropriation, permanent, indefinite	BA	**−146**	**50**	**50**
Outlays	O	−181	91	50
Total Federal funds International Organizations and Conferences	BA	**466,462**	**518,804**	**602,343**
	O	543,807	512,284	601,523
Total Trust funds International Organizations and Conferences	BA	**−146**	**50**	**50**
	O	−181	91	50
International Commissions				
Federal funds				
General and Special Funds:				
International Boundary and Water Commission, United States and Mexico:				
Salaries and expenses 301				
Appropriation, current	BA	**7,927**	**8,754**	
				[K] **9,849**
			[D] **174**	
Outlays	O	8,065	8,764	9,398
Total Salaries and expenses	BA	**7,927**	**8,928**	**9,849**
	O	8,065	8,764	9,398

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of State—Con.				
International Commissions—Con.				
Construction 301				
Appropriation, current	BA	**1,186**	.....	.....
				[K] **679**
Outlays	0	14,553	8,000	2,582
Total Construction	BA	**1,186**	.....	**679**
	0	14,553	8,000	2,582
American sections, international commissions 301				
Appropriation, current	BA	**2,847**	**2,918**	.....
				[K] **3,461**
Reappropriation	BA	**95**	.....	.....
Outlays	0	2,980	2,921	3,416
Total American sections, international commissions	BA	**2,942**	**2,918**	**3,461**
	0	2,980	2,921	3,416
International fisheries commissions 302				
Appropriation, current	BA	**8,237**	**8,526**	.....
				[K] **9,218**
Outlays	0	7,950	8,526	9,218
Total International fisheries commissions	BA	**8,237**	**8,526**	**9,218**
	0	7,950	8,526	9,218
Total Federal funds International Commissions	BA	**20,292**	**20,372**	**23,207**
	0	33,548	28,211	24,614
Other				
Federal funds				
General and Special Funds:				
Migration and refugee assistance 151				
Appropriation, current	BA	**423,000**	**395,000**	.....
				[K] **344,500**
Outlays	0	378,710	394,912	360,301
Total Migration and refugee assistance	BA	**423,000**	**395,000**	**344,500**
	0	378,710	394,912	360,301
United States emergency refugee and migration assistance fund 151				
Outlays	0	3,132	5,935	6,000
International narcotics control 151				
Appropriation, current	BA	**36,700**	**36,700**	.....
				[K] **53,030**
Outlays	0	42,342	35,428	41,489
Total International narcotics control	BA	**36,700**	**36,700**	**53,030**
	0	42,342	35,428	41,489

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of State—Con.				
Other—Con.				
U.S. bilateral science and technology agreements 153				
Appropriation, current	BA	**3,700**	**1,700**	.....
				[K] **1,700**
Outlays	O	1,700	1,700	1,700
Total U.S. bilateral science and technology agreements	BA	**3,700**	**1,700**	**1,700**
	O	1,700	1,700	1,700
Payment to the Asia Foundation 153				
Appropriation, current	BA	**4,100**	**4,100**	.....
Outlays	O	4,815	4,350	.....
Special assistance to refugees from Cambodia and Vietnam 609				
Outlays	O	—5	.....	.....
International Center, Washington, D.C. 153				
Appropriation, permanent, indefinite	BA	**155**	**3,100**	**2,972**
Outlays	O	465	3,139	3,000
Fishermen's protective fund 376				
Appropriation, current	BA		[A] **500**	
Outlays	O		[A] 500	
General and Special Funds:				
Anti-terrorism assistance 152				
Appropriation, current	BA			[K] **5,000**
Outlays	O			[K] 4,000
Total Federal funds Other	BA	**467,655**	**441,100**	**407,202**
	O	431,159	445,964	416,490
Summary				
Federal funds:				
(As shown in detail above)	BA	**2,420,160**	**2,536,519**	**2,708,565**
	O	2,327,360	2,445,361	2,678,098
Deductions for offsetting receipts:				
Proprietary receipts from the public 150	BA	*—2,408*	*—4,618*	*—4,540*
	O			
271	BA	*—3,262*	*—2,244*	*—3,260*
	O			
300	BA	*—18*	*—19*	*—19*
	O			
400	BA	*—739*	*—404*	*—404*
	O			
908	BA	*—2,687*	*—1,128*	*—1,128*
	O			
Total Federal funds	BA	**2,411,046**	**2,528,106**	**2,699,214**
	O	2,318,246	2,436,948	2,668,747
Trust funds:				
(As shown in detail above)	BA	**492,942**	**549,600**	**527,607**
	O	184,974	202,742	209,552

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of State—Con.					
Summary—Con.					
Deductions for offsetting receipts:					
Intrafund transactions	602	BA			
		O	*—133*	*—120*	*—110*
Total Trust funds		BA	**492,809**	**549,480**	**527,497**
		O	184,841	202,622	209,442
Interfund transactions	153	BA	**—317,995**	**—352,107**	**—367,607**
		O			
		BA			[J] **48,100**
		O			
	803	BA			
		O	**—34**	**—34**	**—34**
Total Department of State		BA	**2,585,826**	**2,725,445**	**2,907,170**
		O	2,185,058	2,287,429	2,558,648
Department of Transportation					
Federal Highway Administration					
Federal funds					
General and Special Funds:					
Motor carrier safety	401				
Appropriation, current		BA	**12,893**	**11,600**	**13,020**
				[D] **209**	
Outlays		O	14,129	15,149	13,001
Total Motor carrier safety		BA	**12,893**	**11,809**	**13,020**
		O	14,129	15,149	13,001
Highway beautification	401				
Appropriation, current		BA	**500**	**500**	.....
Outlays		O	7,687	15,128	11,463
Territorial highways	401				
Appropriation, current		BA	**3,000**	**3,000**	.....
Outlays		O	11,930	5,738	5,146
Railroad-highway crossings demonstration projects	401				
Appropriation, current		BA	**7,668**	.....	.....
Outlays		O	6,537	5,892	7,114
Access highways to public recreation areas on certain lakes	401				
Appropriation, current		BA	**6,875**	.....	.....
Reappropriation		BA	**162**	.....	.....
Outlays		O	3,165	5,042	8,803
Total Access highways to public recreation areas on certain lakes		BA	**7,037**	.....	.....
		O	3,165	5,042	8,803
Interstate transfer grants - highways	401				
Appropriation, current		BA	**400,500**	**518,000**	.....
Outlays		O	16,345	268,917	389,269

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Federal Highway Administration—Con.				
Miscellaneous appropriations 401				
Outlays	0	62,658	40,239	30,459
Trust funds				
Federal-aid highways (trust fund) 401				
Contract authority, current	BA	**3,979,000**	**11,682,202** [H] **−23,200**	.....
Contract authority, permanent	BA	**4,324,500**	**978,200**	**13,801,330**
Liquidation of contract authority, current		(8,018,900)	(8,200,000) [A] (300,000)	(11,600,000)
Outlays	0	7,788,589	8,447,000 [L] −35,000	11,789,000 [L] −279,000
Total Federal-aid highways (trust fund)	BA	**8,303,500**	**12,637,202**	**13,801,330**
	0	7,788,589	8,412,000	11,510,000
Highway-related safety grants 401				
Contract authority, current	BA	.....	**−9,679**	.....
Contract authority, permanent	BA	**9,869**	**9,869**	**9,804**
Liquidation of contract authority, current		(23,300)	(22,998)	(9,738)
Outlays	0	21,302	12,590	13,121
Total Highway-related safety grants	BA	**9,869**	**190**	**9,804**
	0	21,302	12,590	13,121
Trust fund share of other highway programs 401				
Appropriation, current	BA	**9,667**	.....	.....
Outlays	0	13,273	12,742	13,968
Highway safety research and development 401				
Appropriation, current	BA	**4,860**	**7,700**	**8,600**
Outlays	0	7,041	7,658	9,549
Motor carrier safety grants 401				
Appropriation, current	BA	.....	.....	**10,000**
Outlays	0	.....	.....	9,000
Appalachian highway system 401				
Appropriation, current	BA			[J] **80,000**
Outlays	0			[J] 4,000
Miscellaneous trust funds 151				
Appropriation, permanent	BA	**5,190**	**5,710**	**9,741**
Contract authority, permanent	BA	**593**	.....	.....
Liquidation of contract authority, permanent		(802)	(1,119)	.....
Outlays	0	4,946	7,581	9,619
Total Miscellaneous trust funds	BA	**5,783**	**5,710**	**9,741**
	0	4,946	7,581	9,619
Miscellaneous trust funds--Highway 401				
Outlays	0	29,284	8,431	6,581

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Federal Highway Administration—Con.				
Right-of-way revolving fund (trust revolving fund) 401				
Liquidation of contract authority, current		(25,000)	.....	.....
Outlays	0	1,370	.....	.....
Total Federal funds Federal Highway Administration	BA	**431,598**	**533,309**	**13,020**
	0	122,451	356,105	465,255
Total Trust funds Federal Highway Administration	BA	**8,333,679**	**12,650,802**	**13,919,475**
	0	7,865,805	8,461,002	11,575,838
National Highway Traffic Safety Administration				
Federal funds				
General and Special Funds:				
Operations and research 401				
Appropriation, current	BA	**50,115**	**52,315** [D] **430**	**55,784**
Outlays	0	50,385	54,295	54,080
Total Operations and research	BA	**50,115**	**52,745**	**55,784**
	0	50,385	54,295	54,080
Miscellaneous safety programs 401				
Appropriation, current	BA	**137**	.....	.....
Outlays	0	—4,864	10,453	1,500
Trust funds				
Highway safety research and development 401				
Appropriation, current	BA	**24,785**	**21,685** [D] **170**	**22,214**
Outlays	0	31,186	22,420	24,150
Total Highway safety research and development	BA	**24,785**	**21,855**	**22,214**
	0	31,186	22,420	24,150
Highway traffic safety grants 401				
Contract authority, current	BA	**—100,137**	.....	.....
Contract authority, permanent	BA	**202,500**	**141,233**	**148,100**
Liquidation of contract authority, current		(150,200)	(103,552) [A] (3,000)	(118,000)
Outlays	0	143,000	105,147 [A] 3,000	120,800
Total Highway traffic safety grants	BA	**102,363**	**141,233**	**148,100**
	0	143,000	108,147	120,800

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
National Highway Traffic Safety Administration—Con.				
Gifts and donations 401				
Outlays	0	.....	6	.....
Total Federal funds National Highway Traffic Safety Administration	BA	**50,252**	**52,745**	**55,784**
	0	45,521	64,748	55,580
Total Trust funds National Highway Traffic Safety Administration	BA	**127,148**	**163,088**	**170,314**
	0	174,186	130,573	144,950
Federal Railroad Administration				
Federal funds				
General and Special Funds:				
Administration, research and special projects 401				
Appropriation, current	BA	**53,761**	**63,775**	**39,882**
			[D] **452**	
Authority to borrow, current	BA	**6,696**	**1,185**	**854**
Outlays	0	109,059	142,236	68,861
Total Administration, research and special projects	BA	**60,457**	**65,412**	**40,736**
	0	109,059	142,236	68,861
Railroad safety 401				
Appropriation, current	BA	**24,176**	**28,000**	.....
				[K] **26,514**
Outlays	0	22,582	31,379	28,494
Total Railroad safety	BA	**24,176**	**28,000**	**26,514**
	0	22,582	31,379	28,494
Conrail labor assistance 603				
Appropriation, current	BA	.....	**10,000**	**20,000**
Outlays	0	124,161	75,000	20,000
Commuter rail service 401				
Appropriation, current	BA	**70,000**	.....	.....
Outlays	0	24,732	135,268	.....
Settlements of railroad litigation 401				
Authority to borrow, current	BA	**821,314**	**87,467**	**38,545**
Outlays	0	821,314	87,467	38,545
Northeast corridor improvement program 401				
Appropriation, current	BA	**167,961**	**112,900**	**100,000**
Outlays	0	333,772	317,800	310,000
Grants to National Railroad Passenger Corporation 401				
Appropriation, current	BA	**569,000**	**700,000**	**682,000**
Appropriation, permanent	BA	**166,000**	.....	.....
Outlays	0	717,700	700,000	676,000
Total Grants to National Railroad Passenger Corporation	BA	**735,000**	**700,000**	**682,000**
	0	717,700	700,000	676,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Federal Railroad Administration—Con.				
Public Enterprise Funds:				
Alaska Railroad revolving fund 401				
Appropriation, current	BA	**6,160**	**7,600**	.....
Outlays	0	3,610	22,565	.....
Railroad rehabilitation and improvement financing funds 401				
Authority to borrow, current	BA	**66,396**	**8,300**	**912**
Outlays	0	61,602	104,300	38,919
Total Federal funds Federal Railroad Administration	BA	**1,951,464**	**1,019,679**	**908,707**
	0	2,218,532	1,616,015	1,180,819
Urban Mass Transportation Administration				
Federal funds				
General and Special Funds:				
Urban mass transportation fund 401				
Appropriation, current	BA	**3,532,238**	**3,565,831**	**2,665,166**
			[D] **335**	
Liquidation of contract authority, current		(1,200,000)	(681,135)	.....
Outlays	0	3,864,234	3,818,330	3,487,970
Total Urban mass transportation fund	BA	**3,532,238**	**3,566,166**	**2,665,166**
	0	3,864,234	3,818,330	3,487,970
Trust funds				
Mass transportation capital fund 401				
Contract authority, permanent	BA	.....	**779,000**	**1,250,000**
Liquidation of contract authority, current		.....	.....	(242,000)
			[A] (55,000)	
Outlays	0	.....	.....	242,000
			[A] 55,000	
Total Mass transportation capital fund	BA	.....	**779,000**	**1,250,000**
	0	.....	55,000	242,000
Federal Aviation Administration				
Federal funds				
General and Special Funds:				
Operations 402				
Appropriation, current	BA	**1,471,994**	**1,247,357**	**1,602,598**
			[A] **45,000**	
			[D] **15,888**	
Reappropriation	BA	**10,000**	.....	.....
Outlays	0	1,323,657	1,282,070	1,592,998
			[A] 45,000	
Total Operations	BA	**1,481,994**	**1,308,245**	**1,602,598**
	0	1,323,657	1,327,070	1,592,998
Facilities, engineering and development 402				
Appropriation, current	BA	**8,797**	**18,255**	.....
Outlays	0	17,417	20,586	8,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Federal Aviation Administration—Con.				
Operation and maintenance, Metropolitan Washington Airports 402				
Appropriation, current	BA	**30,438**	**31,955**	**34,557**
Outlays	0	29,172	31,677	33,693
Construction, Metropolitan Washington Airports 402				
Appropriation, current	BA	**16,700**	**11,080**	**15,250**
Outlays	0	12,573	27,667	20,145
Public Enterprise Funds:				
Aviation insurance revolving fund 402				
Outlays	0	−3,184	−2,905	−2,882
Trust funds				
Grants-in-aid for airports (Airport and airway trust fund) 402				
Appropriation, current	BA	.....	**−7,450**	.....
Contract authority, current	BA	**450,000**	**200,000**	.....
Contract authority, permanent	BA	.....	**600,000**	**993,500**
Reappropriation	BA	**26,218**	**7,450**	.....
Liquidation of contract authority, current		(471,000)	(234,000)	(745,000)
Outlays	0	338,596	527,335	745,000
Total Grants-in-aid for airports (Airport and airway trust fund)	BA	**476,218**	**800,000**	**993,500**
	0	338,596	527,335	745,000
Facilities and equipment (Airport and airway trust fund) 402				
Appropriation, current	BA	**260,847**	**625,000**	**1,000,000**
Outlays	0	291,507	268,000	480,000
Research, engineering and development (Airport and airway trust fund) 402				
Appropriation, current	BA	**71,800**	**103,000**	**285,984**
Outlays	0	71,580	93,588	208,978
Operations (Airport and airway trust fund) 402				
Appropriation, current	BA	**809,945**	**1,269,000**	**1,099,000**
			[D] 13,952	
Outlays	0	810,000	1,282,952	1,099,000
Total Operations (Airport and airway trust fund)	BA	**809,945**	**1,282,952**	**1,099,000**
	0	810,000	1,282,952	1,099,000
Total Federal funds Federal Aviation Administration	BA	**1,537,929**	**1,369,535**	**1,652,405**
	0	1,379,635	1,404,095	1,651,954
Total Trust funds Federal Aviation Administration	BA	**1,618,810**	**2,810,952**	**3,378,484**
	0	1,511,683	2,171,875	2,532,978

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Coast Guard				
Federal funds				
General and Special Funds:				
Operating expenses 403				
Appropriation, current	BA	**1,482,456**	**1,591,148**	**1,687,542**
			[C] **189**	
			[D] **2,163**	
			[E] **12,926**	
Outlays	0	1,439,954	1,588,291	1,657,629
Total Operating expenses	BA	**1,482,456**	**1,606,426**	**1,687,542**
	0	1,439,954	1,588,291	1,657,629
Acquisition, construction, and improvements 403				
Appropriation, current	BA	**684,000**	**400,000**	**378,600**
Outlays	0	292,662	455,000	470,000
Alteration of bridges 403				
Appropriation, current	BA	**11,000**	**12,700**	.....
				[K] **13,200**
Outlays	0	8,102	11,500	11,600
Total Alteration of bridges	BA	**11,000**	**12,700**	**13,200**
	0	8,102	11,500	11,600
Retired pay 403				
Appropriation, current	BA	**265,000**	**318,000**	**341,300**
				[J] **−7,000**
Outlays	0	257,849	318,000	341,300
				[J] −7,000
Total Retired pay	BA	**265,000**	**318,000**	**334,300**
	0	257,849	318,000	334,300
Reserve training 403				
Appropriation, current	BA	**51,483**	**54,000**	**12,777**
				[K] **42,028**
Outlays	0	52,229	54,000	54,805
Total Reserve training	BA	**51,483**	**54,000**	**54,805**
	0	52,229	54,000	54,805
Research, development, test, and evaluation 403				
Appropriation, current	BA	**18,000**	**20,000**	**22,000**
Outlays	0	18,384	19,000	18,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Coast Guard—Con.				
National recreational boating safety and facilities improvement fund 403				
Appropriation, current	BA		**5,000**	
			[H] **−5,000**	
Contract authority, permanent	BA		**45,000**	**45,000**
Liquidation of contract authority, current				(15,000)
			[A] (5,000)	
Outlays	0			15,000
			[A] 5,000	
Total National recreational boating safety and facilities improvement fund	BA		**45,000**	**45,000**
	0		5,000	15,000
Pollution fund 304				
Appropriation, permanent, indefinite	BA	**8,263**	**7,000**	**7,000**
Outlays	0	6,063	7,000	7,000
Offshore oil pollution compensation fund 304				
Appropriation, current	BA	**2,000**	**1,000**	
Indefinite	BA			**1,000**
Outlays	0	720	916	1,000
Total Offshore oil pollution compensation fund	BA	**2,000**	**1,000**	**1,000**
	0	720	916	1,000
Deepwater port liability fund 304				
Appropriation, current	BA	**2,000**	**1,000**	
Indefinite	BA			**1,000**
Outlays	0	96	968	1,000
Total Deepwater port liability fund	BA	**2,000**	**1,000**	**1,000**
	0	96	968	1,000
Intragovernmental Funds:				
Coast Guard supply fund 403				
Appropriation, current	BA	**1,320**		
Outlays	0	−2,186	400	400
Coast Guard yard fund 403				
Outlays	0	3,187	2,000	1,000
Trust funds				
Coast Guard general gift fund 403				
Appropriation, permanent, indefinite	BA	**10**	**80**	**80**
Outlays	0	60	50	50
Miscellaneous trust revolving funds 403				
Outlays	0	151	25	25
Total Federal funds Coast Guard	BA	**2,525,522**	**2,465,126**	**2,544,447**
	0	2,077,060	2,462,075	2,571,734
Total Trust funds Coast Guard	BA	**10**	**80**	**80**
	0	211	75	75

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Maritime Administration				
Federal funds				
General and Special Funds:				
Ship construction 403				
Appropriation, current	BA	.....	**25,000**	.....
Outlays	0	184,485	97,000	17,700
Operating-differential subsidies 403				
Contract authority, permanent, indefinite	BA	**350,652**	**406,821**	**429,000**
Liquidation of contract authority, current		(417,148)	(454,010)	(401,294)
Outlays	0	400,690	432,053	439,710
Research and development 403				
Appropriation, current	BA	**8,491**	**15,300**	.....
				[K] **11,500**
Outlays	0	17,397	16,750	13,650
Total Research and development	BA	**8,491**	**15,300**	**11,500**
	0	17,397	16,750	13,650
Operations and training 403				
Appropriation, current	BA	**75,007**	**78,113**	.....
				[K] **71,013**
Outlays	0	74,766	86,594	72,713
Total Operations and training	BA	**75,007**	**78,113**	**71,013**
	0	74,766	86,594	72,713
Public Enterprise Funds:				
Federal ship financing fund 403				
Outlays	0	−27,781	−34,000	−33,700
Vessel operations revolving fund 403				
Outlays	0	2,350	.....	.....
War risk insurance revolving fund 403				
Outlays	0	−1,077	−650	−670
Trust funds				
Special studies, services and projects 403				
Appropriation, permanent, indefinite	BA	**352**	**385**	**385**
Outlays	0	410	385	385
Gifts and bequests 403				
Appropriation, permanent	BA	**5**	**15**	**15**
Outlays	0	9	15	15
Total Federal funds Maritime Administration	BA	**434,150**	**525,234**	**511,513**
	0	650,830	597,747	509,403
Total Trust funds Maritime Administration	BA	**357**	**400**	**400**
	0	419	400	400

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.				
Saint Lawrence Seaway Development Corporation				
Federal funds				
Public Enterprise Funds:				
Saint Lawrence Seaway Development Corporation 403				
Outlays	0	−781		
Limitation on administrative expenses		(3,202)	(1,716)	(1,825)
		D (76)	D (24)	
Office of the Inspector General				
Federal funds				
General and Special Funds:				
Salaries and expenses 407				
Appropriation, current	BA	**13,523**	**24,946**	**25,895**
			D **409**	
Outlays	0	13,021	24,639	25,610
Total Salaries and expenses	BA	**13,523**	**25,355**	**25,895**
	0	13,021	24,639	25,610
Research and Special Programs Administration				
Federal funds				
General and Special Funds:				
Research and special programs 407				
Appropriation, current	BA	**17,441**	**20,022**	**20,287**
Outlays	0	21,676	23,500	20,398
Cooperative automotive research 401				
Outlays	0	−8	2	
Intragovernmental Funds:				
Working capital fund, Transportation Systems Center 407				
Outlays	0	1,494		
Total Federal funds Research and Special Programs Administration	BA	**17,441**	**20,022**	**20,287**
	0	23,162	23,502	20,398
Office of the Secretary				
Federal funds				
General and Special Funds:				
Salaries and expenses 407				
Appropriation, current	BA	**35,262**	**39,000**	**42,537**
			D **1,040**	
Outlays	0	35,126	46,500	45,700
Total Salaries and expenses	BA	**35,262**	**40,040**	**42,537**
	0	35,126	46,500	45,700
Transportation planning, research, and development 407				
Appropriation, current	BA	**3,350**	**4,900**	**7,256**
Outlays	0	5,574	5,500	6,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of Transportation—Con.					
Office of the Secretary—Con.					
Transportation research activjties overseas (special foreign currency program)	407				
Outlays		0		19	.....
Intragovernmental Funds:					
Limitation on Working capital fund	407				
Outlays		0	−3,805	.....	.....
Total Federal funds Office of the Secretary		BA	**38,612**	**44,940**	**49,793**
		0	36,896	52,019	51,700
Summary					
Federal funds:					
(As shown in detail above)		BA	**10,532,729**	**9,622,111**	**8,447,017**
		0	10,430,561	10,419,275	10,020,423
Deductions for offsetting receipts:					
Intrafund transactions	908	BA			
		0	*−1,116*	*−4,840*	*−5,520*
Proprietary receipts from the public	304	BA			
		0	.....	*−6,020*	*−6,020*
	400	BA			
		0	*−54,936*	*−60,436*	*−64,040*
	403	BA			
		0			[1] *−58,500*
	806	BA			
		0	*−211*	*−355*	*−375*
	908	BA			
		0	*−3,398*	*−2,376*	*−2,391*
Total Federal funds		BA	**10,473,068**	**9,548,084**	**8,310,171**
		0	10,370,900	10,345,248	9,883,577
Trust funds:					
(As shown in detail above)		BA	**10,080,004**	**16,404,322**	**18,718,753**
		0	9,552,304	10,818,925	14,496,241
Deductions for offsetting receipts:					
Proprietary receipts from the public	151	BA			
		0	*−5,255*	*−5,721*	*−9,150*
	401	BA			
		0	*−714*	*−1,097*	*−580*
	403	BA			
		0	*−352*	*−385*	*−385*
Total Trust funds		BA	**10,073,683**	**16,397,119**	**18,708,638**
		0	9,545,983	10,811,722	14,486,126
Total Department of Transportation		BA	**20,546,751**	**25,945,203**	**27,018,809**
		0	19,916,883	21,156,970	24,369,703

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Treasury				
Office of the Secretary				
Federal funds				
General and Special Funds:				
Salaries and expenses 803				
Appropriation, current	BA	**55,729**	**60,141**	**69,949**
			[C] **85**	
			[D] **1,941**	
			[G] **242**	
Outlays	0	54,073	61,580	68,550
Total Salaries and expenses	BA	**55,729**	**62,409**	**69,949**
	0	54,073	61,580	68,550
Presidential election campaign fund 806				
Appropriation, permanent, indefinite	BA	**39,030**	**43,200**	**44,200**
Outlays	0	−132	12,877	127,306
Public Enterprise Funds:				
Exchange stabilization fund 155				
Outlays	0	−527,659	−159,762	−172,331
Intragovernmental Funds:				
Working capital fund 803				
Outlays	0	−53	.....	.....
Trust funds				
Pershing Hall memorial fund 705				
Appropriation, permanent, indefinite	BA	**7**	**7**	**7**
Outlays	0	7	7	7
Total Federal funds Office of the Secretary	BA	**94,759**	**105,609**	**114,149**
	0	−473,771	−85,305	23,525
Total Trust funds Office of the Secretary	BA	**7**	**7**	**7**
	0	7	7	7
Office of Revenue Sharing				
Federal funds				
General and Special Funds:				
Salaries and expenses 851				
Appropriation, current	BA	**6,209**	**6,612**	**7,678**
			[D] **255**	
Outlays	0	6,060	6,744	7,448
Total Salaries and expenses	BA	**6,209**	**6,867**	**7,678**
	0	6,060	6,744	7,448
Payments to State and local government fiscal assistance trust fund 851				
Appropriation, current	BA	**4,566,700**	**4,566,700**	.....
				[K] **4,566,700**
Outlays	0	4,566,700	4,566,700	4,566,700
Total Payments to State and local government fiscal assistance trust fund	BA	**4,566,700**	**4,566,700**	**4,566,700**
	0	4,566,700	4,566,700	4,566,700

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.				
Office of Revenue Sharing—Con.				
Trust funds				
State and local government fiscal assistance trust fund 851				
Appropriation, permanent, indefinite	BA	**4,566,700**	**4,566,700**	**4,566,700**
Outlays	0	4,568,627	4,566,700	4,566,700
Total Federal funds Office of Revenue Sharing	BA	**4,572,909**	**4,573,567**	**4,574,378**
	0	4,572,760	4,573,444	4,574,148
Total Trust funds Office of Revenue Sharing	BA	**4,566,700**	**4,566,700**	**4,566,700**
	0	4,568,627	4,566,700	4,566,700
Federal Law Enforcement Training Center				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**12,318**	**12,452** **[D] 306** **[G] 45**	**14,481**
Outlays	0	13,247	12,796	14,416
Total Salaries and expenses	BA	**12,318**	**12,803**	**14,481**
	0	13,247	12,796	14,416
Construction, Federal Law Enforcement Training Center 751				
Outlays	0	2,332	2,560	2,656
Total Federal funds Federal Law Enforcement Training Center	BA	**12,318**	**12,803**	**14,481**
	0	15,579	15,356	17,072
Bureau of Government Financial Operations				
Federal funds				
General and Special Funds:				
Salaries and expenses 803				
Appropriation, current	BA	**231,865**	**246,725** **[F] −2,779**	**242,995**
Outlays	0	215,160	239,067	238,135
Total Salaries and expenses	BA	**231,865**	**243,946**	**242,995**
	0	215,160	239,067	238,135
Special payment to recipients of certain retirement and survivor benefits 601				
Outlays	0	−6	.....	.....
New York City loan guarantee program 852				
Appropriation, current	BA	**822**	.....	.....
Outlays	0	406	70	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.				
Bureau of Government Financial Operations—Con.				
Chrysler Corporation loan guarantee program 376				
Appropriation, current	BA	**1,356**	**1,211**	**1,005**
			[D] 11	
Outlays	O	774	1,202	985
Total Chrysler Corporation loan guarantee program	BA	**1,356**	**1,222**	**1,005**
	O	774	1,202	985
Claims, judgments, and relief acts 806				
Appropriation, permanent, indefinite	BA	**284,810**	**405,520**	**405,420**
Outlays	O	284,718	405,520	405,420
Advances to the railroad retirement account 601				
Appropriation, permanent, indefinite	BA	**50,000**	**1,452,000**	**2,551,907**
Outlays	O	50,000	1,452,000	2,551,907
Interest on uninvested funds 908				
Appropriation, current, indefinite	BA			[J] —10
Appropriation, permanent, indefinite	BA	**13,829**	**11,315**	**11,324**
Outlays	O	14,011	11,315	11,324
				[J] —10
Total Interest on uninvested funds	BA	**13,829**	**11,315**	**11,314**
	O	14,011	11,315	11,314
Payment of Government losses in shipment 803				
Outlays	O	124	200	200
Postal savings system liquidation 806				
Appropriation, current	BA	**200**	.....	.....
Outlays	O	200	.....	.....
Energy security reserve 271				
Outlays	O	10,910	24,603	66,894
Biomass energy development 271				
Outlays	O	2,177	1,900	1,900
Public Enterprise Funds:				
Check forgery insurance fund 803				
Outlays	O	.....	10	10
Intragovernmental Funds:				
Fishermen's protective fund 376				
Appropriation, current	BA	**2,000**	.....	.....
Outlays	O	1,569	.....	.....
Trust funds				
Miscellaneous trust funds 806				
Appropriation, permanent, indefinite	BA	**45**	**18**	**18**
Outlays	O	18	18	18
Total Federal funds Bureau of Government Financial Operations	BA	**584,882**	**2,114,003**	**3,212,641**
	O	580,043	2,135,887	3,276,765
Total Trust funds Bureau of Government Financial Operations	BA	**45**	**18**	**18**
	O	18	18	18

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.				
Bureau of Alcohol, Tobacco and Firearms				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**142,164**	**147,492**	**157,122**
Outlays	0	137,282	144,542	155,034
United States Customs Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**527,173**	**553,700** [C] **73** [D] **17,544**	**578,749**
Outlays	0	515,861	564,937	561,567
Total Salaries and expenses	BA	**527,173**	**571,317**	**578,749**
	0	515,861	564,937	561,567
Miscellaneous permanent appropriations 852				
Appropriation, permanent, indefinite	BA	**62,911**	**72,000**	**75,000**
Outlays	0	69,257	72,000	75,000
Trust funds				
Refunds, transfers and expenses, unclaimed, abandoned and seized goods 803				
Appropriation, permanent, indefinite	BA	**8,450**	**9,950**	**11,450**
Outlays	0	8,166	9,950	11,450
Total Federal funds United States Customs Service	BA	**590,084**	**643,317**	**653,749**
	0	585,118	636,937	636,567
Total Trust funds United States Customs Service	BA	**8,450**	**9,950**	**11,450**
	0	8,166	9,950	11,450
Bureau of Engraving and Printing				
Federal funds				
Intragovernmental Funds:				
Bureau of Engraving and Printing fund 803				
Outlays	0	—651	—1,206	—5,036
Bureau of the Mint				
Federal funds				
General and Special Funds:				
Salaries and expenses 803				
Appropriation, current	BA	**47,489**	**47,558**	..... [K] **49,558**
Outlays	0	45,602	47,284	48,616
Total Salaries and expenses	BA	**47,489**	**47,558**	**49,558**
	0	45,602	47,284	48,616

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.				
Bureau of the Mint—Con.				
Expansion and improvements 803				
Appropriation, current	BA	**3,969**	**5,200**	.....
				[K] **3,070**
Outlays	O	.....	5,096	3,008
Total Expansion and improvements	BA	**3,969**	**5,200**	**3,070**
	O	.....	5,096	3,008
Construction of mint facilities 803				
Outlays	O	1,021	4,684	.....
Coinage profit fund 803				
Appropriation, permanent, indefinite	BA	**6,275**	**5,000**	**6,203**
Outlays	O	3,910	5,000	6,203
Total Federal funds Bureau of the Mint	BA	**57,733**	**57,758**	**58,831**
	O	50,533	62,064	57,827
Bureau of the Public Debt				
Federal funds				
General and Special Funds:				
Administering the public debt 803				
Appropriation, current	BA	**178,234**	**199,934**	**205,605**
Outlays	O	172,428	195,935	201,493
Internal Revenue Service				
Federal funds				
General and Special Funds:				
Processing tax returns and executive direction 803				
Appropriation, current	BA	**894,162**	**1,000,778**	**988,479**
			[D] **17,320**	
Outlays	O	773,350	1,014,026	984,525
Total Processing tax returns and executive direction	BA	**894,162**	**1,018,098**	**988,479**
	O	773,350	1,014,026	984,525
Examinations and appeals 803				
Appropriation, current	BA	**958,822**	**1,009,409**	**1,287,026**
			[D] **39,815**	
Outlays	O	943,761	1,045,025	1,281,718
Total Examinations and appeals	BA	**958,822**	**1,049,224**	**1,287,026**
	O	943,761	1,045,025	1,281,718
Investigation, collection and taxpayer service 803				
Appropriation, current	BA	**654,566**	**767,493**	**1,016,046**
			[D] **30,285**	
Outlays	O	642,953	794,587	1,011,982
Total Investigation, collection and taxpayer service	BA	**654,566**	**797,778**	**1,016,046**
	O	642,953	794,587	1,011,982

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.				
Internal Revenue Service—Con.				
Salaries and expenses 803				
Appropriation, current	BA	**164,376**	**170,510**	.....
			[D] **7,402**	
Outlays	0	153,215	177,128	.....
Total Salaries and expenses	BA	**164,376**	**177,912**	.....
	0	153,215	177,128	.....
Payment where energy credit exceeds liability for tax 271				
Appropriation, current	BA	**440**	**300**	**200**
Outlays	0	−215	300	200
Payment where credit exceeds liability for tax 609				
Appropriation, permanent, indefinite	BA	**1,201,494**	**1,205,000**	**1,123,000**
Outlays	0	1,201,494	1,205,000	1,123,000
Refunding internal revenue collections, interest 908				
Appropriation, permanent, indefinite	BA	**1,788,871**	**1,904,000**	**1,586,000**
Outlays	0	1,788,871	1,904,000	1,586,000
Internal revenue collections for Puerto Rico 852				
Appropriation, permanent, indefinite	BA	**239,403**	**270,000**	**275,000**
Outlays	0	245,069	270,000	275,000
Public Enterprise Funds:				
Federal tax lien revolving fund 803				
Outlays	0	154	.....	.....
Total Federal funds Internal Revenue Service	BA	**5,902,134**	**6,422,312**	**6,275,751**
	0	5,748,652	6,410,066	6,262,425
United States Secret Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**194,077**	**235,000**	**270,860**
			[D] **5,462**	
Reappropriation	BA	**1,352**	.....	.....
Outlays	0	189,668	235,353	265,443
Total Salaries and expenses	BA	**195,429**	**240,462**	**270,860**
	0	189,668	235,353	265,443
Contribution for annuity benefits 751				
Appropriation, permanent, indefinite	BA	**8,765**	**9,000**	**11,000**
Outlays	0	7,855	9,000	11,000
Total Federal funds United States Secret Service	BA	**204,194**	**249,462**	**281,860**
	0	197,523	244,353	276,443
Comptroller of the Currency				
Trust funds				
Assessment funds 376				
Outlays	0	−16,188	−5,023	−5,126

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.					
Interest on the Public Debt					
Federal funds					
General and Special Funds:					
Interest on the public debt	901				
Appropriation, permanent		BA	**117,351,592**	**128,200,000**	**144,500,000**
Outlays		0	117,351,592	128,200,000	144,500,000
Public debt principal (exchange losses)	901				
Appropriation, permanent		BA	**52,289**	.....	.....
Outlays		0	52,289	.....	.....
Total Federal funds Interest on the Public Debt		BA	**117,403,881**	**128,200,000**	**144,500,000**
		0	117,403,881	128,200,000	144,500,000
Summary					
Federal funds:					
(As shown in detail above)		BA	**129,743,292**	**142,726,257**	**160,048,567**
		0	128,989,377	142,532,073	159,976,263
Deductions for offsetting receipts:					
Intrafund transactions	803	BA			
		0	*—213*	*—154*	*—139*
	806	BA			
		0	*—15*	*—15*	*—15*
	908	BA			
		0	*—2,980,867*	*—6,980,960*	*—5,666,600*
		BA			
		0		*[J] 11,237*	*[J] 125,493*
Receipts from off-budget Federal entities	803	BA			
		0	*—148,202*	*—151,742*	*—178,945*
	908	BA			
		0	*—12,295,734*	*—14,204,846*	*—15,226,722*
Proprietary receipts from the public	050	BA			
		0	*—3,884*	*—3,884*	*—3,884*
	150	BA			
		0	*—88,749*	*—88,827*	*—88,831*
	151	BA			
		0	*—10,245*	*—7,669*	*—9,359*
	152	BA			
		0	*—12,559*	*—13,485*	*—13,741*
	155	BA			
		0	*—80,309*	*—81,915*	*—83,553*
	800	BA			
		0	*—93,890*	*—97,715*	*—99,002*
	901	BA			
		0	*—213,632*	*—136,759*	.....
	908	BA			
		0	*—2,006,406*	*—1,233,401*	*—1,204,479*
Total Federal funds		BA	**111,808,587**	**119,736,122**	**137,598,790**
		0	111,054,672	119,541,938	137,526,486
Trust funds:					
(As shown in detail above)		BA	**4,575,202**	**4,576,675**	**4,578,175**
		0	4,560,630	4,571,652	4,573,049

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Department of the Treasury—Con.					
Summary—Con.					
Interfund transactions	601	BA	**—50,000**	**—1,159,000**	**—2,169,000**
		0			
	803	BA	**—207,655**	**—171,101**	**—164,065**
		0			
	851	BA	**—4,566,700**	**—4,566,700**	**—4,566,700**
		0			
	908	BA	**—270,242**	**—191,200**	**—209,200**
		0			
		BA			[J] **6,000**
		0			
Total Department of the Treasury		BA	**111,289,192**	**118,224,796**	**135,074,000**
		0	110,520,705	118,025,589	134,996,570
Environmental Protection Agency					
Federal funds					
General and Special Funds:					
Salaries and expenses	304				
Appropriation, current		BA	**555,106**	**548,613**	**245,206**
					[K] **295,183**
Outlays		0	520,363	518,904	518,533
Total Salaries and expenses		BA	**555,106**	**548,613**	**540,389**
		0	520,363	518,904	518,533
Research and development:					
(Energy supply)	271				
(Appropriation, current)		BA	**41,271**	**20,511**	.....
					[K] **19,836**
(Outlays)		0	81,101	51,291	38,323
Total (Energy supply)		BA	**41,271**	**20,511**	**19,836**
		0	81,101	51,291	38,323
(Pollution control and abatement)	304				
(Appropriation, current)		BA	**113,045**	**98,489**	.....
					[K] **91,833**
(Outlays)		0	116,238	102,418	102,441
Total (Pollution control and abatement)		BA	**113,045**	**98,489**	**91,833**
		0	116,238	102,418	102,441
Total Research and development		BA	**154,316**	**119,000**	**111,669**
		0	197,339	153,709	140,764
Abatement, control, and compliance	304				
Appropriation, current		BA	**372,970**	**369,075**	**10,145**
					[K] **283,788**
Outlays		0	523,722	423,538	366,359
Total Abatement, control, and compliance		BA	**372,970**	**369,075**	**293,933**
		0	523,722	423,538	366,359

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Environmental Protection Agency—Con.					
Buildings and facilities	304				
Appropriation, current		BA	**3,621**	**3,000**	**2,600**
Outlays		0	3,325	2,825	4,689
Construction grants	304				
Appropriation, current		BA	**2,400,000**	**2,430,000**	**2,400,000**
Liquidation of contract authority, current			(1,000,000)	.....	.....
Outlays		0	3,756,152	3,100,000	2,800,000
Scientific activities overseas (Special foreign currency program)	304				
Outlays		0	677	1,000	600
United States Regulatory Council	304				
Outlays		0	245	319	.....
Operations, research, and facilities	304				
Outlays		0	289	1,633	1,439
Enforcement	304				
Outlays		0	1,598	1,002	.....
Payment to the hazardous substance response trust fund	304				
Appropriation, current		BA	**26,600**	**40,000**	**44,000**
Outlays		0	26,600	40,000	44,000
Public Enterprise Funds:					
Revolving fund for certification and other services	304				
Outlays		0	21	100	100
Trust funds					
Hazardous substance response trust fund	304				
Appropriation, current		BA	**190,000**	**210,000**	**310,000**
Outlays		0	79,576	177,000	269,000
Miscellaneous contributed funds	304				
Appropriation, permanent, indefinite		BA	**22**	.....	.....
Outlays		0	12	20	20
Summary					
Federal funds:					
(As shown in detail above)		BA	**3,512,613**	**3,509,688**	**3,392,591**
		0	5,030,331	4,243,030	3,876,484
Deductions for offsetting receipts:					
Proprietary receipts from the public	300	BA	*−530*	*−606*	*−606*
		0			*[1] −2,746*
	304	BA			
		0	*−52*	*−50*	*−50*
	908	BA			
		0	*−616*	*−140*	*−140*
Total Federal funds		BA	**3,511,415**	**3,508,892**	**3,389,049**
		0	5,029,133	4,242,234	3,872,942
Trust funds:					
(As shown in detail above)		BA	**190,022**	**210,000**	**310,000**
		0	79,588	177,020	269,020

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Environmental Protection Agency—Con.					
Summary—Con.					
Deductions for offsetting receipts:					
Proprietary receipts from the public	304	BA			
		0	*—2,331*	*—9,000*	*—23,000*
Total Trust funds		BA	**137,691**	**201,000**	**287,000**
		0	77,257	168,020	246,020
Interfund transactions	304	BA			
		0	**—26,600**	**—40,000**	**—44,000**
Total Environmental Protection Agency		BA	**3,672,506**	**3,669,892**	**3,632,049**
		0	5,079,790	4,370,254	4,074,962
National Aeronautics and Space Administration					
Federal funds					
General and Special Funds:					
Research and development:					
(Space flight)	253				
(Appropriation, current)		BA	**3,055,900**	**3,597,800**	.....
					[K] **3,498,000**
(Outlays)		0	3,051,451	3,452,000	3,491,000
Total (Space flight)		BA	**3,055,900**	**3,597,800**	**3,498,000**
		0	3,051,451	3,452,000	3,491,000
(Space science, applications, and technology)	254				
(Appropriation, current)		BA	**1,015,200**	**1,166,100**	.....
					[K] **1,210,000**
(Outlays)		0	1,078,903	1,115,700	1,181,500
Total (Space science, applications, and technology)		BA	**1,015,200**	**1,166,100**	**1,210,000**
		0	1,078,903	1,115,700	1,181,500
(Supporting space activities)	255				
(Appropriation, current)		BA	**402,100**	**498,900**	.....
					[K] **700,200**
(Outlays)		0	369,869	486,900	643,700
Total (Supporting space activities)		BA	**402,100**	**498,900**	**700,200**
		0	369,869	486,900	643,700
(Air transportation)	402				
(Appropriation, current)		BA	**264,800**	**280,000**	.....
					[K] **300,300**
(Outlays)		0	296,153	280,400	288,800
Total (Air transportation)		BA	**264,800**	**280,000**	**300,300**
		0	296,153	280,400	288,800
Total Research and development		BA	**4,738,000**	**5,542,800**	**5,708,500**
		0	4,796,376	5,335,000	5,605,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
National Aeronautics and Space Administration—Con.				
Construction of facilities:				
(Space flight) 253				
(Appropriation, current)	BA	**20,050**	**21,405**	.....
				[K] **41,300**
(Outlays)	0	16,984	38,200	26,900
Total (Space flight)	BA	**20,050**	**21,405**	**41,300**
	0	16,984	38,200	26,900
(Space science, applications, and technology) 254				
(Appropriation, current)	BA	.....	**1,740**	.....
				[K] **12,000**
(Outlays)	0	2,862	1,700	3,100
Total (Space science, applications, and technology)	BA	.....	**1,740**	**12,000**
	0	2,862	1,700	3,100
(Supporting space activities) 255				
(Appropriation, current)	BA	**56,000**	**54,240**	.....
				[K] **73,200**
(Reappropriation)	BA	**33,426**	.....	.....
(Outlays)	0	50,790	61,400	65,100
Total (Supporting space activities)	BA	**89,426**	**54,240**	**73,200**
	0	50,790	61,400	65,100
(Air transportation) 402				
(Appropriation, current)	BA	**22,650**	**20,115**	.....
				[K] **24,000**
(Outlays)	0	38,370	35,200	33,500
Total (Air transportation)	BA	**22,650**	**20,115**	**24,000**
	0	38,370	35,200	33,500
Total Construction of facilities	BA	**132,126**	**97,500**	**150,500**
	0	109,006	136,500	128,600
Research and program management:				
(Space flight) 253				
(Appropriation, current)	BA	**525,324**	**478,700**	.....
				[K] **509,700**
			[D] **11,150**	
(Outlays)	0	474,561	543,600	509,700
Total (Space flight)	BA	**525,324**	**489,850**	**509,700**
	0	474,561	543,600	509,700

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
National Aeronautics and Space Administration—Con.				
(Space science, applications, and technology) 254				
(Appropriation, current)	BA	**376,585**	**389,300**	.....
				[K] **416,000**
			[D] **10,700**	
(Outlays)	O	375,128	399,400	416,000
Total (Space science, applications, and technology)	BA	**376,585**	**400,000**	**416,000**
	O	375,128	399,400	416,000
(Supporting space activities) 255				
(Appropriation, current)	BA	**52,519**	**55,000**	.....
				[K] **56,700**
			[D] **1,500**	
(Outlays)	O	52,315	56,000	56,700
Total (Supporting space activities)	BA	**52,519**	**56,500**	**56,700**
	O	52,315	56,000	56,700
(Air transportation) 402				
(Appropriation, current)	BA	**228,872**	**245,900**	.....
				[K] **265,100**
			[D] **6,800**	
(Outlays)	O	228,015	251,000	265,100
Total (Air transportation)	BA	**228,872**	**252,700**	**265,100**
	O	228,015	251,000	265,100
Total Research and program management	BA	**1,183,300**	**1,199,050**	**1,247,500**
	O	1,130,019	1,250,000	1,247,500
Trust funds				
Miscellaneous trust funds 255				
Appropriation, permanent, indefinite	BA	**68**	.....	.....
Outlays	O	—57	165	.....
Summary				
Federal funds:				
(As shown in detail above)	BA	**6,053,426**	**6,839,350**	**7,106,500**
	O	6,035,401	6,721,500	6,981,100
Deductions for offsetting receipts:				
Proprietary receipts from the public 250	BA			
	O	*—9,517*	*—8,405*	*—8,490*
908	BA			
	O	*—57*	.....	.....
Total Federal funds	BA	**6,043,852**	**6,830,945**	**7,098,010**
	O	6,025,827	6,713,095	6,972,610
Trust funds:				
(As shown in detail above)	BA	**68**	.....	.....
	O	—57	165	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
National Aeronautics and Space Administration—Con.					
Summary—Con.					
Deductions for offsetting receipts:					
Proprietary receipts from the public	255	BA			
		0	*57*	.....	.....
Total Trust funds		BA	**125**	.....	.....
		0	.....	165	.....
Total National Aeronautics and Space Administration		BA	**6,043,977**	**6,830,945**	**7,098,010**
		0	6,025,827	6,713,260	6,972,610
Veterans Administration					
Federal funds					
General and Special Funds:					
Compensation	701				
Appropriation, current		BA	**9,590,493**	**9,462,600**	**9,856,000**
					[J] **238,000**
Outlays		0	9,276,429	9,686,600	9,855,000
					[J] 198,300
Total Compensation		BA	**9,590,493**	**9,462,600**	**10,094,000**
		0	9,276,429	9,686,600	10,053,300
Pensions	701				
Appropriation, current		BA	**4,047,600**	**3,827,200**	**3,950,400**
					[L] **−113,300**
Outlays		0	3,879,396	3,954,200	3,940,400
				[L] −45,500	[L] −67,800
Total Pensions		BA	**4,047,600**	**3,827,200**	**3,837,100**
		0	3,879,396	3,908,700	3,872,600
Burial benefits and miscellaneous assistance	701				
Appropriation, current		BA	**140,057**	**141,000**	**148,900**
Outlays		0	140,060	140,800	148,300
Readjustment benefits	702				
Appropriation, current		BA	**1,964,100**	**1,665,800**	**1,391,500**
					[L] **−20,500**
Outlays		0	2,005,365	1,693,521	1,411,500
					[L] −20,500
Total Readjustment benefits		BA	**1,964,100**	**1,665,800**	**1,371,000**
		0	2,005,365	1,693,521	1,391,000
Veterans insurance and indemnities	701				
Appropriation, current		BA	**9,350**	**6,400**	**7,400**
Outlays		0	9,255	6,790	7,400

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Veterans Administration—Con.				
Medical care 703				
Appropriation, current	BA	**7,101,028**	**7,511,606** **[A] 2,280** **[C] 13,000** **[D] 168,445**	**8,078,526**
Outlays	0	6,851,668	7,561,304 [A] 2,280	7,980,734
Total Medical care	BA	**7,101,028**	**7,695,331**	**8,078,526**
	0	6,851,668	7,563,584	7,980,734
Medical and prosthetic research 703				
Appropriation, current	BA	**136,657**	**152,665** **[C] 75** **[D] 2,099**	**156,325**
Reappropriation	BA	**4,198**	.....	.....
Outlays	0	135,258	154,679	153,325
Total Medical and prosthetic research	BA	**140,855**	**154,839**	**156,325**
	0	135,258	154,679	153,325
Medical administration and miscellaneous operating expenses 703				
Appropriation, current	BA	**63,392**	**55,807** **[D] 613**	**66,552**
Reappropriation	BA	**5,977**	.....	.....
Outlays	0	51,546	62,380	68,692
Total Medical administration and miscellaneous operating expenses	BA	**69,369**	**56,420**	**66,552**
	0	51,546	62,380	68,692
General operating expenses 705				
Appropriation, current	BA	**662,057**	**688,000** **[D] 3,152**	**719,981** **[J] 100** **[L] —893**
Outlays	0	649,939	693,245	720,543 [J] 100 [L] —893
Total General operating expenses	BA	**662,057**	**691,152**	**719,188**
	0	649,939	693,245	719,750
Construction, major projects 703				
Appropriation, current	BA	**372,270**	**407,392**	**674,392**
Outlays	0	345,323	369,241	535,800
Construction, minor projects 703				
Appropriation, current	BA	**102,010**	**141,748**	**193,878**
Outlays	0	83,355	108,857	137,874
Grants for construction of state extended care facilities 703				
Appropriation, current	BA	**15,840**	**18,000**	**18,000**
Outlays	0	15,253	15,698	14,772

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Veterans Administration—Con.				
Grants to the Republic of the Philippines 703				
Appropriation, current	BA	**500**	**500**	**500**
Reappropriation	BA	**500**	.....	.....
Outlays	0	182	1,072	500
Total Grants to the Republic of the Philippines	BA	**1,000**	**500**	**500**
	0	182	1,072	500
Grants for the construction of State veterans cemeteries 705				
Appropriation, current	BA	.....	**2,500**	**3,000**
Outlays	0	861	4,289	4,753
Assistance for health manpower training institutions 703				
Outlays	0	34,377	16,810	8,000
Public Enterprise Funds:				
Construction and operation of garage and parking facilities 703				
Outlays	0	80	176	.....
Loan guaranty revolving fund 704				
Outlays	0	183,027	−192,377	260,714
Direct loan revolving fund 704				
Outlays	0	−62,266	−173,701	−24,567
Canteen service revolving fund 705				
Outlays	0	−803	−1,793	−628
Service-disabled veterans insurance fund 701				
Outlays	0	−2,563	−50	−400
Veterans reopened insurance fund 701				
Outlays	0	−18,659	−19,400	−16,700
Education loan fund 702				
Outlays	0	−5,187	−8,200	−10,000
Vocational rehabilitation revolving fund 702				
Outlays	0	59	10	10
Servicemen's group life insurance fund 701				
Outlays	0	−39,998	−21,572	−19,200
Special therapeutic and rehabilitation activities fund 703				
Outlays	0	−175	−110	−90
Intragovernmental Funds:				
Supply fund 705				
Outlays	0	−11,511	.....	.....
Trust funds				
Post-Vietnam era veterans education account 702				
Appropriation, permanent, indefinite	BA	**161,057**	**191,959**	**203,400**
Outlays	0	107,453	130,600	151,400
General post fund, national homes 705				
Appropriation, permanent, indefinite	BA	**9,942**	**8,400**	**8,700**
Outlays	0	7,641	7,700	8,000
National service life insurance fund 701				
Appropriation, permanent, indefinite	BA	**1,163,633**	**1,187,000**	**1,209,400**
Outlays	0	925,291	953,900	986,100
United States government life insurance fund 701				
Appropriation, permanent, indefinite	BA	**31,209**	**26,000**	**22,600**
Outlays	0	64,332	61,100	53,800

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Veterans Administration—Con.					
Veterans special life insurance fund	701				
Outlays		0	—50,510	—52,600	—59,400
Summary					
Federal funds:					
(As shown in detail above)		BA	**24,216,029**	**24,270,882**	**25,368,761**
		0	23,520,271	24,009,249	25,285,939
Deductions for offsetting receipts:					
Proprietary receipts from the public	700	BA			
		0	*—3,157*	*—3,231*	*—3,231*
	704	BA			
		0	.....	*—82,244*	*—90,159*
	908	BA			
		0	*—319*	*—319*	*—319*
Total Federal funds		BA	**24,212,553**	**24,185,088**	**25,275,052**
		0	23,516,795	23,923,455	25,192,230
Trust funds:					
(As shown in detail above)		BA	**1,365,841**	**1,413,359**	**1,444,100**
		0	1,054,207	1,100,700	1,139,900
Deductions for offsetting receipts:					
Proprietary receipts from the public	701	BA			
		0	*—470,429*	*—443,406*	*—430,600*
	702	BA			
		0	*—141,674*	*—150,800*	*—153,300*
Total Trust funds		BA	**753,738**	**819,153**	**860,200**
		0	442,104	506,494	556,000
Interfund transactions	701	BA			
		0	**—2,138**	**—2,084**	**—2,038**
	702	BA			
		0	**—19,383**	**—41,159**	**—50,100**
Total Veterans Administration		BA	**24,944,770**	**24,960,998**	**26,083,114**
		0	23,937,378	24,386,706	25,696,092
Other Independent Agencies					
ACTION					
Federal funds					
General and Special Funds:					
Operating expenses	506				
Appropriation, current		BA	**131,858**	**129,321**	**109,730**
Outlays		0	135,434	132,136	113,467
Trust funds					
Donations and contributions	506				
Appropriation, permanent, indefinite		BA	.....	**2**	**2**
Outlays		0	.....	2	2

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
ACTION—Con.					
Summary					
Federal funds:					
(As shown in detail above)		BA	**131,858**	**129,321**	**109,730**
		O	135,434	132,136	113,467
Deductions for offsetting receipts:					
Proprietary receipts from the public	506	BA			
		O	*158*	.....	.....
Total Federal funds		BA	**132,016**	**129,321**	**109,730**
		O	135,592	132,136	113,467
Trust funds:					
(As shown in detail above)		BA	.....	**2**	**2**
		O	.....	2	2
Total ACTION		BA	**132,016**	**129,323**	**109,732**
		O	135,592	132,138	113,469
Administrative Conference of the United States					
Federal funds					
General and Special Funds:					
Salaries and expenses	751				
Appropriation, current		BA	**1,103**	**1,100**	**1,406**
				D **59**	
Outlays		O	1,200	1,144	1,377
Total Salaries and expenses		BA	**1,103**	**1,159**	**1,406**
		O	1,200	1,144	1,377
Advisory Committee on Federal Pay					
Federal funds					
General and Special Funds:					
Salaries and expenses	805				
Appropriation, current		BA	**184**	**200**	**215**
Outlays		O	149	198	213
Advisory Council on Historic Preservation					
Federal funds					
General and Special Funds:					
Salaries and expenses	303				
Appropriation, current		BA	**1,567**	**1,500**	**1,051**
				D **22**	
Outlays		O	1,438	1,651	1,051
Total Salaries and expenses		BA	**1,567**	**1,522**	**1,051**
		O	1,438	1,651	1,051
Trust funds					
Donations	303				
Appropriation, permanent		BA	.....	**5**	**5**
Outlays		O	1	5	5

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
American Battle Monuments Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 705				
Appropriation, current	BA	**10,507**	**10,669**	**10,837**
Outlays	0	8,748	10,584	10,750
Trust funds				
Contributions 705				
Appropriation, permanent, indefinite	BA	**29**	**36**	**36**
Outlays	0	25	36	36
Summary				
Federal funds:				
(As shown in detail above)	BA	**10,507**	**10,669**	**10,837**
	0	8,748	10,584	10,750
Deductions for offsetting receipts:				
Proprietary receipts from the public 700	BA			
	0	*—8*	*—9*	*—9*
Total Federal funds	BA	**10,499**	**10,660**	**10,828**
	0	8,740	10,575	10,741
Trust funds:				
(As shown in detail above)	BA	**29**	**36**	**36**
	0	25	36	36
Total American Battle Monuments Commission	BA	**10,528**	**10,696**	**10,864**
	0	8,765	10,611	10,777
Architectural and Transportation Barriers Compliance Board				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**1,900**	**2,020**	.....
				[K] **1,700**
Outlays	0	1,565	1,995	1,719
Total Salaries and expenses	BA	**1,900**	**2,020**	**1,700**
	0	1,565	1,995	1,719
Arms Control and Disarmament Agency				
Federal funds				
General and Special Funds:				
Arms control and disarmament activities 153				
Appropriation, current	BA	**16,768**	**15,142**	.....
				[K] **21,385**
			[D] **301**	
Outlays	0	16,038	15,727	21,190
Total Arms control and disarmament activities	BA	**16,768**	**15,443**	**21,385**
	0	16,038	15,727	21,190

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Board for International Broadcasting				
Federal funds				
General and Special Funds:				
Grants and expenses 154				
Appropriation, current	BA	**84,519**	**90,300**	.....
				[K] **115,702**
			[B] **29,840**	
Outlays	O	83,334	90,346	114,771
			[B] 29,040	[B] 800
Total Grants and expenses	BA	**84,519**	**120,140**	**115,702**
	O	83,334	119,386	115,571
Central Intelligence Agency				
Federal funds				
General and Special Funds:				
Payment to the Central Intelligence Agency retirement and disability fund 054				
Appropriation, current	BA	**84,600**	**91,300**	**86,300**
Outlays	O	84,600	91,300	86,300
Civil Aeronautics Board				
Federal funds				
General and Special Funds:				
Salaries and expenses 402				
Appropriation, current	BA	**25,875**	**23,125**	**20,890**
			[C] **14**	
			[D] **686**	
Outlays	O	25,711	23,998	20,850
Total Salaries and expenses	BA	**25,875**	**23,825**	**20,890**
	O	25,711	23,998	20,850
Payments to air carriers 402				
Appropriation, current	BA	**86,058**	**48,400**	**50,800**
Liquidation of contract authority, current		(8,242)	.....	.....
Outlays	O	84,305	55,218	51,007
Summary				
Federal funds:				
(As shown in detail above)	BA	**111,933**	**72,225**	**71,690**
	O	110,016	79,216	71,857
Deductions for offsetting receipts:				
Proprietary receipts from the public 400	BA			
	O	*−6*	*−11*	*−11*
Total Civil Aeronautics Board	BA	**111,927**	**72,214**	**71,679**
	O	110,010	79,205	71,846

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Commission of Fine Arts					
Federal funds					
General and Special Funds:					
Salaries and expenses	451				
Appropriation, current		BA	**303**	**319**	**365**
				D 9	
Outlays		0	273	328	365
Total Salaries and expenses		BA	**303**	**328**	**365**
		0	273	328	365
Commission on Civil Rights					
Federal funds					
General and Special Funds:					
Salaries and expenses	751				
Appropriation, current		BA	**12,318**	**11,626**	**12,180**
				D 355	
Outlays		0	11,894	12,041	12,214
Total Salaries and expenses		BA	**12,318**	**11,981**	**12,180**
		0	11,894	12,041	12,214
Committee for Purchase from the Blind and other Severely Handicapped					
Federal funds					
General and Special Funds:					
Salaries and expenses	505				
Appropriation, current		BA	**543**	**653**	**687**
				D 9	
Outlays		0	508	632	655
Total Salaries and expenses		BA	**543**	**662**	**687**
		0	508	632	655
Commodity Futures Trading Commission					
Federal funds					
General and Special Funds:					
Commodity Futures Trading Commission	376				
Appropriation, current		BA	**20,712**	**22,892**	**24,691**
Outlays		0	20,862	22,297	24,049
Summary					
Federal funds:					
(As shown in detail above)		BA	**20,712**	**22,892**	**24,691**
		0	20,862	22,297	24,049
Deductions for offsetting receipts:					
Proprietary receipts from the public	370	BA			
		0	*—11*	*—11*	*—11*
Total Commodity Futures Trading Commission		BA	**20,701**	**22,881**	**24,680**
		0	20,851	22,286	24,038

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Community Services Administration				
Federal funds				
General and Special Funds:				
Community services program 506				
Outlays	0	133,075	38,608	.....
Consumer Product Safety Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 554				
Appropriation, current	BA	**32,164**	**33,508**	**32,000**
			D **581**	
Outlays	0	33,587	35,334	34,898
Total Salaries and expenses	BA	**32,164**	**34,089**	**32,000**
	0	33,587	35,334	34,898
Trust funds				
Gifts and contributions 554				
Outlays	0	8	7	.....
Summary				
Federal funds:				
(As shown in detail above)	BA	**32,164**	**34,089**	**32,000**
	0	33,587	35,334	34,898
Deductions for offsetting receipts:				
Proprietary receipts from the public 550	BA			
	0	*—13*	*—31*	*—32*
Total Federal funds	BA	**32,151**	**34,058**	**31,968**
	0	33,574	35,303	34,866
Trust funds:				
(As shown in detail above)	0	8	7	.....
Total Consumer Product Safety Commission	BA	**32,151**	**34,058**	**31,968**
	0	33,582	35,310	34,866
Corporation for Public Broadcasting				
Federal funds				
General and Special Funds:				
Public broadcasting fund 503				
Appropriation, current	BA	.....	**—35,000**	.....
Appropriation, permanent	BA	**172,000**	**172,000**	**130,000**
Outlays	0	172,000	137,000	130,000
Total Public broadcasting fund	BA	**172,000**	**137,000**	**130,000**
	0	172,000	137,000	130,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
District of Columbia				
Federal funds				
General and Special Funds:				
Federal payment to the District of Columbia 852				
Appropriation, current	BA	**402,170**	**427,213**	**435,600**
				[K] **25,000**
Outlays	O	402,170	427,213	460,600
Total Federal payment to the District of Columbia	BA	**402,170**	**427,213**	**460,600**
	O	402,170	427,213	460,600
Loans to the District of Columbia for capital projects 852				
Appropriation, current	BA	**155,000**	**96,167**	**115,000**
Outlays	O	145,000	145,000	115,000
Repayable advances to the District of Columbia general fund 852				
Appropriation, permanent, indefinite	BA	**140,000**	**150,000**	.....
Outlays	O	140,000	150,000	.....
Summary				
Federal funds:				
(As shown in detail above)	BA	**697,170**	**673,380**	**575,600**
	O	687,170	722,213	575,600
Deductions for offsetting receipts:				
Proprietary receipts from the public 852	BA			
	O	*—248,214*	*—179,370*	*—31,144*
Total District of Columbia	BA	**448,956**	**494,010**	**544,456**
	O	438,956	542,843	544,456
Equal Employment Opportunity Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 751				
Appropriation, current	BA	**144,739**	**142,771**	**155,300**
			[D] **4,661**	
Outlays	O	137,671	145,694	153,508
Total Salaries and expenses	BA	**144,739**	**147,432**	**155,300**
	O	137,671	145,694	153,508
Summary				
Federal funds:				
(As shown in detail above)	BA	**144,739**	**147,432**	**155,300**
	O	137,671	145,694	153,508
Deductions for offsetting receipts:				
Proprietary receipts from the public 750	BA			
	O	*—90*	*—100*	*—100*
Total Equal Employment Opportunity Commission	BA	**144,649**	**147,332**	**155,200**
	O	137,581	145,594	153,408

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Export-Import Bank of the United States				
Federal funds				
Public Enterprise Funds:				
Export-Import Bank of the United States 155				
Authority to borrow, current, indefinite	BA	**3,268,409**	**2,748,266**	**2,456,505**
Outlays	0	1,172,539	1,191,679	1,433,405
Limitation on administrative expenses		(15,115)	(15,115)	(16,899)
Farm Credit Administration				
Federal funds				
Public Enterprise Funds:				
Revolving fund for administrative expenses 351				
Outlays	0	−505	974	.....
Limitation on administrative expenses		(16,113)	.....	.....
		[D] (259)		
Summary				
Federal funds:				
(As shown in detail above)	0	−505	974	.....
Deductions for offsetting receipts:				
Proprietary receipts from the public 350	BA	*−1*	*−2*	*−2*
	0			
Total Farm Credit Administration	BA	**−1**	**−2**	**−2**
	0	−506	972	−2
Federal Communications Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Appropriation, current	BA	**79,900**	**79,817**	**86,159**
			[C] **62**	
			[D] **3,057**	
Outlays	0	79,586	82,725	85,921
Total Salaries and expenses	BA	**79,900**	**82,936**	**86,159**
	0	79,586	82,725	85,921
Summary				
Federal funds:				
(As shown in detail above)	BA	**79,900**	**82,936**	**86,159**
	0	79,586	82,725	85,921
Deductions for offsetting receipts:				
Proprietary receipts from the public 370	BA	*−28*	*−28*	*−28*
	0			
Total Federal Communications Commission	BA	**79,872**	**82,908**	**86,131**
	0	79,558	82,697	85,893
Federal Deposit Insurance Corporation				
Trust funds				
Federal Deposit Insurance Corporation 371				
Outlays	0	−1,440,095	−2,300,000	−2,020,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Federal Election Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	806				
Appropriation, current		BA	**9,174**	**9,700**	**10,000**
				D 197	
Outlays		O	9,306	9,726	9,986
Total Salaries and expenses		BA	**9,174**	**9,897**	**10,000**
		O	9,306	9,726	9,986
Summary					
Federal funds:					
(As shown in detail above)		BA	**9,174**	**9,897**	**10,000**
		O	9,306	9,726	9,986
Deductions for offsetting receipts:					
Proprietary receipts from the public	806	BA			
		O	*—72*	*—65*	*—44*
Total Federal Election Commission		BA	**9,102**	**9,832**	**9,956**
		O	9,234	9,661	9,942
Federal Emergency Management Agency					
Federal funds					
General and Special Funds:					
Salaries and expenses:					
(Defense-related activities)	054				
(Appropriation, current)		BA	**43,475**	**57,322**	**70,292**
				D 932	
(Outlays)		O	93,068	55,151	68,876
Total (Defense-related activities)		BA	**43,475**	**58,254**	**70,292**
		O	93,068	55,151	68,876
(Disaster relief and insurance)	453				
(Appropriation, current)		BA	**52,988**	**53,978**	**57,299**
				D 713	
(Outlays)		O	85,971	51,923	56,287
Total (Disaster relief and insurance)		BA	**52,988**	**54,691**	**57,299**
		O	85,971	51,923	56,287
Total Salaries and expenses		BA	**96,463**	**112,945**	**127,591**
		O	179,039	107,074	125,163
State and local assistance:					
(Defense-related activities)	054				
(Appropriation, current)		BA	**80,197**	**90,900**	**141,440**
(Outlays)		O	43,381	76,547	121,717
(Community development)	451				
(Appropriation, current)		BA	**41,124**	**63,691**	**68,276**
(Outlays)		O	11,264	60,729	62,814
Total State and local assistance		BA	**121,321**	**154,591**	**209,716**
		O	54,645	137,276	184,531

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Federal Emergency Management Agency—Con.				
Emergency planning and assistance:				
(Defense-related activities) 054				
(Appropriation, current)	BA	**55,241**	**143,820**	**173,663**
(Outlays)	0	28,060	119,761	147,962
(Community development) 451				
(Appropriation, current)	BA	**12,165**	**10,187**	**11,437**
(Outlays)	0	6,159	10,067	10,139
Total Emergency planning and assistance	BA	**67,406**	**154,007**	**185,100**
	0	34,219	129,828	158,101
Public Enterprise Funds:				
National insurance development fund 451				
Authority to borrow, permanent, indefinite	BA	**28,788**	**25,773**	**17,077**
Outlays	0	30,314	26,300	17,646
National flood insurance fund 453				
Authority to borrow, permanent, indefinite	BA	.....	**71,066**	**71,000**
Outlays	0	−18,332	43,675	62,670
Trust funds				
Gift and bequests, fire administration 451				
Outlays	0	−12	.....	.....
Summary				
Federal funds:				
(As shown in detail above)	BA	**313,978**	**518,382**	**610,484**
	0	279,885	444,153	548,111
Deductions for offsetting receipts:				
Proprietary receipts from the public 450	BA			
	0	*3*	.....	.....
Total Federal funds	BA	**313,981**	**518,382**	**610,484**
	0	279,888	444,153	548,111
Trust funds:				
(As shown in detail above)	0	−12	.....	.....
Total Federal Emergency Management Agency	BA	**313,981**	**518,382**	**610,484**
	0	279,876	444,153	548,111
Federal Home Loan Bank Board				
Federal funds				
General and Special Funds:				
Interest adjustment payments 371				
Outlays	0	39	30	.....
Public Enterprise Funds:				
Federal Home Loan Bank Board revolving fund 371				
Outlays	0	3,327	2	.....
Limitation on administrative expenses		(22,320)	(24,360)	(25,820)
		D (400)	D (650)	
Limitation on nonadministrative expenses		(37,540)	(40,680)	(40,570)
		D (300)	D (1,100)	

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Federal Home Loan Bank Board—Con.					
Federal Savings and Loan Insurance Corporation fund	371				
Outlays		0	−591,223	−897,558	−715,993
Limitation on administrative expenses			(1,030)	(1,120)	(1,245)
			D (30)	D (30)	
Total Federal funds Federal Home Loan Bank Board		0	−587,857	−897,526	−715,993
Federal Labor Relations Authority					
Federal funds					
General and Special Funds:					
Salaries and expenses	805				
Appropriation, current		BA	**14,848**	**15,500**	**16,695**
				D **314**	
Outlays		0	15,247	15,777	16,682
Total Salaries and expenses		BA	**14,848**	**15,814**	**16,695**
		0	15,247	15,777	16,682
Summary					
Federal funds:					
(As shown in detail above)		BA	**14,848**	**15,814**	**16,695**
		0	15,247	15,777	16,682
Deductions for offsetting receipts:					
Proprietary receipts from the public	805	BA			
		0	*−1*	*−2*	*−2*
Total Federal Labor Relations Authority		BA	**14,847**	**15,812**	**16,693**
		0	15,246	15,775	16,680
Federal Maritime Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	403				
Appropriation, current		BA	**11,498**	**11,500**	**11,324**
				D **271**	
Outlays		0	11,457	11,598	11,334
Total Salaries and expenses		BA	**11,498**	**11,771**	**11,324**
		0	11,457	11,598	11,334
Summary					
Federal funds:					
(As shown in detail above)		BA	**11,498**	**11,771**	**11,324**
		0	11,457	11,598	11,334
Deductions for offsetting receipts:					
Proprietary receipts from the public	400	BA			
		0	*−31*	*−37*	*−37*
Total Federal Maritime Commission		BA	**11,467**	**11,734**	**11,287**
		0	11,426	11,561	11,297

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Federal Mediation and Conciliation Service				
Federal funds				
General and Special Funds:				
Salaries and expenses 505				
Appropriation, current	BA	**24,552**	**21,321**	**21,461**
			D **694**	
Outlays	0	23,880	22,864	21,989
Total Salaries and expenses	BA	**24,552**	**22,015**	**21,461**
	0	23,880	22,864	21,989
Summary				
Federal funds:				
(As shown in detail above)	BA	**24,552**	**22,015**	**21,461**
	0	23,880	22,864	21,989
Deductions for offsetting receipts:				
Proprietary receipts from the public 500	BA			
	0	*—2*	*—1*	*—1*
Total Federal Mediation and Conciliation Service..	BA	**24,550**	**22,014**	**21,460**
	0	23,878	22,863	21,988
Federal Mine Safety and Health Review Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 554				
Appropriation, current	BA	**3,544**	**3,686**	**3,858**
			D **115**	
Outlays	0	3,350	3,679	3,841
Total Salaries and expenses	BA	**3,544**	**3,801**	**3,858**
	0	3,350	3,679	3,841
Summary				
Federal funds:				
(As shown in detail above)	BA	**3,544**	**3,801**	**3,858**
	0	3,350	3,679	3,841
Deductions for offsetting receipts:				
Proprietary receipts from the public 554	BA			
	0	*—3*	.....	.....
Total Federal Mine Safety and Health Review Commission	BA	**3,541**	**3,801**	**3,858**
	0	3,347	3,679	3,841

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Federal Trade Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Appropriation, current	BA	**68,774**	**63,638**	
				[K] **59,457**
			[C] **7**	
			[D] **1,226**	
Outlays	0	68,006	65,274	59,808
Total Salaries and expenses	BA	**68,774**	**64,871**	**59,457**
	0	68,006	65,274	59,808
Summary				
Federal funds:				
(As shown in detail above)	BA	**68,774**	**64,871**	**59,457**
	0	68,006	65,274	59,808
Deductions for offsetting receipts:				
Proprietary receipts from the public 370	BA			
	0	*—17*	*—40*	*—40*
Total Federal Trade Commission	BA	**68,757**	**64,831**	**59,417**
	0	67,989	65,234	59,768
General Services Administration				
Real Property Activities				
Federal funds				
Intragovernmental Funds:				
Federal buildings fund 804				
Outlays	0	—92,177	86,009	—137,461
			[A] 8,102	
Total Federal buildings fund	0	—92,177	94,111	—137,461
Personal Property Activities				
Federal funds				
General and Special Funds:				
Personal property, operating expenses 804				
Appropriation, current	BA	**137,825**	**143,161**	**155,139**
			[C] **811**	
			[D] **3,893**	
Outlays	0	136,991	146,961	154,635
Total Personal property, operating expenses	BA	**137,825**	**147,865**	**155,139**
	0	136,991	146,961	154,635
Intragovernmental Funds:				
General supply fund 804				
Outlays	0	50,570	.....	.....
Total Federal funds Personal Property Activities..	BA	**137,825**	**147,865**	**155,139**
	0	187,561	146,961	154,635

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
General Services Administration—Con.				
Office of Information Resources Management				
Federal funds				
General and Special Funds:				
Operating expenses, Office of Information Resources Management 804				
Appropriation, current	BA	**14,314**	**50,869**	**49,134**
			[D] **1,441**	
				[J] **1,400**
Outlays	0	12,972	52,148	47,874
				[J] 1,400
Total Operating expenses, Office of Information Resources Management	BA	**14,314**	**52,310**	**50,534**
	0	12,972	52,148	49,274
Consumer information center 376				
Appropriation, current	BA	**1,290**	**1,416**	**1,449**
			[D] **31**	
Outlays	0	−875	1,439	1,443
Total Consumer information center	BA	**1,290**	**1,447**	**1,449**
	0	−875	1,439	1,443
Intragovernmental Funds:				
Federal telecommunications fund 804				
Outlays	0	2,614	3,165	3,961
Automatic data processing fund 804				
Outlays	0	−3,095	7,100	3,400
Total Federal funds Office of Information Resources Management	BA	**15,604**	**53,757**	**51,983**
	0	11,616	63,852	58,078
Records Activities				
Federal funds				
General and Special Funds:				
National Archives and Records Service, operating expenses 804				
Appropriation, current	BA	**80,865**	**85,615**	**87,105**
			[D] **2,129**	
Outlays	0	73,901	91,085	86,237
Total National Archives and Records Service, operating expenses	BA	**80,865**	**87,744**	**87,105**
	0	73,901	91,085	86,237

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
General Services Administration—Con.				
Federal Property Resources Activities				
Federal funds				
General and Special Funds:				
Operating expenses, federal property resources service:				
(Defense-related activities) 054				
(Appropriation, current)	BA	**21,230**	**24,042** [C] **32** [D] **164**	**26,275**
(Outlays)	O	20,685	25,950	26,091
Total (Defense-related activities)	BA	**21,230**	**24,238**	**26,275**
	O	20,685	25,950	26,091
(General property and records management) 804				
(Appropriation, current)	BA	**19,079**	**12,292** [D] **164**	**14,464**
(Outlays)	O	19,099	12,327	14,372
Total (General property and records management)	BA	**19,079**	**12,456**	**14,464**
	O	19,099	12,327	14,372
Total Operating expenses, federal property resources service	BA	**40,309**	**36,694**	**40,739**
	O	39,784	38,277	40,463
Rare silver dollar program 804				
Outlays	O	46	.....	.....
National defense stockpile transaction fund 054				
Appropriation, current	BA	**57,600**	**120,000**	**120,000**
Appropriation, permanent, indefinite	BA	**285**	.....	.....
Outlays	O	112,644	156,231	120,000
Total National defense stockpile transaction fund	BA	**57,885**	**120,000**	**120,000**
	O	112,644	156,231	120,000
Expenses, disposal of surplus real and related personal property 804				
Appropriation, permanent, indefinite	BA	**671**	**25,000**	**47,000**
Outlays	O	721	25,000	47,000
Public Enterprise Funds:				
William Langer Jewel bearing plant revolving fund 054				
Appropriation, current	BA	.....	**396**	.....
Outlays	O	97	396	.....
Total Federal funds Federal Property Resources Activities	BA	**98,865**	**182,090**	**207,739**
	O	153,292	219,904	207,463

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
General Services Administration—Con.				
General Activities				
Federal funds				
General and Special Funds:				
General management and administration, salaries and expenses 804				
Appropriation, current	BA	**114,970**	**105,091** **[D] 4,215**	**127,235** **[J] 969**
Outlays	0	116,258	107,044	124,850 [J] 959
Total General management and administration, salaries and expenses	BA	**114,970**	**109,306**	**128,204**
	0	116,258	107,044	125,809
Economic Opportunity Act close-out activities 506				
Appropriation, current	BA	**12,000**	.....	.....
Outlays	0	430	11,570	.....
Office of Inspector General 804				
Appropriation, current	BA	**18,183**	**18,500** **[D] 770**	**19,513**
Outlays	0	17,973	18,871	19,152
Total Office of Inspector General	BA	**18,183**	**19,270**	**19,513**
	0	17,973	18,871	19,152
Allowances and office staff for former Presidents 802				
Appropriation, current	BA	**1,062**	**1,106**	**1,171**
Outlays	0	998	1,100	1,148
Expenses, presidential transition 802				
Outlays	0	148	61	.....
Refunds under Renegotiation Act 908				
Outlays	0	−1	837	.....
Public Enterprise Funds:				
Virgin Islands Corporation liquidation fund 804				
Outlays	0	−330	−150	−144
Intragovernmental Funds:				
Working capital fund 804				
Outlays	0	−826	−200	−200
Total Federal funds General Activities	BA	**146,215**	**129,682**	**148,888**
	0	134,650	139,133	145,765
Records Activities				
Trust funds				
National archives gift fund 804				
Appropriation, permanent	BA	**35**	**184**	**184**
Outlays	0	246	222	213

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
General Services Administration—Con.					
National archives trust fund	804				
Outlays		0	−957	−990	−1,059
Total Trust funds Records Activities		BA	**35**	**184**	**184**
		0	−711	−768	−846
Summary					
Federal funds:					
(As shown in detail above)		BA	**479,374**	**601,138**	**650,854**
		0	468,843	755,046	514,717
Deductions for offsetting receipts:					
Intrafund transactions	054	BA	*329*	.....	.....
		0			
Proprietary receipts from the public	054	BA	*−156,875*	*−196,756*	*−214,377*
		0			
		BA			*[1] −100,000*
		0			
	800	BA	*−82,355*	*−450,143*	*−646,653*
		0			
		BA		*[1] 385,317*	*[1] 562,266*
		0			
	908	BA	*−24*	.....	.....
		0			
Total Federal funds		BA	**240,449**	**339,556**	**252,090**
		0	229,918	493,464	115,953
Trust funds:					
(As shown in detail above)		BA	**35**	**184**	**184**
		0	−711	−768	−846
Total General Services Administration		BA	**240,484**	**339,740**	**252,274**
		0	229,207	492,696	115,107
Harry S Truman Scholarship Foundation					
Trust funds					
Harry S Truman memorial scholarship trust fund	502				
Appropriation, permanent, indefinite		BA	**2,946**	**4,004**	**4,172**
Outlays		0	1,627	2,125	2,292

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Historical and Memorial Agencies					
American Revolution Bicentennial Administration					
Summary					
Federal funds:					
Deductions for offsetting receipts:					
Proprietary receipts from the public	806	BA			
		0	*—2*	.....	.....
Total American Revolution Bicentennial Administration		BA	**—2**	.....	.....
		0	—2	.....	.....
Other Historical and Memorial Agencies					
Federal funds					
General and Special Funds:					
Franklin Delano Roosevelt Memorial Commission: Salaries and expenses	806				
Appropriation, current		BA	**29**	.....	**20**
Outlays		0	19	24	24
Total Federal funds Historical and Memorial Agencies		BA	**27**	.....	**20**
		0	17	24	24
Indian Claims Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	752				
Outlays		0	12	.....	.....
Intelligence Community Staff					
Federal funds					
General and Special Funds:					
Intelligence community staff	054				
Appropriation, current		BA	**13,695**	**15,856**	.....
Outlays		0	13,062	16,802	5,170
Intragovernmental Agencies					
Advisory Commission on Intergovernmental Relations					
Federal funds					
General and Special Funds:					
Salaries and expenses	806				
Appropriation, current		BA	**1,763**	**1,900**	**2,020**
				D 40	
Outlays		0	1,762	1,940	2,020
Total Salaries and expenses		BA	**1,763**	**1,940**	**2,020**
		0	1,762	1,940	2,020

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Intragovernmental Agencies—Con.				
Advisory Commission on Intergovernmental Relations—Con.				
Trust funds				
Contributions 806				
Appropriation, permanent, indefinite	BA	**178**	**120**	**120**
Outlays	0	251	120	120
Appalachian Regional Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 452				
Appropriation, current	BA	**2,900**	**2,900**	.....
Outlays	0	2,890	2,900	27
Trust funds				
Miscellaneous trust funds 452				
Appropriation, permanent, indefinite	BA	**6,274**	**4,900**	.....
Outlays	0	4,384	5,194	2,709
Summary				
Federal funds:				
(As shown in detail above)	BA	**2,900**	**2,900**	.....
	0	2,890	2,900	27
Trust funds:				
(As shown in detail above)	BA	**6,274**	**4,900**	.....
	0	4,384	5,194	2,709
Deductions for offsetting receipts:				
Proprietary receipts from the public 452	BA			
	0	*—2,744*	*—2,450*	.....
Total Trust funds	BA	**3,530**	**2,450**	.....
	0	1,640	2,744	2,709
Interfund transactions 452	BA			
	0	**—3,530**	**—2,450**	.....
Total Appalachian Regional Commission	BA	**2,900**	**2,900**	.....
	0	1,000	3,194	2,736
Delaware and Susquehanna River Basin Commissions				
Federal funds				
General and Special Funds:				
Salaries and expenses 301				
Appropriation, current	BA	**241**	**241**	**191**
			[D] **16**	
Outlays	0	204	257	191
Total Salaries and expenses	BA	**241**	**257**	**191**
	0	204	257	191

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Intragovernmental Agencies—Con.				
Delaware and Susquehanna River Basin Commissions—Con.				
Contribution to Delaware River Basin Commission 301				
Appropriation, current	BA	**269**	**269**	**269**
Outlays	0	269	269	269
Contribution to Susquehanna River Basin Commission 301				
Appropriation, current	BA	**217**	**217**	**230**
Outlays	0	217	217	230
Total Federal funds Delaware and Susquehanna River Basin Commissions	BA	**727**	**743**	**690**
	0	690	743	690
Interstate Commission on the Potomac River Basin				
Federal funds				
General and Special Funds:				
Contribution to Interstate Commission on the Potomac River Basin 304				
Appropriation, current	BA	**55**	**55**	.....
Outlays	0	55	55	.....
Washington Metropolitan Area Transit Authority				
Federal funds				
General and Special Funds:				
Interest payments 401				
Appropriation, current	BA	**51,586**	**51,664**	**51,664**
Outlays	0	65,284	66,264	66,664
Total Federal funds Intragovernmental Agencies	BA	**57,031**	**57,302**	**54,374**
	0	70,681	71,902	69,401
Total Trust funds Intragovernmental Agencies	BA	**3,708**	**2,570**	**120**
	0	1,891	2,864	2,829
International Trade Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 153				
Appropriation, current	BA	**17,803**	**19,150**	**21,103**
			D **624**	
Outlays	0	17,103	20,547	21,103
Total Salaries and expenses	BA	**17,803**	**19,774**	**21,103**
	0	17,103	20,547	21,103

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Interstate Commerce Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	401				
Appropriation, current		BA	**70,150**	**65,600**	**58,038**
Outlays		0	66,730	63,600	58,469
Payments for directed rail service	401				
Appropriation, current		BA	**8,000**	.....	.....
Outlays		0	3,978	6,031	.....
Summary					
Federal funds:					
(As shown in detail above)		BA	**78,150**	**65,600**	**58,038**
		0	70,708	69,631	58,469
Deductions for offsetting receipts:					
Proprietary receipts from the public	400	BA			
		0	*—59,878*	*—26,052*	*—20,052*
Total Interstate Commerce Commission		BA	**18,272**	**39,548**	**37,986**
		0	10,830	43,579	38,417
Japan-United States Friendship Commission					
Trust funds					
Japan-United States friendship trust fund	154				
Appropriation, current		BA	**1,758**	**1,700**	**1,700**
Outlays		0	1,807	2,800	2,750
Legal Services Corporation					
Federal funds					
General and Special Funds:					
Payment to the Legal Services Corporation	752				
Appropriation, current		BA	**241,000**	**241,000**	.....
Outlays		0	258,650	241,990	21,301
Marine Mammal Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	302				
Appropriation, current		BA	**672**	**822**	**638**
Outlays		0	763	933	687

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Merit Systems Protection Board				
Federal funds				
General and Special Funds:				
Salaries and expenses 805				
Appropriation, current	BA	**17,036**	**18,760** **[A] 1,000** **[D] 452**	**19,622**
Outlays	0	16,064	19,560 [A] 1,000	19,612
Limitation payable under transfers from trust funds		(700)	(700)	(700)
Total Salaries and expenses	BA	**17,036**	**20,212**	**19,622**
	0	16,064	20,560	19,612
Office of the Special Counsel 805				
Appropriation, current	BA	**4,036**	**4,000** **[D] 139**	**4,419**
Outlays	0	3,678	4,199	4,417
Total Office of the Special Counsel	BA	**4,036**	**4,139**	**4,419**
	0	3,678	4,199	4,417
Summary				
Federal funds:				
(As shown in detail above)	BA	**21,072**	**24,351**	**24,041**
	0	19,742	24,759	24,029
Deductions for offsetting receipts:				
Proprietary receipts from the public 805	BA			
	0	.....	*—1*	*—1*
Total Merit Systems Protection Board	BA	**21,072**	**24,350**	**24,040**
	0	19,742	24,758	24,028
National Capital Planning Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 451				
Appropriation, current	BA	**2,373**	**2,279** **[D] 125**	**2,595**
Outlays	0	2,391	2,404	2,595
Total Salaries and expenses	BA	**2,373**	**2,404**	**2,595**
	0	2,391	2,404	2,595
National Center for Productivity and Quality of Working Life				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Outlays	0	42	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
National Commission on Libraries and Information Science				
Federal funds				
General and Special Funds:				
Salaries and expenses 503				
Appropriation, current	BA	**674**	**674**	**553**
Outlays	0	638	994	669
Trust funds				
Contributions 503				
Outlays	0	−2	3	.....
National Consumer Cooperative Bank				
Federal funds				
General and Special Funds:				
Salaries and expenses 376				
Outlays	0	2,874	.....	.....
Self-help development and technical assistance 376				
Appropriation, current	BA	**5,000**	.....	.....
Outlays	0	15,707	.....	.....
Investment in National Consumer Cooperative Bank 376				
Appropriation, current	BA	**47,000**	.....	.....
Public Enterprise Funds:				
National Consumer Cooperative Bank fund 376				
Outlays	0	67,124	.....	.....
Total Federal funds National Consumer Cooperative Bank	BA	**52,000**	.....	.....
	0	85,705	.....	.....
National Credit Union Administration				
Federal funds				
Public Enterprise Funds:				
Operating fund 371				
Outlays	0	−256	−200	−200
Credit union share insurance fund 371				
Outlays	0	−40,427	−20,024	−24,000
Central liquidity facility 371				
Authority to borrow, current	BA	**36,492**	**55,342**	**65,607**
Outlays	0	28,753	40,000	40,000
Total Federal funds National Credit Union Administration	BA	**36,492**	**55,342**	**65,607**
	0	−11,930	19,776	15,800

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
National Foundation on the Arts and the Humanities				
National Endowment for the Arts				
Federal funds				
General and Special Funds:				
National endowment for the arts: Grants and administration 503				
Appropriation, current	BA	**143,456**	**143,875**	**125,000**
			D **233**	
Outlays	O	133,593	140,416	149,170
Total National endowment for the arts	BA	**143,456**	**144,108**	**125,000**
	O	133,593	140,416	149,170
Trust funds				
Gifts and donations (arts) 503				
Appropriation, permanent, indefinite	BA	.....	**15**	**15**
Outlays	O	18	21	15
Summary				
Federal funds:				
(As shown in detail above)	BA	**143,456**	**144,108**	**125,000**
	O	133,593	140,416	149,170
Deductions for offsetting receipts:				
Proprietary receipts from the public 500	BA			
	O	*—117*	.....	.....
908	BA			
	O	*—17*	*—1*	*—1*
Total Federal funds	BA	**143,322**	**144,107**	**124,999**
	O	133,459	140,415	149,169
Trust funds:				
(As shown in detail above)	BA	.....	**15**	**15**
	O	18	21	15
Total National Endowment for the Arts	BA	**143,322**	**144,122**	**125,014**
	O	133,477	140,436	149,184
National Endowment for the Humanities				
Federal funds				
General and Special Funds:				
National endowment for the humanities: Grants and administration 503				
Appropriation, current	BA	**130,560**	**130,060**	**112,200**
			D **187**	
Reappropriation	BA	.....	**5,200**	.....
Outlays	O	129,742	146,562	124,269
Total National endowment for the humanities	BA	**130,560**	**135,447**	**112,200**
	O	129,742	146,562	124,269

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
National Foundation on the Arts and the Humanities—Con.					
National Endowment for the Humanities—Con.					
Trust funds					
Gifts and donations (humanities)	503				
Appropriation, permanent, indefinite		BA	**339**	**400**	**400**
Outlays		0	7,168	1,641	829
Institute of Museum Services					
Federal funds					
General and Special Funds:					
Institute of Museum Services: Program operations	503				
Appropriation, current		BA	**11,520**	**10,800**	**11,520**
Reappropriation		BA	**720**	.....	.....
Outlays		0	27,847	11,501	12,407
Total Institute of Museum Services		BA	**12,240**	**10,800**	**11,520**
		0	27,847	11,501	12,407
National Institute of Building Sciences					
Federal funds					
General and Special Funds:					
Salaries and expenses	376				
Appropriation, current		BA	**1,440**	.....	.....
Outlays		0	1,440	.....	.....
National Labor Relations Board					
Federal funds					
General and Special Funds:					
Salaries and expenses	505				
Appropriation, current		BA	**117,600**	**124,045**	**134,158**
				D **2,569**	
Outlays		0	119,634	122,798	133,719
Total Salaries and expenses		BA	**117,600**	**126,614**	**134,158**
		0	119,634	122,798	133,719
Summary					
Federal funds:					
(As shown in detail above)		BA	**117,600**	**126,614**	**134,158**
		0	119,634	122,798	133,719
Deductions for offsetting receipts:					
Proprietary receipts from the public	500	BA			
		0	*—212*	*—216*	*—219*
Total National Labor Relations Board		BA	**117,388**	**126,398**	**133,939**
		0	119,422	122,582	133,500

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
National Mediation Board				
Federal funds				
General and Special Funds:				
Salaries and expenses 505				
Appropriation, current	BA	**4,758**	**5,468**	**5,758**
Outlays	0	4,525	5,307	5,573
Summary				
Federal funds:				
(As shown in detail above)	BA	**4,758**	**5,468**	**5,758**
	0	4,525	5,307	5,573
Deductions for offsetting receipts:				
Proprietary receipts from the public 500	BA			
	0	*—21*	*—20*	*—20*
Total National Mediation Board	BA	**4,737**	**5,448**	**5,738**
	0	4,504	5,287	5,553
National Science Foundation				
Federal funds				
General and Special Funds:				
Research and related activities 251				
Appropriation, current	BA	**971,595**	**1,060,000**	.....
			[K] **1,250,700**	
			[D] **900**	
			[E] **800**	
Outlays	0	1,013,866	1,006,387	1,147,509
Total Research and related activities	BA	**971,595**	**1,061,700**	**1,250,700**
	0	1,013,866	1,006,387	1,147,509
Scientific activities overseas (special foreign currency program) 251				
Appropriation, current	BA	**3,080**	**2,200**	.....
				[K] **2,600**
Outlays	0	2,656	2,200	2,600
Total Scientific activities overseas (special foreign currency program)	BA	**3,080**	**2,200**	**2,600**
	0	2,656	2,200	2,600
Science and engineering education activities 251				
Appropriation, current	BA	**20,900**	**30,000**	.....
				[K] **39,000**
Outlays	0	67,637	52,000	76,000
Total Science and engineering education activities	BA	**20,900**	**30,000**	**39,000**
	0	67,637	52,000	76,000
Trust funds				
Donations 251				
Appropriation, permanent, indefinite	BA	**10,227**	**5,200**	**5,000**
Outlays	0	15,187	5,000	5,200

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
National Science Foundation—Con.					
Summary					
Federal funds:					
(As shown in detail above)		BA	**995,575**	**1,093,900**	**1,292,300**
		0	1,084,159	1,060,587	1,226,109
Deductions for offsetting receipts:					
Proprietary receipts from the public	250	BA			
		0	*—170*	*—270*	*—270*
	908	BA			
		0	*—3*	*—30*	*—30*
Total Federal funds		BA	**995,402**	**1,093,600**	**1,292,000**
		0	1,083,986	1,060,287	1,225,809
Trust funds:					
(As shown in detail above)		BA	**10,227**	**5,200**	**5,000**
		0	15,187	5,000	5,200
Total National Science Foundation		BA	**1,005,629**	**1,098,800**	**1,297,000**
		0	1,099,173	1,065,287	1,231,009
National Transportation Safety Board					
Federal funds					
General and Special Funds:					
Salaries and expenses	407				
Appropriation, current		BA	**17,705**	**19,970**	**19,735**
Outlays		0	17,238	19,426	19,800
Emergency fund	407				
Appropriation, current		BA	**1,000**	.....	.....
Summary					
Federal funds:					
(As shown in detail above)		BA	**18,705**	**19,970**	**19,735**
		0	17,238	19,426	19,800
Deductions for offsetting receipts:					
Proprietary receipts from the public	400	BA			
		0	*—13*	*—5*	*—5*
Total National Transportation Safety Board		BA	**18,692**	**19,965**	**19,730**
		0	17,225	19,421	19,795
Native Hawaiians Study Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	806				
Appropriation, current		BA	.....	**190**	.....
Outlays		0	.....	180	10

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Neighborhood Reinvestment Corporation				
Federal funds				
General and Special Funds:				
Payment to the Neighborhood Reinvestment Corporation 451				
Appropriation, current	BA	**13,872**	**15,512**	.....
				[K] **15,512**
Outlays	O	13,872	15,512	15,512
Total Payment to the Neighborhood Reinvestment Corporation	BA	**13,872**	**15,512**	**15,512**
	O	13,872	15,512	15,512
Nuclear Regulatory Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 276				
Appropriation, current	BA	**465,700**	**462,504**	**466,800**
			[D] **3,470**	
Outlays	O	441,902	466,300	466,930
Total Salaries and expenses	BA	**465,700**	**465,974**	**466,800**
	O	441,902	466,300	466,930
Summary				
Federal funds:				
(As shown in detail above)	BA	**465,700**	**465,974**	**466,800**
	O	441,902	466,300	466,930
Deductions for offsetting receipts:				
Proprietary receipts from the public 270	BA			
	O	*—46*	.....	.....
Total Nuclear Regulatory Commission	BA	**465,654**	**465,974**	**466,800**
	O	441,856	466,300	466,930
Occupational Safety and Health Review Commission				
Federal funds				
General and Special Funds:				
Salaries and expenses 554				
Appropriation, current	BA	**7,092**	**6,316**	**6,331**
Outlays	O	6,733	6,359	6,330
Office of the Federal Inspector for the Alaska Natural Gas Transportation System				
Federal funds				
General and Special Funds:				
Salaries and expenses 276				
Appropriation, current	BA	**19,425**	**6,125**	**9,115**
Outlays	O	16,142	10,500	8,204

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Office of the Federal Inspector for the Alaska Natural Gas Transportation System—Con.				
Summary				
Federal funds:				
(As shown in detail above)	BA	**19,425**	**6,125**	**9,115**
	0	16,142	10,500	8,204
Deductions for offsetting receipts:				
Proprietary receipts from the public 276	BA			
	0	*—1,158*	*—325*	*—325*
Total Office of the Federal Inspector for the Alaska Natural Gas Transportation System.	BA	**18,267**	**5,800**	**8,790**
	0	14,984	10,175	7,879
Office of Personnel Management				
Federal funds				
General and Special Funds:				
Salaries and expenses 805				
Appropriation, current	BA	**104,519**	**100,000**	**110,546**
			[D] **1,809**	
Outlays	0	93,741	102,300	109,842
Limitation payable under trust funds		(42,698)	(44,652)	(48,572)
			[D] (1,675)	
Total Salaries and expenses	BA	**104,519**	**101,809**	**110,546**
	0	93,741	102,300	109,842
Government payment for annuitants, employees health benefits 551				
Appropriation, current	BA	**1,096,560**	**1,342,610**	**1,506,339**
				[J] **—491,343**
Outlays	0	969,164	1,257,362	1,575,964
				[J] —451,223
Total Government payment for annuitants, employees health benefits	BA	**1,096,560**	**1,342,610**	**1,014,996**
	0	969,164	1,257,362	1,124,741
Payment to civil service retirement and disability fund 805				
Appropriation, current	BA	**3,600,927**	**3,598,838**	**3,908,490**
			[A] **342,269**	
Indefinite	BA			[J] **—899,080**
Appropriation, permanent, indefinite	BA	**10,883,000**	**11,603,734**	**11,977,017**
Outlays	0	14,483,927	15,202,572	15,885,507
			[A] 342,269	
				[J] —899,080
Total Payment to civil service retirement and disability fund	BA	**14,483,927**	**15,544,841**	**14,986,427**
	0	14,483,927	15,544,841	14,986,427
Intergovernmental personnel assistance 806				
Outlays	0	7,019	1,116	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Office of Personnel Management—Con.					
Intragovernmental Funds:					
Revolving fund	805				
Outlays		0	6,646	−3,415	1,079
Trust funds					
Civil service retirement and disability fund	602				
Appropriation, current		BA		[4] 342,269	
Indefinite		BA			[5] 1,497,920
Appropriation, permanent, indefinite		BA	31,475,800	34,278,380	35,749,326
Outlays		0	19,485,229	21,120,000	22,798,106
					[5] −357,000
Total Civil service retirement and disability fund		BA	31,475,800	34,620,649	37,247,246
		0	19,485,229	21,120,000	22,441,106
Employees health benefits fund	551				
Outlays		0	−39,959	−244,152	−133,985
					[5] 317,656
Total Employees health benefits fund		0	−39,959	−244,152	183,671
Employees life insurance fund	602				
Outlays		0	−492,268	−611,820	−636,392
Retired employees health benefits fund	551				
Outlays		0	824	.....	635
Summary					
Federal funds:					
(As shown in detail above)		BA	15,685,006	16,989,260	16,111,969
		0	15,560,497	16,902,204	16,222,089
Deductions for offsetting receipts:					
Proprietary receipts from the public	800	BA			
		0	*−33*	*−65*	*−65*
	908	BA			
		0	*−2*	*−2*	*−2*
Total Federal funds		BA	15,684,971	16,989,193	16,111,902
		0	15,560,462	16,902,137	16,222,022
Trust funds:					
(As shown in detail above)		BA	31,475,800	34,620,649	37,247,246
		0	18,953,826	20,264,028	21,989,020
Deductions for offsetting receipts:					
Intrafund transactions	602	BA			
		0	*−9,830*	*−7,500*	*−6,500*
Total Trust funds		BA	31,465,970	34,613,149	37,240,746
		0	18,943,996	20,256,528	21,982,520
Interfund transactions	602	BA			
		0	−47,366	−68,000	−68,000
	805	BA			
		0	−14,483,927	−15,544,841	−15,885,507

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Office of Personnel Management—Con.				
	BA			[J] 899,080
	0			
Total Office of Personnel Management	BA	**32,619,648**	**35,989,501**	**38,298,221**
	0	19,973,165	21,545,824	23,150,115
Panama Canal Commission				
Federal funds				
General and Special Funds:				
Operations and facilities 403				
Appropriation, current	BA	**420,520**		
			[K] **434,024**	[K] **539,383**
			[A] **375**	
Outlays	0	403,788	429,498	538,448
			[A] 375	
Total Operations and facilities	BA	**420,520**	**434,399**	**539,383**
	0	403,788	429,873	538,448
Summary				
Federal funds:				
(As shown in detail above)	BA	**420,520**	**434,399**	**539,383**
	0	403,788	429,873	538,448
Deductions for offsetting receipts:				
Intrafund transactions 403	BA			*—85,583*
	0			
Proprietary receipts from the public 403	BA	*—440,139*	*—433,834*	*—459,125*
	0			
Total Panama Canal Commission	BA	**—19,619**	**565**	**—5,325**
	0	—36,351	—3,961	—6,260
Pennsylvania Avenue Development Corporation				
Federal funds				
General and Special Funds:				
Salaries and expenses 451				
Appropriation, current	BA	**2,294**	**2,350**	**2,275**
Outlays	0	2,105	2,140	2,225
Public development 451				
Appropriation, current	BA	**13,632**	**8,750**	**10,000**
Outlays	0	17,500	10,390	5,700
Public Enterprise Funds:				
Land acquisition and development fund 451				
Authority to borrow, current	BA	**2,400**		**4,000**
Outlays	0	5,709	4,600	8,200

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Pennsylvania Avenue Development Corporation—Con.				
Trust funds				
Gifts and donations 451				
Outlays	0	−101	1	.....
Total Federal funds Pennsylvania Avenue Development Corporation	BA	**18,326**	**11,100**	**16,275**
	0	25,314	17,130	16,125
Total Trust funds Pennsylvania Avenue Development Corporation	0	−101	1	.....
Postal Service				
Federal funds				
General and Special Funds:				
Payment to the Postal Service fund 372				
Appropriation, current	BA	**706,810**	**789,000**	**760,000**
				[L] **−360,000**
Outlays	0	706,989	789,000	760,000
				[L] −360,000
Total Payment to the Postal Service fund	BA	**706,810**	**789,000**	**400,000**
	0	706,989	789,000	400,000
Railroad Retirement Board				
Federal funds				
General and Special Funds:				
Federal windfall subsidy 601				
Appropriation, current	BA	**390,200**	**430,000**	**350,000**
Outlays	0	378,489	440,728	350,000
Milwaukee railroad restructuring, administration 603				
Appropriation, current	BA	**240**	**250**	.....
Outlays	0	269	191	155
Trust funds				
Railroad retirement account 601				
Appropriation, permanent, indefinite	BA	**4,854,518**	**6,385,000**	**7,731,907**
Outlays	0	5,388,506	6,845,585	7,605,494
Limitation on administration		(45,580)	(46,361)	(55,969)
			[D] (699)	
Summary				
Federal funds:				
(As shown in detail above)	BA	**390,440**	**430,250**	**350,000**
	0	378,758	440,919	350,155
Deductions for offsetting receipts:				
Proprietary receipts from the public 609	BA			
	0	*−2*	.....	.....
Total Federal funds	BA	**390,438**	**430,250**	**350,000**
	0	378,756	440,919	350,155

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Railroad Retirement Board—Con.					
Trust funds:					
(As shown in detail above)		BA	**4,854,518**	**6,385,000**	**7,731,907**
		0	5,388,506	6,845,585	7,605,494
Deductions for offsetting receipts:					
Intrafund transactions	908	BA			
		0	*15,303*	*—7,000*	*—29,000*
Total Trust funds		BA	**4,869,821**	**6,378,000**	**7,702,907**
		0	5,403,809	6,838,585	7,576,494
Interfund transactions	601	BA			
		0	**—50,000**	**—1,452,000**	**—2,551,907**
Total Railroad Retirement Board		BA	**5,210,259**	**5,356,250**	**5,501,000**
		0	5,732,565	5,827,504	5,374,742
Securities and Exchange Commission					
Federal funds					
General and Special Funds:					
Salaries and expenses	376				
Appropriation, current		BA	**83,306**	**88,040**	
				[D] **1,300**	[K] **91,935**
Outlays		0	78,616	90,420	92,020
Total Salaries and expenses		BA	**83,306**	**89,340**	**91,935**
		0	78,616	90,420	92,020
Summary					
Federal funds:					
(As shown in detail above)		BA	**83,306**	**89,340**	**91,935**
		0	78,616	90,420	92,020
Deductions for offsetting receipts:					
Proprietary receipts from the public	370	BA			
		0	*—22*	*—10*	*—10*
Total Securities and Exchange Commission		BA	**83,284**	**89,330**	**91,925**
		0	78,594	90,410	92,010
Selective Service System					
Federal funds					
General and Special Funds:					
Salaries and expenses	054				
Appropriation, current		BA	**19,721**	**22,700**	**25,499**
				[D] **334**	
				[E] **230**	
Outlays		0	23,586	24,192	25,231
Total Salaries and expenses		BA	**19,721**	**23,264**	**25,499**
		0	23,586	24,192	25,231

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Selective Service System—Con.					
Summary					
Federal funds:					
(As shown in detail above)		BA	**19,721**	**23,264**	**25,499**
		0	23,586	24,192	25,231
Deductions for offsetting receipts:					
Proprietary receipts from the public	054	BA			
		0	—*1*	.....	.....
Total Selective Service System		BA	**19,720**	**23,264**	**25,499**
		0	23,585	24,192	25,231
Small Business Administration					
Federal funds					
General and Special Funds:					
Salaries and expenses	376				
Appropriation, current		BA	**221,945**	**218,029**	**248,200**
				[D] **3,780**	
Outlays		0	215,552	247,409	264,800
Total Salaries and expenses		BA	**221,945**	**221,809**	**248,200**
		0	215,552	247,409	264,800
Public Enterprise Funds:					
Business loan and investment fund	376				
Appropriation, current		BA	**326,000**	**338,700**	**249,000**
				[A] **178,600**	[A] **—8,000**
Outlays		0	704,243	270,200	262,500
				[A] 247,100	[A] —76,500
Total Business loan and investment fund		BA	**326,000**	**517,300**	**241,000**
		0	704,243	517,300	186,000
Disaster loan fund	453				
Outlays		0	—301,588	—194,000	—193,000
Lease guarantees revolving fund	376				
Appropriation, current		BA	**3,000**	.....	.....
Outlays		0	1,108	3,000	2,000
Surety bond guarantees revolving fund	376				
Appropriation, current		BA	**19,000**	.....	**9,000**
Outlays		0	16,400	12,000	12,000
Pollution control equipment contract guarantee revolving fund	376				
Outlays		0	—4,605	—9,000	—10,000
Summary					
Federal funds:					
(As shown in detail above)		BA	**569,945**	**739,109**	**498,200**
		0	631,110	576,709	261,800

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Small Business Administration—Con.				
Deductions for offsetting receipts:				
Proprietary receipts from the public 370	BA			
	0	*—24*	*—24*	*—24*
Total Small Business Administration	BA	**569,921**	**739,085**	**498,176**
	0	631,086	576,685	261,776
Smithsonian Institution				
Federal funds				
General and Special Funds:				
Salaries and expenses 503				
Appropriation, current	BA	**131,170**	**144,366** [C] **444** [D] **1,946**	**154,354**
Outlays	0	124,205	146,366	153,105
Total Salaries and expenses	BA	**131,170**	**146,756**	**154,354**
	0	124,205	146,366	153,105
Museum programs and related research (special foreign currency program) 503				
Appropriation, current	BA	**4,320**	**2,000**	**9,040**
Outlays	0	2,788	2,500	4,000
Construction and improvements, National Zoological Park 503				
Appropriation, current	BA	**1,104**	**1,550**	**3,500**
Outlays	0	4,048	2,000	2,650
Restoration and renovation of buildings 503				
Appropriation, current	BA	**7,680**	**8,450**	**9,000**
Outlays	0	5,125	10,200	8,600
Construction 503				
Appropriation, current	BA	**960**	**36,500**	.....
Outlays	0	16,923	5,000	15,000
Salaries and expenses, National Gallery of Art 503				
Appropriation, current	BA	**29,815**	**32,878** [C] **109** [D] **300**	**34,915**
Outlays	0	26,116	34,256	35,330
Total Salaries and expenses, National Gallery of Art	BA	**29,815**	**33,287**	**34,915**
	0	26,116	34,256	35,330
Salaries and expenses, Woodrow Wilson International Center for Scholars 503				
Appropriation, current	BA	**1,897**	**2,321** [D] **20**	**2,568**
Outlays	0	1,903	2,341	2,568
Total Salaries and expenses, Woodrow Wilson International Center for Scholars	BA	**1,897**	**2,341**	**2,568**
	0	1,903	2,341	2,568

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Smithsonian Institution—Con.				
Trust funds				
Smithsonian Institution trust funds 251				
Appropriation, permanent	BA	**94**	**98**	**105**
Outlays	0	62	104	114
Summary				
Federal funds:				
(As shown in detail above)	BA	**176,946**	**230,884**	**213,377**
	0	181,108	202,663	221,253
Deductions for offsetting receipts:				
Proprietary receipts from the public 500	BA			
	0	*—64*	*—4*	*—4*
Total Federal funds	BA	**176,882**	**230,880**	**213,373**
	0	181,044	202,659	221,249
Trust funds:				
(As shown in detail above)	BA	**94**	**98**	**105**
	0	62	104	114
Interfund transactions 803	BA			
	0	**—3**	**—3**	**—3**
Total Smithsonian Institution	BA	**176,973**	**230,975**	**213,475**
	0	181,103	202,760	221,360
Temporary Study Commissions				
Other Temporary Commissions				
Federal funds				
General and Special Funds:				
Commission on Executive, Legislative, and Judicial Salaries: Salaries and expenses 805				
Outlays	0	1	.....	.....
Commission on Wartime Relocation and Internment of Civilians: Salaries and expenses 752				
Appropriation, current	BA	.....	**300**	.....
Reappropriation	BA	**172**	.....	.....
Outlays	0	574	493	.....
Total Commission on Wartime Relocation and Internment of Civilians	BA	**172**	**300**	.....
	0	574	493	.....
Motor Carrier Ratemaking Study Commission: Salaries and expenses 401				
Appropriation, current	BA	.....	**1,000**	.....
Outlays	0	1,260	953	568
National Alcohol Fuels Commission: Salaries and expenses 271				
Outlays	0	13	—1	.....
National Commission on Air Quality: Salaries and expenses 304				
Outlays	0	11	18	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
Temporary Study Commissions—Con.				
Other Temporary Commissions—Con.				
National Commission on Social Security: Salaries and expenses 601				
Outlays	0	20	2	.....
National Commission on Student Financial Assistance: Salaries and expenses 502				
Appropriation, current	BA	**960**	**840**	.....
Outlays	0	663	1,276	.....
National Transportation Policy Study Commission: Salaries and expenses 407				
Outlays	0	1	.....	.....
Navajo and Hopi Indian Relocation Commission: Salaries and expenses 806				
Appropriation, current	BA	**10,062**	**7,665** D **26**	**16,896**
Reappropriation	BA	**2,406**	.....	.....
Outlays	0	8,064	11,276	16,897
Total Navajo and Hopi Indian Relocation Commission	BA	**12,468**	**7,691**	**16,896**
	0	8,064	11,276	16,897
President's Commission for the Study of Ethical Problems in Medicine: Salaries and expenses 551				
Appropriation, current	BA	**1,749**	.....	.....
Outlays	0	1,205	1,008	.....
President's Commission on Pension Policy: Salaries and expenses 601				
Outlays	0	2,658	.....	.....
Presidential Commission on World Hunger: Salaries and expenses 806				
Outlays	0	1	.....	.....
Select Commission on Immigration and Refugee Policy: Salaries and expenses 751				
Outlays	0	34	−7	.....
Total Federal funds Other Temporary Commissions	BA	**15,349**	**9,831**	**16,896**
	0	14,505	15,018	17,465
National Commission on the International Year of the Child				
Federal funds				
General and Special Funds:				
Salaries and expenses 506				
Outlays	0	8	.....	.....
Total Federal funds Temporary Study Commissions	BA	**15,349**	**9,831**	**16,896**
	0	14,513	15,018	17,465

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Nuclear Safety Oversight Committee					
Federal funds					
General and Special Funds:					
Salaries and expenses	276				
Outlays		0	48	.....	.....
Tennessee Valley Authority					
Federal funds					
Public Enterprise Funds:					
Tennessee Valley Authority fund:					
(Energy supply)	271				
(Authority to borrow, permanent, indefinite)		BA	**22,123**	**989,558**	**808,242**
(Outlays)		0	1,285,688	1,150,000	880,000
(Area and regional development)	452				
(Appropriation, current)		BA	**129,162**	**176,433**	**75,229**
(Outlays)		0	191,910	200,000	130,000
Total Tennessee Valley Authority fund		BA	**151,285**	**1,165,991**	**883,471**
		0	1,477,598	1,350,000	1,010,000
Summary					
Federal funds:					
(As shown in detail above)		BA	**151,285**	**1,165,991**	**883,471**
		0	1,477,598	1,350,000	1,010,000
Deductions for offsetting receipts:					
Proprietary receipts from the public	270	BA			
		0	*—24*	*—24*	*—24*
Total Tennessee Valley Authority		BA	**151,261**	**1,165,967**	**883,447**
		0	1,477,574	1,349,976	1,009,976
United States Holocaust Memorial Council					
Federal funds					
General and Special Funds:					
Holocaust Memorial Council	806				
Appropriation, current		BA	**785**	**820**	**1,953**
				[D] **16**	
Outlays		0	730	776	1,953
Total Holocaust Memorial Council		BA	**785**	**836**	**1,953**
		0	730	776	1,953
Trust funds					
Gifts and donations	806				
Appropriation, permanent		BA	.....	**100**	**100**
Outlays		0	.....	100	100

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.				
United States Information Agency				
Federal funds				
General and Special Funds:				
Salaries and expenses 154				
Appropriation, current	BA	**450,401**	**492,122**	
				[K] **634,365**
			[A] **30,867**	
			[C] **459**	
			[D] **9,051**	
Outlays	0	455,812	487,544	608,555
			[A] 24,580	[A] 6,287
Total Salaries and expenses	BA	**450,401**	**532,499**	**634,365**
	0	455,812	512,124	614,842
Salaries and expenses (special foreign currency program) 154				
Appropriation, current	BA	**9,800**	**10,327**	
				[K] **10,556**
Outlays	0	9,423	10,860	11,734
Total Salaries and expenses (special foreign currency program)	BA	**9,800**	**10,327**	**10,556**
	0	9,423	10,860	11,734
Center for Cultural and Technical Interchange Between East and West 154				
Appropriation, current	BA	**16,880**	**18,000**	
				[K] **18,547**
Outlays	0	16,252	20,007	18,547
Total Center for Cultural and Technical Interchange Between East and West	BA	**16,880**	**18,000**	**18,547**
	0	16,252	20,007	18,547
Acquisition and construction of radio facilities 154				
Appropriation, current	BA	**19,000**	**25,000**	
				[K] **47,959**
			[A] **11,833**	
Outlays	0	3,064	24,068	58,533
			[A] 9,958	[A] 1,875
Total Acquisition and construction of radio facilities	BA	**19,000**	**36,833**	**47,959**
	0	3,064	34,026	60,408
Miscellaneous expired special foreign currency programs 154				
Outlays	0	15	.....	.....
Trust funds				
Miscellaneous trust funds 154				
Appropriation, permanent, indefinite	BA	**1,546**	**5,214**	**4,214**
Outlays	0	1,448	5,050	4,564

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
United States Information Agency—Con.					
Summary					
Federal funds:					
(As shown in detail above)		BA	**496,081**	**597,659**	**711,427**
		O	484,566	577,017	705,531
Deductions for offsetting receipts:					
Proprietary receipts from the public	150	BA			
		O	*−229*	*−447*	*−447*
	908	BA			
		O	*−7*	*−7*	*−7*
Total Federal funds		BA	**495,845**	**597,205**	**710,973**
		O	484,330	576,563	705,077
Trust funds:					
(As shown in detail above)		BA	**1,546**	**5,214**	**4,214**
		O	1,448	5,050	4,564
Deductions for offsetting receipts:					
Proprietary receipts from the public	154	BA			
		O	*−628*	*−627*	*−627*
Total Trust funds		BA	**918**	**4,587**	**3,587**
		O	820	4,423	3,937
Total United States Information Agency		BA	**496,763**	**601,792**	**714,560**
		O	485,150	580,986	709,014
United States Metric Board					
Federal funds					
General and Special Funds:					
Salaries and expenses	376				
Appropriation, current		BA	**2,000**	.....	.....
Outlays		O	2,003	614	.....
Trust funds					
Gifts and donations	376				
Outlays		O	2	.....	.....
United States Railway Association					
Federal funds					
General and Special Funds:					
Administrative expenses	401				
Appropriation, current		BA	**9,000**	**2,950**	.....
Outlays		O	12,695	4,000	800
Payments for purchase of Conrail securities	401				
Outlays		O	15,000	.....	.....
Total Federal funds United States Railway Association		BA	**9,000**	**2,950**	.....
		O	27,695	4,000	800

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Water Resources Council					
Federal funds					
General and Special Funds:					
Water resources planning	301				
Appropriation, current		BA	**3,888**	**4,083**	.....
Outlays		O	3,684	2,403	.....
Trust funds					
River Basin Commissions	301				
Appropriation, permanent, indefinite		BA	**268**	.....	.....
Outlays		O	5,213	675	.....
Summary					
Federal funds:					
(As shown in detail above)		BA	**3,888**	**4,083**	.....
		O	3,684	2,403	.....
Trust funds:					
(As shown in detail above)		BA	**268**	.....	.....
		O	5,213	675	.....
Deductions for offsetting receipts:					
Proprietary receipts from the public	301	BA			
		O	*—79*	.....	.....
Total Trust funds		BA	**189**	.....	.....
		O	5,134	675	.....
Interfund transactions	301	BA			
		O	**—189**	.....	.....
Total Water Resources Council		BA	**3,888**	**4,083**	.....
		O	8,629	3,078	.....
Summary					
Federal funds:					
(As shown in detail above)		BA	**26,999,761**	**29,582,159**	**27,563,419**
		O	25,708,315	27,171,601	25,594,736
Deductions for offsetting receipts:					
Intrafund transactions	054	BA			
		O	*329*	.....	.....
	403	BA			
		O	.....	.....	*—85,583*
Proprietary receipts from the public	054	BA			
		O	*—156,876*	*—196,756*	*—214,377*
		BA			
		O			[1] *—100,000*
	150	BA			
		O	*—229*	*—447*	*—447*
	250	BA			
		O	*—170*	*—270*	*—270*
	270	BA			
		O	*—70*	*—24*	*—24*
	276	BA			
		O	*—1,158*	*—325*	*—325*

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Summary—Con.					
	350	BA	*—1*	*—2*	*—2*
		O			
	370	BA	*—102*	*—113*	*—113*
		O			
	400	BA	*—59,928*	*—26,105*	*—20,105*
		O			
	403	BA	*—440,139*	*—433,834*	*—459,125*
		O			
	450	BA	*3*	.....	.....
		O			
	500	BA	*—416*	*—241*	*—244*
		O			
	506	BA	*158*	.....	.....
		O			
	550	BA	*—13*	*—31*	*—32*
		O			
	554	BA	*—3*	.....	.....
		O			
	609	BA	*—2*	.....	.....
		O			
	700	BA	*—8*	*—9*	*—9*
		O			
	750	BA	*—90*	*—100*	*—100*
		O			
	800	BA	*—82,388*	*—450,208*	*—646,718*
		O		*[1] 385,317*	*[1] 562,266*
	805	BA	*—1*	*—3*	*—3*
		O			
	806	BA	*—74*	*—65*	*—44*
		O			
	852	BA	*—248,214*	*—179,370*	*—31,144*
		O			
	908	BA	*—53*	*—40*	*—40*
		O			
Total Federal funds		BA	**26,010,316**	**28,679,533**	**26,566,980**
		O	24,718,870	26,268,975	24,598,297
Trust funds:					
(As shown in detail above)		BA	**36,354,012**	**41,027,627**	**44,995,206**
		O	22,938,612	24,831,729	27,592,404
Deductions for offsetting receipts:					
Intrafund transactions	602	BA	*—9,830*	*—7,500*	*—6,500*
		O			
	908	BA	*15,303*	*—7,000*	*—29,000*
		O			
Proprietary receipts from the public	154	BA	*—628*	*—627*	*—627*
		O			
	301	BA	*—79*	.....	.....
		O			

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Other Independent Agencies—Con.					
Summary—Con.					
	452	BA	*—2,744*	*—2,450*	.....
		O			
Total Trust funds		BA	**36,356,034**	**41,010,050**	**44,959,079**
		O	22,940,634	24,814,152	27,556,277
Interfund transactions	301	BA	**—189**	.....	.....
		O			
	452	BA	**—3,530**	**—2,450**	.....
		O			
	601	BA	**—50,000**	**—1,452,000**	**—2,551,907**
		O			
	602	BA	**—47,366**	**—68,000**	**—68,000**
		O			
	803	BA	**—3**	**—3**	**—3**
		O			
	805	BA	**—14,483,927**	**—15,544,841**	**—15,885,507**
		O			
		BA			[1] **899,080**
		O			
Total Other Independent Agencies		BA	**47,781,335**	**52,622,289**	**53,919,722**
		O	33,074,489	34,015,833	34,548,237
Allowances					
Allowances for:					
Federal funds					
General and Special Funds:					
Increased employing agency payments for employee retirement					
Appropriation, current		BA			[1] **949,000**
Outlays		O			[1] 949,000
Contingencies for:					
Relatively uncontrollable programs					
Appropriation, current		BA	.....	.....	**0**
Outlays		O	.....	.....	0
Other requirements					
Appropriation, current		BA	.....	.....	**0**
Outlays		O	.....	.....	0
Summary					
Federal funds:					
Total Allowances		BA	.....	.....	**949,000**
		O	.....	.....	949,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Budget Totals				
Federal funds:				
(As shown in detail above)	BA	**601,519,871**	**665,570,359**	**685,815,761**
	O	558,976,192	648,403,371	655,964,591
Deductions for offsetting receipts:				
(As shown in detail above):				
Intrafund transactions	BA	*—3,132,242*	*—7,107,832*	*—5,877,411*
	O		*[J] 11,237*	*[J] 125,493*
Receipts from off-budget Federal entities	BA	*—12,443,936*	*—14,356,588*	*—15,405,667*
	O			
Proprietary receipts from the public	BA	*—11,037,027*	*—12,088,123*	*—11,515,571*
	O		*[J] 385,993*	*[J] 72,736*
(Undistributed by agency and function):				
Proprietary receipts from the public:				
Rents and royalties on the Outer Continental Shelf 953	BA	*—6,249,621*	*—11,793,000*	*—11,895,000*
	O			
Federal surplus property disposition 954	BA		*[J] —407,687*	*[J] —1,002,566*
	O			
Total deductions	BA	*—32,862,826*	*—45,356,000*	*—45,497,986*
	O			
Federal fund totals	BA	**568,657,045**	**620,214,359**	**640,317,775**
	O	526,113,366	603,047,371	610,466,605
Trust funds:				
(As shown in detail above)	BA	**291,785,693**	**344,825,175**	**361,916,449**
	O	282,777,931	319,761,377	340,139,946
Deductions for offsetting receipts:				
(As shown in detail above):				
Intrafund transactions	BA	*—1,857,790*	*—3,266,534*	*—4,480,524*
	O			
Proprietary receipts from the public	BA	*—17,033,263*	*—18,107,826*	*—19,908,638*
	O		*[J] 126,000*	*[J] —31,930*
(Undistributed by agency and function):				
Receipts from off-budget Federal entities:				
Employer share, employee retirement 951	BA	*—1,731,516*	*—2,151,886*	*—2,207,850*
	O			*[J] —241,840*
Total deductions	BA	*—20,622,569*	*—23,400,246*	*—26,870,782*
	O			
Trust fund totals	BA	**271,163,124**	**321,424,929**	**335,045,667**
	O	262,155,362	296,361,131	313,269,164

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code			1982 actual	1983 estimate	1984 estimate
Budget Totals—Con.					
Interfund transactions (−):					
Interest received by trust funds	902	BA	**−16,066,713**	**−15,752,468**	**−15,992,363**
		O		[1] **−597,000**	[1] **−869,579**
Employer share, employee retirement	951	BA	**−5,288,787**	**−6,061,737**	**−6,439,892**
		O			[1] **−963,080**
Applied by agency above		BA	**−38,538,488**	**−71,794,803**	**−50,988,303**
		O			
Total interfund transactions		BA	**−59,893,988**	**−94,206,008**	**−75,253,217**
		O			
Budget totalsΔ		BA	**779,926,181**	**847,433,280**	**900,110,225**
		O	728,374,740	805,202,494	848,482,552

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code	1982 actual	1983 estimate	1984 estimate

Budget Totals—Continued

ΔBudget totals are distributed as follows:

	1983		1984	
	BA	Outlays	BA	Outlays
Federal funds:				
Enacted, pending and initial requests:				
Appropriations	640,187,713	619,097,004	679,785,235	661,258,231
Legislative action required (L)	85,000	30,094	−2,848,399	−3,413,496
Proposed in this budget:				
Supplemental requests:				
Programs:				
Under existing legislation (A)	5,517,969	7,199,814	−8,000	−78,678
Add. authorizing leg. req. (B)	516,840	233,830	.....	165,045
Pay:				
Wage-board pay raises (C)	35,026	34,679	.....	1,046
Civilian pay raises (D)	725,676	740,149	.....	22,114
Military pay raises (E)	14,236	14,175	.....	61
Rescission proposal (M)	−1,462,415	−123,073	.....	−365,360
To be proposed separately:				
Under existing legislation (I)	957,800	107,300	733,396	385,750
Under proposed legislation (J)	18,992,514	21,069,399	7,204,529	−2,959,122
Allowances	.....	.....	949,000	949,000
Deductions for offsetting receipts	−45,345,543	−45,345,543	−44,693,649	−44,693,649
Under proposed legislation (J)	−10,457	−10,457	−804,337	−804,337
Total Federal funds	620,214,359	603,047,371	640,317,775	610,466,605
Trust funds:				
Enacted, pending and initial requests:				
Appropriations	319,027,483	316,516,457	349,724,850	322,756,589
Legislative action required (L)	.....	−35,000	−37,000	−316,000
Proposed in this budget:				
Supplemental requests:				
Programs:				
Under existing legislation (A)	5,435,061	5,421,100	.....	.....
Pay:				
Civilian pay raises (D)	14,831	14,820	.....	11
Rescission proposal (M)	−23,200	.....	.....	.....
To be proposed separately:				
Under existing legislation (I)	.....	.....	.....	23,764,713
Under proposed legislation (J)	20,371,000	−2,156,000	12,228,599	−6,065,367
Deductions for offsetting receipts	−23,526,246	−23,526,246	−26,597,012	−26,597,012
Under proposed legislation (J)	126,000	126,000	−273,770	−273,770
Total Trust funds	321,424,929	296,361,131	335,045,667	313,269,164
Interfund transactions (−)	−94,206,008	−94,206,008	−75,253,217	−75,253,217
Budget totals	847,433,280	805,202,494	900,110,225	848,482,552

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities				
Department of Agriculture				
Federal funds				
Public Enterprise Funds:				
Rural electrification and telephone revolving fund 271				
Authority to borrow, permanent	BA	**464**	**1,317**	.....
Outlays	0	—198	.....	.....
Rural telephone bank 452				
Appropriation, current	BA	**30,000**	**30,000** **H —23,400**	.....
Authority to borrow, permanent, indefinite	BA	**128,822**	**121,517** **H 23,400**	**149,808**
Outlays	0	78,600	144,911	142,604
Total Rural telephone bank	BA	**158,822**	**151,517**	**149,808**
	0	78,600	144,911	142,604
Total Federal funds Department of Agriculture	BA	**159,286**	**152,834**	**149,808**
	0	78,402	144,911	142,604
Energy Activities				
Federal funds				
General and Special Funds:				
SPR petroleum 274				
Appropriation, current	BA	**3,684,000**	**2,074,060**	**583,100**
Outlays	0	3,686,651	1,770,600	1,866,400
Department of the Treasury--Federal Financing Bank M†				
Funds Appropriated to the President				
International Security Assistance				
Federal funds				
General and Special Funds:				
Foreign military sales credit, FFB (loan guarantee originations) 152				
Authority to borrow, permanent, indefinite	BA	**2,922,801**	**3,380,700** **B 157,000**	**4,611,350** **B 257,250**
Outlays	0	2,288,236	2,691,000 B 157,000	3,929,550 B 257,250
Total Foreign military sales credit, FFB (loan guarantee originations)	BA	**2,922,801**	**3,537,700**	**4,868,600**
	0	2,288,236	2,848,000	4,186,800

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities—Con.				
Department of the Treasury--Federal Financing Bank—Con.				
Funds Appropriated to the President—Con.				
Overseas Private Investment Corporation				
Federal funds				
Public Enterprise Funds:				
Overseas Private Investment Corporation, FFB (loan asset sales) 151				
Outlays	0	−5,105	−5,460	−5,583
Total Federal funds Funds Appropriated to the President	BA	**2,922,801**	**3,537,700**	**4,868,600**
	0	2,283,131	2,842,540	4,181,217
Department of Agriculture				
Rural Electrification Administration [N]				
Federal funds				
Public Enterprise Funds:				
REA, FFB (loan asset sales) 271				
Authority to borrow, permanent, indefinite	BA	**528,400**	**565,200**	**464,900**
Outlays	0	528,400	565,200	464,900
REA, FFB (loan guarantee originations) 271				
Authority to borrow, permanent, indefinite	BA	**4,079,736**	**5,353,148**	**4,610,000**
Outlays	0	3,938,618	5,345,063	4,590,792
Total Federal funds Rural Electrification Administration	BA	**4,608,136**	**5,918,348**	**5,074,900**
	0	4,467,018	5,910,263	5,055,692
Farmers Home Administration				
Federal funds				
Public Enterprise Funds:				
Agricultural credit insurance fund, FFB (loan asset sales) 351				
Authority to borrow, permanent, indefinite	BA	**5,380,000**	**4,299,941**	**5,290,572**
Outlays	0	1,055,000	834,941	−104,428
Rural housing insurance fund, FFB (loan asset sales) 371				
Authority to borrow, permanent, indefinite	BA	**5,170,000**	**5,335,267**	**4,262,906**
				[J] **−4,262,906**
Outlays	0	2,800,000	2,650,267	332,906
				[J] −332,906
Total Rural housing insurance fund, FFB (loan asset sales)	BA	**5,170,000**	**5,335,267**	.....
	0	2,800,000	2,650,267	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities—Con.				
Department of the Treasury--Federal Financing Bank—Con.				
Department of Agriculture—Con.				
Rural development insurance fund, FFB (loan asset sales) 452				
Authority to borrow, permanent, indefinite	BA	**1,535,000**	**1,191,131**	**1,644,062**
Outlays	0	1,060,000	686,131	664,062
Total Federal funds Farmers Home Administration	BA	**12,085,000**	**10,826,339**	**6,934,634**
	0	4,915,000	4,171,339	559,634
Total Federal funds Department of Agriculture	BA	**16,693,136**	**16,744,687**	**12,009,534**
	0	9,382,018	10,081,602	5,615,326
Education Activities				
Federal funds				
Public Enterprise Funds:				
Guarantees of SLMA obligations, FFB (loan guarantee originations) [o] 502				
Authority to borrow, permanent, indefinite	BA	**700,000**	.....	.....
Outlays	0	700,000	.....	.....
Energy Activities				
Energy Programs				
Federal funds				
General and Special Funds:				
Energy conservation, electric and hybrid vehicles, FFB (loan guarantee originations) 272				
Authority to borrow, permanent, indefinite	BA	**141**	.....	.....
Outlays	0	−2,019	.....	.....
Geothermal resources development fund, FFB (loan guarantee originations) 271				
Authority to borrow, permanent, indefinite	BA	**19,613**	.....	.....
Outlays	0	19,613	.....	.....
Alternative fuels production, FFB (loan guarantee originations) 271				
Authority to borrow, permanent, indefinite	BA	**842,448**	.....	.....
Outlays	0	340,000	.....	.....
Total Federal funds Energy Programs	BA	**862,202**	.....	.....
	0	357,594	.....	.....
Total Federal funds Energy Activities	BA	**862,202**	.....	.....
	0	357,594	.....	.....
Department of Health and Human Services				
Health Resources and Services Administration				
Federal funds				
Public Enterprise Funds:				
Medical facilities guarantee and loan fund, FFB (loan asset sales) 551				
Outlays	0	−4,726	−5,017	−4,889

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities—Con.				
Department of the Treasury--Federal Financing Bank—Con.				
Department of Health and Human Services—Con.				
Health maintenance organization loan and loan guarantee fund, FFB (loan asset sales) 551				
Authority to borrow, permanent, indefinite	BA	**16,830**	**16,500**	**6,200**
Outlays	0	14,581	−19,079	4,700
Total Federal funds Health Resources and Services Administration	BA	**16,830**	**16,500**	**6,200**
	0	9,855	−24,096	−189
Total Federal funds Department of Health and Human Services	BA	**16,830**	**16,500**	**6,200**
	0	9,855	−24,096	−189
Department of Housing and Urban Development				
Housing Programs				
Federal funds				
Public Enterprise Funds:				
Low-rent public housing--loans and other expenses, FFB (loan guarantee originations) 604				
Authority to borrow, permanent, indefinite	BA	**732,470**	**625,000**	.....
Outlays	0	695,782	591,330	−36,676
Revolving fund (liquidating programs), FFB (loan guarantee originations) 451				
Authority to borrow, permanent, indefinite	BA			[L] **33,500**
Outlays	0			[L] 33,500
Total Federal funds Housing Programs	BA	**732,470**	**625,000**	**33,500**
	0	695,782	591,330	−3,176
Community Planning and Development				
Federal funds				
General and Special Funds:				
Community development grants, FFB (loan guarantee originations) 451				
Authority to borrow, permanent, indefinite	BA	**90,462**	**155,000**	**182,000**
Outlays	0	42,738	119,000	134,000
New Community Development Corporation				
Federal funds				
Public Enterprise Funds:				
New communities fund, FFB (loan guarantee originations) 451				
Outlays	0			[L] −33,500
Total Federal funds Department of Housing and Urban Development	BA	**822,932**	**780,000**	**215,500**
	0	738,520	710,330	97,324

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities—Con.				
Department of the Treasury--Federal Financing Bank—Con.				
Department of Interior				
Territorial Affairs				
Federal funds				
General and Special Funds:				
Territory of the Virgin Islands, FFB (loan guarantee originations) 806				
Outlays	0	−374	−404	−438
Guam Power Authority, FFB (loan guarantee originations) 806				
Authority to borrow, permanent, indefinite	BA	**36,000**	.....	.....
Total Federal funds Territorial Affairs	BA	**36,000**	.....	.....
	0	−374	−404	−438
Total Federal funds Department of Interior	BA	**36,000**	.....	.....
	0	−374	−404	−438
Department of Transportation				
Federal Railroad Administration				
Federal funds				
General and Special Funds:				
Rail service assistance, FFB (loan guarantee originations) 401				
Outlays	0	.....	−17,289	.....
Grants to National Railroad Passenger Corporation, FFB (loan guarantee originations) 401				
Authority to borrow, permanent, indefinite	BA	**3,163,755**	**21,277**	.....
Outlays	0	78,839	21,277	.....
Public Enterprise Funds:				
Railroad rehabilitation and improvement financing fund, FFB (loan guarantee originations) 401				
Authority to borrow, permanent, indefinite	BA	**15,805**	**31,200**	.....
Outlays	0	−814	18,240	−13,190
Total Federal funds Federal Railroad Administration	BA	**3,179,560**	**52,477**	.....
	0	78,025	22,228	−13,190
Total Federal funds Department of Transportation	BA	**3,179,560**	**52,477**	.....
	0	78,025	22,228	−13,190
Department of the Treasury				
Federal funds				
Intragovernmental Funds:				
Federal Financing Bank [P] 803				
Outlays	0	−12,112	12,112	.....

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities—Con.				
Department of the Treasury--Federal Financing Bank—Con.				
National Aeronautics and Space Administration				
Federal funds				
General and Special Funds:				
Research and development, FFB (loan guarantee originations) 255				
Authority to borrow, permanent, indefinite	BA	**146,345**	**205,000**	**36,700**
Outlays	0	120,049	174,900	−140,000
Other Independent Agencies				
General Services Administration				
Federal funds				
Intragovernmental Funds:				
Federal buildings fund, FFB (loan guarantee originations) 804				
Authority to borrow, permanent, indefinite	BA	**11,634**	.....	.....
Outlays	0	7,930	−8,834	−9,517
Small Business Administration				
Federal funds				
Public Enterprise Funds:				
SBA, Small business investment companies, FFB (loan guarantee originations) 376				
Authority to borrow, permanent, indefinite	BA	**134,123**	**145,000**	**145,000**
Outlays	0	108,133	108,000	95,000
SBA, Section 503 loan guarantees, FFB (loan guarantee originations) 376				
Authority to borrow, permanent, indefinite	BA	**43,468**	**150,000**	**195,000**
Outlays	0	43,184	149,700	194,700
SBA, Small business development company loans, FFB (loan asset sales) 376				
Outlays	0	−9,320	−10,000	−10,000
Total Federal funds Small Business Administration	BA	**177,591**	**295,000**	**340,000**
	0	141,997	247,700	279,700
Tennessee Valley Authority				
Federal funds				
Public Enterprise Funds:				
Tennessee Valley Authority fund, Seven States Corp., FFB (loan guarantee originations) 271				
Authority to borrow, permanent, indefinite	BA	**4,513,384**	**5,412,300**	**6,257,700**
Outlays	0	335,785	193,200	181,300
Total Federal funds Other Independent Agencies..	BA	**4,702,609**	**5,707,300**	**6,597,700**
	0	485,712	432,066	451,483
Total Federal funds Department of the Treasury--Federal Financing Bank	BA	**30,082,415**	**27,043,664**	**23,734,234**
	0	14,142,418	14,251,278	10,191,533

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1982 actual	1983 estimate	1984 estimate
Off-Budget Federal Entities—Con.				
Postal Service				
Federal funds				
Public Enterprise Funds:				
Postal Service 372				
Authority to borrow, permanent, indefinite	BA	.....	**341,085**	**2,585,797**
Outlays	O	−552,843	935,245	1,860,597
United States Railway Association				
Federal funds				
Public Enterprise Funds:				
Regional rail reorganization program 401				
Authority to borrow, permanent, indefinite	BA	**19,038**	**15,670**	.....
Outlays	O	−23,417	−56,730	−19,339
Synthetic Fuels Corporation				
Federal funds				
Public Enterprise Funds:				
Synthetic Fuels Corporation 271				
Contract authority, permanent	BA	**12,435**	**26,603**	**66,894**
Summary				
Federal funds:				
(As shown in detail above)	BA	**33,957,174**	**29,653,916**	**27,119,833**
	O	17,331,211	17,045,304	14,041,795
Budget totals	BA	**779,926,181**	**847,433,280**	**900,110,225**
	O	728,374,740	805,202,494	848,482,552
Total, including off-budget entities	BA	**813,883,355**	**877,087,196**	**927,230,058**
	O	745,705,951	822,247,798	862,524,347

[A] Supplemental under existing legislation.
[B] Supplemental. Additional authorizing legislation required.
[C] Supplemental for wage-board pay raises.
[D] Supplemental for civilian pay raises.
[E] Supplemental for military pay raises.
[F] Proposed transfer to other accounts for pay raises (—).
[G] Proposed transfer from other accounts for pay raises.
[H] Rescission proposal.
[I] Proposed for later transmittal under existing legislation.
[J] Proposed for later transmittal under proposed legislation.
[K] Additional authorizing legislation required.
[L] Legislative action required.
[M] Negative amounts indicate that the offsetting collections credited to the respective subfunctions exceed the gross disbursements.
[N] Off-budget Federal entity (Rural Electrification and Telephone Revolving Fund).
[O] Guaranteed for Government-sponsored enterprise (Student Loan Marketing Association).
[P] Miscellaneous outlays not attributed to any single program.
‡ In order to reflect the transactions of the Federal Financing Bank (FFB) account on behalf of other agencies, budget authority and outlays of the FFB account are shown by agency, account title, and subfunction of the account being serviced. The non-lending FFB transactions are shown in subfunction 803 (central fiscal operations).

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PART 9

SUMMARY TABLES

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EXPLANATORY NOTE RELATING TO THE SUMMARY TABLES

Types of tables.—This part of the budget consists of tables as follows:

- Tables 1 through 11 are short summary tables of the budget.
- Tables 12 through 14 provide greater detail in support of financial data in the first three tables.
- Table 15 presents 5-year projections of the estimated costs of proposed legislation pursuant to section 221(a) of the Legislative Reorganization Act of 1970.
- Tables 16 and 17 provide detailed information on direct loan and loan guarantee activity within the Federal credit control system.
- Tables 18 through 24 are historical in nature, giving data, for earlier years, comparable to those data in the preceding tables, and also giving information on the national income accounts, the gross national product over a longer period, and the budget in constant (fiscal year 1972) prices.

Periods covered.—Due to the change in fiscal year required by the Congressional Budget Act, the following periods are covered by the various columns or stub entries:

- July 1 through June 30 for the 1976 and prior fiscal periods.
- July 1 through September 30, 1976, for the transition quarter (TQ).
- October 1 through September 30 for the 1977 and subsequent fiscal periods.

Concepts followed.—The concepts used in the current and historical tables are discussed in Part 7 of this volume. Budget authority and outlays for off-budget Federal entities are included in selected tables.

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Table 1. **BUDGET SUMMARY**

(In millions of dollars)

Description	1982 actual	1983 estimate	1984 estimate
THE BUDGET			
Budget authority (largely appropriations):			
Available through current action by Congress:			
Enacted and pending	457,106	496,346	.....
Proposed in this budget	.....	10,774	510,754
To be requested separately	.....	41,952	17,789
Available without current action by Congress	436,199	461,323	519,190
Deductions for offsetting receipts [1]	−113,379	−162,962	−147,622
Total budget authority	**779,926**	**847,433**	**900,110**
Budget authority, off-budget Federal entities	(33,957)	(29,654)	(27,120)
Budget authority including off-budget Federal entities	(813,883)	(877,087)	(927,230)
Receipts, outlays, and surplus or deficit:			
Receipts:			
Total budget receipts	**617,766**	**597,494**	**659,702**
Outlays:			
Total budget outlays	**728,375**	**805,202**	**848,483**
Outlays, off-budget Federal entities	(17,331)	(17,045)	(14,042)
Outlays, including off-budget Federal entities	(745,706)	(822,248)	(862,524)
Surplus or deficit(−):			
Total budget deficit (−)	**−110,609**	**−207,708**	**−188,781**
Deficit, off-budget Federal entities	−17,331	−17,045	−14,042
Total deficit (−)	−127,940	−224,754	−202,822
THE CREDIT BUDGET			
New obligations and commitments:			
New direct loan obligations	47,556	49,067	38,827
New guaranteed loan commitments [2]	53,726	102,667	98,734
Total	**101,282**	**151,734**	**137,561**
Net loans and loan guarantees:			
Net direct loans:			
On-budget	9,107	5,162	−329
Off-budget	14,345	14,436	10,400
Net guaranteed loans [2]	20,856	55,779	48,851
Total	**44,308**	**75,377**	**58,922**

FEDERAL DEBT

	1981 actual			
Debt outstanding, end of period:				
Gross Federal debt	1,003,941	1,146,987	1,383,744	1,606,339
Held by:				
Government agencies	209,507	217,560	239,317	258,912
The public	794,434	929,427	1,144,427	1,347,427
Federal Reserve System	124,466	134,497		
Others	669,968	794,929		

[1] These consist of intragovernmental transactions and proprietary receipts from the public.

[2] To avoid double counting, excludes guarantees (or commitments) of loans previously guaranteed and guarantees (or commitments) by one Government account of direct loans made by another Government account.

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Table 2. **BUDGET RECEIPTS BY SOURCE AND BUDGET OUTLAYS BY AGENCY, 1982–88**

(In billions of dollars)

	1982 actual	Estimate					
		1983	1984	1985	1986	1987	1988
Budget receipts by source:							
Individual income taxes	297.7	285.2	295.6	317.9	358.6	395.7	446.1
Corporation income taxes	49.2	35.3	51.8	60.5	74.0	84.0	86.7
Social insurance taxes and contributions	201.5	210.3	242.9	275.5	304.9	330.3	370.2
Excise taxes	36.3	37.3	40.4	40.9	74.8	76.3	76.6
Estate and gift taxes	8.0	6.1	5.9	5.6	5.0	4.6	4.3
Customs duties	8.9	8.8	9.1	9.4	9.7	10.0	10.5
Miscellaneous receipts	16.2	14.5	14.0	14.5	14.8	15.4	15.8
Total budget receipts	**617.8**	**597.5**	**659.7**	**724.3**	**841.9**	**916.3**	**1,010.3**
Budget outlays by agency:							
Legislative branch	1.4	1.5	1.6	1.6	1.6	1.6	1.7
The Judiciary	.7	.8	.9	.9	.9	.9	.9
Executive Office of the President	.1	.1	.1	.1	.1	.1	.1
Funds appropriated to the President	6.1	7.3	7.9	8.1	8.0	8.0	7.9
Agriculture	36.2	45.0	35.0	32.9	32.4	32.9	33.1
Commerce	2.0	2.0	1.7	1.6	1.5	1.6	1.6
Defense—Military [1]	182.9	208.9	238.6	277.5	314.9	345.6	377.0
Defense—Civil	3.0	2.9	2.2	2.2	2.3	2.4	2.6
Education	14.1	14.4	13.5	13.4	13.0	12.9	13.0
Energy	7.6	8.7	8.8	9.6	10.1	10.7	10.7
Health and Human Services	251.3	274.4	288.8	312.6	336.2	363.0	392.3
Housing and Urban Development	14.5	14.9	13.7	12.8	12.9	14.0	14.8
Interior	3.9	4.0	3.6	2.9	2.4	3.3	3.4
Justice	2.6	3.0	3.3	3.3	3.3	3.3	3.3
Labor	30.7	43.0	34.3	30.5	28.9	28.0	27.3
State	2.2	2.3	2.6	2.7	2.8	2.9	3.0
Transportation [2]	19.9	21.2	24.4	25.5	26.3	27.1	27.5
Treasury	110.5	118.0	135.0	152.2	167.2	179.0	189.4
Environmental Protection Agency	5.1	4.4	4.1	4.0	3.8	3.6	3.4
National Aeronautics and Space Administration	6.0	6.7	7.0	7.0	6.4	6.3	5.7
Veterans Administration	23.9	24.4	25.7	26.4	27.1	27.8	28.7
Office of Personnel Management	20.0	21.5	23.2	24.2	25.9	27.5	29.2
Other agencies	13.1	12.5	11.4	10.4	10.3	9.6	9.3
Allowances [3]	.....	.....	.9	3.7	5.7	7.7	9.8
Undistributed offsetting receipts	−29.3	−36.8	−39.6	−47.7	−54.5	−61.4	−68.7
Total budget outlays	**728.4**	**805.2**	**848.5**	**918.5**	**989.6**	**1,058.4**	**1,126.9**
Budget surplus or deficit(—)	**−110.6**	**−207.7**	**−188.8**	**−194.2**	**−147.7**	**−142.1**	**−116.7**

[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Includes allowances for military pay raises for the Coast Guard.
[3] Includes allowances for civilian agency pay raises and increased employing agency payments for employee retirement.

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Table 3. **BUDGET OUTLAYS BY FUNCTION, 1982–88**

(In billions of dollars)

	1982 actual	Estimate					
		1983	1984	1985	1986	1987	1988
National defense	(187.4)	(214.8)	(245.3)	(285.3)	(323.0)	(354.3)	(385.6)
Military personnel	42.3	45.3	47.7	49.5	51.0	52.1	53.0
Retired pay	14.9	16.1	16.8	17.4	18.4	19.3	20.1
Operation and maintenance	59.7	64.6	71.6	79.1	87.3	95.7	103.1
Procurement	43.3	55.2	68.2	85.9	103.7	117.5	131.4
Other [1]	27.2	33.5	41.0	53.4	62.7	69.6	78.0
International affairs	10.0	11.9	13.2	13.0	12.9	12.6	12.6
General science, space and technology	7.1	7.8	8.2	8.4	7.9	7.7	7.1
Energy	4.7	4.5	3.3	2.7	2.8	2.8	3.2
Natural resources and environment	12.9	12.1	9.8	9.3	8.7	8.3	8.0
Agriculture	14.9	21.1	12.1	10.7	9.5	9.8	10.0
Commerce and housing credit	3.9	1.9	.4	−2.3	−2.8	−2.3	−3.0
Transportation [2]	20.6	21.9	25.1	26.2	27.0	27.8	28.2
Community and regional development	7.2	7.4	7.0	7.0	6.8	6.7	6.7
Education, training employment, and social services	(26.3)	(26.7)	(25.3)	(25.1)	(24.8)	(24.8)	(25.1)
Education	14.3	14.4	13.5	13.3	12.9	12.9	13.1
Training and employment and other labor	6.0	5.7	5.3	5.2	5.2	5.3	5.3
Social services	6.0	6.5	6.4	6.6	6.7	6.7	6.7
Health	(74.0)	(82.4)	(90.6)	(100.5)	(109.6)	(121.0)	(133.5)
Medicare	46.6	53.0	59.8	67.5	74.5	83.4	93.1
Medicaid	17.4	19.4	20.9	23.2	25.4	27.9	30.6
Other	10.0	9.9	10.0	9.8	9.7	9.7	9.8
Income security	(248.3)	(282.5)	(282.4)	(294.6)	(311.4)	(327.7)	(346.3)
Social security	154.1	168.3	178.2	191.8	205.9	221.1	236.8
Other general retirement	7.7	7.9	7.4	6.8	7.7	7.3	8.0
Federal employee retirement	19.4	20.9	22.2	23.1	25.0	26.5	28.1
Unemployment compensation	23.8	36.9	28.8	25.9	24.7	23.7	22.5
Housing assistance	8.0	9.6	10.8	11.9	12.5	12.8	13.1
Food and nutrition assistance	15.6	17.8	16.3	16.3	16.6	17.1	17.5
Other income security	19.8	21.1	18.7	18.9	19.0	19.3	20.4
Veterans benefits and services	24.0	24.4	25.7	26.5	27.2	27.9	28.9
Administration of justice	4.7	5.3	5.5	5.5	5.5	5.5	5.6
General government	4.7	5.8	6.0	6.0	6.1	6.1	6.4
General purpose fiscal assistance	6.4	6.4	7.0	6.8	7.1	7.3	7.5
Net interest	84.7	88.9	103.2	114.2	122.7	130.4	134.3
Allowances:							
Civilian agency pay raises				1.8	3.8	5.8	7.9
Increased employing agency payments for employee retirement			.9	1.9	1.9	1.9	1.9
Undistributed offsetting receipts:							
Employer share, employee retirement	−7.0	−8.2	−9.9	−11.5	−12.0	−12.4	−12.8
Rents and royalties on the Outer Continental Shelf	−6.2	−11.8	−11.9	−12.2	−13.4	−14.4	−15.1
Federal surplus property disposition		−.4	−1.0	−.9	−1.0	−.9	−.9
Total budget outlays	**728.4**	**805.2**	**848.5**	**918.5**	**989.6**	**1,058.4**	**1,126.9**

[1] Includes allowances for civilian and military pay raises for Department of Defense—Military.
[2] Includes allowances for military pay raises for the Coast Guard.

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Table 4. **BUDGET AUTHORITY BY AGENCY, 1982–88**

(In billions of dollars)

Department or other unit	1982 actual	Estimate					
		1983	1984	1985	1986	1987	1988
Legislative branch	1.4	1.5	1.6	1.6	1.7	1.7	1.7
The Judiciary	.7	.8	.9	.9	.9	1.0	1.0
Executive Office of the President	.1	.1	.1	.1	.1	.1	.1
Funds appropriated to the President	8.5	10.4	9.8	9.3	8.9	8.7	8.8
Agriculture	40.6	41.6	39.2	33.7	31.3	32.2	32.4
Commerce	1.8	1.6	1.4	1.4	1.4	1.5	1.6
Defense—Military [1]	213.8	239.4	273.4	321.6	356.4	388.3	424.3
Defense—Civil	3.0	3.0	2.1	2.3	2.3	2.4	2.6
Education	14.7	13.8	13.1	13.1	13.1	13.1	13.1
Energy	7.9	8.4	8.9	10.7	10.6	11.0	11.0
Health and Human Services	246.2	273.0	285.2	320.8	353.7	386.9	435.8
Housing and Urban Development	20.1	10.7	4.1	4.6	8.7	14.8	9.8
Interior	3.7	3.8	3.4	2.9	2.5	3.3	3.4
Justice	2.6	2.9	3.4	3.4	3.2	3.3	3.3
Labor	27.2	38.1	36.3	34.9	35.3	35.5	35.7
State	2.6	2.7	2.9	3.0	3.1	3.2	3.3
Transportation [2]	20.5	25.9	27.0	27.7	28.6	28.5	28.9
Treasury	111.3	118.2	135.1	152.4	167.5	179.3	189.5
Environmental Protection Agency	3.7	3.7	3.6	3.7	3.7	3.4	3.4
National Aeronautics and Space Administration	6.0	6.8	7.1	7.0	6.3	6.3	5.4
Veterans Administration	24.9	25.0	26.1	26.8	27.7	28.6	29.5
Office of Personnel Management	32.6	36.0	38.3	43.5	45.3	47.4	49.4
Other agencies	15.2	16.6	15.6	15.9	15.9	15.9	16.5
Allowances [3]	.....	.....	.9	3.8	5.8	7.8	9.9
Undistributed offsetting receipts	−29.3	−36.8	−39.6	−47.7	−54.5	−61.4	−68.7
Total budget authority	**779.9**	**847.4**	**900.1**	**997.4**	**1,079.6**	**1,162.7**	**1,251.7**

[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Includes allowances for military pay raises for the Coast Guard.
[3] Includes allowances for civilian agency pay raises and increased employing agency payments for employee retirement.

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Table 5. **BUDGET AUTHORITY BY FUNCTION, 1982–88**

(In billions of dollars)

	1982 actual	Estimates					
		1983	1984	1985	1986	1987	1988
National defense	(218.7)	(245.5)	(280.5)	(330.0)	(364.8)	(397.0)	(432.7)
Military personnel	42.9	45.5	47.9	49.7	51.2	52.3	53.2
Retired pay	15.0	16.2	16.8	17.4	18.5	19.3	20.2
Operation and maintenance	62.5	66.3	74.0	82.4	90.7	99.5	106.6
Procurement	64.5	80.3	94.1	119.6	136.4	150.4	170.3
Other [1]	33.9	37.3	47.7	60.9	68.1	75.5	82.5
International affairs	15.3	17.1	16.8	16.3	15.8	15.6	16.1
General science, space, and technology	7.1	7.9	8.5	8.4	7.7	7.7	6.8
Energy	3.3	3.7	2.9	3.1	3.1	3.2	3.7
Natural resources and environment	11.2	11.2	8.9	8.9	8.7	8.2	8.0
Agriculture	18.8	18.2	13.5	9.8	8.3	9.0	9.1
Commerce and housing credit	6.4	4.9	7.6	5.6	4.5	4.5	4.3
Transportation [2]	21.3	26.7	27.8	28.5	29.4	29.3	29.7
Community and regional development	6.6	6.6	6.1	6.8	6.8	6.8	6.8
Education, training, employment, and social services	(25.9)	(26.0)	(25.6)	(24.8)	(25.0)	(25.0)	(25.1)
Education	14.8	13.9	13.1	13.1	13.1	13.1	13.1
Training employment and other labor	5.0	5.8	6.1	5.2	5.2	5.3	5.4
Social services	6.1	6.4	6.5	6.6	6.7	6.7	6.7
Health	(78.9)	(67.6)	(91.7)	(100.6)	(112.3)	(122.8)	(133.3)
Medicare	51.4	42.9	61.5	67.9	77.2	85.1	92.8
Medicaid	18.1	14.9	20.8	23.2	25.4	27.9	30.6
Other	9.4	9.8	9.4	9.6	9.7	9.8	9.8
Income security	(254.2)	(301.3)	(284.2)	(315.6)	(344.6)	(375.3)	(411.5)
Social security	146.2	182.4	173.4	199.7	220.8	243.2	280.5
Other general retirement	7.1	7.4	7.7	7.2	8.0	7.7	8.3
Federal employee retirement	32.3	35.4	37.9	42.9	44.6	46.6	48.6
Unemployment compensation	21.2	31.9	29.9	30.0	30.9	30.9	30.7
Housing assistance	13.9	5.7	.4	.6	4.7	10.5	5.5
Food and nutrition assistance	15.8	17.7	16.3	16.3	16.6	17.1	17.5
Other income security	17.8	20.8	18.5	18.9	19.0	19.3	20.4
Veterans benefits and services	25.0	25.0	26.1	26.9	27.8	28.6	29.5
Administration of justice	4.7	5.2	5.6	5.5	5.4	5.5	5.7
General government	5.0	5.7	6.1	6.2	6.3	6.4	6.5
General purpose fiscal assistance	6.4	6.3	7.0	6.8	7.1	7.3	7.5
Net interest	84.7	88.9	103.2	114.2	122.7	130.4	134.3
Allowances:							
Civilian agency pay raises	.....	.....	.....	1.9	3.9	5.9	8.0
Increased employing agency payments for employee retirement	.....	.....	.9	1.9	1.9	1.9	1.9
Undistributed offsetting receipts:							
Employer share, employee retirement	−7.0	−8.2	−9.9	−11.5	−12.0	−12.4	−12.8
Rents and royalties on the Outer Continental Shelf	−6.2	−11.8	−11.9	−12.2	−13.4	−14.4	−15.1
Federal surplus property disposition	.....	−.4	−1.0	−.9	−1.0	−.9	−.9
Total budget authority	**779.9**	**847.4**	**900.1**	**997.4**	**1,079.6**	**1,162.7**	**1,251.7**

[1] Includes allowances for civilian and military pay raises for Department of Defense—Military.
[2] Includes allowances for military pay raises for the Coast Guard.

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Table 6. **BUDGET AUTHORITY AND OUTLAYS AVAILABLE THROUGH CURRENT ACTION BY CONGRESS**

(In millions of dollars)

Department or other unit	Budget authority			Outlays		
	1982 actual	1983 estimate	1984 estimate	1982 actual	1983 estimate	1984 estimate
Legislative branch	1,377	1,438	1,513	1,181	1,210	1,286
The Judiciary	723	825	917	655	759	841
Executive Office of the President	93	101	111	81	89	97
Funds appropriated to the President	8,020	8,686	8,692	2,910	3,059	3,260
Agriculture	28,087	38,972	33,510	25,650	32,283	31,426
Commerce	1,810	1,619	1,421	1,109	1,111	984
Defense—Military	212,318	239,920	273,924	128,604	139,528	154,848
Defense—Civil	3,020	3,020	2,625	2,099	2,052	1,798
Education	14,707	13,862	13,185	4,703	4,064	3,980
Energy	11,122	12,445	10,950	5,475	6,279	6,771
Health and Human Services	63,778	105,248	80,800	53,857	77,705	83,238
Housing and Urban Development	18,837	10,458	4,071	1,167	1,086	1,307
Interior	4,528	4,759	4,610	3,232	3,504	3,437
Justice	2,627	2,941	3,388	2,218	2,563	2,852
Labor	9,932	18,537	13,315	7,257	22,265	11,365
State	2,213	2,320	2,440	1,774	1,776	1,879
Transportation	15,545	23,053	10,472	6,593	7,168	7,277
Treasury	8,644	9,149	9,460	8,170	8,696	8,990
Environmental Protection Agency	3,703	3,720	3,703	751	771	776
National Aeronautics and Space Administration	6,053	6,839	7,106	4,442	5,137	5,284
Veterans Administration	24,216	24,271	25,369	21,196	21,403	22,140
Other independent agencies	15,755	16,889	16,013	10,619	12,025	10,151
Allowances [1]			949			949
Total	**457,106**	**549,072**	**528,543**	**293,742**	**354,535**	**364,936**
MEMORANDUM						
Appropriations and outlays from appropriations to liquidate contract authority: [2]						
Agriculture		1,042	83			
Defense—Military	44	25		44	25	
Housing and Urban Development	8,380	9,538	10,697	4,959	5,600	6,149
Transportation	10,306	10,059	13,131	9,880	9,719	13,121
Environmental Protection Agency	1,000			1,000		
Other independent agencies	8			8		
Total	**19,737**	**20,664**	**23,911**	**15,890**	**15,344**	**19,270**
ADDENDUM						
Portion available through current action by Congress	457,106	549,072	528,543	293,742	354,533	364,936
Portion available without current action by Congress	436,199	461,323	519,190	343,243	397,445	435,101
Outlays from obligated balances [3]				155,375	172,287	176,485
Outlays from unobligated balances [3]				49,394	43,900	19,583
Deductions for offsetting receipts:						
Intragovernmental transactions	−79,059	−121,078	−103,341	−79,059	−121,078	−103,341
Proprietary receipts from the public	−34,320	−41,885	−44,281	−34,320	−41,885	−44,281
Total budget authority and outlays	779,926	847,433	900,110	728,375	805,202	848,483

[1] Includes allowance for increased employing agency payments for employee retirement.
[2] Excluded from budget authority and outlays above.
[3] Outlays from appropriations to liquidate contract authority are included as outlays from balances.

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Table 7. **RELATION OF BUDGET AUTHORITY TO OUTLAYS**

(In millions of dollars)

Description	1982 actual	1983 estimate	1984 estimate
Budget authority available through current action by Congress:			
Enacted, pending, or recommended herein:			
Appropriations [1]	435,114	486,695	510,095
Contract authority	16,514	16,091	−2,343
Authority to borrow	4,914	3,718	3,003
Reappropriations and reauthorizations	565	616	.....
To be requested separately:			
Appropriations [1]	.....	41,952	17,789
Contract authority	.....	.....	.....
Authority to borrow	.....	.....	.....
Total budget authority available through current action by Congress (table 6)	**457,106**	**549,072**	**528,543**
Budget authority available without current action by Congress (permanent authorizations):			
Appropriations [1]	403,766	441,478	482,164
Contract authority	21,696	18,092	32,201
Authority to borrow	10,737	1,754	4,825
Deductions for offsetting receipts (table 13):			
Intragovernmental transactions	−79,059	−121,078	−103,341
Proprietary receipts from the public	−34,320	−41,885	−44,281
Total budget authority for the year (table 4)	**779,926**	**847,433**	**900,110**
Unobligated balances and adjustments:			
Unobligated balances:			
Brought forward at start of year (table 9)	281,041	356,862	353,816
Written off (rescinded, lapsed, etc.) [2]	78,465	−244	−7,097
Carried forward at end of year (table 9)	−356,862	−353,816	−355,897
Obligations incurred, net (table 8)	**782,570**	**850,235**	**890,932**
Obligated balances:			
Brought forward at start of year, funded (table 9)	521,808	487,910	527,479
Adjustments in expired accounts	−2,322	−360	−299
Adjustments in unexpired accounts	−85,773	−5,103	−3,911
Deficiency appropriations	2	.....	.....
Carried forward at end of year (table 9)	−487,910	−527,479	−565,719
Budget outlays (table 3)	**728,375**	**805,202**	**848,483**
MEMORANDUM			
Federal funds included above:			
Budget authority available through current action by Congress	450,522	513,437	512,776
Budget authority [3]	568,657	620,214	640,318
Obligations incurred, net [3]	576,759	639,903	646,226
Budget outlays [3]	526,113	603,047	610,467

[1] Excludes appropriations to liquidate contract authority:

	1982 actual	*1983 estimate*	*1984 estimate*
Enacted, pending, or recommended herein	31,670	31,993	37,278
For later transmittal	.....	1,042	83

[2] Includes redemption of agency debt and capital transfers to the general fund.

[3] Amounts are net of intrafund transactions, receipts from off-budget Federal entities, and proprietary receipts from the public.

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Table 8. **OBLIGATIONS INCURRED, NET**

(In millions of dollars)

Department or other unit	1982 actual	1983 estimate	1984 estimate
Legislative branch	1,399	1,612	1,598
The Judiciary	720	827	918
Executive Office of the President	93	101	111
Funds appropriated to the President	6,725	10,630	10,011
Agriculture	39,996	40,709	32,530
Commerce	1,919	1,754	1,411
Defense—Military	205,774	235,084	266,444
Defense—Civil	2,919	3,089	2,418
Education	14,423	14,604	12,731
Energy	10,100	8,800	8,665
Health and Human Services	250,335	270,020	289,586
Housing and Urban Development	39,964	29,647	25,256
Interior	3,707	4,091	3,474
Justice	2,534	2,980	3,288
Labor	30,369	43,074	35,047
State	2,222	2,465	2,591
Transportation	20,336	25,906	26,190
Treasury	110,679	118,070	135,024
Environmental Protection Agency	3,433	4,284	3,638
National Aeronautics and Space Administration	5,898	7,380	7,140
Veterans Administration	24,240	24,898	26,068
Other independent agencies:			
Export-Import Bank	1,946	2,064	1,708
Federal Deposit Insurance Corporation	−1,445	−2,330	−2,043
Federal Home Loan Bank Board	306	256	−703
General Services Administration	1	884	218
Office of Personnel Management	20,701	22,244	23,845
U.S. Postal Service	707	789	400
Railroad Retirement Board	5,728	5,819	5,271
All other independent agencies	6,177	7,247	6,762
Allowances [1]			949
Undistributed offsetting receipts	−29,337	−36,764	−39,612
Total	782,570	850,235	890,932
MEMORANDUM			
Federal funds	576,759	639,903	646,226
Trust funds	265,705	304,538	319,959
Interfund transactions	−59,894	−94,206	−75,253
Total	782,570	850,235	890,932

[1] Includes allowance for increased employing agency payments for employee retirement.

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Table 9. BALANCES OF BUDGET AUTHORITY

(In millions of dollars)

Department or other unit	Start 1982		End 1982		End 1983		End 1984	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Legislative branch	208	255	218	256	303	156	317	149
The Judiciary	57	75	63	79	70	83	80	90
Executive Office of the President	20	.....	15	.....	14	.....	15	.....
Funds appropriated to the President	44,728	19,731	44,373	21,581	47,705	20,884	49,827	20,666
Agriculture	12,679	1,598	16,330	1,655	12,003	2,173	9,538	2,443
Commerce	1,706	382	1,437	379	1,219	199	961	194
Defense—Military	86,222	26,539	107,610	34,634	133,778	38,534	161,622	45,489
Defense—Civil	758	350	707	427	867	325	1,114	44
Education	10,924	1,761	11,246	1,944	11,454	1,067	10,688	1,361
Energy	8,186	6,103	7,200	1,139	7,254	369	7,087	199
Health and Human Services	24,516	38,054	23,426	33,850	18,998	36,822	19,797	32,448
Housing and Urban Development	260,454	12,655	205,721	71,346	216,393	55,308	224,933	34,946
Interior	2,530	1,713	2,163	1,817	2,158	1,513	1,984	1,433
Justice	461	120	395	173	420	114	445	189
Labor	2,572	15,472	1,969	12,242	1,696	7,498	2,194	8,982
State	567	988	561	1,331	739	1,592	771	1,909
Transportation	24,719	7,993	25,020	8,589	29,769	8,703	31,589	9,532
Treasury	1,522	25,671	3,278	29,574	3,323	29,688	3,332	29,738
Environmental Protection Agency	12,446	1,142	10,100	2,054	10,014	1,439	9,576	1,434
National Aeronautics and Space Administration	1,457	550	1,322	661	1,989	113	2,156	71
Veterans Administration	3,015	11,200	3,266	11,865	3,778	11,898	4,150	11,885
Other independent agencies:								
Export-Import Bank	8,877	.....	8,978	.....	8,963	.....	8,331	.....
Federal Deposit Insurance Corporation	544	11,360	539	12,805	509	15,136	486	17,178
Federal Home Loan Bank Board	149	9,240	1,043	8,934	2,196	8,678	2,209	9,381
General Services Administration	636	769	347	1,048	718	467	821	501
Office of Personnel Management	6,110	82,813	6,838	94,731	7,536	108,476	8,231	122,929
Railroad Retirement Board	529	1,465	524	774	516	8	412	8
All other independent agencies	5,216	3,044	3,221	2,973	3,099	2,574	3,050	2,698
Total	**521,808**	**281,041**	**487,910**	**356,862**	**527,479**	**353,816**	**565,719**	**355,897**
MEMORANDUM								
Federal funds	466,284	115,650	428,909	185,880	460,301	165,945	491,856	152,944
Trust funds	55,523	165,390	59,001	170,982	67,179	187,870	73,863	202,953
Total	**521,808**	**281,041**	**487,910**	**356,862**	**527,479**	**353,816**	**565,719**	**355,897.**

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Table 10. **FULL-TIME EQUIVALENT OF TOTAL FEDERAL CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH** [1]

(Excluding the Postal Service)

	Fiscal year				
	1982 revised Budget estimate [2]	1982 actual [3]	1983 estimate	1984 estimate	1985 estimate
Agriculture	121,000	111,853	111,000	108,900	106,900
Commerce	36,300	32,437	35,400	33,100	33,800
Defense—civil functions	32,100	31,263	30,600	28,900	28,900
Education	6,600	5,639	5,500	5,300	5,200
Energy	18,700	17,920	16,700	15,800	15,800
Health and Human Services	154,000	141,548	142,000	137,900	134,000
Housing and Urban Development	15,700	14,609	14,000	12,700	12,700
Interior	81,700	73,220	74,900	73,500	73,500
Justice	54,400	53,876	56,900	58,200	58,800
Labor	21,600	19,184	19,400	19,300	18,800
State	22,900	23,545	23,900	24,400	24,400
Transportation	68,100	60,340	62,600	62,500	62,500
Treasury	124,300	115,829	127,100	126,300	126,000
Environmental Protection Agency	12,900	11,450	10,900	10,400	10,400
National Aeronautics and Space Administration	22,700	22,430	22,000	22,000	22,000
Veterans Administration	209,600	215,321	217,100	219,000	220,600
Other:					
Agency for International Development	5,600	5,385	5,400	5,300	5,100
General Services Administration	32,800	30,168	29,600	29,100	29,100
Nuclear Regulatory Commission	3,400	3,468	3,400	3,400	3,300
Office of Personnel Management	6,600	5,996	5,900	5,800	5,800
Panama Canal Commission	9,100	8,708	8,900	8,900	8,900
Small Business Administration	4,700	4,340	4,300	4,100	3,900
Tennessee Valley Authority	44,700	41,230	40,600	39,600	40,000
United States Information Agency	7,600	7,805	8,100	8,500	8,500
Miscellaneous	45,000	40,118	40,400	40,100	39,900
Contingencies	1,000	.....	.....	.....	.....
Estimated nondefense lapse	.....	.....	—15,000	—15,000	—15,000
Subtotal	1,163,100	1,097,682	1,101,600	1,088,000	1,083,800
Defense—military functions [4]	937,700	978,081	968,800	989,900	992,000
Total	2,100,800	2,075,763	2,070,400	2,077,900	2,075,800

[1] Excludes developmental positions under the Worker-Trainee Opportunity Program (WTOP) as well as certain statutory exemptions.
[2] As contained in the revised 1982 Budget, transmitted to the Congress in March 1981.
[3] Data are estimated for portions of Defense-civil functions as well as for the Federal Reserve System, Board of Governors, the International Trade Commission, and the Merit Systems Protection Board.
[4] Section 904 of the 1982 Defense Authorization Act (Public Law 97-86) exempts the Department of Defense from full-time equivalent employment controls. Data shown are estimated.

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Table 11. BUDGET FINANCING AND DEBT

(In millions of dollars)

BUDGET FINANCING

	1982 actual	1983 estimate	1984 estimate
Budget surplus or deficit (—)	—110,609	—207,708	—188,781
Deficit (—), off-budget Federal entities	—17,331	—17,045	—14,042
Total deficit (—)	—127,940	—224,754	—202,822
Means of financing other than borrowing from the public:			
Decrease or increase (—) in cash and other monetary assets	—11,911	7,200	.....
Increase or decrease (—) in liabilities for:			
Checks outstanding, etc.[1]	4,130	1,475	376
Deposit fund balances	338	572	—1,201
Seigniorage on coins	390	507	647
Total, means of financing other than borrowing from the public	—7,053	9,754	—178
Total requirements for borrowing from the public	—134,993	—215,000	—203,000
Change in debt held by the public	**134,993**	**215,000**	**203,000**
Nonbank investors	119,862		
Commercial banks	5,100		
Federal Reserve System	10,031		

DEBT, END OF YEAR

	1981 actual			
Gross Federal debt:				
Debt issued by Treasury	997,855	1,142,035	1,379,055	1,601,839
Debt issued by other agencies	6,086	4,952	4,689	4,500
Total gross Federal debt	1,003,941	1,146,987	1,383,744	1,606,339
Held by:				
Government agencies	209,507	217,560	239,317	258,912
The public	794,434	929,427	1,144,427	1,347,427
Federal Reserve System	124,466	134,497		
Others	669,968	794,929		

DEBT SUBJECT TO STATUTORY LIMITATION, END OF YEAR

Debt issued by Treasury	997,855	1,142,035	1,379,055	1,601,839
Treasury debt not subject to limitation	—607	—606	—606	—606
Agency debt subject to limitation	1,570	1,485	1,415	1,350
Total debt subject to statutory limitation [2]	**998,818**	**1,142,913**	**1,379,864**	**1,602,583**

[1] Includes military payment certificates, accrued interest (less unamortized discount) on Treasury debt, and as an offsetting change in assets, certain collections in transit.

[2] The statutory debt limit is permanently established at $400 billion. Public Law 97-270 temporarily increased the statutory debt limit to $1,290.2 billion through September 30, 1983. Legislation is required to change the limitation.

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Table 12. **BUDGET RECEIPTS BY SOURCE**

(In millions of dollars)

Source	1982 actual	1983 estimate	1984 estimate
Individual income taxes:			
Withheld	267,513	263,235	280,814
Other	84,730	86,660	73,088
Proposed legislation		−9	1,003
Gross individual income taxes	352,243	349,886	354,905
Refunds	−54,498	−64,692	−58,082
Proposed legislation			−134
Total individual income taxes	297,744	285,194	296,689
Social insurance taxes (proposed legislation)			−1,100
Net individual income taxes	**297,744**	**285,194**	**295,589**
Corporation income taxes:			
Existing law	65,991	52,510	63,645
Proposed legislation		−18	−165
Refunds	−16,784	−17,206	−11,710
Net corporation income taxes	**49,207**	**35,286**	**51,770**
Social insurance taxes and contributions (trust funds):			
Employment and income taxes and contributions:			
Old-age and survivors insurance	122,840	125,198	136,312
Proposed legislation			6,765
Disability insurance	20,626	22,562	24,589
Proposed legislation			3,272
Hospital insurance	34,301	35,976	39,338
Proposed legislation			340
Railroad retirement	2,917	2,685	2,704
Total employment and income taxes and contributions	180,686	186,421	213,320
Unemployment insurance:			
State taxes deposited in Treasury [1]	12,767	14,920	18,676
Federal unemployment tax receipts [1]	3,640	4,430	5,223
Railroad unemployment tax receipts [1]	193	173	173
Total unemployment insurance	16,600	19,523	24,072
Other retirement contributions:			
Federal employees' retirement—employee contributions	4,140	4,287	4,295
Proposed legislation			1,146
Contributions for non-Federal employees [2]	72	82	82
Proposed legislation			22
Total other retirement contributions	4,212	4,369	5,545
Total social insurance taxes and contributions	**201,498**	**210,313**	**242,937**
Excise taxes:			
Federal funds:			
Alcohol taxes:			
Distilled spirits	3,616	3,811	3,831
Beer	1,604	1,643	1,666
Wines	219	245	259
Special taxes in connection with liquor occupations	21	21	21
Refunds	−78	−80	−80
Total alcohol taxes	5,382	5,640	5,697
Tobacco taxes:			
Cigarettes	2,499	4,323	5,096
Cigars	36	40	40
Cigarette papers and tubes	2	1	1
Other	3	3	3
Refunds	−3	−5	−5

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Table 12. **BUDGET RECEIPTS BY SOURCE—Continued**

(*In millions of dollars*)

Source	1982 actual	1983 estimate	1984 estimate
Total tobacco taxes	2,537	4,362	5,135
Manufacturers' excise taxes:			
Gasoline	30	46	64
Firearms, shells, and cartridges	65	84	91
Fishing rods, creels, etc	35	36	38
Pistols and revolvers	30	32	34
Bows and arrows	8	8	9
Gas guzzler tax	2	2	2
Windfall profit tax	18,881	14,264	12,288
Refunds	−88	−499	−67
Total manufacturers' excise taxes	18,963	13,973	12,459
Miscellaneous excise taxes:			
General and toll telephone and teletype service	920	1,319	1,912
Wagering taxes, including occupational taxes	17	10	8
Employee pension plans	7	9	11
Tax on foundations	99	90	90
Foreign insurance policies	68	68	68
Other	1	1	1
Refunds	−44	−20	−10
Total miscellaneous excise taxes	1,068	1,477	2,080
General fund collections associated with airway taxes	1,036	.....	.....
Undistributed Federal tax deposits and unapplied collections	−318	178	−35
Total Federal fund excise taxes	28,670	25,630	25,336
Trust funds:			
Highway:			
Gasoline	4,228	6,087	8,488
Trucks, buses, and trailers	725	644	1,036
Tires, innertubes, and tread rubber	672	569	258
Diesel fuel used on highways	594	946	1,415
Use-tax on certain vehicles	333	223	482
Truck parts and accessories	224	85	.....
Lubricating oils	105	35	.....
Refunds	−136	−120	−259
Total highway trust fund	6,744	8,469	11,420
Airport and airway:			
Transportation of persons	130	1,990	2,295
Waybill tax	.....	105	125
Tax on fuels	4	131	137
International departure tax	.....	74	82
Tires and innertubes	*	1	*
Refunds	−1	−2	−2
Total airport and airway trust fund	133	2,299	2,637
Black lung disability insurance trust fund	491	567	608
Inland waterway trust fund	30	36	47
Hazardous substances response trust fund	244	256	273
Post-closure liability trust fund	.....	.....	32
Total trust fund excise taxes	7,641	11,627	15,017
Total excise taxes	**36,311**	**37,257**	**40,353**
Estate and gift taxes	**7,991**	**6,114**	**5,902**
Customs duties: [3]			
Existing law	8,854	8,822	9,149
Proposed legislation	.....	−3	−12

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Table 12. **BUDGET RECEIPTS BY SOURCE—Continued**

(In millions of dollars)

Source	1982 actual	1983 estimate	1984 estimate
Total customs duties	**8,854**	**8,819**	**9,137**
Miscellaneous receipts:[4]			
Miscellaneous taxes	78	88	92
Deposit of earnings, Federal Reserve System	15,186	13,406	12,819
Alternative fuels production	2	.....	.....
Fees for permits and regulatory and judicial services:			
Immigration, passport, and consular fees	86	181	211
Patent and copyright fees	29	.....	.....
Registration and filing fees	143	139	166
Import fees on crude oil and petroleum products	—*	.....	.....
Coal mining reclamation fees	222	227	230
Miscellaneous fees for permits, licenses, etc	48	49	51
Miscellaneous fees for regulatory and judicial services	91	124	123
Proposed legislation	.....	.....	9
Fees for legal and judicial services	*	1	.....
Proposed legislation	.....	.....	13
Total fees for permits and regulatory and judicial services	618	721	803
Fines, penalties, and forfeitures	281	253	265
Restitutions, reparations, and recoveries under military occupation	4	4	2
Gifts and contributions	20	20	18
Refunds and recoveries	—27	19	16
Total miscellaneous receipts	**16,161**	**14,511**	**14,014**
Total budget receipts	**617,766**	**597,494**	**659,702**
MEMORANDUM			
Federal funds	409,253	376,945	404,745
Trust funds	268,407	314,755	330,210
Interfund transactions	—59,894	—94,206	—75,253

*$500 thousand or less.

[1] Deposits by States are State payroll taxes that cover the benefit part of the program. Federal unemployment tax receipts cover administrative costs at both the Federal and State level. Railroad unemployment tax receipts cover both the benefits and administrative costs of the program for the railroads.

[2] Represents employer and employee contributions to the civil service retirement and disability fund for covered employees of Government-sponsored, privately owned enterprises and the District of Columbia municipal government.

[3] Includes both Federal and trust funds. Trust fund amounts in customs duties are: 1982, $30 million; 1983, $30 million; and 1984, $30 million.

[4] Includes both Federal and trust funds. Trust fund amounts in miscellaneous receipts are: 1982, $100 million; 1983, $100 million; and 1984, $109 million.

Note.—Estimates for 1983 and 1984 include effects of proposed legislation.

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Table 13. **OFFSETTING RECEIPTS BY TYPE**

(In millions of dollars)

Type	1982 actual	1983 estimate	1984 estimate
INTRAGOVERNMENTAL TRANSACTIONS			
Intrabudgetary transactions:			
Federal intrafund transactions:			
Interest on Government capital in enterprises	2,981	6,970	5,541
Other	151	127	211
Total Federal intrafunds	3,132	7,097	5,752
Trust intrafund transactions: [1]			
Railroad retirement/social security	1,820	2,223	2,513
Other	38	1,044	1,968
Total trust intrafunds	1,858	3,267	4,481
Total intrafund transactions	4,990	10,363	10,232
Interfund transactions:			
Distributed by agency and function:			
Federal fund payments to trust funds:			
Contributions to insurance programs:			
Old-age, survivors, and disability insurance	140	939	125
Military service credits, various programs	910	20,023	500
Supplementary medical insurance	13,323	14,238	16,392
Hospital insurance	808	902	774
Supplementary retirement contributions	14,801	15,897	15,306
Unemployment insurance	2,710	11,849	7,303
Other	383	1,678	2,722
Miscellaneous contributions:			
State and local government fiscal assistance	4,567	4,567	4,567
Other	141	182	164
Subtotal	37,783	70,273	47,852
Trust fund payments to Federal funds:			
Repayment of loans or advances to trust funds	278	1,159	2,769
Charges for services to trust funds	208	171	164
Other	270	191	203
Subtotal	755	1,521	3,136
Total interfunds distributed by agency and function	38,538	71,795	50,988
Distributed by function, undistributed by agency:			
Interest received by trust funds	16,067	16,349	16,862
Undistributed by agency and function:			
Employer share, employee retirement:			
Civil service retirement and disability insurance	3,208	3,312	4,221
Old-age, survivors, disability, and hospital insurance (contribution as employer) [2]	2,043	2,712	3,143
Other Federal employees retirement	38	38	39
Total employer share, employee retirement	5,289	6,062	7,403
Total interfund transactions	59,894	94,206	75,253
Total intrabudgetary transactions	64,884	104,569	85,486

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Table 13. **OFFSETTING RECEIPTS BY TYPE—Continued**

(In millions of dollars)

Type	1982 actual	1983 estimate	1984 estimate
INTRAGOVERNMENTAL TRANSACTIONS—Continued			
Receipts from off-budget Federal entities:			
Distributed by agency and function:			
Interest on loans to Government-owned enterprises	12,296	14,205	15,227
Surplus income, Federal Financing Bank	148	152	179
Total distributed by agency and function	12,444	14,357	15,406
Undistributed by agency and function:			
Employer share, employee retirement	1,732	2,152	2,450
Total receipts from off-budget Federal entities	14,175	16,508	17,855
Total intragovernmental transactions	79,059	121,078	103,341
PROPRIETARY RECEIPTS FROM THE PUBLIC			
Distributed by agency and function:			
Interest:			
Interest on loans, Foreign Assistance Act	340	393	430
Interest on foreign military credit sales	67	72	66
Interest on loans to United Kingdom	52	51	49
Other interest on foreign loans and deferred foreign collections	346	100	100
Interest on deposits in tax and loan accounts	1,337	800	750
Other interest (domestic-civil) [3]	512	869	1,721
Other interest (domestic-national defense)	17	13	12
Total interest	2,671	2,298	3,127
Dividends and other earnings	216	143	5
Rents:			
Rent and bonuses from land leases, etc	64	135	240
Rent of land and other real property [3]	178	129	152
Rent of equipment and other personal property	40	46	49
Total rents	282	309	442
Royalties [3]	1,333	1,378	1,543
Sale of products:			
Sale of timber and other natural land products [3]	508	819	1,103
Sale of minerals and mineral products [3]	1,260	1,679	1,289
Sale of power and other utilities	539	659	633
Sale of other products	34	29	34
Recovery of mint manufacturing expense	51	53	56
Total sale of products	2,392	3,239	3,114
Fees and other charges for services and special benefits:			
Medicare premiums and other charges (trust fund)	3,855	4,229	4,850
Revenues for enrichment of uranium	1,722	1,834	.....
Nuclear waste disposal revenues	.....	98	448
Veterans life insurance (trust funds)	470	443	431
Tolls and other revenues, Panama Canal	440	434	459
Other [3]	818	1,186	1,760
Total fees and other charges	7,305	8,225	7,948
Sale of Government property:			
Sale of land and other real property [3]	101	67	87
Sale of equipment and other personal property:			
Sale from the stockpile of strategic and critical materials	157	197	314
Military assistance program sales (trust fund)	11,839	12,300	13,400
Other	20	18	18
Sale of scrap and salvage material [3]	102	110	115

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Table 13. **OFFSETTING RECEIPTS BY TYPE—Continued**

(*In millions of dollars*)

Type	1982 actual	1983 estimate	1984 estimate
PROPRIETARY RECEIPTS FROM THE PUBLIC—Continued			
Total sale of property	12,219	12,692	13,935
Realization upon loans and investments:			
Dollar repayments of loans, Agency for International Development	346	402	432
Foreign military credit sales	179	131	87
Dollar conversion of foreign currency	89	89	89
Repayment of loans to United Kingdom	80	82	84
Other	420	350	206
Total realization upon loans and investments	1,113	1,053	897
Recoveries and refunds [3]	591	347	372
Deposits in clearing accounts	−53	.....	.....
Total proprietary receipts from the public distributed by agency and function	28,070	29,684	31,383
Undistributed by agency and function:			
Rents and royalties on the Outer Continental Shelf:			
Rents and bonuses	2,720	8,281	7,891
Royalties	3,529	3,512	4,004
Federal surplus property disposition	.....	408	1,003
Total proprietary receipts from the public undistributed by agency and function	6,250	12,201	12,898
Total proprietary receipts from the public [4]	**34,320**	**41,885**	**44,281**
Total offsetting receipts	**113,379**	**162,962**	**147,622**

[1] Interchange receipts between the social security and railroad retirement funds place the social security funds in the same position they would have been if there were no separate railroad retirement system. Interchange receipts between Federal retirement funds occur when an employee transfers from coverage by one system to coverage by another system.

[2] Includes provision for covered Federal civilian employees and military personnel.

[3] Includes both Federal funds and trust funds.

[4] Consists of:

	1982 actual	*1983 estimate*	*1984 estimate*
Federal funds	17,287	23,903	24,340
Trust funds	17,033	17,982	19,941

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
050 NATIONAL DEFENSE			
051 Department of Defense—Military:			
Military personnel	42,341	45,308	47,676
Retired military personnel	14,938	16,130	16,770
Operation and maintenance	59,674	64,643	71,649
Procurement	43,271	55,210	68,238
Research, development, test, and evaluation	17,729	21,430	26,332
Military construction	2,922	4,124	4,393
Other [1]	2,709	2,511	3,680
Allowances		107	407
Deductions for offsetting receipts	−733	−532	−544
Total 051	182,850	208,932	238,600
053 Atomic energy defense activities:			
Energy activities	4,309	5,471	6,422
054 Defense-related activities:			
Department of Health and Human Services		*	
Other independent agencies:			
Central Intelligence Agency	85	91	86
Federal Emergency Management Agency	165	251	339
General Services Administration	133	183	146
Intelligence Community Staff	13	17	5
Selective Service System	24	24	25
Deductions for offsetting receipts	−157	−197	−314
Total 054	263	370	287
Deductions for offsetting receipts [2]	−4	−4	−4
Total national defense	187,418	214,769	245,305
150 INTERNATIONAL AFFAIRS			
151 Foreign economic and financial assistance:			
Funds appropriated to the President [1]	2,859	3,286	3,483
Department of Agriculture	929	1,035	1,052
Department of State	424	436	408
Department of Transportation (trust funds)	5	8	10
Deductions for offsetting receipts	−361	−430	−466
Total 151	3,856	4,335	4,487
152 International security assistance:			
Funds appropriated to the President	3,306	4,175	4,706
Department of State			4
Deductions for offsetting receipts	−199	−155	−112
Total 152	3,107	4,019	4,598
153 Conduct of foreign affairs:			
Funds appropriated to the President	43	37	34
Department of Justice	1	1	1
Department of State [1]	1,871	1,982	2,243
Other independent agencies:			
Arms Control and Disarmament Agency	16	16	21
International Trade Commission	17	21	21
Deductions for offsetting receipts	−318	−352	−320
Total 153	1,630	1,704	2,001

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
154 Foreign information and exchange activities:			
Other independent agencies:			
Board for International Broadcasting	83	119	116
Japan-United States Friendship Commission (trust funds)	2	3	3
United States Information Agency [1]	486	582	710
Deductions for offsetting receipts	−1	−1	−1
Total 154	571	704	828
155 International financial programs:			
Funds appropriated to the President [1]	12,186	12,622	13,653
Department of the Treasury	−528	−160	−172
Other independent agencies: Export-Import Bank of the United States	1,173	1,192	1,433
Deductions for offsetting receipts	−11,920	−12,382	−13,484
Total 155	911	1,272	1,430
Deductions for offsetting receipts [2]	−92	−94	−94
Total international affairs	9,982	11,939	13,250
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY			
251 General science and basic research:			
Energy activities	507	547	634
Other independent agencies:			
National Science Foundation [1]	1,099	1,066	1,231
Smithsonian Institution (trust funds)	*	*	*
Total 251	1,607	1,613	1,865
253 Space flight:			
National Aeronautics and Space Administration	3,543	4,034	4,028
254 Space, science, applications, and technology:			
National Aeronautics and Space Administration	1,457	1,517	1,601
255 Supporting space activities:			
National Aeronautics and Space Administration [1]	473	604	766
Deductions for offsetting receipts	*		
Total 255	473	604	766
Deductions for offsetting receipts [2]	−10	−9	−9
Total general science, space, and technology	7,070	7,759	8,250
270 ENERGY			
271 Energy supply:			
Funds appropriated to the President	18	*	
Department of Agriculture	29	29	30
Energy activities [1]	4,956	5,456	3,331
Department of the Interior	32	35	1
Department of the Treasury	13	27	69
Environmental Protection Agency	81	51	38
Other independent agencies:			
Other temporary commissions	*	−*	
Tennessee Valley Authority	1,286	1,150	880

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
Deductions for offsetting receipts	−3,265	−3,996	−2,258
Total 271	3,150	2,752	2,090
272 Energy conservation:			
Energy activities	518	662	320
Department of Housing and Urban Development		8	23
Total 272	518	670	343
274 Emergency energy preparedness:			
Energy activities	191	284	228
276 Energy information, policy, and regulation:			
Energy activities	566	544	252
Other independent agencies:			
Nuclear Regulatory Commission	442	466	467
Office of the Federal Inspector for the Alaska Natural Gas Transportation System	16	10	8
Nuclear Safety Oversight Committee	*		
Deductions for offsetting receipts	−138	−143	−*
Total 276	886	878	726
Deductions for offsetting receipts [2]	−71	−78	−81
Total energy	4,674	4,506	3,306
300 NATURAL RESOURCES AND ENVIRONMENT			
301 Water resources:			
Department of Agriculture [1]	223	167	131
Department of Defense—Civil [1]	3,029	2,993	2,689
Department of the Interior [1]	813	855	1,005
Department of State	26	20	15
Other independent agencies:			
Delaware and Susquehanna River Basin Commissions	1	1	1
Water Resources Council [1]	9	3	
Deductions for offsetting receipts	−69	−84	−537
Total 301	4,032	3,955	3,305
302 Conservation and land management:			
Department of Agriculture [1]	2,508	2,527	2,217
Department of Commerce	65	32	24
Department of the Interior [1]	675	852	842
Department of State	8	9	9
Other independent agencies: Marine Mammal Commission	1	1	1
Deductions for offsetting receipts	−510	−735	−939
Total 302	2,746	2,685	2,153
303 Recreational resources:			
Department of Agriculture	11	56	10
Department of Defense—Civil	6	6	8
Department of the Interior [1]	1,461	1,616	1,460
Other independent agencies: Advisory Council on Historic Preservation [1]	1	2	1
Deductions for offsetting receipts	−3	−4	−20
Total 303	1,477	1,677	1,459

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
304 Pollution control and abatement:			
Department of Agriculture	5	7	15
Department of Transportation	7	9	9
Environmental Protection Agency [1]	5,029	4,369	4,107
Other independent agencies:			
Interstate Commission on the Potomac River Basin	*	*	
Other temporary commissions	*	*	
Deductions for offsetting receipts	−29	−55	−73
Total 304	5,012	4,330	4,058
306 Other natural resources:			
Department of Commerce [1]	820	927	848
Department of the Interior [1]	726	666	599
Deductions for offsetting receipts	−19	−22	−5
Total 306	1,526	1,572	1,442
Deductions for offsetting receipts [2]	−1,860	−2,131	−2,586
Total natural resources and environment	12,934	12,087	9,832
350 AGRICULTURE			
351 Farm income stabilization:			
Department of Agriculture [1]	13,290	19,359	10,490
Other independent agencies: Farm Credit Administration	−1	1	
Total 351	13,289	19,360	10,490
352 Agricultural research and services:			
Department of Agriculture [1]	1,673	1,803	1,757
Deductions for offsetting receipts	−74	−87	−95
Total 352	1,599	1,716	1,662
Deductions for offsetting receipts [2]	−14	−2	−2
Total agriculture	14,875	21,075	12,150
370 COMMERCE AND HOUSING CREDIT			
371 Mortgage credit and thrift insurance:			
Department of Agriculture	1,247	1,611	2,238
Department of Housing and Urban Development	2,009	945	−905
Other independent agencies:			
Federal Deposit Insurance Corporation (trust funds)	−1,440	−2,300	−2,020
Federal Home Loan Bank Board	−588	−898	−716
National Credit Union Administration	−12	20	16
Total 371	1,216	−622	−1,387
372 Postal Service:			
Other independent agencies: Postal Service	707	789	400
376 Other advancement of commerce:			
Legislative branch	28	65	48
Department of Commerce [1]	717	773	672
Department of Housing and Urban Development	−11	−7	−11
Department of State		*	
Department of the Treasury [1]	−14	−4	−4

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
Other independent agencies:			
Commodity Futures Trading Commission	21	22	24
Federal Communications Commission	80	83	86
Federal Trade Commission	68	65	60
General Services Administration	−1	1	1
National Center for Productivity and Quality of Working Life	*		
National Consumer Cooperative Bank	86		
National Institute of Building Sciences	1		
Securities and Exchange Commission	79	90	92
Small Business Administration	933	771	455
United States Metric Board [1]	2	1	
Deductions for offsetting receipts	−44	−100	−23
Total 376	1,943	1,761	1,400
Deductions for offsetting receipts [2]	−2	−1	−1
Total commerce and housing credit	3,865	1,928	413
400 TRANSPORTATION			
401 Ground transportation:			
Department of Agriculture (trust funds)	*	*	
Department of the Interior (trust funds)	*	3	
Department of Transportation [1]	14,162	14,419	17,123
Other independent agencies:			
Washington Metropolitan Area Transit Authority	65	66	67
Interstate Commerce Commission	71	70	58
Other temporary commissions	1	1	1
United States Railway Association	28	4	1
Deductions for offsetting receipts	−1	−1	−1
Total 401	14,326	14,562	17,249
402 Air transportation:			
Department of Transportation [1]	2,891	3,576	4,185
National Aeronautics and Space Administration	563	567	587
Other independent agencies: Civil Aeronautics Board	110	79	72
Total 402	3,564	4,222	4,844
403 Water transportation:			
Department of Transportation [1]	2,721	3,051	3,073
Other independent agencies:			
Federal Maritime Commission	11	12	11
Panama Canal Commission	404	430	538
Deductions for offsetting receipts	−440	−434	−604
Total 403	2,696	3,059	3,019
407 Other transportation:			
Department of Transportation	73	100	98
Other independent agencies:			
National Transportation Safety Board	17	19	20
Other temporary commissions	*		
Total 407	90	120	118
Deductions for offsetting receipts [2]	−116	−87	−85
Total transportation	20,560	21,876	25,145

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
450 COMMUNITY AND REGIONAL DEVELOPMENT			
451 Community development:			
Department of Housing and Urban Development [1]	4,493	4,357	4,299
Other independent agencies:			
Commission of Fine Arts	*	*	*
Federal Emergency Management Agency [1]	48	97	91
National Capital Planning Commission	2	2	3
Neighborhood Reinvestment Corporation	14	16	16
Pennsylvania Avenue Development Corporation [1]	25	17	16
Total 451	4,583	4,490	4,425
452 Area and regional development:			
Funds appropriated to the President	312	254	205
Department of Agriculture	917	1,163	1,043
Department of Commerce [1]	503	356	197
Energy activities	10	.....	.....
Department of Health and Human Services	−10	−1	−2
Department of the Interior [1]	1,078	1,076	1,125
Other independent agencies:			
Appalachian Regional Commission [1]	7	8	3
Tennessee Valley Authority	192	200	130
Deductions for offsetting receipts	−274	−277	−286
Total 452	2,735	2,779	2,415
453 Disaster relief and insurance:			
Funds appropriated to the President [1]	115	222	220
Department of Agriculture	4	15	.....
Department of Commerce	−*	.....	.....
Department of Housing and Urban Development	−5	.....	.....
Other independent agencies:			
Federal Emergency Management Agency	68	96	119
Small Business Administration	−302	−194	−193
Total 453	−119	138	146
Deductions for offsetting receipts [2]	−34	−34	−34
Total community and regional development	7,165	7,373	6,951
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES			
501 Elementary, secondary, and vocational education:			
Education activities	6,519	6,290	6,197
Department of the Interior	260	256	240
Total 501	6,780	6,546	6,437
502 Higher education:			
Education activities	6,508	6,747	6,100
Department of Housing and Urban Development	−3	−11	−19
Other independent agencies:			
Harry S Truman Scholarship Foundation (trust funds)	2	2	2
Other temporary commissions	1	1	.....
Total 502	6,507	6,739	6,084

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
503 Research and general education aids:			
Legislative branch [1]	151	178	179
Department of Commerce	12	24	23
Education activities [1]	230	281	164
Other independent agencies:			
Corporation for Public Broadcasting	172	137	130
National Commission on Libraries and Information Science [1]	1	1	1
National Endowment for the Arts [1]	134	140	149
National Endowment for the Humanities [1]	137	148	125
Institute of Museum Services	28	12	12
Smithsonian Institution	181	203	221
Deductions for offsetting receipts	−5	−6	−6
Total 503	1,040	1,118	999
504 Training and employment:			
Department of Commerce	1		
Department of Health and Human Services	235	315	26
Department of Labor [1]	5,228	4,835	4,693
Total 504	5,464	5,150	4,719
505 Other labor services:			
Department of Labor	440	482	518
Other independent agencies:			
Committee for Purchase from the Blind and other Severely Handicapped	1	1	1
Federal Mediation and Conciliation Service	24	23	22
National Labor Relations Board	120	123	134
National Mediation Board	5	5	6
Total 505	589	633	680
506 Social services:			
Education activities	802	1,060	1,032
Department of Health and Human Services	4,876	5,285	5,245
Department of Housing and Urban Development	3	3	3
Other independent agencies:			
ACTION [1]	135	132	113
Community Services Administration	133	39	
General Services Administration	*	12	
National Commission on the International Year of the Child	*		
Deduction for offsetting receipts	*		
Total 506	5,950	6,530	6,394
Deductions for offsetting receipts [2]	−29	−42	−57
Total education, training, employment, and social services	26,300	26,676	25,256
550 HEALTH			
551 Health care services:			
Department of Health and Human Services [1]	85,613	95,079	105,776
Other independent agencies:			
Office of Personnel Management [1]	930	1,013	1,309
Other temporary commissions	1	1	
Deductions for offsetting receipts	−18,194	−19,578	−22,225
Total 551	68,350	76,515	84,860

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
552 Health research:			
Department of Health and Human Services	3,949	4,205	4,281
Department of Housing and Urban Development	−1	−1	−1
Total 552	3,948	4,204	4,281
553 Education and training of health care work force:			
Department of Health and Human Services	670	580	414
554 Consumer and occupational health and safety:			
Executive Office of the President	*	*	
Department of Agriculture	321	328	334
Department of Health and Human Services	343	365	391
Department of Labor	333	358	356
Other independent agencies:			
Consumer Product Safety Commission [1]	34	35	35
Federal Mine Safety and Health Review Commission	3	4	4
Occupational Safety and Health Review Commission	7	6	6
Deductions for offseting receipts	−7	−7	−7
Total 554	1,034	1,090	1,119
Deductions for offsetting receipts [2]	15	−28	−27
Total health	74,017	82,362	90,647
600 INCOME SECURITY			
601 General retirement and disability insurance:			
Department of Health and Human Services [1]	157,899	192,334	182,211
Department of Labor [1]	1,132	888	694
Department of the Treasury	50	1,452	2,552
Other independent agencies:			
Railroad Retirement Board [1]	5,767	7,286	7,955
Other temporary commissions	3	*	
Deductions for offsetting receipts	−3,046	−25,744	−7,751
Total 601	161,805	176,216	185,661
602 Federal employee retirement and disability:			
Legislative branch (trust funds)	*	*	*
The Judiciary (trust funds)	4	4	4
Department of Labor	264	218	211
Department of State (trust funds)	184	201	208
Other independent agencies: Office of Personnel Management (trust funds)	18,993	20,508	21,805
Deductions for offsetting receipts	−57	−76	−75
Total 602	19,388	20,856	22,153
603 Unemployment compensation:			
Department of Labor [1]	26,569	48,643	36,657
Department of Transportation	124	75	20
Other independent agencies: Railroad Retirement Board	*	*	*
Deductions for offsetting receipts	−2,938	−11,849	−7,903
Total 603	23,756	36,870	28,774
604 Housing assistance:			
Department of Agriculture	41	41	488
Department of Housing and Urban Development	8,002	9,541	10,335

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
Total 604	8,043	9,582	10,823
605 Food and nutrition assistance:			
Department of Agriculture	15,581	17,832	16,324
Deductions for offsetting receipts	−2	−1	−1
Total 605	15,579	17,831	16,322
609 Other income security:			
Department of Health and Human Services	18,573	19,914	17,567
Department of State	−*		
Department of the Treasury	1,201	1,205	1,123
Deductions for offsetting receipts	−2	−2	−2
Total 609	19,773	21,117	18,688
Total income security	248,343	282,472	282,422
700 VETERANS BENEFITS AND SERVICES			
701 Income security for veterans:			
Veterans Administration [1]	14,183	14,664	15,026
Deductions for offsetting receipts	−473	−445	−433
Total 701	13,710	14,219	14,593
702 Veterans education, training, and rehabilitation:			
Veterans Administration [1]	2,108	1,816	1,532
Deductions for offsetting receipts	−161	−192	−203
Total 702	1,947	1,624	1,329
703 Hospital and medical care for veterans:			
Veterans Administration	7,517	8,292	8,900
704 Veterans housing:			
Department of Housing and Urban Development	−19	−16	−16
Veterans Administration	121	−366	236
Deductions for offsetting receipts		−82	−90
Total 704	102	−464	130
705 Other veterans benefits and services:			
Department of Defense—Civil [1]	31	34	38
Department of the Treasury (trust funds)	*	*	*
Veterans Administration [1]	646	703	732
Other independent agencies: American Battle Monuments Commission [1]	9	11	11
Deductions for offsetting receipts	−4	−4	−4
Total 705	682	744	776
Deductions for offsetting receipts [2]	−3	−3	−3
Total veterans benefits and services	23,955	24,411	25,724
750 ADMINISTRATION OF JUSTICE			
751 Federal law enforcement activities:			
Education activities	51	58	57
Department of Health and Human Services	17	20	20
Department of Housing and Urban Development	24	34	30
Department of Justice	1,417	1,775	1,990

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
Department of the Treasury	866	969	1,010
Other independent agencies:			
Administrative Conference of the United States	1	1	1
Architectural and Transportation Barriers Compliance Board	2	2	2
Commission on Civil Rights	12	12	12
Equal Employment Opportunity Commission	138	146	154
Other temporary commissions	*	—*	
Total 751	2,529	3,017	3,276
752 Federal litigative and judicial activities:			
Legislative branch	11	14	17
The Judiciary	705	821	908
Department of Justice	541	591	646
Other independent agencies:			
Indian Claims Commission	*		
Legal Services Corporation	259	242	21
Other temporary commissions	1	*	
Total 752	1,516	1,669	1,592
753 Federal correctional activities:			
Department of Justice [1]	364	424	466
754 Criminal justice assistance:			
Department of Justice	294	189	184
Deductions for offsetting receipts [2]	—32	—26	—26
Total administration of justice	4,671	5,273	5,491
800 GENERAL GOVERNMENT			
801 Legislative functions:			
Legislative branch [1]	1,181	1,256	1,328
Deductions for offsetting receipts	—4	—4	—4
Total 801	1,177	1,253	1,324
802 Executive direction and management:			
Executive Office of the President	95	102	109
Funds appropriated to the President	*	1	1
Other independent agencies: General Services Administration	1	1	1
Deductions for offsetting receipts	—*	—*	—*
Total 802	96	104	112
803 Central fiscal operations:			
Department of the Treasury [1]	3,013	3,598	3,851
Deductions for offsetting receipts	—357	—324	—344
Total 803	2,656	3,275	3,507
804 General property and records management:			
Other independent agencies: General Services Administration [1]	334	557	365
805 Central personnel management:			
Other independent agencies:			
Advisory Committee on Federal Pay	*	*	*
Federal Labor Relations Authority	15	16	17
Merit Systems Protection Board	20	25	24
Office of Personnel Management	14,584	15,644	15,097

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
Other temporary commissions	*		
Deductions for offsetting receipts	−14,484	−15,545	−14,986
Total 805	136	140	152
806 Other general government:			
Legislative branch	1	26	24
The Judiciary	*	*	*
Department of the Interior [1]	260	234	179
Department of the Treasury [1]	285	418	533
Other independent agencies:			
Federal Election Commission	9	10	10
Other historical and memorial agencies	*	*	*
Advisory Commission on Intergovernmental Relations [1]	2	2	2
Native Hawaiians Study Commission		*	*
Office of Personnel Management	7	1	
Other temporary commissions	8	11	17
United States Holocaust Memorial Council [1]	1	1	2
Deductions for offsetting receipts	−70	−75	−50
Total 806	504	628	717
Deductions for offsetting receipts [2]	−177	−163	−184
Total general government	4,726	5,794	5,993
850 GENERAL PURPOSE FISCAL ASSISTANCE			
851 General revenue sharing:			
Department of the Treasury [1]	9,141	9,140	9,141
Deductions for offsetting receipts	−4,567	−4,567	−4,567
Total 851	4,575	4,573	4,574
852 Other general purpose fiscal assistance:			
Department of Agriculture	243	145	269
Department of Defense—Civil	5	6	6
Energy activities	*	1	1
Department of the Interior	815	772	1,225
Department of the Treasury	315	342	350
Other independent agencies: District of Columbia	687	722	576
Deductions for offsetting receipts	−248	−179	−31
Total 852	1,818	1,809	2,394
Total general purpose fiscal assistance	6,393	6,382	6,968
900 NET INTEREST			
901 Interest on the public debt:			
Department of the Treasury	117,404	128,200	144,500
Deductions for offsetting receipts	−214	−137	
Total 901	117,190	128,063	144,500
902 Interest received by trust funds:			
Deductions for offsetting receipts	−16,067	−16,349	−16,862
908 Other interest:			
Department of the Treasury	1,803	1,915	1,597
Other independent agencies: General Services Administration	−*	1	

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
Deductions for offsetting receipts	−18,230	−24,694	−26,055
Total 908	−16,427	−22,778	−24,458
Total net interest	84,697	88,936	103,180
Allowances for:			
Civilian agency pay raises			
Contingencies for other requirements			
Increased employing agency payments for employee retirement			949
Undistributed offsetting receipts:			
Employer share, employee retirement:			
Interfund transactions	−5,289	−6,062	−7,403
Receipts from off-budget Federal agencies	−1,732	−2,152	−2,450
Total employer share, employee retirement	−7,020	−8,214	−9,853
Rents and royalties on the Outer Continental Shelf	−6,250	−11,793	−11,895
Federal surplus property disposition		−408	−1,003
Total outlays	728,375	805,202	848,483
MEMORANDUM			
Federal funds	526,113	603,047	610,467
Trust funds	262,155	296,361	313,269
Interfund transactions	−59,894	−94,206	−75,253
ADDENDUM			
Outlays of off-budget Federal entities: [3]			
150 INTERNATIONAL AFFAIRS			
151 Foreign economic and financial assistance:			
Federal Financing Bank (Funds appropriated to the President)	−5	−5	−6
152 International security assistance:			
Federal Financing Bank (Funds appropriated to the President)	2,288	2,848	4,187
Total international affairs	2,283	2,843	4,181
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY			
255 Supporting space activities:			
Federal Financing Bank (National Aeronautics and Space Administration)	120	175	−140
270 ENERGY			
271 Energy supply:			
Department of Agriculture	−*		
Federal Financing Bank (Department of Agriculture) [4]	4,467	5,910	5,056
Federal Financing Bank (Energy activities)	360		
Federal Financing Bank (Tennessee Valley Authority)	336	193	181
Total energy supply	5,162	6,103	5,237
272 Energy conservation:			
Federal Financing Bank (Energy activities)	−2		

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
274 Emergency energy preparedness:			
Energy activities	3,687	1,771	1,866
Total energy	8,847	7,874	7,103
350 AGRICULTURE			
351 Farm income stabilization:			
Federal Financing Bank (Department of Agriculture)	1,055	835	−104
370 COMMERCE AND HOUSING CREDIT			
371 Mortgage credit and thrift insurance:			
Federal Financing Bank (Department of Agriculture)	2,800	2,650	
372 Postal Service:			
Postal Service	−553	935	1,861
376 Other advancement of commerce:			
Federal Financing Bank (Small Business Administration)	142	248	280
Total commerce and housing credit	2,389	3,833	2,140
400 TRANSPORTATION			
401 Ground transportation:			
Federal Financing Bank (Department of Transportation)	78	22	−13
United States Railway Association	−23	−57	−19
Total ground transportation	55	−35	−33
Total transportation	55	−35	−33
450 COMMUNITY AND REGIONAL DEVELOPMENT			
451 Community development:			
Federal Financing Bank (Department of Housing and Urban Development)	43	119	134
452 Area and regional development:			
Department of Agriculture	79	145	143
Federal Financing Bank (Department of Agriculture)	1,060	686	664
Total area and regional development	1,139	831	807
Total community and regional development	1,181	950	941
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES			
502 Higher education:			
Federal Financing Bank (Education activities) [5]	700		
550 HEALTH			
551 Health care services:			
Federal Financing Bank (Department of Health and Human Services)	10	−24	−*

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Table 14. **OUTLAYS BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1982 actual	1983 estimate	1984 estimate
600 INCOME SECURITY			
604 Housing assistance:			
Federal Financing Bank (Department of Housing and Urban Development)	696	591	−37
800 GENERAL GOVERNMENT			
803 Central fiscal operations:			
Federal Financing Bank (Department of the Treasury) [6]	−12	12	
804 General property and records management:			
Federal Financing Bank (General Services Administration)	8	−9	−10
806 Other general government:			
Federal Financing Bank (Department of the Interior)	−*	−*	−*
Total general government	−5	3	−10
Outlays, off-budget Federal entities	17,331	17,045	14,042
Outlays including off-budget Federal entities	745,706	822,248	862,524

*$500 thousand or less.

[1] Includes both Federal and trust funds.
[2] Excludes offsetting receipts which have been distributed by subfunction above.
[3] Negative amounts indicate that the offsetting collections credited to the respective subfunctions exceed the gross disbursements.
[4] Off-budget Federal entity (Rural Electrification and Telephone Revolving Fund).
[5] Guaranteed for government-sponsored enterprise (Student Loan Marketing Association).
[6] Miscellaneous outlays not attributed to any single program.

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Table 15. **LEGISLATIVE PROPOSALS FOR MAJOR NEW AND EXPANDED PROGRAMS IN THE 1984 BUDGET, PROJECTION OF COSTS***

(In millions of dollars)

		Estimates						Explanation
		1983	1984	1985	1986	1987	1988	
Agriculture:								
Rural housing block grant	BA	.....	850	850	850	850	850	This proposal would create a block grant to replace subsidized direct lending programs for housing construction and repair.
	0	.....	280	561	850	850	850	
Education:								
Self help grants	BA	.....	2,714	2,714	2,714	2,714	2,714	This proposal would restructure the existing student financial aid program by requiring student contributions as an eligibility requirement for Federal self-help grants.
	0	.....	407	2,171	2,578	2,714	2,714	
Science and math education	BA	.....	50	50	50	50	0	This proposal would provide funds to States to train science and math teachers.
	0	.....	6	40	50	50	45	
Housing and Urban Development:								
Sec. 8 housing payments certificate program [1]	BA	.....	1,362	2,489	2,878	6,793	1,197	This proposal would reform the existing Section 8 housing program by eliminating the federally-imposed maximum fair market rent ceilings that can be charged by landlords. The tenant would receive a regionally determined amount of assistance in the form of a housing certificate to rent a standard quality housing unit.
	0	.....	346	1,314	2,220	2,670	2,913	
Public housing operating subsidies	BA	1,282	1,637	1,525	1,481	1,470	1,550	The current public housing operating subsidy program would be reformed by adding the public housing modernization program and by basing subsidies on private market rent levels.
	0	1,551	1,520	1,581	1,503	1,475	1,511	
Rental rehabilitation grants	BA	.....	150	150	150	150	150	This proposal would provide funds to States and localities to cover up to half the cost of rehabilitating rental properties. It would be linked to the proposed housing payments certificate program and would principally benefit lower-income tenants. This program would replace the Section 8 moderate rehabilitation and rehabilitation loan fund programs.
	0	.....	.....	75	150	150	150	

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Indian community development and housing block grant.	BA	.....	75	75	75	75	75	This proposal would provide flexible block grant funds to federally recognized Indian tribes to address community development and housing needs. The new program would be part of the existing community development block grant program and would replace current categorical assistance to Indian tribes provided by that program.
	O	.....	2	30	70	75	75	
Indian housing grants	BA	.....	76	76	76	76	76	This proposal would consolidate programs administered by the Department of Housing and Urban Development, the Bureau of Indian Affairs and the Indian Health Service that support housing construction on Indian reservations.
	O	.....	40	43	45	48	50	
Justice:								
Criminal justice assistance	BA	.....	92	92	2	2	1	This proposal would provide training, technical assistance, and financial aid to State and local criminal justice agencies.
	O	.....	36	92	58	2	1	
Labor:								
Federal unemployment benefits	BA	1,850	.....	.....	.....	.....	.....	The proposal would provide additional weeks of unemployment benefits from April 1 through September 30, 1983. Unemployed workers would have the option of receiving unemployment compensation or a set of vouchers that would give anyone who employs them a wage offset.
	O	1,850	.....	.....	.....	.....	.....	

*This table is supplied pursuant to the requirements of section 221(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510). Where economic assumptions were a factor in the preparation of these estimates, the assumptions shown in Part 2, "Economic Assumptions and the Budget," were used. The estimates do not reflect possible changes in the scope and quality of the proposal that might result from experience gained in actual practice, and they do not reflect in all cases reductions in the costs of other programs that may come about as a result of the adoption of the proposals. Since the circumstances and economic and other assumptions upon which these programs are based may change, the estimates do not represent a commitment to the amounts to be included in future years.

[1] The Administration would make $642 million available for Section 8 housing payments certificates in 1983 if legislation is enacted early enough in 1983 to implement these reforms.

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Table 16. **NEW DIRECT LOAN OBLIGATIONS BY AGENCY**

(In millions of dollars)

Department or other unit	1982 actual	1983 estimate	1984 estimate
ON-BUDGET AGENCIES			
Funds Appropriated to the President	1,798	2,344	2,186
Agriculture	27,669	27,441	19,831
Commerce	17	11	.....
Education	504	570	424
Energy	4	40	40
Health and Human Services	27	47	16
Housing and Urban Development	4,043	2,565	1,769
Interior	31	57	56
Labor	*	3	*
State	1	1	1
Transportation	138	183	62
Veterans Administration	874	849	885
Other independent agencies:			
District of Columbia	285	295	115
Export-Import Bank	3,516	3,830	3,830
Federal Home Loan Bank Board	37	.....	.....
National Consumer Cooperative Bank	11	.....	.....
National Credit Union Administration	104	119	115
Small Business Administration	920	1,190	953
Tennessee Valley Authority	77	89	99
Subtotal, on-budget agencies	**40,057**	**39,633**	**30,383**
OFF-BUDGET AGENCIES			
Rural Electrification Administration	1,284	1,286	760
Federal Financing Bank (FFB)	26,232	26,465	21,771
United States Railway Association	*	.....	.....
Subtotal, off-budget agencies	**27,516**	**27,751**	**22,531**
Subtotal on- and off-budget agencies	**67,574**	**67,383**	**52,914**
Less:			
Loan assets sold to the FFB	−12,630	−11,408	−7,406
Repurchases of loan assets from the FFB	−7,387	−6,909	−6,682
Total	**47,556**	**49,067**	**38,827**

* Less than $500 thousand.

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Table 17. **NEW GUARANTEED LOAN COMMITMENTS BY AGENCY**

(In millions of dollars)

Department or other unit	1982 actual	1983 estimate	1984 estimate
Funds Appropriated to the President	3,304	4,433	4,736
Agriculture [1]	19,489	21,383	13,879
Commerce	53	29	.....
Defense	25	.....	.....
Education	6,895	6,778	7,391
Energy	.....	153	172
Health and Human Services	217	254	187
Housing and Urban Development	68,422	129,012	113,159
Interior	28	16	19
Transportation	698	728	615
Treasury	600	.....	.....
National Aeronautics and Space Administration	146	205	37
Veterans Administration	5,983	18,648	19,875
Other independent agencies:			
Export-Import Bank	5,832	8,000	10,000
General Services Administration	12	.....	.....
National Credit Union Administration	34	30	28
Small Business Administration	2,075	2,800	2,800
Tennessee Valley Authority	4,513	5,412	6,258
Subtotal, guaranteed loans (gross)	**118,325**	**197,882**	**179,155**
Less:			
Secondary guarantee loans	−36,382	−68,250	−58,650
Guaranteed loans held as direct loans	−28,217	−26,966	−21,771
Total	**53,726**	**102,667**	**98,734**

[1] Includes Rural Electrification Administration off-budget activities as follows: 1982, $5,640 million; 1983, $5,310 million; 1984, $3,825 million.

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Table 18. **CONTROLLABILITY OF BUDGET OUTLAYS, 1974–84**

(Dollars in billions)

	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
Relatively uncontrollable under present law:												
Open-ended programs and fixed costs:												
Payments for individuals:												
Social security and railroad retirement	57.5	68.3	76.0	20.7	87.5	96.1	106.7	121.8	143.2	159.3	175.8	187.7
Federal employees' retirement and insurance	15.0	18.4	21.2	5.7	24.0	26.7	30.0	34.7	40.5	44.5	47.7	50.5
(Military retired pay)	(5.1)	(6.2)	(7.3)	(1.9)	(8.2)	(9.2)	(10.3)	(11.9)	(13.7)	(14.9)	(16.1)	(17.1)
(Other)	(9.9)	(12.1)	(13.9)	(3.7)	(15.8)	(17.5)	(19.7)	(22.8)	(26.8)	(29.5)	(31.6)	(33.5)
Unemployment assistance	6.1	13.5	19.5	4.0	15.3	11.8	10.7	18.0	19.5	23.6	34.9	28.8
Medical care	17.2	21.6	26.3	7.0	31.4	35.9	41.6	49.0	59.3	67.8	76.7	87.6
Assistance to students	3.3	4.7	5.7	.8	3.8	3.9	3.7	3.9	4.7	5.1	4.1	3.7
Food and nutrition assistance	.....	1.6	1.9	.4	2.8	2.7	3.0	3.5	3.5	3.0	3.2	3.3
Public assistance and related programs	10.2	12.6	14.6	3.7	15.7	16.6	16.4	18.6	20.8	20.7	21.7	20.4
All other relatively uncontrollable payments for individuals	1.8	2.0	1.9	.5	2.0	2.0	2.7	3.0	3.0	2.9	2.8	2.8
Subtotal, payments for individuals	111.1	142.6	167.0	42.7	182.5	195.6	214.8	252.5	294.5	327.0	367.0	384.7
Net interest [1]	21.4	23.2	26.7	6.9	29.9	35.4	42.6	52.5	68.7	84.7	89.5	103.9
General revenue sharing	6.1	6.1	6.2	1.6	6.8	6.8	6.8	6.8	5.1	4.6	4.6	4.6
Farm price supports (CCC)	1.0	.6	.6	.7	3.5	5.5	3.7	2.9	4.1	11.6	18.9	12.4
Other open-ended programs and fixed costs	3.9	2.6	3.3	.8	2.1	3.5	1.5	6.5	4.0	−.9	−3.7	−4.7
Total, open-ended programs and fixed costs	143.6	175.2	203.8	52.8	224.7	246.9	269.5	321.2	376.4	426.9	476.2	500.8
(National defense)	(5.2)	(6.3)	(7.4)	(2.0)	(8.2)	(9.2)	(10.4)	(12.1)	(13.9)	(15.2)	(16.3)	(17.3)
(Civilian programs)	(138.4)	(168.9)	(196.5)	(50.8)	(216.5)	(237.7)	(259.1)	(309.2)	(362.5)	(411.7)	(459.9)	(483.5)
Outlays from prior-year contracts and obligations: [2]												
National defense	20.4	22.3	17.9	7.7	18.5	28.2	30.9	36.5	41.5	56.9	71.9	86.0
Civilian programs	25.6	31.0	35.8	13.4	40.3	48.7	54.4	66.7	67.1	64.5	65.8	67.7
Total, outlays from prior-year contracts and obligations	46.0	53.3	53.7	21.1	58.8	76.9	85.3	103.2	108.6	121.5	137.7	153.7

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Total, relatively uncontrollable outlays	**189.6**	**228.4**	**257.5**	**73.8**	**283.5**	**323.8**	**354.8**	**424.4**	**485.0**	**548.4**	**614.0**	**654.6**
Relatively controllable outlays:												
National defense	52.2	57.0	64.2	12.7	70.8	67.8	76.4	87.3	104.5	115.5	126.7	142.5
Civilian programs	29.5	42.8	47.0	8.7	50.8	61.8	65.1	70.8	74.0	71.6	74.3	73.4
(Under current law) [3]	(81.7)	(99.8)	(111.2)	(21.3)	(121.6)	(129.6)	(141.4)	(158.1)	(178.6)	(187.0)	(200.9)	(215.9)
Under proposed legislation in:												
(Open-ended programs and fixed costs) [3]											(−1.3)	(−11.2)
(Other relatively controllable programs) [3]											(−.1)	(−.9)
Total, relatively controllable outlays	**81.7**	**99.8**	**111.2**	**21.3**	**121.6**	**129.6**	**141.4**	**158.1**	**178.6**	**187.0**	**199.5**	**203.8**
Undistributed employer share, employee retirement [4]	−3.3	−4.0	−4.2	−1.0	−4.5	−5.0	−5.3	−5.8	−6.4	−7.0	−8.2	−9.9
Total budget outlays	**267.9**	**324.2**	**364.5**	**94.2**	**400.5**	**448.4**	**491.0**	**576.7**	**657.2**	**728.4**	**805.2**	**848.5**
MEMORANDUM—Percent of total outlays												
Relatively uncontrollable under present law:												
Open-ended programs and fixed costs:												
Payments for individuals	41.5%	44.0%	45.8%	45.4%	45.6%	43.6%	43.7%	43.8%	44.8%	44.9%	45.6%	45.3%
Other	12.1	10.0	10.1	10.7	10.5	11.4	11.1	11.9	12.5	13.7	13.6	13.7
Total open-ended programs and fixed costs	53.6	54.0	55.9	56.0	56.1	55.1	54.9	55.7	57.3	58.6	59.1	59.0
Outlays from prior-year contracts and obligations	17.2	16.4	14.7	22.4	14.7	17.1	17.4	17.9	16.5	16.7	17.1	18.1
Total relatively uncontrollable outlays	**70.8**	**70.4**	**70.7**	**78.4**	**70.8**	**72.2**	**72.3**	**73.6**	**73.8**	**75.3**	**76.3**	**77.1**
Relatively controllable outlays	**30.5**	**30.8**	**30.5**	**22.6**	**30.4**	**28.9**	**28.8**	**27.4**	**27.2**	**25.7**	**24.8**	**24.0**
Undistributed employer share, employee retirement [4]	**−1.2**	**−1.2**	**−1.2**	**−1.0**	**−1.1**	**−1.1**	**−1.1**	**−1.0**	**−1.0**	**−1.0**	**−1.0**	**−1.2**
Total budget outlays	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

[1] Proposed legislation decreases net interest by $0.6 billion in 1983 and $0.7 billion in 1984.

[2] Excluding prior year contracts and obligations for activities shown as "open-ended programs and fixed costs".

[3] The national defense portion of these are as follows: For outlays under current law, $126.7 billion in 1983 and $142.5 billion in 1984; for proposed legislation affecting open-ended programs and fixed costs, −$0.3 billion in 1984 and for proposed legislation affecting other relatively controllable programs, −$78 million in 1984.

[4] Includes −$1.2 billion in 1984 from proposed legislation.

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Table 19. **BUDGET RECEIPTS BY SOURCE, 1974–84**

(In millions of dollars)

Source	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
Individual income taxes	118,952	122,386	131,603	38,801	157,626	180,988	217,841	244,069	285,917	297,744	285,194	295,589
Corporation income taxes	38,620	40,621	41,409	8,460	54,892	59,952	65,677	64,600	61,137	49,207	35,286	51,770
Social insurance taxes and contributions (trust funds):												
Employment and income taxes and contributions:												
Old-age and survivors insurance	47,778	55,207	58,703	15,886	68,032	73,141	83,410	96,581	117,757	122,840	125,198	143,077
Disability insurance	6,147	7,250	7,868	2,130	8,786	12,250	14,584	16,639	12,418	20,626	22,562	27,861
Hospital insurance	10,551	11,252	11,987	3,457	13,474	16,668	19,874	23,217	30,340	34,301	35,976	39,678
Railroad retirement	1,411	1,489	1,525	328	1,908	1,822	2,190	2,312	2,457	2,917	2,685	2,704
Total employment and income taxes and contributions	65,888	75,199	79,901	21,801	92,199	103,881	120,058	138,748	162,973	180,686	186,421	213,320
Unemployment insurance	6,837	6,771	8,054	2,698	11,312	13,850	15,387	15,336	15,763	16,600	19,523	24,072
Other retirement contributions:												
Federal employees' retirement—employee contributions	2,302	2,513	2,760	707	2,915	3,174	3,428	3,660	3,908	4,140	4,287	5,441
Contributions for non-Federal employees	45	52	54	13	59	62	66	59	76	72	82	104
Total other retirement contributions	2,347	2,565	2,814	720	2,974	3,237	3,494	3,719	3,984	4,212	4,369	5,545
Total social insurance taxes and contributions	75,071	84,534	90,769	25,219	106,485	120,967	138,939	157,803	182,720	201,498	210,313	242,937

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Excise taxes:												
Federal funds:												
Alcohol	5,248	5,238	5,318	1,279	5,295	5,492	5,531	5,601	5,606	5,382	5,640	5,697
Tobacco	2,435	2,312	2,484	622	2,393	2,444	2,492	2,443	2,581	2,537	4,362	5,135
Windfall profit tax								6,246	23,245	18,881	14,264	12,288
Other	2,060	1,850	2,810	620	1,960	2,118	1,785	1,273	2,696	1,870	1,364	2,216
Total Federal fund excise taxes	9,743	9,400	10,612	2,520	9,648	10,054	9,808	15,563	34,128	28,670	25,630	25,336
Trust funds:												
Highway	6,260	6,188	5,413	1,676	6,709	6,904	7,189	6,620	6,305	6,744	8,469	11,420
Airport and airway	840	962	938	277	1,191	1,326	1,526	1,874	21	133	2,299	2,637
Black lung disability insurance						92	222	272	237	491	567	608
Inland waterway									20	30	36	47
Hazardous substances response									128	244	256	273
Post-closure liability trust fund												32
Total trust fund excise taxes	7,100	7,151	6,351	1,953	7,900	8,323	8,937	8,766	6,711	7,641	11,627	15,017
Total excise taxes	16,844	16,551	16,963	4,473	17,548	18,376	18,745	24,329	40,839	36,311	37,257	40,353
Estate and gift taxes	5,035	4,611	5,216	1,455	7,327	5,285	5,411	6,389	6,787	7,991	6,114	5,902
Custom duties	3,34	3,676	4,074	1,212	5,150	6,573	7,439	7,174	8,083	8,854	8,819	9,137
Miscellaneous receipts:												
Deposit of earnings by Federal Reserve System	4,845	5,777	5,451	1,500	5,908	6,641	8,327	11,767	12,834	15,186	13,406	12,819
Other miscellaneous receipts	523	935	2,576	111	623	778	925	981	956	975	1,105	1,195
Total miscellaneous receipts [1]	5,368	6,712	8,027	1,611	6,531	7,419	9,251	12,748	13,790	16,161	14,511	14,014
Total budget receipts	**263,224**	**279,090**	**298,060**	**81,232**	**355,559**	**399,561**	**463,302**	**517,112**	**599,272**	**617,766**	**597,494**	**659,702**
MEMORANDUM												
Federal funds	181,219	187,505	201,099	54,085	241,312	270,490	316,366	350,856	410,422	409,253	376,945	404,745
Trust funds	103,138	116,683	131,750	31,530	150,560	165,568	186,988	210,930	239,413	268,407	314,755	330,210
Interfund transactions	−21,133	−25,098	−34,789	−4,383	−36,313	−36,498	−40,052	−44,674	−50,563	−59,894	−94,206	−75,253

[1] Includes both Federal and trust funds.

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Table 20. **BUDGET OUTLAYS BY FUNCTION, 1974–84**

(In millions of dollars)

Function	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
050 National defense:												
051 Department of Defense—Military:												
Military personnel	23,728	24,968	25,064	6,358	25,715	27,075	28,407	30,842	36,409	42,341	45,308	47,676
Retired military personnel	5,128	6,242	7,296	1,947	8,216	9,171	10,279	11,920	13,729	14,938	16,130	16,770
Operation and maintenance	22,478	26,297	27,837	7,232	30,587	33,578	36,424	44,770	51,920	59,674	64,643	71,649
Procurement	15,241	16,042	15,964	3,766	18,178	19,976	25,404	29,021	35,191	43,271	55,210	68,238
Research and development	8,582	8,866	8,923	2,206	9,795	10,508	11,152	13,127	15,278	17,729	21,430	26,332
Military construction and other	2,393	2,486	2,809	370	3,065	2,734	3,346	3,161	3,569	4,898	6,210	7,935
Subtotal, 051	77,550	84,900	87,891	21,880	95,557	103,042	115,013	132,840	156,096	182,850	208,932	238,600
053 Atomic energy defense activities	1,486	1,506	1,565	435	1,936	2,070	2,541	2,878	3,398	4,309	5,471	6,422
054 Defense-related activities	−1,242	−850	−23	−9	8	76	129	142	276	263	370	287
Deductions for offsetting receipts	**−13**	**−4**	**−3**	**1**	**−***	**−2**	**−3**	**−4**	**−4**	**−4**	**−4**	**−4**
Total national defense	**77,781**	**85,552**	**89,430**	**22,307**	**97,501**	**105,186**	**117,681**	**135,856**	**159,765**	**187,418**	**214,769**	**245,305**
150 International affairs:												
151 Foreign economic and financial assistance	2,470	3,202	2,711	1,114	2,850	2,721	2,989	3,703	4,215	3,856	4,335	4,487
152 International security assistance	1,813	2,395	1,846	1,234	1,623	2,392	2,319	2,800	3,131	3,107	4,019	4,598
153 Conduct of foreign affairs	606	658	726	262	981	1,128	1,310	1,367	1,347	1,630	1,704	2,001
154 Foreign information and exchange activities	320	348	382	115	386	423	465	534	525	571	704	828
155 International financial programs	527	421	4	−509	−913	−642	−881	2,425	2,007	911	1,272	1,430
Deductions for offsetting receipts	**−56**	**−103**	**−115**	**−27**	**−108**	**−100**	**−110**	**−96**	**−95**	**−92**	**−94**	**−94**
Total international affairs	**5,681**	**6,922**	**5,554**	**2,191**	**4,819**	**5,922**	**6,091**	**10,733**	**11,130**	**9,982**	**11,939**	**13,250**

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250 General science, space, and technology:												
251 General science and basic research	1,017	1,038	1,035	292	1,078	1,160	1,298	1,381	1,483	1,607	1,613	1,865
253 Space flight	1,694	1,661	2,000	525	2,252	2,260	2,217	2,594	3,053	3,543	4,034	4,028
254 Space, science, applications, and technology	947	958	980	251	1,006	972	1,153	1,346	1,384	1,457	1,517	1,601
255 Supporting space activities	322	334	358	94	343	354	383	405	444	473	604	766
Deductions for offsetting receipts	**−3**	**−2**	**−3**	**−1**	**−2**	**−4**	**−10**	**−3**	**−5**	**−10**	**−9**	**−9**
Total general science, space, and technology	**3,977**	**3,989**	**4,370**	**1,161**	**4,677**	**4,742**	**5,041**	**5,722**	**6,359**	**7,070**	**7,759**	**8,250**
270 Energy:												
271 Energy supply	517	1,742	2,508	603	3,265	3,970	4,900	4,574	5,360	3,150	2,752	2,090
272 Energy conservation	3	48	51	38	143	221	252	568	729	518	670	343
274 Emergency energy preparedness		33	65	32	123	897	1,021	342	3,280	191	284	228
276 Energy information, policy, and regulation	331	389	558	146	664	798	742	882	971	886	878	726
Deductions for offsetting receipts	**−14**	**−43**	**−55**	**−25**	**−23**	**−25**	**−59**	**−53**	**−62**	**−71**	**−78**	**−81**
Total energy	**837**	**2,169**	**3,127**	**794**	**4,172**	**5,861**	**6,856**	**6,313**	**10,277**	**4,674**	**4,506**	**3,306**
300 Natural resources and environment:												
301 Water resources	2,228	2,634	2,773	813	3,242	3,468	3,897	4,294	4,215	4,032	3,955	3,305
302 Conservation and land management	740	1,300	1,245	477	1,279	1,984	1,884	2,328	2,576	2,746	2,685	2,153
303 Recreational resources	665	825	895	256	1,014	1,439	1,513	1,707	1,632	1,477	1,677	1,459
304 Pollution control and abatement	2,035	2,523	3,067	1,091	4,279	3,964	4,706	5,510	5,169	5,012	4,330	4,058
306 Other natural resources	673	762	897	229	973	1,157	1,273	1,412	1,485	1,526	1,572	1,442
Deductions for offsetting receipts	**−672**	**−707**	**−752**	**−334**	**−786**	**−1,087**	**−1,183**	**−1,439**	**−1,553**	**−1,860**	**−2,131**	**−2,586**
Total natural resources and environment	**5,670**	**7,336**	**8,124**	**2,532**	**10,000**	**10,925**	**12,091**	**13,812**	**13,525**	**12,934**	**12,087**	**9,832**

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Table 20. **BUDGET OUTLAYS BY FUNCTION, 1974–84—Continued**

(In millions of dollars)

Function	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
350 Agriculture:												
351 Farm income stabilization	1,458	785	1,574	343	4,485	6,588	4,850	3,459	3,993	13,289	19,360	10,490
352 Agricultural research and services	772	876	921	240	1,052	1,129	1,340	1,398	1,540	1,599	1,716	1,662
Deductions for offsetting receipts	**−3**	**−2**	**7**	**1**	**−11**	**14**	**48**	**−95**	**38**	**−14**	**−2**	**−2**
Total agriculture	**2,227**	**1,659**	**2,502**	**584**	**5,526**	**7,731**	**6,238**	**4,762**	**5,572**	**14,875**	**21,075**	**12,150**
370 Commerce and housing credit:												
371 Mortgage credit and thrift insurance	1,513	2,791	1,209	271	−3,280	210	−677	3,696	651	1,216	−622	−1,387
372 Postal Service	1,698	1,877	1,720	938	2,267	1,778	1,787	1,677	1,343	707	789	400
376 Other advancement of commerce	721	944	868	183	1,115	1,348	1,469	2,415	1,959	1,943	1,761	1,400
Deductions for offsetting receipts	**−7**	**−5**	**−4**	**−***	**−4**	**−6**	**	**−***	**−7**	**−2**	**−1**	**−1**
Total commerce and housing credit	**3,925**	**5,607**	**3,792**	**1,392**	**98**	**3,331**	**2,579**	**7,788**	**3,946**	**3,865**	**1,928**	**413**
400 Transportation:												
401 Ground transportation	5,583	6,501	9,305	2,284	10,037	10,355	12,064	15,079	17,100	14,326	14,562	17,249
402 Air transportation	2,236	2,408	2,557	587	2,816	3,277	3,392	3,762	3,850	3,564	4,222	4,844
403 Water transportation	1,354	1,459	1,558	417	1,749	1,854	1,977	2,235	2,420	2,696	3,059	3,019
407 Other transportation	57	74	65	28	76	61	93	104	110	90	120	118
Deductions for offsetting receipts	**−57**	**−55**	**−48**	**−11**	**−42**	**−102**	**−67**	**−60**	**−99**	**−116**	**−87**	**−85**
Total transportation	**9,172**	**10,388**	**13,435**	**3,304**	**14,636**	**15,445**	**17,459**	**21,120**	**23,381**	**20,560**	**21,876**	**25,145**
450 Community and regional development:												
451 Community development	2,108	2,297	2,765	886	3,406	3,302	3,995	4,878	5,111	4,583	4,490	4,425
452 Area and regional development	1,263	1,061	1,496	350	2,309	4,921	3,959	3,180	2,708	2,735	2,779	2,415
453 Disaster relief and insurance	782	398	522	111	649	2,871	1,611	2,043	1,604	−119	138	146

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Deductions for offsetting receipts	−19	−17	−15	−6	−16	−23	−23	−32	−30	−34	−34	−34
Total community and regional development	**4,134**	**3,738**	**4,767**	**1,340**	**6,348**	**11,070**	**9,542**	**10,068**	**9,394**	**7,165**	**7,373**	**6,951**
500 Education, training, employment, and social services:												
501 Elementary, secondary, and vocational education	3,329	4,176	4,190	1,067	4,589	5,125	6,019	6,732	7,043	6,780	6,546	6,437
502 Higher education	1,349	2,050	2,663	739	3,104	3,486	4,528	5,694	6,790	6,507	6,739	6,084
503 Research and general education aids	860	947	774	186	927	1,082	1,233	1,357	1,223	1,040	1,118	999
504 Training and employment	2,910	4,063	6,288	1,912	6,877	10,784	10,833	10,345	9,241	5,464	5,150	4,719
505 Other labor services	219	259	301	83	374	410	488	551	587	589	633	680
506 Social services	3,683	4,380	4,526	1,176	5,122	5,588	6,592	6,116	6,531	5,950	6,530	6,394
Deductions for offsetting receipts	−5	−5	−5	−1	−7	−12	−8	−28	−13	−29	−42	−57
Total education, training, employment, and social services	**12,344**	**15,870**	**18,737**	**5,162**	**20,985**	**26,463**	**29,685**	**30,767**	**31,402**	**26,300**	**26,676**	**25,256**
550 Health:												
551 Health care services	17,344	22,335	27,503	7,202	32,320	36,660	42,469	50,075	60,351	68,350	76,515	84,860
552 Health research	1,652	1,923	2,341	536	2,543	2,822	3,023	3,442	3,836	3,948	4,204	4,281
553 Education and training of health care work force	844	856	982	275	981	930	583	719	779	670	580	414
554 Consumer and occupational health and safety	529	632	685	168	747	838	896	1,001	1,042	1,034	1,090	1,119
Deductions for offsetting receipts	−6	−5	−8	−1	−10	−18	−10	−17	−25	15	−28	−27
Total health	**20,364**	**25,742**	**31,503**	**8,181**	**36,582**	**41,232**	**46,962**	**55,220**	**65,982**	**74,017**	**82,362**	**90,647**
600 Income security:												
601 General retirement and disability insurance:												
Social security	54,936	63,648	72,664	19,763	83,861	92,242	102,595	117,117	137,970	154,144	168,324	178,248

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Table 20. **BUDGET OUTLAYS BY FUNCTION, 1974–84—Continued**

(In millions of dollars)

Function	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
Other	3,678	5,700	4,486	1,166	4,765	4,983	5,858	6,566	7,054	7,661	7,892	7,413
Subtotal, 601	58,614	69,348	77,150	20,929	88,626	97,225	108,453	123,684	145,024	161,805	176,216	185,661
602 Federal employee retirement and disability	5,645	6,980	8,174	2,319	9,503	10,665	12,379	14,675	17,548	19,388	20,856	22,153
603 Unemployment compensation	6,065	13,459	19,452	3,994	15,258	11,769	10,742	18,023	19,664	23,756	36,870	28,774
604 Housing assistance	1,825	2,058	2,499	662	2,968	3,677	4,367	5,514	6,942	8,043	9,582	10,823
605 Food and nutrition assistance	4,433	6,642	7,958	1,824	8,527	8,927	10,786	14,015	16,202	15,579	17,831	16,322
609 Other income security	7,855	10,088	12,157	3,069	13,017	13,916	13,432	17,190	19,721	19,773	21,117	18,688
Total income security	**84,437**	**108,576**	**127,390**	**32,797**	**137,900**	**146,180**	**160,159**	**193,100**	**225,101**	**248,343**	**282,472**	**282,422**
700 Veterans benefits and services:												
701 Income security for veterans	6,789	7,860	8,350	2,082	9,216	9,745	10,780	11,688	12,909	13,710	14,219	14,593
702 Veterans education, training, and rehabilitation	3,249	4,593	5,531	784	3,710	3,365	2,760	2,342	2,254	1,947	1,624	1,329
703 Hospital and medical care for veterans	3,006	3,665	4,046	1,039	4,708	5,254	5,611	6,515	6,965	7,517	8,292	8,900
704 Veterans housing	−15	24	−72	−50	−145	28	154	−23	201	102	−464	130
705 Other veterans benefits and services	359	458	578	110	549	585	627	665	662	682	744	776
Deductions for offsetting receipts	−2	−2	−2	−1	−1	−3	−4	−2	−3	−3	−3	−3
Total veterans benefits and services	**13,386**	**16,597**	**18,432**	**3,962**	**18,038**	**18,974**	**19,928**	**21,183**	**22,988**	**23,955**	**24,411**	**25,724**
750 Administration of justice:												
751 Federal law enforcement activities	1,091	1,349	1,498	407	1,673	1,831	1,992	2,237	2,384	2,529	3,917	3,276
752 Federal litigative and judicial activities	426	549	697	213	842	943	1,130	1,347	1,491	1,516	1,669	1,592

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753 Federal correctional activities	179	200	208	57	240	307	337	342	361	364	424	466
754 Criminal justice assistance	700	853	921	213	847	729	710	656	473	294	189	184
Deductions for offsetting receipts	**−5**	**−9**	**−4**	**−31**	**−2**	**−8**	**−17**	**−11**	**−13**	**−32**	**−26**	**−26**
Total administration of justice	**2,462**	**2,942**	**3,320**	**859**	**3,600**	**3,802**	**4,153**	**4,570**	**4,696**	**4,671**	**5,273**	**5,491**
800 General government:												
801 Legislative functions	516	588	673	181	841	900	914	1,032	1,036	1,177	1,253	1,324
802 Executive direction and management	117	63	68	16	76	73	81	97	99	96	104	112
803 Central fiscal operations	1,329	1,752	1,819	435	1,804	2,124	2,330	2,522	2,600	2,656	3,275	3,507
804 General property and records management	1,032	420	98	68	143	217	238	364	169	334	557	365
805 Central personnel management	74	88	107	25	100	129	127	154	159	136	140	152
806 Other general government	363	420	393	227	390	450	524	559	745	504	628	717
Deductions for offsetting receipts	**−189**	**−199**	**−210**	**−68**	**−186**	**−188**	**−120**	**−224**	**−195**	**−177**	**−163**	**−184**
Total general government	**3,243**	**3,133**	**2,948**	**883**	**3,169**	**3,706**	**4,093**	**4,505**	**4,614**	**4,726**	**5,794**	**5,993**
850 General purpose fiscal assistance:												
851 General revenue sharing	6,106	6,130	6,240	1,588	6,762	6,830	6,854	6,835	5,140	4,575	4,573	4,574
852 Other general purpose fiscal assistance	784	1,057	994	504	2,737	2,772	1,518	1,749	1,716	1,818	1,809	2,394
Total general purpose fiscal assistance	**6,890**	**7,187**	**7,235**	**2,092**	**9,499**	**9,601**	**8,372**	**8,584**	**6,856**	**6,393**	**6,382**	**6,968**
900 Net interest:												
901 Interest on the public debt	29,319	32,665	37,063	8,102	41,900	48,695	59,837	74,781	95,503	117,190	128,063	144,500
902 Interest received by trust funds	−6,583	−7,667	−7,800	−270	−8,131	−8,530	−9,950	−12,045	−13,810	−16,067	−16,349	−16,862
908 Other interest	−1,287	−1,754	−2,552	−885	−3,891	−4,729	−7,281	−10,278	−12,967	−16,427	−22,778	−24,458
Total net interest	**21,449**	**23,244**	**26,711**	**6,946**	**29,877**	**35,435**	**42,606**	**52,458**	**68,726**	**84,697**	**88,936**	**103,180**
Allowances:												
Civilian agency pay raises												

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Table 20. **BUDGET OUTLAYS BY FUNCTION, 1974–84—Continued**

(In millions of dollars)

Function	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
Increased employing agency payments for employee retirement												949
Contingencies for:												
Relatively uncontrollable programs												
Total allowances												**949**
950 Undistributed offsetting receipts:												
951 Employer share, employee retirement	−3,319	−3,980	−4,242	−985	−4,548	−4,983	−5,271	−5,787	−6,371	−7,020	−8,214	−9,853
953 Rents and royalties on the Outer Continental Shelf	−6,748	−2,428	−2,662	−1,311	−2,374	−2,259	−3,267	−4,101	−10,138	−6,250	−11,793	−11,895
954 Federal surplus property disposition											−408	−1,003
Total undistributed offsetting receipts	**−10,068**	**−6,408**	**−6,904**	**−2,296**	**−6,922**	**−7,242**	**−8,538**	**−9,887**	**−16,509**	**−13,270**	**−20,414**	**−22,750**
Total budget outlays	**267,912**	**324,245**	**364,473**	**94,188**	**400,506**	**448,368**	**490,997**	**576,675**	**657,204**	**728,375**	**805,202**	**848,483**
MEMORANDUM												
Federal Funds	199,918	240,081	269,921	65,088	295,756	331,991	362,396	419,220	475,171	526,113	603,047	610,467
Trust Funds	89,126	109,261	129,341	33,482	141,063	152,874	168,653	202,129	232,596	262,155	296,361	313,269
Interfund transactions	−21,133	−25,098	−34,789	−4,383	−36,313	−36,498	−40,052	−44,674	−50,563	−59,894	−94,206	−75,253
OUTLAYS OF OFF-BUDGET FEDERAL ENTITIES [1]												
150 International affairs:												
151 Foreign economic and financial assistance		*5*			*39*	*−4*	*−4*	*−4*	*−5*	*−5*	*−5*	*−6*

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152	*International security assistance*		112	787	208	1,409	1,462	1,293	1,932	1,945	2,288	2,848	4,187
	Total international affairs		117	787	208	1,448	1,458	1,289	1,928	1,940	2,283	2,843	4,181
250	**General science, space, and technology:**												
255	*Supporting space activities*					57	180	184	107	111	120	175	−140
	Total general science, space, and technology					57	180	184	107	111	120	175	−140
270	**Energy:**												
271	*Energy supply*	484	731	1,072	319	1,616	2,155	2,317	3,843	4,889	5,162	6,103	5,237
272	*Energy conservation*								1	1	−2		
274	*Emergency energy preparedness*										3,687	1,771	1,866
	Total energy	484	731	1,072	319	1,616	2,155	2,317	3,844	4,890	8,847	7,874	7,103
350	**Agriculture:**												
351	*Farm income stabilization*		1,375	675	400	1,250	3,640	5,045	3,982	5,790	1,055	835	−104
	Total agriculture		1,375	675	400	1,250	3,640	5,045	3,982	5,790	1,055	835	−104
370	**Commerce and housing credit:**												
371	*Mortgage credit and thrift insurance*		3,175	2,550	250	3,105	3,360	2,930	1,906	4,045	2,800	2,650	
372	*Postal Service*	773	1,112	1,085	−726	−173	−496	−891	−431	89	−553	935	1,861
376	*Other advancement of commerce*		47	188	15	58	54	68	127	119	142	248	280
	Total commerce and housing credit	773	4,335	3,823	−461	2,990	2,917	2,107	1,601	4,253	2,389	3,833	2,140
400	**Transportation:**												
401	*Ground transportation*		528	302	52	189	76	64	197	−16	55	−35	−33
	Total transportation		528	302	52	189	76	64	197	−16	55	−35	−33

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Table 20. **BUDGET OUTLAYS BY FUNCTION, 1974–84—Continued**

(In millions of dollars)

Function	Actual										Estimate	
	1974	1975	1976	TQ	1977	1978	1979	1980	1981	1982	1983	1984
450 Community and regional development:												
451 Community development	.....	*21*	*6*	*10*	*5*	*—4*	*5*	*29*	*34*	*43*	*119*	*134*
452 Area and regional development	*88*	*560*	*668*	*217*	*669*	*773*	*931*	*1,151*	*1,139*	*1,139*	*831*	*807*
Total community and regional development	*88*	*581*	*675*	*227*	*674*	*769*	*936*	*1,180*	*1,173*	*1,181*	*950*	*941*
500 Education, training, employment, and social services:												
502 Higher education	*100*	*140*	*160*	*5*	*105*	*235*	*530*	*1,070*	*1,955*	*700*	.....	.....
Total education, training, employment, and social services	*100*	*140*	*160*	*5*	*105*	*235*	*530*	*1,070*	*1,955*	*700*	.....	.....
550 Health:												
551 Health care services	*2*	*60*	*56*	*7*	*56*	*39*	*17*	*22*	*8*	*10*	*—24*	*
Total health	*2*	*60*	*56*	*7*	*56*	*39*	*17*	*22*	*8*	*10*	*—24*	*
600 Income security:												
604 Housing assistance	.....	.....	.....	.....	.....	.....	.....	*119*	*810*	*696*	*591*	*—37*
Total income security	.....	.....	.....	.....	.....	.....	.....	*119*	*810*	*696*	*591*	*—37*
800 General government:												
803 Central fiscal operations	.....	*175*	*—268*	*—60*	*114*	*—81*	*—110*	*148*	*79*	*—12*	*12*	.....
804 General property and records management	.....	*45*	*24*	*6*	*67*	*128*	*90*	*40*	*13*	*8*	*—9*	*—10*
806 Other general government	.....	.....	.....	.....	*58*	*—**	*—**	*9*	*	*	*	*
Total general government	.....	*221*	*—244*	*—53*	*239*	*47*	*—21*	*197*	*92*	*—5*	*3*	*—10*

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850 General purpose fiscal assistance:												
852 Other general fiscal assistance				*1,082*	*75*	*−1,157*						
Total general purpose fiscal assistance				*1,082*	*75*	*−1,157*						
Total outlays of off-budget Federal entities	*1,447*	*8,088*	*7,307*	*1,785*	*8,700*	*10,359*	*12,467*	*14,245*	*21,005*	*17,331*	*17,045*	*14,042*
Total outlays including off-budget Federal entities	*269,359*	*332,332*	*371,779*	*95,973*	*409,206*	*458,726*	*503,464*	*590,920*	*678,209*	*745,706*	*822,248*	*862,524*

*$500 thousand or less.

[1] Off-budget entities begin in 1973. Negative amounts indicate that the offsetting collections credited to the respective subfunctions exceed the gross disbursements.

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Table 21. **FEDERAL TRANSACTIONS IN THE NATIONAL INCOME ACCOUNTS, 1973–84**

(In billions of dollars)

Description	Actual										Estimate	
	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
RECEIPTS, NATIONAL INCOME BASIS												
Personal tax and nontax receipts	107.4	122.7	127.5	137.2	166.4	186.5	222.6	250.1	291.7	303.0	293.1	304.1
Corporate profits tax accruals	41.2	43.4	41.8	52.5	58.9	67.3	76.1	70.0	70.9	50.1	50.5	59.4
Indirect business tax and nontax accruals	20.7	21.4	22.2	24.3	24.5	27.2	29.1	34.7	55.7	50.7	55.2	59.3
Contributions for social insurance	71.5	84.2	91.9	101.0	116.2	133.3	153.1	170.3	196.3	214.4	229.1	262.8
Total receipts, national income basis	**240.7**	**271.6**	**283.4**	**314.9**	**365.9**	**414.3**	**480.8**	**525.1**	**614.7**	**618.2**	**627.9**	**685.6**
EXPENDITURES, NATIONAL INCOME BASIS												
Purchases of goods and services	101.1	104.5	117.9	125.1	139.8	150.4	164.1	189.8	218.1	250.1	279.0	302.5
Defense	(72.8)	(73.6)	(80.2)	(84.4)	(91.4)	(97.8)	(108.2)	(126.5)	(146.6)	(173.0)	(199.4)	(229.0)
Nondefense	(28.4)	(30.9)	(37.7)	(40.7)	(48.4)	(52.6)	(55.9)	(63.3)	(71.5)	(77.1)	(79.6)	(73.5)
Transfer payments	89.8	104.8	134.5	156.8	169.8	182.2	201.8	239.4	279.2	310.8	348.6	357.4
Domestic ("to persons")	(87.2)	(101.8)	(131.4)	(153.8)	(166.6)	(178.7)	(197.8)	(234.6)	(273.4)	(304.8)	(342.2)	(350.9)
Foreign	(2.7)	(3.0)	(3.1)	(3.0)	(3.2)	(3.5)	(4.1)	(4.8)	(5.7)	(6.0)	(6.4)	(6.5)
Grants-in-aid to State and local governments	40.4	41.6	48.4	57.5	66.3	74.7	79.1	86.7	90.1	83.4	86.9	90.1
Net interest paid	15.7	19.6	21.7	25.2	28.4	33.5	40.6	50.6	66.2	82.5	92.4	106.6
Subsidies less current surplus of Government enterprises	9.2	7.6	6.0	6.2	6.9	9.7	9.9	10.5	13.1	12.8	22.1	20.7
Wage disbursements less accruals	−.5	.2	.4	.....	.....	−*	*	.....	−.1	.1	.....	.....
Total expenditures, national income basis	**255.7**	**278.2**	**328.8**	**370.7**	**411.2**	**450.4**	**495.6**	**577.0**	**666.5**	**739.7**	**829.0**	**877.3**
Excess of receipts (+) or expenditures (−), national income basis	**−14.9**	**−6.6**	**−45.4**	**−55.8**	**−45.3**	**−36.1**	**−14.8**	**−51.9**	**−51.9**	**−121.5**	**−201.1**	**−191.7**

Note.—Excludes the transition quarter. *$50 million or less.

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Table 22. FEDERAL FINANCES AND THE GROSS NATIONAL PRODUCT, 1965–84

(Dollar amounts in billions)

Fiscal year	Gross national product	Budget receipts		Outlays						Surplus or deficit (–)				Federal debt, end of year			
				Budget		Off-budget Federal entities		Total		Budget		Total (including off-budget) [1]		Total		Held by the public	
		Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP
1965	659.5	116.8	17.7	118.4	18.0			118.4	17.9	−1.6	.2	−1.6	.2	323.2	49.0	361.6	39.6
1966	724.1	130.9	18.1	134.7	18.6			134.7	18.6	−3.8	.5	−3.8	.5	329.5	45.5	264.7	36.5
1967	777.3	148.9	19.2	157.6	20.3			157.6	20.3	−8.7	1.1	−8.7	1.1	341.3	43.9	267.5	34.5
1968	831.3	153.0	18.4	178.1	21.4			178.1	21.4	−25.2	3.0	−25.2	3.0	369.8	44.5	290.6	34.8
1969	910.6	189.6	20.5	183.6	20.2			183.6	20.2	3.2	.4	3.2	.4	367.1	40.3	279.5	30.7
1970	968.8	192.8	19.9	195.7	20.2			195.7	20.2	−2.8	.3	−2.8	.3	382.6	39.5	284.9	29.4
1971	1,031.5	187.1	18.1	210.2	20.4			210.2	20.4	−23.0	2.2	−23.0	2.2	409.5	39.7	304.3	29.5
1972	1,128.8	207.3	18.4	230.7	20.4			230.7	20.4	−23.4	2.1	−23.4	2.1	437.3	38.7	323.8	28.7
1973	1,252.0	230.8	18.4	245.6	19.6	.1	*	245.7	19.6	−14.8	1.2	−14.9	1.2	468.4	37.4	343.0	27.4
1974	1,379.4	263.2	19.1	267.9	19.4	1.4	.1	269.4	19.5	−4.7	.3	−6.1	.4	486.2	35.3	346.1	25.1
1975	1,479.9	279.1	18.9	324.2	21.9	8.1	.6	332.3	22.5	−45.2	3.1	−53.2	3.6	544.1	36.8	396.9	26.8
1976	1,640.1	298.1	18.2	364.5	22.2	7.3	.4	371.8	22.7	−66.4	4.0	−73.7	4.5	631.9	38.5	480.3	29.3
1977	1,862.8	355.6	19.1	400.5	21.5	8.7	.5	409.2	22.0	−44.9	2.4	−53.6	2.9	709.1	38.1	551.8	29.6
1978	2,091.3	399.6	19.1	448.4	21.4	10.4	.5	458.7	21.9	−48.8	2.3	−59.2	2.8	780.4	37.3	610.9	29.2
1979	2,357.7	463.3	19.7	491.0	20.8	12.5	.5	503.5	21.4	−27.7	1.2	−40.2	1.7	833.8	35.4	644.6	27.3
1980	2,573.9	517.1	20.1	576.7	22.4	14.2	.6	590.9	23.0	−59.6	2.3	−73.8	2.9	914.3	35.5	715.1	27.9
1981	2,871.8	559.3	20.9	657.2	22.9	21.0	.7	678.2	23.6	−57.9	2.0	−78.9	2.8	1,003.9	35.0	794.4	27.8
1982	3,033.0	617.8	20.4	728.4	24.0	17.3	.6	745.7	24.6	−110.7	3.6	−127.9	4.2	1,147.0	37.8	929.4	30.6
1983 estimate	3,193.7	597.5	18.7	805.2	25.2	17.0	.5	822.2	25.7	−207.7	6.5	−224.8	7.0	1,383.7	43.3	1,144.4	35.8
1984 estimate	3,488.7	659.7	18.9	848.5	24.3	14.0	.4	862.5	24.7	−188.8	5.4	−202.8	5.8	1,606.3	46.0	1,347.4	38.6
1985 estimate	3,806.7	724.3	19.0	918.5	24.1	10.5	.3	929.0	24.4	−194.2	5.1	−204.7	5.4	1,845.5	48.5	1,551.3	40.8
1986 estimate	4,144.6	841.9	20.3	989.6	23.9	9.4	.2	999.0	24.1	−147.7	3.6	−157.1	3.8	2,047.4	49.4	1,707.5	41.2

*0.05% or less.

[1] The off-budget deficits are equal to the off-budget outlays but with the opposite sign.

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Table 23. COMPOSITION OF BUDGET OUTLAYS IN CURRENT AND CONSTANT (FISCAL YEAR 1972) PRICES: 1963–86

(In billions of dollars)

Fiscal year	Current prices						Constant (fiscal year 1972) prices					
	Total outlays	National defense	Nondefense				Total outlays	National defense	Nondefense			
			Total non-defense	Payments for individuals	Net interest	All other			Total non-defense	Payments for individuals	Net interest	All other
1963	111.3	50.1	61.2	30.4	7.7	23.1	162.8	75.4	87.4	40.2	10.6	36.6
1964	118.6	51.5	67.1	31.6	8.2	27.3	170.3	76.1	94.2	41.1	11.1	41.9
1965	118.4	47.5	71.0	32.3	8.6	30.1	166.9	68.9	98.0	41.5	11.4	45.1
1966	134.7	54.9	79.8	36.2	9.4	34.2	183.0	76.3	106.7	45.5	12.2	49.0
1967	157.6	68.2	89.4	43.1	10.3	36.0	207.5	92.0	115.5	52.6	12.9	49.9
1968	178.1	78.8	99.4	48.7	11.1	39.6	224.6	101.2	123.4	57.7	13.5	52.2
1969	183.6	79.4	104.2	55.3	12.7	36.3	220.2	97.4	122.9	62.8	14.7	45.3
1970	195.7	78.6	117.1	63.2	14.4	39.6	220.2	90.1	130.1	68.6	15.8	45.8
1971	210.2	75.8	134.4	78.7	14.8	40.9	222.6	81.4	141.2	81.8	15.5	43.9
1972	230.7	76.6	154.1	90.8	15.5	47.9	230.7	76.6	154.1	90.8	15.5	47.9
1973	245.6	74.5	171.1	102.1	17.3	51.6	233.3	70.0	163.3	98.1	16.6	48.6
1974	267.9	77.8	190.1	117.5	21.4	51.2	236.9	68.4	168.5	104.4	19.1	45.1
1975	324.2	85.6	238.7	150.4	23.2	65.1	260.2	68.7	191.5	121.8	18.8	50.8
1976	364.5	89.4	275.0	176.6	26.7	71.7	274.3	67.1	207.2	134.9	20.3	52.1
1977	400.5	97.5	303.0	192.4	29.9	80.8	280.6	67.8	212.9	137.6	21.2	54.1
1978	448.4	105.2	343.2	206.5	35.4	101.3	293.8	68.0	225.8	138.7	23.6	63.5
1979	491.0	117.7	373.3	227.5	42.6	103.2	297.2	70.6	226.6	140.7	26.1	59.8
1980	576.7	135.9	440.8	271.1	62.5	117.2	316.7	72.7	244.1	152.4	29.5	62.2
1981	657.2	159.8	497.4	316.6	68.7	112.1	327.5	76.4	251.1	162.9	35.2	53.1
1982	728.4	187.4	541.0	348.6	84.7	107.7	338.7	81.7	257.0	168.3	40.5	48.2
1983 estimate	805.2	214.8	590.4	391.9	88.9	109.6	356.6	88.8	267.8	180.2	40.5	47.0
1984 estimate	848.5	245.3	603.2	401.0	103.2	99.0	357.5	97.7	259.9	175.1	44.6	40.1
1985 estimate	918.5	285.3	633.2	425.5	114.2	93.6	367.6	107.7	259.9	177.1	47.1	35.8
1986 estimate	989.6	323.0	666.5	453.6	122.7	90.3	377.3	116.1	261.2	180.3	48.3	32.6

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Table 24. **BUDGET RECEIPTS AND OUTLAYS, 1789–1986 (in millions of dollars)**

Fiscal year	Budget receipts	Budget outlays	Budget surplus or deficit (–)
1789–1849	1,160	1,090	+70
1850–1900	14,462	15,453	–991
1901–1905	2,797	2,678	+119
1906–1910	3,143	3,196	–52
1911–1915	3,517	3,568	–49
1916–1920	17,286	40,195	–22,909
1921	5,571	5,062	+509
1922	4,026	3,289	+736
1923	3,853	3,140	+713
1924	3,871	2,908	+963
1925	3,641	2,924	+717
1926	3,795	2,930	+865
1927	4,013	2,857	+1,155
1928	3,900	2,961	+939
1929	3,862	3,127	+734
1930	4,058	3,320	+738
1931	3,116	3,577	–462
1932	1,924	4,659	–2,735
1933	1,997	4,598	–2,602
1934	3,015	6,645	–3,630
1935	3,706	6,497	–2,791
1936	3,997	8,422	–4,425
1937	4,956	7,733	–2,777
1938	5,588	6,765	–1,177
1939	4,979	8,841	–3,862
1940	6,361	9,456	–3,095
1941	8,621	13,634	–5,013
1942	14,350	35,114	–20,764
1943	23,649	78,533	–54,884
1944	44,276	91,280	–47,004
1945	45,216	92,690	–47,474
1946	39,327	55,183	–15,856
1947	38,394	34,532	+3,862
1948	41,774	29,773	+12,001
1949	39,437	38,834	+603
1950	39,485	42,597	–3,112
1951	51,646	45,546	+6,100
1952	66,204	67,721	–1,517
1953	69,574	76,107	–6,533
1954	69,719	70,890	–1,170
1955	65,469	68,509	–3,041
1956	74,547	70,460	+4,087
1957	79,990	76,741	+3,249
1958	79,636	82,575	–2,939
1959	79,249	92,104	–12,855
1960	92,492	92,223	+269
1961	94,389	97,795	–3,406
1962	99,676	106,813	–7,137
1963	106,560	111,311	–4,751
1964	112,662	118,584	–5,922
1965	116,833	118,430	–1,596
1966	130,856	134,652	–3,796
1967	148,906	157,608	–8,702
1968	152,973	178,134	–25,161
1969	186,882	183,645	+3,236
1970	192,807	195,652	–2,845
1971	187,139	210,172	–23,033
1972	207,309	230,681	–23,373
1973	230,799	245,647	–14,849
1974	263,224	267,912	–4,688
1975	279,090	324,245	–45,154
1976	298,060	364,473	–66,413
TQ	81,232	94,188	–12,956
1977	355,559	400,506	–44,948
1978	399,561	448,368	–48,807
1979	463,302	490,997	–27,694
1980	517,112	576,675	–59,563
1981	599,272	657,204	–57,932
1982	617,766	728,375	–110,609
1983 est	597,494	805,202	–207,708
1984 est	659,702	848,483	–188,781
1985 est	724,318	918,515	–194,197
1986 est	841,879	989,571	–147,692

Totals, including outlays of off-budget Federal entities

Fiscal year	Outlays of off-budget Federal entities	Total outlays	Total budget surplus or deficit (–)
1973	60	245,707	–14,908
1974	1,447	269,359	–6,135
1975	8,088	332,332	–53,242
1976	7,307	371,779	–73,719
TQ	1,785	95,973	–14,741
1977	8,700	409,206	–53,647
1978	10,359	458,726	–59,166
1979	12,467	503,464	–40,162
1980	14,245	590,920	–73,808
1981	21,005	678,209	–78,936
1982	17,331	745,706	–127,940
1983 est	17,045	822,248	–224,754
1984 est	14,042	862,524	–202,822
1985 est	10,462	928,978	–204,660
1986 est	9,447	999,018	–157,139

Data for 1789–1939 are for the administrative budget: data for 1940 and all following years are for the unified budget.

In calendar year 1976, the Federal fiscal year was converted from a July 1–June 30 basis to an Oct. 1–Sept. 30 basis. The TQ refers to the transition quarter from July 1 to Sept. 30, 1976.

Off-budget Federal entity outlays begin in 1973.

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