

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Federal Funds

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, **[\$5,097,000] \$19,749,000: Provided**, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration, **[\$673,000] \$739,000**.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, **[\$3,795,000] \$4,099,000: Provided**, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: *Provided further*, That no funds made available by this appropriation may be obligated after 30 days from the date of enactment of this Act, unless the Secretary has notified the Committees on Appropriations of both Houses of Congress on the allocation of these funds by USDA agency: *Provided further*, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, **[\$596,000] \$654,000**.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service; the Agricultural Marketing Service; and the Grain Inspection, Packers and Stockyards Administration; **[\$721,000] \$792,000**.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, **[\$600,000] \$659,000**.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, **[\$632,000] \$695,000**.

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, **[\$742,000] \$822,000**.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service, **[\$632,000] \$695,000**.

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

For necessary expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, **[\$597,000] \$655,000**.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

For necessary expenses of the Office of the Assistant Secretary for Civil Rights, **[\$854,000] \$897,000**. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)			
Identification code 12-9913-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Office of the Secretary	5	5	16
00.02 Under/Assistant Secretaries	8	8	11
00.03 Trade negotiations and biotechnology resources	1	2	2
00.04 Info share (CCE/HS)	1		
00.05 Avian influenza supplemental	3		
09.01 Homeland security reimbursable	1	2	2
09.02 Reimbursable program	2	2	2
10.00 Total new obligations	21	19	33
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	13	10
22.00 New budget authority (gross)	30	16	33
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	34	29	43
23.95 Total new obligations	-21	-19	-33
24.40 Unobligated balance carried forward, end of year	13	10	10
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	25	15	30
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	8	1	3
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-3		
58.90 Spending authority from offsetting collections (total discretionary)	5	1	3
70.00 Total new budget authority (gross)	30	16	33
Change in obligated balances:			
72.40 Obligated balance, start of year	6		
73.10 Total new obligations	21	19	33
73.20 Total outlays (gross)	-28	-19	-32
73.40 Adjustments in expired accounts (net)	-1		
73.45 Recoveries of prior year obligations	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	3		
74.40 Obligated balance, end of year			1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	18	15	31
86.93 Outlays from discretionary balances	10	4	1
87.00 Total outlays (gross)	28	19	32

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS—
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-9913-0-1-352	2007 actual	2008 est.	2009 est.
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-8	-1	-3
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	3		
Net budget authority and outlays:			
89.00 Budget authority	25	15	30
90.00 Outlays	20	18	29

The Office of the Secretary covers the overall planning, coordination and administration of the Department's programs. This includes the Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, and their immediate staffs, who provide top policy guidance for the Department; maintain relationships with agricultural organizations and others in the development of farm programs; and provide liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

Funds are proposed for the Office of the Secretary's account for negotiating and monitoring trade agreements; for technical trade support in the areas of biotechnology, sanitary and phyto-sanitary issues. Additional funding is also proposed for the expenses of the Provincial Reconstruction Teams in Iraq and Afghanistan. USDA continues to support the agricultural reconstruction and development in these countries by providing agricultural advisors to assist on activities such as irrigation system rehabilitation, post-harvest loss reduction, and marketing system improvements. USDA has placed advisors in the Ministry of Agriculture in Iraq to assist agriculture planning, extension, and food safety and inspection.

Object Classification (in millions of dollars)

Identification code 12-9913-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	9	9	10
12.1 Civilian personnel benefits	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	6	3	15
99.0 Direct obligations	18	15	28
99.0 Reimbursable obligations	3	4	5
99.9 Total new obligations	21	19	33

Employment Summary

Identification code 12-9913-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	81	87	87

Trust Funds

GIFTS AND BEQUESTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8203-0-7-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.60 Gifts and Bequests, Departmental Administration	1	1	1
04.00 Total: Balances and collections	1	1	1
Appropriations:			
05.00 Gifts and Bequests	-1	-1	-1

07.99 Balance, end of year			
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Program and Financing (in millions of dollars)

Identification code 12-8203-0-7-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Gifts and bequests	1	1	1
10.00 Total new obligations (object class 99.5)	1	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	3	3
22.00 New budget authority (gross)	1	1	1
23.90 Total budgetary resources available for obligation	4	4	4
23.95 Total new obligations	-1	-1	-1
24.40 Unobligated balance carried forward, end of year	3	3	3
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	1	1	1
Change in obligated balances:			
73.10 Total new obligations	1	1	1
73.20 Total outlays (gross)	-1	-1	-1
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

The Secretary is authorized to accept and administer gifts and bequests of real and personal property to facilitate the work of the Department. Property and the proceeds thereof are used in accordance with the terms of the gift or bequest (7 U.S.C. 2269).

EXECUTIVE OPERATIONS

Federal Funds

EXECUTIVE OPERATIONS

OFFICE OF THE CHIEF ECONOMIST

For necessary expenses of the Office of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), **[\$10,487,000] \$12,584,000.**

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, **[\$14,466,000] \$15,402,000.**

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, **[\$8,270,000] \$9,054,000.**

HOMELAND SECURITY STAFF

For necessary expenses of the Homeland Security Staff, **[\$931,000] \$2,617,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0705-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Chief Economist	12	11	13
00.03 National Appeals Division	14	14	15
00.04 Budget and program analysis	8	8	9
00.05 Homeland Security staff	1	1	3
09.01 Reimbursable program	3	3	3
10.00 Total new obligations	38	37	43

Budgetary resources available for obligation:				
22.00	New budget authority (gross)	40	37	43
23.95	Total new obligations	-38	-37	-43
23.98	Unobligated balance expiring or withdrawn	-2		
24.40	Unobligated balance carried forward, end of year			

New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	34	34	40
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash)	3	3	3
58.10	Change in uncollected customer payments from Federal sources (unexpired)	1		
58.90	Spending authority from offsetting collections (total discretionary)	4	3	3
Mandatory:				
62.00	Transferred from other accounts	2		
70.00	Total new budget authority (gross)	40	37	43

Change in obligated balances:				
72.40	Obligated balance, start of year	10	9	8
73.10	Total new obligations	38	37	43
73.20	Total outlays (gross)	-39	-38	-42
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.10	Change in uncollected customer payments from Federal sources (expired)	1		
74.40	Obligated balance, end of year	9	8	9

Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	34	33	38
86.93	Outlays from discretionary balances	3	5	4
86.97	Outlays from new mandatory authority	2		
87.00	Total outlays (gross)	39	38	42

Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-4	-3	-3
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-1		
88.96	Portion of offsetting collections (cash) credited to expired accounts	1		

Net budget authority and outlays:				
89.00	Budget authority	36	34	40
90.00	Outlays	35	35	39

Executive Operations provides support for USDA policy officials and selected Department-wide services.

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

WORKLOAD INDICATORS

	2007 actual	2008 est.	2009 est.
World Agricultural Supply and Demand Estimates Reports issued	12	12	12
Weekly Weather and Crop Bulletin issued	52	52	52

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

The Office of Budget and Program Analysis coordinates the preparation of Departmental budget estimates and legislative

reports; administers systems for the allotment and apportionment of funds; provides policy, program and budgetary analysis of United States Department of Agriculture (USDA) programs and proposals; and provides staff assistance to USDA agencies in meeting their responsibility for the development and review of regulations.

The Homeland Security Staff formulates emergency preparedness policies and objectives for USDA. The Staff directs and coordinates all of the Department's program activities that support USDA emergency programs and liaison functions with the Congress, the Department of Homeland Security, and other Federal Departments and agencies involving homeland security, natural disasters, other emergencies, and agriculture-related international civil emergency planning and intelligence activities.

Object Classification (in millions of dollars)

Identification code 12-0705-0-1-352	2007 actual	2008 est.	2009 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	24	24	26
12.1	Civilian personnel benefits	5	5	5
21.0	Travel and transportation of persons	1	1	1
23.3	Communications, utilities, and miscellaneous charges	1	1	1
25.2	Other services	4	3	7
26.0	Supplies and materials	1	1	1
99.0	Direct obligations	36	35	41
99.0	Reimbursable obligations	2	2	2
99.9	Total new obligations	38	37	43

Employment Summary

Identification code 12-0705-0-1-352	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	217	226	239
Reimbursable:				
2001	Civilian full-time equivalent employment	7	13	5

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, **[\$5,850,000: Provided, That no funds made available by this appropriation may be obligated for FAIR Act or Circular A-76 activities until the Secretary has submitted to the Committees on Appropriations of both Houses of Congress and the Committee on Oversight and Government Reform of the House of Representatives a report on the Department's contracting out policies, including agency budgets for contracting out] \$6,221,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)**

Program and Financing (in millions of dollars)

Identification code 12-0014-0-1-352	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Office of the Chief Financial Officer	6	6	6
09.01	Reimbursable	13	15	15
10.00	Total new obligations	19	21	21

Budgetary resources available for obligation:				
22.00	New budget authority (gross)	24	21	21
23.95	Total new obligations	-19	-21	-21
23.98	Unobligated balance expiring or withdrawn	-5		

New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	6	6	6
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash)	4	15	15
58.10	Change in uncollected customer payments from Federal sources (unexpired)	14		

OFFICE OF THE CHIEF FINANCIAL OFFICER—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-0014-0-1-352	2007 actual	2008 est.	2009 est.
58.90 Spending authority from offsetting collections (total discretionary)	18	15	15
70.00 Total new budget authority (gross)	24	21	21
Change in obligated balances:			
72.40 Obligated balance, start of year	-2	-6	-6
73.10 Total new obligations	19	21	21
73.20 Total outlays (gross)	-13	-21	-21
73.40 Adjustments in expired accounts (net)	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-14		
74.10 Change in uncollected customer payments from Federal sources (expired)	5		
74.40 Obligated balance, end of year	-6	-6	-6
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	13	20	20
86.93 Outlays from discretionary balances		1	1
87.00 Total outlays (gross)	13	21	21
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-8	-15	-15
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-14		
88.96 Portion of offsetting collections (cash) credited to expired accounts	4		
Net budget authority and outlays:			
89.00 Budget authority	6	6	6
90.00 Outlays	5	6	6

The Secretary established the Office of the Chief Financial Officer (OCFO) in 1995 under authority provided in Reorganization Plan Number 2 of 1953 (7 U. S. C. 2201) to comply with the CFO Act of 1990. OCFO focuses on the Department's financial and performance management activities to improve program delivery and assure maximum contribution to the Secretary's Strategic Goals.

PERFORMANCE MEASURES

	2007 actual	2008 est.	2009 est.
Achieve an unqualified opinion on the USDA financial statements	Qualified	Unqualified	Unqualified
Anti-deficiency violations	No	No	No

Object Classification (in millions of dollars)

Identification code 12-0014-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	4	4	4
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	1	1	1
99.0 Direct obligations	6	6	6
99.0 Reimbursable obligations	13	15	15
99.9 Total new obligations	19	21	21

Employment Summary

Identification code 12-0014-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	42	42	42
Reimbursable:			
2001 Civilian full-time equivalent employment	19	19	19

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, **[\$16,361,000] \$18,305,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0013-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Office of the Chief Information Officer	16	16	17
09.01 Reimbursable program	51	55	55
10.00 Total new obligations	67	71	72
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	67	71	73
23.95 Total new obligations	-67	-71	-72
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	16	16	18
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	31	55	55
58.10 Change in uncollected customer payments from Federal sources (unexpired)	20		
58.90 Spending authority from offsetting collections (total discretionary)	51	55	55
70.00 Total new budget authority (gross)	67	71	73
Change in obligated balances:			
72.40 Obligated balance, start of year	-29	-2	-2
73.10 Total new obligations	67	71	72
73.20 Total outlays (gross)	-72	-71	-73
73.40 Adjustments in expired accounts (net)	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-20		
74.10 Change in uncollected customer payments from Federal sources (expired)	53		
74.40 Obligated balance, end of year	-2	-2	-3
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	67	71	73
86.93 Outlays from discretionary balances	5		
87.00 Total outlays (gross)	72	71	73
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-63	-55	-55
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-20		
88.96 Portion of offsetting collections (cash) credited to expired accounts	32		
Net budget authority and outlays:			
89.00 Budget authority	16	16	18
90.00 Outlays	9	16	18

The Clinger-Cohen Act of 1996 required the establishment of a Chief Information Officer (CIO) for all major Federal agencies. The Act requires USDA to maximize the value of information technology acquisitions to improve the efficiency and effectiveness of USDA programs. To meet the intent of the law and to provide a Departmental focus for information resources management issues, Secretary's Memorandum 1030-30, dated August 8, 1996, established the Office of the Chief Information Officer (OCIO). The CIO serves as the primary advisor to the Secretary on information technology (IT) issues. OCIO provides leadership for the Department's information and IT management activities in support of USDA program delivery.

OCIO is leading USDA's efforts to transform the Department's delivery of information, programs, and services using integrated services that simplify citizen's interaction with their Government. OCIO is designing the Department's Enter-

prise Architecture to efficiently support USDA's move towards consolidation and standardization. OCIO is strengthening USDA's Computer Security Program to mitigate threats to USDA's information and IT assets and support the Department's Homeland Security efforts. OCIO continues to facilitate the USDA IT Capital Planning and Control investment review process by providing guidance and support to the Department's Executive IT Investment Review Board, which approves all major technology investments to ensure that they efficiently and effectively support program delivery. More information about these investments can be found at: <http://www.ocio.usda.gov/cpic/usda-cpic-material.html>.

OCIO provides automated data processing (ADP) and wide-area telecommunications services funded through the USDA Working Capital and Appropriated Funds to all USDA agencies through the National Information Technology Center and the Telecommunications Services and Operations organization, with locations in Ft. Collins, Colorado; Kansas City, Missouri; and Washington, D.C. Direct ADP services are provided to the Office of the Secretary, Office of the General Counsel, Office of Communications, Office of the Chief Financial Officer, and Executive Operations.

OCIO also has direct management responsibility for the IT component of the Service Center Modernization Initiative. This includes the consolidated IT activities for the Farm Service Agency, the Natural Resources Conservation Service, and Rural Development.

Object Classification (in millions of dollars)			
Identification code 12-0013-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	7	7	7
12.1 Civilian personnel benefits	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	7	7	8
99.0 Direct obligations	16	16	17
99.0 Reimbursable obligations	51	55	55
99.9 Total new obligations	67	71	72

Employment Summary			
Identification code 12-0013-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	60	63	63
Reimbursable:			
2001 Civilian full-time equivalent employment	3	3	3

COMMON COMPUTING ENVIRONMENT
Program and Financing (in millions of dollars)

Identification code 12-0113-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Common computing environment	114	31	
09.01 Reimbursable program	2		
10.00 Total new obligations	116	31	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	28	31	
22.00 New budget authority (gross)	113		
22.10 Resources available from recoveries of prior year obligations	6		
23.90 Total budgetary resources available for obligation	147	31	
23.95 Total new obligations	-116	-31	
24.40 Unobligated balance carried forward, end of year	31		

New budget authority (gross), detail:
Discretionary:

40.00	Appropriation	108	
Spending authority from offsetting collections:			
58.00	Offsetting collections (cash)	7	
58.10	Change in uncollected customer payments from Federal sources (unexpired)	-2	
58.90	Spending authority from offsetting collections (total discretionary)	5	
70.00	Total new budget authority (gross)	113	
Change in obligated balances:			
72.40	Obligated balance, start of year	17	47
73.10	Total new obligations	116	31
73.20	Total outlays (gross)	-82	-78
73.45	Recoveries of prior year obligations	-6	
74.00	Change in uncollected customer payments from Federal sources (unexpired)	2	
74.40	Obligated balance, end of year	47	
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	67	
86.93	Outlays from discretionary balances	15	78
87.00	Total outlays (gross)	82	78
Offsets:			
Against gross budget authority and outlays:			
88.00	Offsetting collections (cash) from: Federal sources	-7	
Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources (unexpired)	2	
Net budget authority and outlays:			
89.00	Budget authority	108	
90.00	Outlays	75	78

The objective of the Service Center Modernization Initiative (SCMI) was to create an environment of quality service for customers of the Farm Service Agency, the Natural Resources Conservation Service, and the Rural Development agencies. The Common Computing Environment (CCE) provides the shared information technology (IT) to assist the Service Center Agencies (SCA) in accomplishing this objective. SCMI involved office co-location, business process re-engineering, culture change, partnership building and improving customer satisfaction, in addition to providing a modern integrated technology. In March 2000, the Office of the Chief Information Officer (OCIO) was given direct management responsibility for the CCE.

Information Technology Services (ITS) replaced a network of cross-agency teams used to coordinate IT infrastructure investment within the SCA and allows for unified management of the IT infrastructure. The ITS focuses around the delivery of the following classes of technology services: Acquisition and Asset Management, Application Development and Deployment, Customer Support and End User Computing, Data Utility, Hosting, Security, Telecommunications and Web Services. Service Level Agreements that specify performance metrics are negotiated annually with the SCA for each class of service.

Object Classification (in millions of dollars)			
Identification code 12-0113-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
23.3	Communications, utilities, and miscellaneous charges	3	1
25.2	Other services	99	30
25.3	Other purchases of goods and services from Government accounts	6	
31.0	Equipment	4	
99.0	Direct obligations	112	31
99.0	Reimbursable obligations	4	
99.9	Total new obligations	116	31

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12-4609-0-4-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Administration	36	42	41
09.02 Communications	10	8	8
09.03 Finance and management	250	249	98
09.04 Information technology	361	341	356
09.05 Executive secretariat	3	3	3
09.09 Subtotal, operating expenses	660	643	506
09.11 Administration		1	
09.12 Finance and management	24	23	4
09.13 Information technology	2	8	5
09.19 Subtotal, purchase of equipment	26	32	9
10.00 Total new obligations	686	675	515
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	93	88	23
22.00 New budget authority (gross)	677	610	419
22.10 Resources available from recoveries of prior year obligations	3		77
22.22 Unobligated balance transferred from other accounts	1		
23.90 Total budgetary resources available for obligation	774	698	519
23.95 Total new obligations	-686	-675	-515
24.40 Unobligated balance carried forward, end of year	88	23	4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2		
42.00 Transferred from other accounts	3		
43.00 Appropriation (total discretionary)	5		
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	641	610	419
58.10 Change in uncollected customer payments from Federal sources (unexpired)	31		
58.90 Spending authority from offsetting collections (total discretionary)	672	610	419
70.00 Total new budget authority (gross)	677	610	419
Change in obligated balances:			
72.40 Obligated balance, start of year	75	74	141
73.10 Total new obligations	686	675	515
73.20 Total outlays (gross)	-653	-608	-444
73.45 Recoveries of prior year obligations	-3		-77
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-31		
74.40 Obligated balance, end of year	74	141	135
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	653	528	362
86.93 Outlays from discretionary balances		80	82
87.00 Total outlays (gross)	653	608	444
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-634	-606	-415
88.40 Non-Federal sources	-7	-4	-4
88.90 Total, offsetting collections (cash)	-641	-610	-419
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-31		
Net budget authority and outlays:			
89.00 Budget authority	5		
90.00 Outlays	12	-2	25

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating and other visual information services, art and graphics, video services, supply, centralized accounting systems, centralized automated data processing systems for pay-

roll, personnel, and related services, voucher payments services, and Information Technology systems.

Object Classification (in millions of dollars)

Identification code 12-4609-0-4-352	2007 actual	2008 est.	2009 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	154	169	115
11.5 Other personnel compensation	6	6	2
11.9 Total personnel compensation	160	175	117
12.1 Civilian personnel benefits	44	46	31
21.0 Travel and transportation of persons	5	5	
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	7	7	5
23.2 Rental payments to others	31	2	2
23.3 Communications, utilities, and miscellaneous charges	82	90	73
24.0 Printing and reproduction	1	1	1
25.2 Other services	267	294	237
26.0 Supplies and materials	13	16	14
31.0 Equipment	75	38	34
99.9 Total new obligations	686	675	515

Employment Summary

Identification code 12-4609-0-4-352	2007 actual	2008 est.	2009 est.
Reimbursable:			
2001 Civilian full-time equivalent employment	2,261	2,517	1,559

NATIONAL FINANCE CENTER REVOLVING FUND ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4536-4-4-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Finance and management			169
10.00 Total new obligations			169
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			169
23.95 Total new obligations			-169
New budget authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)			169
Change in obligated balances:			
73.10 Total new obligations			169
73.20 Total outlays (gross)			-169
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			169
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources			-169
88.90 Total, offsetting collections (cash)			-169
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

A proposal has been submitted for consideration to establish a stand-alone revolving fund in the U.S. Department of Agriculture to support operations and capital requirements for the National Finance Center (NFC), located in New Orleans, LA. This fund, if authorized, will allow NFC to charge other agencies up front for the costs of creating any necessary computer systems. The fund gives NFC the authority to collect fees to build the information technology necessary to support the delivery of such services approved by the Secretary under

the authority of this Act. It will let NFC be reimbursed for costs that include: continuity of operations, disaster operations, the costs of terminating service agreements, including extraordinary personnel expenses and write-off of equipment and the costs of system asset write-offs, including obsolete capitalized internal-use software. This fund will be managed, operated, and administered in a manner separate from the USDA Working Capital Fund.

Object Classification (in millions of dollars)

Identification code 12-4536-4-4-352	2007 actual	2008 est.	2009 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent			61
11.5 Other personnel compensation			4
11.9 Total personnel compensation			65
12.1 Civilian personnel benefits			17
21.0 Travel and transportation of persons			1
23.2 Rental payments to others			2
23.3 Communications, utilities, and miscellaneous charges			26
24.0 Printing and reproduction			1
25.2 Other services			50
26.0 Supplies and materials			2
31.0 Equipment			5
99.9 Total new obligations			169

Employment Summary

Identification code 12-4536-4-4-352	2007 actual	2008 est.	2009 est.
Reimbursable:			
2001 Civilian full-time equivalent employment			955

OFFICE OF CIVIL RIGHTS

Federal Funds

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, **[\$20,496,000] \$21,551,000.** (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-3800-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Office of Civil Rights	20	20	22
09.01 Reimbursable program	4	4	4
10.00 Total new obligations	24	24	26
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	24	24	26
23.95 Total new obligations	-24	-24	-26

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	20	20	22
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	1	4	4
58.10 Change in uncollected customer payments from Federal sources (unexpired)	3		
58.90 Spending authority from offsetting collections (total discretionary)	4	4	4
70.00 Total new budget authority (gross)	24	24	26

Change in obligated balances:

72.40 Obligated balance, start of year	5	6	2
73.10 Total new obligations	24	24	26
73.20 Total outlays (gross)	-20	-28	-26
73.40 Adjustments in expired accounts (net)	-6		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-3		
74.10 Change in uncollected customer payments from Federal sources (expired)	6		

74.40 Obligated balance, end of year	6	2	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	17	24	26
86.93 Outlays from discretionary balances	3	4	
87.00 Total outlays (gross)	20	28	26
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-3	-4	-4
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-3		
88.96 Portion of offsetting collections (cash) credited to expired accounts	2		
Net budget authority and outlays:			
89.00 Budget authority	20	20	22
90.00 Outlays	17	24	22

The Office of Civil Rights (CR) provides overall leadership responsibility for all Department-wide civil rights activities including employment opportunity and program non-discrimination policy development, analysis, coordination, and compliance. CR is responsible for providing leadership in the implementation of best practices that will create an environment where diversity is valued as a source of strength. CR has the responsibility for monitoring program activities to ensure that all USDA programs are delivered in a non-discriminatory manner.

Object Classification (in millions of dollars)

Identification code 12-3800-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	13	13	15
12.1 Civilian personnel benefits	3	3	3
25.3 Other purchases of goods and services from Government accounts	4	4	4
99.0 Direct obligations	20	20	22
99.0 Reimbursable obligations	4	4	4
99.9 Total new obligations	24	24	26

Employment Summary

Identification code 12-3800-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	119	144	144
Reimbursable:			
2001 Civilian full-time equivalent employment	10	10	10

DEPARTMENTAL ADMINISTRATION

Federal Funds

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, **[\$23,144,000] \$28,637,000,** to provide for necessary expenses for management support services to offices of the Department and for general administration, security, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department: *Provided,* That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-0120-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.08 Departmental administration	23	23	28

DEPARTMENTAL ADMINISTRATION—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-0120-0-1-352	2007 actual	2008 est.	2009 est.
09.01 Reimbursable program	35	34	32
10.00 Total new obligations	58	57	60
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	59	57	60
23.95 Total new obligations	-58	-57	-60
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	23	23	28
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	16	34	32
58.10 Change in uncollected customer payments from Federal sources (unexpired)	20		
58.90 Spending authority from offsetting collections (total discretionary)	36	34	32
70.00 Total new budget authority (gross)	59	57	60
Change in obligated balances:			
72.40 Obligated balance, start of year	-14	-14	-14
73.10 Total new obligations	58	57	60
73.20 Total outlays (gross)	-51	-57	-60
73.40 Adjustments in expired accounts (net)	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-20		
74.10 Change in uncollected customer payments from Federal sources (expired)	14		
74.40 Obligated balance, end of year	-14	-14	-14
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	50	57	60
86.93 Outlays from discretionary balances	1		
87.00 Total outlays (gross)	51	57	60
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-27	-34	-32
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-20		
88.96 Portion of offsetting collections (cash) credited to expired accounts	11		
Net budget authority and outlays:			
89.00 Budget authority	23	23	28
90.00 Outlays	24	23	28

Departmental Administration is comprised of activities that provide staff support to policy officials and overall direction and coordination of the Department. These activities include Department-wide programs for human capital management, ethics, occupational safety and health management, real and personal property management, acquisitions and contracting, motor vehicle and aircraft management, supply management, participation of small and disadvantaged businesses, service-disabled veterans programs, emergency preparedness, and the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges, and Judicial Officer.

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

Object Classification (in millions of dollars)

Identification code 12-0120-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	15	17	19
12.1 Civilian personnel benefits	3	4	4
25.2 Other services	2	1	2
25.3 Other purchases of goods and services from Government accounts	2	1	3
99.0 Direct obligations	22	23	28
99.0 Reimbursable obligations	34	33	31
99.5 Below reporting threshold	2	1	1
99.9 Total new obligations	58	57	60

Employment Summary

Identification code 12-0120-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	162	180	207
Reimbursable:			
2001 Civilian full-time equivalent employment	79	158	129

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), **[\$4,886,000] \$12,281,000**, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands. (42 U.S.C. 6961, et seq., 42 U.S.C. 9601, et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0500-0-1-304	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Hazardous materials management	11	7	12
10.00 Total new obligations (object class 25.2)	11	7	12
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	2	
22.00 New budget authority (gross)	12	5	12
23.90 Total budgetary resources available for obligation	13	7	12
23.95 Total new obligations	-11	-7	-12
24.40 Unobligated balance carried forward, end of year	2		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	12	5	12
Change in obligated balances:			
72.40 Obligated balance, start of year	24	25	25
73.10 Total new obligations	11	7	12
73.20 Total outlays (gross)	-10	-7	-13
74.40 Obligated balance, end of year	25	25	24
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	4	5	11
86.93 Outlays from discretionary balances	6	2	2
87.00 Total outlays (gross)	10	7	13
Net budget authority and outlays:			
89.00 Budget authority	12	5	12
90.00 Outlays	10	7	13

Under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Resource Con-

servation and Recovery Act (RCRA), the Department has the responsibility to meet the same standards for environmental cleanup and regulatory compliance regarding hazardous wastes and hazardous substances as private businesses. With substantial commitments under these Acts, a central fund has been established so that the Department's agencies may be reimbursed for their cleanup efforts. The Department determines what projects to fund by using objective criteria that identify what sites pose the greatest threats to public health and the environment.

Employment Summary

Identification code 12-0500-0-1-304	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	7	7	7

**AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS
(INCLUDING TRANSFERS OF FUNDS)**

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, **[\$196,252,000] \$231,105,000**, to remain available until expended, of which **[\$156,590,000] \$168,901,000** shall be available for payments to the General Services Administration for rent; **[and] of which \$13,500,000 for payment to the Department of Homeland Security for [building security: Provided, That amounts which are made available for space rental and related costs for the Department of Agriculture in this Act may be transferred between such appropriations to cover the costs of additional, new, or replacement space 15 days after notice thereof is transmitted to the Appropriations Committees of both Houses of Congress] building security activities; and of which \$48,704,000 for buildings operations and maintenance expenses: Provided, That the Secretary is authorized to transfer funds from a Departmental agency to this account to recover the full cost of the space and security expenses of that agency that are funded by this account when the actual costs exceed the agency estimate which will be available for the activities and payments described here in.**

From unobligated discretionary balances available to the Department of Agriculture in this Act or prior year appropriations Acts, not less than \$42,000,000 shall be transferred to the Federal Buildings Fund, General Services Administration; to cover shortfalls incurred for prior year rental payments. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0117-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Rental payments to GSA: Non-recurring repairs	146	156	169
00.02 Building operations and maintenance	45	39	49
00.03 Homeland Security			13
09.02 Reimbursable program		3	3
10.00 Total new obligations	191	198	234
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	6	6
22.00 New budget authority (gross)	187	198	234
23.90 Total budgetary resources available for obligation	197	204	240
23.95 Total new obligations	-191	-198	-234
24.40 Unobligated balance carried forward, end of year	6	6	6

New budget authority (gross), detail:
Discretionary:

40.00	Appropriation	186	196	231
40.33	Appropriation permanently reduced (P.L. 110-161)		-1	
43.00	Appropriation (total discretionary)	186	195	231
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash)	2	3	3
58.10	Change in uncollected customer payments from Federal sources (unexpired)	-1		
58.90	Spending authority from offsetting collections (total discretionary)	1	3	3
70.00	Total new budget authority (gross)	187	198	234

Change in obligated balances:

72.40	Obligated balance, start of year	18	23	23
73.10	Total new obligations	191	198	234
73.20	Total outlays (gross)	-187	-198	-234
74.00	Change in uncollected customer payments from Federal sources (unexpired)			
		1		
74.40	Obligated balance, end of year	23	23	23

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	185	196	232
86.93	Outlays from discretionary balances	2	2	2
87.00	Total outlays (gross)	187	198	234

Offsets:

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-2	-3	-3
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	1		

Net budget authority and outlays:

89.00	Budget authority	186	195	231
90.00	Outlays	185	195	231

This account finances the General Services Administration's fees for rental of space and the Department of Homeland Security's security-related fees. The appropriation covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service. This account also finances the day to day operations, repair, improvement and maintenance activities of two buildings in the Headquarters complex.

Object Classification (in millions of dollars)

Identification code 12-0117-0-1-352	2007 actual	2008 est.	2009 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	7	8	8
12.1	Civilian personnel benefits	1	2	2
23.1	Rental payments to GSA	146	156	169
23.3	Communications, utilities, and miscellaneous charges	10	8	10
25.2	Other services	26	21	42
99.0	Direct obligations	190	195	231
99.0	Reimbursable obligations	1	3	3
99.9	Total new obligations	191	198	234

Employment Summary

Identification code 12-0117-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	74	86	86

OFFICE OF COMMUNICATIONS

Federal Funds

OFFICE OF COMMUNICATIONS

For necessary expenses of the Office of Communications to carry out services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the

OFFICE OF COMMUNICATIONS—Continued

coordination of information, work, and programs authorized by Congress in the Department, **[\$9,338,000] \$9,961,000.** (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-0150-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Public affairs	9	10	10
10.00 Total new obligations	9	10	10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	9	10	11
23.95 Total new obligations	-9	-10	-10
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	9	9	10
58.00 Spending authority from offsetting collections: Offsetting collections (cash)		1	1
70.00 Total new budget authority (gross)	9	10	11
Change in obligated balances:			
72.40 Obligated balance, start of year	2	2	3
73.10 Total new obligations	9	10	10
73.20 Total outlays (gross)	-9	-10	-11
73.40 Adjustments in expired accounts (net)		1	1
74.40 Obligated balance, end of year	2	3	3
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	9	10
86.93 Outlays from discretionary balances		1	1
87.00 Total outlays (gross)	9	10	11
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources		-1	-1
Net budget authority and outlays:			
89.00 Budget authority	9	9	10
90.00 Outlays	9	9	10

Public affairs.—This office provides general direction, leadership, and coordination of the Department’s information program. The major objective is to provide a balanced and useful information program that reports on USDA’s research, administrative action, and regulatory activities using all communications media in order to enable the general public and the agricultural industry to have a better understanding of agriculture’s services to farmers and to society and to provide accurate, timely information during an emergency.

Object Classification (in millions of dollars)

Identification code 12-0150-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	7	7
12.1 Civilian personnel benefits	1	2	2
99.0 Direct obligations	7	9	9
99.0 Reimbursable obligations	2	1	1
99.9 Total new obligations	9	10	10

Employment Summary

Identification code 12-0150-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	69	79	79

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the Inspector General Act of 1978, **[\$80,052,000] \$85,766,000**, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, and including not to exceed \$125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98. (*7 U.S.C. 450b, 2201, 2202, 2220, 2270; Public Law 100-504; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-0900-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Office of the Inspector General	81	82	82
09.01 Reimbursable program	3	3	3
10.00 Total new obligations	84	85	85
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	7	5
22.00 New budget authority (gross)	88	83	90
23.90 Total budgetary resources available for obligation	91	90	95
23.95 Total new obligations	-84	-85	-85
24.40 Unobligated balance carried forward, end of year	7	5	10
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	80	80	86
40.33 Appropriation permanently reduced (P.L. 110-161)		-1	
43.00 Appropriation (total discretionary)	80	79	86
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	7	4	4
58.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
58.90 Spending authority from offsetting collections (total discretionary)	8	4	4
70.00 Total new budget authority (gross)	88	83	90
Change in obligated balances:			
72.40 Obligated balance, start of year	9	8	13
73.10 Total new obligations	84	85	85
73.20 Total outlays (gross)	-84	-83	-89
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.10 Change in uncollected customer payments from Federal sources (expired)		3	3
74.40 Obligated balance, end of year	8	13	12
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	77	76	82
86.93 Outlays from discretionary balances	7	7	7
87.00 Total outlays (gross)	84	83	89
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-7	-4	-4
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-1		
Net budget authority and outlays:			
89.00 Budget authority	80	79	86
90.00 Outlays	77	79	85

The Office keeps the Secretary and Congress informed about fraud, other serious problems, mismanagement, and deficiencies in Department programs and operations, rec-

ommends corrective action, and reports on the progress made in correcting the problems. It reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact these laws have on the Department's programs and the prevention and detection of fraud and mismanagement in such programs. The Office provides policy direction and conducts, supervises, and coordinates all audits and investigations. The Office supervises and coordinates other activities in the Department and between the Department and other Federal, State and local government agencies whose purposes are to: (a) promote economy and efficiency; (b) prevent and detect fraud and mismanagement; and (c) identify and prosecute people involved in fraud or mismanagement.

Object Classification (in millions of dollars)

Identification code 12-0900-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	50	52	52
12.1 Civilian personnel benefits	16	16	16
21.0 Travel and transportation of persons	5	5	5
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services	4	4	4
25.3 Other purchases of goods and services from Government accounts	1	1	1
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Direct obligations	80	82	82
99.0 Reimbursable obligations	4	3	3
99.9 Total new obligations	84	85	85

Employment Summary

Identification code 12-0900-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	588	600	600

OFFICE OF THE GENERAL COUNSEL

Federal Funds

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, **[\$39,227,000] \$42,852,000.** (7 U.S.C. 2201; 2202, 2214a; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-2300-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Office of the General Counsel	39	39	43
09.00 Reimbursable program	3	4	4
10.00 Total new obligations	42	43	47
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	42	43	47
23.95 Total new obligations	-42	-43	-47
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	39	39	43
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	3	4	4
70.00 Total new budget authority (gross)	42	43	47
Change in obligated balances:			
72.40 Obligated balance, start of year	4	3	3
73.10 Total new obligations	42	43	47
73.20 Total outlays (gross)	-43	-43	-47

74.40 Obligated balance, end of year	3	3	3
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	40	41	45
86.93 Outlays from discretionary balances	3	2	2
87.00 Total outlays (gross)	43	43	47
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-3	-4	-4
Net budget authority and outlays:			
89.00 Budget authority	39	39	43
90.00 Outlays	40	39	43

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel, and services to the Secretary and to all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; non-litigation debt collection proceedings; state water rights adjudications; proceedings before the Environmental Protection Agency, Federal Maritime Administration, International Trade Commission, and other Federal agencies; and, in conjunction with the Department of Justice, in judicial proceedings and litigation. All attorneys and related support personnel devoted to those efforts are under the supervision of the General Counsel.

Object Classification (in millions of dollars)

Identification code 12-2300-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	29	29	32
12.1 Civilian personnel benefits	7	7	8
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	1	1	1
26.0 Supplies and materials	1	1	1
99.0 Direct obligations	39	39	43
99.0 Reimbursable obligations	3	4	4
99.9 Total new obligations	42	43	47

Employment Summary

Identification code 12-2300-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	297	294	304
Reimbursable:			
2001 Civilian full-time equivalent employment	22	26	26

ECONOMIC RESEARCH SERVICE

Federal Funds

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, **[\$77,943,000] \$82,106,000.** (7 U.S.C. 292, 411, 427, 1441a, 1704, 1761-68, 2201, 2202, 2225, 3103, 3291, 3311, 3504; 22 U.S.C. 3101; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1701-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Economic Research Service	75	77	82
09.00 Reimbursable program	1	1	1
10.00 Total new obligations	76	78	83

ECONOMIC RESEARCH SERVICE—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1701-0-1-352	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	76	78	83
23.95 Total new obligations	-76	-78	-83
23.98 Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	75	78	82
40.33 Appropriation permanently reduced (P.L. 110-161)		-1	
43.00 Appropriation (total discretionary)	75	77	82
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	76	78	83
Change in obligated balances:			
72.40 Obligated balance, start of year	30	31	31
73.10 Total new obligations	76	78	83
73.20 Total outlays (gross)	-74	-78	-82
73.40 Adjustments in expired accounts (net)	-1		
74.40 Obligated balance, end of year	31	31	32
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	58	68	72
86.93 Outlays from discretionary balances	16	10	10
87.00 Total outlays (gross)	74	78	82
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	75	77	82
90.00 Outlays	73	77	81

The Economic Research Service provides economic and other social science research and analysis for public and private decisions on agriculture, food, natural resources, and rural America. The FY 2009 Budget request includes a program increase of \$3.5 million to strengthen and enhance the ERS market analysis and outlook program to provide timely analysis of global agricultural product markets.

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

Object Classification (in millions of dollars)

Identification code 12-1701-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	36	38	40
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	38	40	42
12.1 Civilian personnel benefits	8	9	9
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	4	4	7
25.3 Other purchases of goods and services from Government accounts	12	11	11
25.5 Research and development contracts	8	8	8
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
41.0 Grants, subsidies, and contributions	1	1	1
99.0 Direct obligations	75	77	82
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	76	78	83

Employment Summary

Identification code 12-1701-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	376	407	409
Reimbursable:			
2001 Civilian full-time equivalent employment	4	1	1

NATIONAL AGRICULTURAL STATISTICS SERVICE

Federal Funds

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, **[\$163,355,000]** \$153,475,000, of which up to **[\$52,351,000]** \$39,478,000 shall be available until expended for the Census of Agriculture. (7 U.S.C. 411, 411a, 411b, 427, 471, 475, 476, 501, 951, 953, 955-57, 2201, 2202, 2204, 2225, 2248, 3103, 3311, 3504; 18 U.S.C. 1902, 1905, 2072; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1801-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Agricultural estimates	102	103	107
00.02 Statistical research and service	7	7	7
00.03 Census of agriculture	36	52	39
09.01 Reimbursable program	19	18	18
10.00 Total new obligations	164	180	171
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	2	2
22.00 New budget authority (gross)	165	180	171
23.90 Total budgetary resources available for obligation	166	182	173
23.95 Total new obligations	-164	-180	-171
24.40 Unobligated balance carried forward, end of year	2	2	2
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	147	163	153
40.33 Appropriation permanently reduced (P.L. 110-161)		-1	
43.00 Appropriation (total discretionary)	147	162	153
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	13	18	18
58.10 Change in uncollected customer payments from Federal sources (unexpired)	5		
58.90 Spending authority from offsetting collections (total discretionary)	18	18	18
70.00 Total new budget authority (gross)	165	180	171
Change in obligated balances:			
72.40 Obligated balance, start of year	13	15	15
73.10 Total new obligations	164	180	171
73.20 Total outlays (gross)	-166	-180	-171
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-5		
74.10 Change in uncollected customer payments from Federal sources (expired)	9		
74.40 Obligated balance, end of year	15	15	15
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	146	162	154
86.93 Outlays from discretionary balances	20	18	17
87.00 Total outlays (gross)	166	180	171
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			

88.00	Federal sources	-20	-15	-15
88.40	Non-Federal sources	-3	-3	-3
88.90	Total, offsetting collections (cash)	-23	-18	-18
	Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-5		
88.96	Portion of offsetting collections (cash) credited to expired accounts	10		
Net budget authority and outlays:				
89.00	Budget authority	147	162	153
90.00	Outlays	143	162	153

Agricultural estimates.—The Service provides the official National and State estimates of acreage, yield, and production of crops, stocks, and value of farm commodities, and numbers of inventory values of livestock items. Data on approximately 120 crops and 45 livestock products are covered in over 500 reports issued each year. Detailed data are also collected on agricultural labor and expenditures. In addition, the Census of Agriculture is conducted every five years, which provides comprehensive data on the Nation's agricultural industry down to the county level. Incentives and promotional items are used by NASS to support outreach efforts to maximize response rates on surveys and the Census of Agriculture.

The work under this activity is conducted through 46 field offices serving the 50 States and Puerto Rico; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. The 2009 Budget request proposes increases to improve the quality of NASS surveys and to collect data on bioenergy production and utilization, as well as a reduction from lower priority projects.

Census of Agriculture.—The Census of Agriculture is conducted every five years to take a snapshot of America's agriculture. This picture, when compared to earlier censuses, helps to measure trends and new developments in the agricultural sector of our Nation's economy. The Census is critical because it provides the only source of comparable and consistent detailed data about agriculture at the county level. The 2009 Budget request includes a reduction of \$15.3 million due to the Census' five year production cycle, and increases to measure energy production and use on farms, and to help reduce the impacts of variable funding levels in future years.

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

Object Classification (in millions of dollars)				
Identification code 12-1801-0-1-352		2007 actual	2008 est.	2009 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	78	81	83
11.3	Other than full-time permanent	1	1	1
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	80	83	85
12.1	Civilian personnel benefits	22	23	23
21.0	Travel and transportation of persons	2	3	3
22.0	Transportation of things	1	1	1
23.3	Communications, utilities, and miscellaneous charges	5	5	5
25.2	Other services	23	33	21
25.3	Other purchases of goods and services from Gov- ernment accounts	7	7	8
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials	1	2	2
31.0	Equipment	3	4	4
99.0	Direct obligations	145	162	153
99.0	Reimbursable obligations	19	18	18
99.9	Total new obligations	164	180	171

Employment Summary

Identification code 12-1801-0-1-352	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	1,010	1,010	1,001
Reimbursable:				
2001	Civilian full-time equivalent employment	106	106	106

AGRICULTURAL RESEARCH SERVICE

Federal Funds

SALARIES AND EXPENSES

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, **[\$1,128,944,000] \$1,037,016,000: Provided,** That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further,* That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$375,000, except for headhouses or greenhouses which shall each be limited to \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed \$750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$375,000, whichever is greater: *Provided further,* That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further,* That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center: *Provided further,* That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further,* That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law: *Provided further,* That hereafter none of the funds appropriated under this heading shall be available to carry out research related to the production, processing, or marketing of tobacco or tobacco products]. (7 U.S.C. 328, 427, 427i, 1281 note, 1621, 2201, 2204, 2225, 3101 note; 10 U.S.C. 2306; 16 U.S.C. 590(a)-590(b), 590(k); 18 U.S.C. 1114; 19 U.S.C. 1306(a), 1306(c); 20 U.S.C. 191-194; 21 U.S.C. 114c, 114e-131; 42 U.S.C. 1476(e), 1483; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-1400-0-1-352	2007 actual	2008 est.	2009 est.	
01.00	Balance, start of year	6	6	6
01.99	Balance, start of year	6	6	6
04.00	Total: Balances and collections	6	6	6
07.99	Balance, end of year	6	6	6

Program and Financing (in millions of dollars)

Identification code 12-1400-0-1-352	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Product quality/value added	105	105	98
00.02	Livestock production	85	85	70
00.03	Crop production	201	201	191
00.04	Food safety	95	95	82
00.05	Livestock protection	70	66	38
00.06	Crop protection	187	187	179

SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1400-0-1-352	2007 actual	2008 est.	2009 est.
00.07 Human nutrition research	86	85	80
00.08 Environmental stewardship	223	222	200
00.09 National Agricultural Library	24	22	18
00.10 Repair and maintenance of facilities	18	18	17
00.11 Collaborative research program	3		
00.12 Homeland security	36	35	64
00.13 Construction/miscellaneous fees	9	2	
09.00 Reimbursable program	81	81	81
10.00 Total new obligations	1,223	1,204	1,118
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	12	2	
22.00 New budget authority (gross)	1,213	1,202	1,118
22.10 Resources available from recoveries of prior year obligations	3		
23.90 Total budgetary resources available for obligation	1,228	1,204	1,118
23.95 Total new obligations	-1,223	-1,204	-1,118
23.98 Unobligated balance expiring or withdrawn	-3		
24.40 Unobligated balance carried forward, end of year	2		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,129	1,129	1,037
40.33 Appropriation permanently reduced (P.L. 110-161)		-8	
42.00 Transferred from other accounts	3		
43.00 Appropriation (total discretionary)	1,132	1,121	1,037
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	34	81	81
58.10 Change in uncollected customer payments from Federal sources (unexpired)	47		
58.90 Spending authority from offsetting collections (total discretionary)	81	81	81
70.00 Total new budget authority (gross)	1,213	1,202	1,118
Change in obligated balances:			
72.40 Obligated balance, start of year	303	331	354
73.10 Total new obligations	1,223	1,204	1,118
73.20 Total outlays (gross)	-1,186	-1,181	-1,108
73.40 Adjustments in expired accounts (net)	-11		
73.45 Recoveries of prior year obligations	-3		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-47		
74.10 Change in uncollected customer payments from Federal sources (expired)	52		
74.40 Obligated balance, end of year	331	354	364
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	932	896	832
86.93 Outlays from discretionary balances	254	285	276
87.00 Total outlays (gross)	1,186	1,181	1,108
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-66	-65	-65
88.40 Non-Federal sources	-17	-16	-16
88.90 Total, offsetting collections (cash)	-83	-81	-81
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-47		
88.96 Portion of offsetting collections (cash) credited to expired accounts	49		
Net budget authority and outlays:			
89.00 Budget authority	1,132	1,121	1,037
90.00 Outlays	1,103	1,100	1,027

The Agricultural Research Service (ARS) conducts research to provide the means for a safer, more economical supply of agricultural products for the Nation and to provide pro-

ducers with technologies to competitively supply these products. Technology needs of regulatory, technical assistance and education agencies of USDA and other Federal agencies are supported through ARS research. ARS uses coordinated, interdisciplinary approaches to perform basic and applied research on soil and water conservation, plant and animal sciences, commodity conversion and delivery, human nutrition, and integrated agricultural systems. In 2009, ARS proposes an increase of \$47.1 million in new and expanded research initiatives on food safety, obesity prevention, water reuse, crop and animal diseases and pests, agricultural genomics and germplasm, bioenergy and bioproducts, colony collapse disorder, and information services. ARS will finance these new and expanded initiatives through the redirection of existing lines of research including the closure of some research locations. In 2007, ARS submitted 105 new patent applications, participated in 55 new Cooperative research and development agreements (CRADAs), licensed 25 new products, and developed 77 new plant varieties to release to industry for further development and marketing.

Product Quality/Value Added.—New products, new uses, and value-added processes that appeal to consumers will create additional demand-driven need for agricultural production, thus providing more opportunities for agricultural producers and businesses. Biobased technologies promise new opportunities for energy, industrial and pharmacological markets for U.S. farmers. New markets are emerging for environmental activities and products that mitigate environmental concerns.

Livestock Production.—Intense competition in global markets emphasizes the need for American agriculture to pursue and market higher value animal products. Research must respond to consumer demands for healthier and safer products to ensure a sustainable and profitable livestock production system that produces affordable value-added food, fiber, and industrial products. These superior technologies must effectively differentiate U.S. agricultural products from competing sources and provide customers with value-added processes that enhance product quality.

Crop Production.—ARS will develop and disseminate science-based information to provide U.S. crop producers with increased flexibility to effectively manage unforeseen risks that impact profitability and product quality. U.S. agricultural production and marketability is constantly influenced by factors such as unpredictable weather, disease and pest outbreaks, and changing consumer demands. Use of genetically diverse germplasm resource collections and best management practices require research that helps improve production efficiency and productivity through the development of pest resistant varieties and information to facilitate decision-making.

Food Safety.—For the Nation to have affordable and safe food, the food system must be protected at each step from production to consumption. The production and distribution system for food in the United States has been a diverse, extensive, and easily accessible system. This open system is vulnerable to the introduction of pathogens and toxins through natural processes, global commerce, and by intentional means. Thus, the food supply must be protected during production, processing, and preparation from pathogens, toxins, and chemical contamination that cause disease in humans.

Livestock Protection.—Economic sustainability of livestock production systems in both domestic and global markets is limited by the disease status of the animals. Many factors affect the likelihood of diseases in livestock. These include globalization and international commerce, presence of pathogen vectors, industrialization of agriculture, availability of vaccines and protection systems, movements of animals during production, continued emergence of new diseases, genetic resistance, and the availability of vaccines and protection sys-

tems, movements of animals during production, continued emergence of new disease, genetic resistance, and the availability of trained animal health specialists. Livestock production systems are in transition from open and extensive systems to more closely monitored intensive management systems which remain vulnerable to accidental and intentional exposure to pathogens. Many of these pathogens are zoonotic and impact public health.

Crop Protection.—Economic sustainability of agricultural crop production in both domestic and global markets is limited by the disease status of crops. Many factors affect the likelihood of diseases to crops including globalization and international commerce, presence of pathogen vectors, availability of protection systems, continued emergence of new disease, genetic resistance of crops, and the availability of trained plant health specialists. Crop systems have limited diversity and will remain extensive and thereby more vulnerable to intentional exposure to pathogens.

Human Nutrition.—Improving the Nation’s health requires enhancing the quality of the American diet. The United States is experiencing an obesity epidemic resulting from multifaceted causes including a “more is better” mindset, a sedentary lifestyle, and the selection of readily available high calorie foods. In addition, four of the top ten causes of death in the U.S.—cardiovascular disease, cancer, stroke, and diabetes—are associated with the quality of our diets—diets too high in calories, total fat, saturated fat, cholesterol, or too low in fiber. Americans want fresh foods that taste good, are convenient to prepare and consume, and yet, offer nutrition and health benefits. Building a strong connection between agriculture and human health is an important step to providing a nutritionally enhanced food supply. Promoting healthier food choices and educating Americans to balance caloric intake with sufficient daily physical activity are vital steps to preventing obesity and decreasing risk for chronic disease.

Environmental Stewardship.—Agriculture relies on a natural resource base whose sustainability depends on sound, science-based production practices. The management of our renewable resources often seems to be a continuous balancing of conflicting and competing goals and concerns. While this is often the case, particularly in the short-term, longer-term management strategies combined with adequate knowledge of the complex natural systems can yield maximum sustainable benefits from our resources that can satisfy most competing concerns. The outcome will be technology and practices that will mitigate the adverse impact of agriculture on the environment, moderate the build up of greenhouse gases that may contribute to climate change, and remove the necessity of farming environmentally sensitive marginal lands.

Library and Information Services.—Timely, relevant information is an essential raw material for the research process as well as for effective policy development and decision-making. Targeted information services are also required to support specialized USDA audiences such as inspectors, regulators, nutritionists, and others, as well as their peers, customers and stakeholders nationwide. The general public requires information on a very broad set of agriculture-related topics, ranging from small business development to gardening to nutrition to food safety to farming to textiles to statistics and beyond. Also, the permanent preservation of USDA’s and the Nation’s agricultural intellectual heritage is a key national responsibility. The National Agricultural Library (NAL) is mandated to fulfill these roles and is a national resource for all users of agricultural information. NAL’s work in collecting, preserving and ensuring access to agricultural information is fundamental to the continued wellbeing and growth of U.S. agriculture, and the development of food supplies for the Nation and world.

Repair and maintenance of facilities.—Funds are used to restore, upgrade, and maintain Federal facilities to meet OSHA and EPA requirements, provide suitable workspace for in-house research programs, and to retrofit existing structures for better energy utilization.

Collaborative Research Program.—Funds from the Department of State allow USDA to support collaborative research projects with scientists in the former Soviet Union and South/Southeast Asia. Through scientific cooperation in agricultural research, the USDA program supports the Department of States’ nonproliferation mission while advancing agricultural science by establishing new expertise in these regions, enhancing the effectiveness and productivity of ARS research programs, and helping to improve the economy of these countries through advances in agricultural technology.

Reimbursements.—Agricultural Research Service performs program research activities and services for other USDA, Federal, and non-Federal agencies. These activities and services are paid for on a reimbursable basis.

Object Classification (in millions of dollars)

Identification code 12-1400-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	518	533	532
11.3 Other than full-time permanent	13	13	13
11.5 Other personnel compensation	14	14	14
11.9 Total personnel compensation	545	560	559
12.1 Civilian personnel benefits	148	152	152
21.0 Travel and transportation of persons	18	17	17
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	48	45	35
24.0 Printing and reproduction	2	2	1
25.1 Advisory and assistance services	25	1	1
25.2 Other services	9	5	4
25.3 Other purchases of goods and services from Government accounts	6	6	5
25.4 Operation and maintenance of facilities	46	39	30
25.5 Research and development contracts	150	140	109
25.7 Operation and maintenance of equipment	9	8	7
25.8 Subsistence and support of persons	1	1	1
26.0 Supplies and materials	92	85	67
31.0 Equipment	43	39	31
32.0 Land and structures	6	6	5
41.0 Grants, subsidies, and contributions	16	15	11
99.0 Direct obligations	1,142	1,123	1,037
99.0 Reimbursable obligations	81	81	81
99.9 Total new obligations	1,223	1,204	1,118

Employment Summary

Identification code 12-1400-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	8,227	8,227	8,016
Reimbursable:			
2001 Civilian full-time equivalent employment	200	200	200

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, **[\$47,082,000]** \$13,220,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1401-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			

BUILDINGS AND FACILITIES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1401-0-1-352	2007 actual	2008 est.	2009 est.
00.01 Building and facilities projects	99	105	45
10.00 Total new obligations	99	105	45
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	262	163	105
22.00 New budget authority (gross)	47	—	—54
22.10 Resources available from recoveries of prior year obligations	1	—	—
23.90 Total budgetary resources available for obligation	263	210	51
23.95 Total new obligations	—99	—105	—45
23.98 Unobligated balance expiring or withdrawn	—1	—	—
24.40 Unobligated balance carried forward, end of year	163	105	6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	47	—	13
40.36 Unobligated balance permanently reduced	—	—	—67
43.00 Appropriation (total discretionary)	47	—	—54
Change in obligated balances:			
72.40 Obligated balance, start of year	237	144	115
73.10 Total new obligations	99	105	45
73.20 Total outlays (gross)	—191	—134	—56
73.45 Recoveries of prior year obligations	—1	—	—
74.40 Obligated balance, end of year	144	115	104
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	7	—	—8
86.93 Outlays from discretionary balances	191	127	64
87.00 Total outlays (gross)	191	134	56
Net budget authority and outlays:			
89.00 Budget authority	47	—	—54
90.00 Outlays	191	134	56

This account provides funds for the acquisition of land, construction, repair, improvement, extension, alterations, and purchases of fixed equipment or facilities of or used by the Agricultural Research Service. The 2009 Budget request includes \$13.2 million to complete the planning and design of the Southeast Poultry Research Laboratory at Athens, Georgia. In addition, the 2009 Budget request proposes to cancel \$67.2 million in available balances from prior unrequested projects.

Object Classification (in millions of dollars)

Identification code 12-1401-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services	71	71	44
25.4 Operation and maintenance of facilities	25	31	—
31.0 Equipment	2	2	—
32.0 Land and structures	1	1	1
99.9 Total new obligations	99	105	45

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8214-0-7-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	—	—	—
01.99 Balance, start of year	—	—	—
Receipts:			
02.20 Deposits of Miscellaneous Contributed Funds, Science and Education Administration	19	20	20

04.00 Total: Balances and collections	19	20	20
Appropriations:			
05.00 Miscellaneous Contributed Funds	—19	—20	—20
07.99 Balance, end of year	—	—	—

Program and Financing (in millions of dollars)

Identification code 12-8214-0-7-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Miscellaneous contributed funds	16	17	17
10.00 Total new obligations	16	17	17
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	15	18	21
22.00 New budget authority (gross)	19	20	20
23.90 Total budgetary resources available for obligation	34	38	41
23.95 Total new obligations	—16	—17	—17
24.40 Unobligated balance carried forward, end of year	18	21	24
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	19	20	20
Change in obligated balances:			
72.40 Obligated balance, start of year	4	4	4
73.10 Total new obligations	16	17	17
73.20 Total outlays (gross)	—16	—17	—20
74.40 Obligated balance, end of year	4	4	1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	13	14	14
86.98 Outlays from mandatory balances	3	3	6
87.00 Total outlays (gross)	16	17	20
Net budget authority and outlays:			
89.00 Budget authority	19	20	20
90.00 Outlays	16	17	20

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

Object Classification (in millions of dollars)

Identification code 12-8214-0-7-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	3	4	4
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	5	6	6
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	3	3	3
25.5 Research and development contracts	3	3	3
26.0 Supplies and materials	4	4	4
99.9 Total new obligations	16	17	17

Employment Summary

Identification code 12-8214-0-7-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	84	84	84

**COOPERATIVE STATE RESEARCH,
EDUCATION, AND EXTENSION SERVICE**

Federal Funds

INTEGRATED ACTIVITIES

For the integrated research, education, and extension grants programs, including necessary administrative expenses, **[\$56,244,000]**

\$20,120,000, as follows: [for competitive grants programs authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), \$42,286,000, including \$12,738,000 for the water quality program, \$14,699,000 for the food safety program, \$4,125,000 for the regional pest management centers program, \$4,419,000 for the Food Quality Protection Act risk mitigation program for major food crop systems, \$1,375,000 for the crops affected by Food Quality Protection Act implementation, \$3,075,000 for the methyl bromide transition program, and \$1,855,000 for the organic transition program;] for a competitive international science and education grants program authorized under section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b), to remain available until expended, [\$2,000,000] \$1,990,000; for grants programs authorized under section 2(c)(1)(B) of Public Law 89-106, as amended, [\$737,000] \$2,475,000, to remain available until September 30, [2009] 2010, for the critical issues program; [\$1,321,000] \$1,378,000 for the regional rural development centers program; and [\$9,900,000] \$14,277,000 for the Food and Agriculture Defense Initiative authorized under section 1484 of the National Agricultural Research, Extension, and Teaching Act of 1977, to remain available until September 30, [2009] 2010. (7 U.S.C. 450i(c)(1)(B), 3292b, 3351, 7626; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1502-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.10 Organic research and extension init.	3	3	.....
00.20 Water quality	13	13	.....
00.30 Food safety	14	15	.....
00.40 Regional pest management centers	4	4	.....
00.50 Crops at risk from food quality protection act imple- mentation	1	1	.....
00.60 Food quality protection act risk mitigation program	4	4	.....
00.70 Methyl bromide transition program	3	3	.....
00.71 Homeland Security	10	10	14
00.86 International science and education grants	1	3	2
00.87 Rural development centers	1	1	1
00.88 Organic transition	2	2	.....
00.89 Critical issues—plant and animal diseases	1	1	3
10.00 Total new obligations	57	60	20
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		1	.....
22.00 New budget authority (gross)	58	59	20
23.90 Total budgetary resources available for obligation	58	60	20
23.95 Total new obligations	-57	-60	-20
24.40 Unobligated balance carried forward, end of year	1	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	55	56	20
Mandatory:			
60.00 Appropriation	3	3	.....
70.00 Total new budget authority (gross)	58	59	20
Change in obligated balances:			
72.40 Obligated balance, start of year	132	130	132
73.10 Total new obligations	57	60	20
73.20 Total outlays (gross)	-58	-58	-56
73.40 Adjustments in expired accounts (net)	-1	.....	.....
74.40 Obligated balance, end of year	130	132	96
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	6	7	7
86.93 Outlays from discretionary balances	46	47	47
86.97 Outlays from new mandatory authority		1	.....
86.98 Outlays from mandatory balances	6	3	2
87.00 Total outlays (gross)	58	58	56
Net budget authority and outlays:			
89.00 Budget authority	58	59	20
90.00 Outlays	58	58	56

Under the Integrated Activities account, research, education and/or extension grants are awarded for competitive and non-competitive programs. In 2009, the Budget proposes that Section 406 activities, formerly supported under the Integrated account, be supported within the Research and Education account. These grants will be administered through the National Research Initiative (NRI). This will allow greater flexibility and responsiveness to changing needs in these targeted activities.

Critical issues program.—Funds are proposed to develop early intervention strategies to prevent, manage or eradicate new and emerging diseases, both plant and animal, which would prevent loss of revenue to growers or producers.

Regional rural development centers.—Funding supports activities that pursue a holistic development strategy that tailors programming to meet regional and local needs and addresses areas of opportunity arising from a consumer-driven agricultural economy.

Food and agriculture defense initiative (homeland security).—The program provides support to an unified network of public agricultural institutions to identify and respond to high risk biological pathogens in the food and agricultural system. The 2009 Budget includes an increase to enhance agricultural defense. In particular, funding will maintain and enhance risk management tools for Asian soybean rust and other pathogens of legumes. Additional funding for these laboratories is included in the Animal and Plant Health Inspection Service.

Object Classification (in millions of dollars)

Identification code 12-1502-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	.....
41.0 Grants, subsidies, and contributions	56	59	20
99.9 Total new obligations	57	60	20

Employment Summary

Identification code 12-1502-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	8	8	4

INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS

1998 Research Act.—Adequate funding for similar research is proposed through other USDA research programs.

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, [\$672,997,000] \$535,277,000, as follows: to carry out the provisions of the Hatch Act of 1887 (7 U.S.C. 361a-i), [\$197,192,000] \$139,208,000, of which, notwithstanding the provisions of section 3(b) and (c) of Hatch Act of 1887 (7 U.S.C. 361c(b) and (c)) and after allocation of the amount provided under section 3(c)(4) of such act (7 U.S.C. 361c(c)(4)), \$40,848,000 shall be allocated in the same proportions as funds were allocated under sections 3(b), 3(c)(1) and (2) of such act (7 U.S.C. 361c(b) and (c)(1) and (2)) for fiscal year 2008, and \$98,360,000 shall be available for continued funding of current grants and competitive award of grants with terms not to exceed five years under the Multistate Research Fund established under section 3(c)(3) of such act (7 U.S.C. 361c(c)(3)); for grants for cooperative forestry research (16 U.S.C. 582a through a-7), [\$24,966,000] \$19,463,000, of which \$6,491,000 shall be allocated to eligible institutions on the same basis as such funds were allocated in FY 2008 and \$12,972,000 shall be available for competitive grants to institutions eligible under 16 U.S.C. 582a-1 under the terms specified in subsections (c) through (f) of section 1232 of Public Law 101-624 (16 U.S.C. 582a-8(c) through (f)) subject to a 100 percent match by

RESEARCH AND EDUCATION ACTIVITIES—Continued

the recipient; for payments to eligible institutions (7 U.S.C. 3222), **[\$41,340,000] \$38,331,000**, provided that each institution receives no less than \$1,000,000; for special grants for agricultural research (7 U.S.C. 450i(c)), **[\$92,422,000, of which \$2,095,000 shall be for grants pursuant to 7 U.S.C. 3155] \$3,258,000**; for competitive grants for agricultural research on improved pest control (7 U.S.C. 450i(c)), **[\$15,421,000] \$14,856,000**; for competitive research grants (7 U.S.C. 450i(b)), **[\$192,229,000] \$256,500,000, to remain available until expended**; **[for the support of animal health and disease programs (7 U.S.C. 3195), \$5,006,000; for supplemental and alternative crops and products (7 U.S.C. 3319d), \$825,000; for grants for research pursuant to the Critical Agricultural Materials Act (7 U.S.C. 178 et seq.), \$1,091,000, to remain available until expended;] for the 1994 research grants program for 1994 institutions pursuant to section 536 of Public Law 103-382 (7 U.S.C. 301 note), **[\$1,544,000] \$1,067,000**, to remain available until expended; **[for rangeland research grants (7 U.S.C. 3333), \$990,000;] for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), **[\$3,701,000] \$4,455,000**, to remain available until expended (7 U.S.C. 2209b); **[for a program pursuant to section 1415A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151a), \$875,000, to remain available until expended;] for higher education challenge grants (7 U.S.C. 3152(b)(1)), **[\$5,423,000] \$6,695,000**; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), \$988,000, to remain available until expended (7 U.S.C. 2209b); for a higher education agrosecurity education program (7 U.S.C. 3351), \$2,000,000, to remain available until expended; for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), **[\$6,089,000] \$5,588,000**; for competitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3242 (section 759 of Public Law 106-78) to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, **[\$3,218,000] \$2,967,000**; for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(j)), \$990,000; for aquaculture grants (7 U.S.C. 3322), \$3,956,000; for sustainable agriculture research and education (7 U.S.C. 5811), **[\$14,500,000] \$9,138,000**; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to institutions eligible to receive funds under 7 U.S.C. 3221 and 3222, **[\$13,688,000] \$12,375,000**, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382, **[\$3,342,000] \$2,227,000**; for resident instruction grants for insular areas under section 1491 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363), **[\$750,000] \$495,000**; and for necessary expenses of Research and Education Activities, **[\$42,451,000] \$10,720,000**, of which \$2,723,000 for the Research, Education, and Economics Information System and \$2,151,000 for the Electronic Grants Information System, are to remain available until expended: *Provided*, That hereafter none of the funds appropriated under this heading shall be available to carry out research related to the production, processing, or marketing of tobacco or tobacco products: *Provided further*, That hereafter this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco].******

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American Institutions Endowment Fund authorized by Public Law 103-382 (7 U.S.C. 301 note), \$11,880,000, to remain available until expended. (7 U.S.C. 328, 427, 427i, 1281 note, 1621, 2201, 2204, 2225, 3101 note; 10 U.S.C. 2306; 16 U.S.C. 590(a)-590(b), 590(k); 18 U.S.C. 1114; 19 U.S.C. 1306(a), 1306(c); 20 U.S.C. 191-194; 21 U.S.C. 114c, 114e-131; 42 U.S.C. 1476(e), 1483; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-1500-0-1-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	79	91	103
01.99 Balance, start of year	79	91	103
Receipts:			
02.40 Earnings on Investments, Native American Institutions Endowment Fund	3	3	4
04.00 Total: Balances and collections	82	94	107
Appropriations:			
05.00 Research and Education Activities	-3	-3	-4

05.01 Research and Education Activities	12	12	12
05.99 Total appropriations	9	9	8
07.99 Balance, end of year	91	103	115

Program and Financing (in millions of dollars)

Identification code 12-1500-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Payments under the Hatch Act	323	196	139
00.02 Cooperative forestry research	30	25	19
00.03 Payments to 1890 colleges and Tuskegee Univ. and West Virginia State College	41	41	38
00.04 Special research grants	36	130	32
00.05 National research initiative competitive grants	181	291	257
00.06 Animal health and disease research	5	5	
00.07 Federal Administration	10	42	11
00.08 Higher education	36	45	39
00.09 Native American Institutions Endowment Fund	3	3	4
00.11 Resident Instruction Grants for Insular Activities		1	
00.12 Veterinary Medical Services Act		1	
09.00 Reimbursable program	17	17	17
10.00 Total new obligations	682	797	556
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	105	115	7
22.00 New budget authority (gross)	692	689	554
23.90 Total budgetary resources available for obligation	797	804	561
23.95 Total new obligations	-682	-797	-556
24.40 Unobligated balance carried forward, end of year	115	7	5
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	683	686	547
40.20 Appropriation (special fund)	3	3	4
40.33 Appropriation permanently reduced (P.L. 110-161)		-5	
40.45 Portion precluded from obligation (-)	-12	-12	-12
43.00 Appropriation (total discretionary)	674	672	539
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	1	17	15
58.10 Change in uncollected customer payments from Federal sources (unexpired)	17		
58.90 Spending authority from offsetting collections (total discretionary)	18	17	15
70.00 Total new budget authority (gross)	692	689	554
Change in obligated balances:			
72.40 Obligated balance, start of year	834	864	993
73.10 Total new obligations	682	797	556
73.20 Total outlays (gross)	-644	-668	-680
73.40 Adjustments in expired accounts (net)	-3		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-17		
74.10 Change in uncollected customer payments from Federal sources (expired)	12		
74.40 Obligated balance, end of year	864	993	869
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	223	361	291
86.93 Outlays from discretionary balances	421	307	389
87.00 Total outlays (gross)	644	668	680
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-13	-17	-15
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-17		
88.96 Portion of offsetting collections (cash) credited to expired accounts	12		
Net budget authority and outlays:			
89.00 Budget authority	674	672	539
90.00 Outlays	631	651	665

Memorandum (non-add) entries:			
92.01	Total investments, start of year: Federal securities:		
	Par value	76	88
92.02	Total investments, end of year: Federal securities:		
	Par value	88	100

Cooperative State Research, Education, and Extension Service participates in a nationwide system of agricultural research and education program planning and coordination between State institutions and the U.S. Department of Agriculture. It assists in maintaining cooperation among the State institutions, and between the State institutions and their Federal research partners. The agency administers grants and payments to State institutions to supplement State and local funding for agricultural research and higher education.

Payments under the Hatch Act.—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands. The Budget proposes that beginning in 2009, an alternative approach be taken to expand and continuously re-compete the Hatch Act multi-state awards by redirecting a portion of the formula funds to nationally, competitively awarded multi-state/multi-institutional projects.

Cooperative forestry research.—These funds are allocated by formula to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, the Virgin Islands, and other State-supported colleges and universities having a forestry school and offering graduate training in forestry sciences. The 2009 Budget proposes an alternative approach under this program to redirect a portion of the formula funds to nationally, competitively awarded multi-state/multi-institutional projects.

Animal health and disease research.—Funds, distributed by formula, support livestock and poultry disease research in approximately sixty-seven colleges of veterinary medicine and in eligible agricultural experiment stations. No funding is proposed for this program in 2009.

Payments to 1890 colleges and Tuskegee University and West Virginia State University.—Funds allocated on a formula basis support agricultural research and broaden the curricula at the eighteen 1890 land-grant colleges, including Tuskegee University and West Virginia State University.

Special research grants.—This program addresses research areas of national interest. Funding is proposed for grant programs in IR-4 minor crop pest management, pest management alternatives, and sustainable agriculture. Funding is also proposed for integrated pest management. Advances in these areas will provide producers with safe, alternative pest control methods resulting in more farmers increasing the number of acres on which Integrated Pest Management (IPM) methods are used. Funding proposed for IR-4 minor crop pest management and minor use animal drugs will address the growing need for registration of safe pesticides and drugs for minor crops and animals and lead to reduced levels of chemical and drug residues in food products by half. These pest management programs will be coordinated to address Food Quality and Protection Act issues. The IR-4 and IPM programs are contained under improved pest control funding. Improved pest control also includes Pest Management Alternatives, and Expert IPM Decision Support System Programs. A grant program for global change is proposed for research at universities as part of a coordinated Federal initiative. Funding is also proposed for the National Biological Impact Assessment Program, and aquaculture centers.

National research initiative competitive grants.—Funding is being proposed for the National Research Initiative (NRI). Research scientists throughout the U.S. scientific community compete for funding under this program. The performance goal has been to attract the widest possible involvement of

U.S. scientists in agricultural research to increase the knowledge base related to U.S. agriculture, food, and the environment and maintain world leadership in agricultural science and engineering. NRI funding has resulted in increased participation by universities which are not traditionally considered agricultural schools and of highly skilled researchers in projects addressing agricultural issues. The outcomes include the efficient communication of research results to scientific, engineering, and community user groups. These grants support research in plants and animals; natural resources and the environment; nutrition, food safety, and health; markets, trade, and rural development; and processing for adding value or developing new products. In 2009, the Budget proposes that Section 406 activities, formerly supported under the Integrated account, be supported within the Research and Education account and administered under the NRI.

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

Federal administration.—A coordinating and review staff assists in maintaining cooperation within and among the States, and between the States and their Federal research partners. This staff also administers research and education grants and payments to States. Federal administration is funded from a combination of program set-asides from formula and grant programs and from direct appropriation for administration.

Higher education.—Funding is proposed for graduate fellowships grants, competitive challenge grants, Hispanic-serving institutions education grants program, and a multicultural scholars program. Funding is also proposed for Native American institutions, Alaska Native-serving and Native Hawaiian-serving Institutions, Secondary Agriculture Education and 2-year Post-secondary and Resident Instruction Grants for Insular Areas programs. These programs enable universities to broaden their curricula; increase faculty development; student research projects; and the number of new scholars recruited in the food and agricultural sciences. In addition, an increased number of graduate students, including minority graduate students, will be enrolled in the agricultural sciences. Funding is also proposed for a capacity building program at the 1890 institutions as part of the USDA initiative to strengthen these institutions through a broadening of curricula, increased faculty development and student research projects. Funding is proposed in the 2009 Budget for a Higher Education Agrosecurity Program to provide educational and professional development for personnel in securing the Nation's agriculture and food supply.

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

Native American Institutions Endowment Fund.—This program provides for an endowment for the 1994 land-grant institutions (33 Tribally controlled colleges) to strengthen the infrastructure of these institutions and develop Indian expertise for the food and agricultural sciences and businesses and their own communities. At the termination of each fiscal year, the Secretary withdraws the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the fund, distributes the adjusted income on a formula basis to the 1994 land-grant institutions.

Object Classification (in millions of dollars)

Identification code 12-1500-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	21	22	22
12.1 Civilian personnel benefits	5	6	6
21.0 Travel and transportation of persons	2	2	2

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND—Continued

Object Classification (in millions of dollars)—Continued

Identification code 12-1500-0-1-352	2007 actual	2008 est.	2009 est.
23.3 Communications, utilities, and miscellaneous charges	1	1	1
24.0 Printing and reproduction	1	1	1
25.5 Research and development contracts	2	2	2
41.0 Grants, subsidies, and contributions	633	746	505
99.0 Direct obligations	665	780	539
99.0 Reimbursable obligations	17	17	17
99.9 Total new obligations	682	797	556

Employment Summary

Identification code 12-1500-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	225	249	235
Reimbursable:			
2001 Civilian full-time equivalent employment	9	9	9

BUILDINGS AND FACILITIES

Program and Financing (in millions of dollars)

Identification code 12-1501-0-1-352	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1
Change in obligated balances:			
72.40 Obligated balance, start of year	4	3	3
73.20 Total outlays (gross)	-1		
74.40 Obligated balance, end of year	3	3	3
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	1		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1		

Funds provide grants to States and other eligible recipients for the acquisition of land, construction, repair, improvement, extension, alteration and purchase of fixed equipment or facilities to carry out agricultural research, extension, and teaching programs. No funding is proposed in 2009.

EXTENSION ACTIVITIES

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa, **[\$456,460,000] \$431,753,000**, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents, **[\$276,596,000] \$273,181,000**; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), **[\$3,321,000] \$3,240,000**; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, **[\$66,019,000] \$62,280,000**; payments for the pest management program under section 3(d) of the Act, **[\$9,860,000] \$10,651,000**; payments for the farm safety program under section 3(d) of the Act, **\$4,759,000**; payments for New Technologies for Ag Extension under section 3(d) of the Act, **[\$1,485,000] \$2,970,000**; payments to upgrade research, extension, and teaching facilities at institutions eligible to receive funds under 7 U.S.C. 3221 and 3222, **[\$17,389,000] \$16,609,000**, to remain available until expended; payments for youth-at-risk programs under section 3(d) of the Smith-Lever Act, **[\$8,024,000] \$8,396,000**; for youth farm safety

education and certification extension grants, to be awarded competitively under section 3(d) of the Act, **[\$467,000] \$494,000**; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.), **[\$4,036,000] \$4,052,000**; payments for the federally-recognized Tribes Extension Program under section 3(d) of the Smith-Lever Act, **[\$3,000,000] \$2,970,000**; payments for sustainable agriculture programs under section 3(d) of the Act, **[\$4,600,000] \$3,754,000**; payments for rural health and safety education as authorized by section 502(i) of Public Law 92-419 (7 U.S.C. 2662(i)), **\$1,750,000**; payments for cooperative extension work by eligible institutions (7 U.S.C. 3221), **[\$36,103,000] \$34,073,000**, provided that each institution receives no less than \$1,000,000; for grants to youth organizations pursuant to section 7630 of title 7, United States Code, **\$1,750,000**; and for necessary expenses of Extension Activities, **[\$17,301,000] \$9,083,000**. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008*.)

Program and Financing (in millions of dollars)

Identification code 12-0502-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Smith-Lever Act, 3(b) and 3(c)	286	275	273
00.02 Youth at risk	8	8	8
00.04 Expanded food and nutrition education program (EFNEP)	64	66	62
00.05 Pest management	10	10	11
00.06 Farm Safety	5	5	
00.09 Indian reservation extension agents	3	3	3
00.13 Payments to 1890 colleges and Tuskegee Univ. and West Virginia State College	35	36	34
00.15 Renewable resources extension act	4	4	4
00.16 Federal administration	7	17	9
00.19 1890 facilities (section 1447)	17	17	17
00.21 Sustainable agriculture	4	5	4
00.22 1994 institutions activities	3	3	3
00.24 Rural health and safety education	2	2	
00.25 Grants to youth serving organizations	2	2	
00.26 Risk management education	5	5	5
00.27 New technologies for ag. extension	1	1	4
09.00 Reimbursable program	38	25	25
10.00 Total new obligations	494	484	462
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	493	483	462
23.95 Total new obligations	-494	-484	-462
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	450	456	432
40.33 Appropriation permanently reduced (P.L. 110-161)		-3	
43.00 Appropriation (total discretionary)	450	453	432
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	12	25	25
58.10 Change in uncollected customer payments from Federal sources (unexpired)	26		
58.90 Spending authority from offsetting collections (total discretionary)	38	25	25
Mandatory:			
62.00 Transferred from other accounts	5	5	5
70.00 Total new budget authority (gross)	493	483	462
Change in obligated balances:			
72.40 Obligated balance, start of year	367	389	372
73.10 Total new obligations	494	484	462
73.20 Total outlays (gross)	-462	-501	-537
73.40 Adjustments in expired accounts (net)	-2		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-26		
74.10 Change in uncollected customer payments from Federal sources (expired)	18		
74.40 Obligated balance, end of year	389	372	297
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	289	297	284
86.93 Outlays from discretionary balances	168	199	248
86.97 Outlays from new mandatory authority		1	1
86.98 Outlays from mandatory balances	5	4	4
87.00 Total outlays (gross)	462	501	537

Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-31	-25	-25
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-26		
88.96	Portion of offsetting collections (cash) credited to expired accounts	19		
Net budget authority and outlays:				
89.00	Budget authority	455	458	437
90.00	Outlays	431	476	512

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

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

Programs supported with Smith-Lever 3(b) and (c) legislated formula funds, are the major educational efforts central to the mission of the System and common to most Extension units. These programs are the foundation of the Extension organization and partnership that are intended to increase the number of community-based projects, families, and individuals reached to disseminate research findings as widely and quickly as possible. The use of electronic mail, satellite transmission of courses, and computer-assisted instruction are encouraged to communicate ideas.

Extension resources are provided to the States by these formula funds and competitively-awarded programs such as sustainable agriculture. Smith-Lever 3(b) and (c) funds and payments to the 1890 colleges and Tuskegee University and West Virginia State University provide funds to support the Extension's infrastructure. Funding for these programs is included in the 2009 Budget request.

Funds for designated programs, funded by Smith-Lever 3(d) such as Youth-At-Risk and Expanded Food and Nutrition Education Program (EFNEP), provide support for the Cooperative Extension System to address identified priority issues.

In 2009, funding has been requested for the EFNEP, pest management, children, youth and families at risk, a youth farm safety education and certification pilot project, Federally-recognized Tribes extension, sustainable agriculture, new technologies for Agricultural Extension, Renewable Resources Extension Act, 1994 (Native American) institutions, and 1890 colleges and Tuskegee University and West Virginia State University facilities.

Object Classification (in millions of dollars)

Identification code 12-0502-0-1-352	2007 actual	2008 est.	2009 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	12	12	14
12.1	Civilian personnel benefits	3	3	3
21.0	Travel and transportation of persons	1	1	1
24.0	Printing and reproduction	1	1	1
25.5	Research and development contracts	3	3	3
41.0	Grants, subsidies, and contributions	436	439	415
99.0	Direct obligations	456	459	437

99.0	Reimbursable obligations	38	25	25
99.9	Total new obligations	494	484	462

Employment Summary

Identification code 12-0502-0-1-352	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	158	172	190

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), **[\$6,440,000]** \$6,930,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-0601-0-1-351	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.10	Outreach for socially disadvantaged farmers	6	6	7
10.00	Total new obligations (object class 41.0)	6	6	7
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	6	6	7
23.95	Total new obligations	-6	-6	-7
24.40	Unobligated balance carried forward, end of year			
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	6	6	7
Change in obligated balances:				
72.40	Obligated balance, start of year	11	12	10
73.10	Total new obligations	6	6	7
73.20	Total outlays (gross)	-5	-8	-9
74.40	Obligated balance, end of year	12	10	8
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	3	6	7
86.93	Outlays from discretionary balances	2	2	2
87.00	Total outlays (gross)	5	8	9
Net budget authority and outlays:				
89.00	Budget authority	6	6	7
90.00	Outlays	5	8	9

Outreach for Socially Disadvantaged Farmers Grants.—This competitive program is authorized under section 2501 of Title XXV of the Food, Agriculture, Conservation, and Trade Act of 1990. The Secretary of Agriculture is authorized to make grants to eligible institutions and organizations so that they may provide outreach and technical assistance to encourage and assist socially disadvantaged farmers and ranchers to own and operate farms and ranches and to participate in agricultural programs.

Employment Summary

Identification code 12-0601-0-1-351	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	2	2	2

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; and to protect the environment, as authorized by law, including up to \$30,000 for representation allowances and for expenses pursuant to the Foreign Service Act of 1980 (22 U.S.C. 4085), **[\$873,754,000] \$919,137,000**, of which **[\$1,000,000] \$4,195,000** shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions; of which **[\$37,269,000] \$14,162,000** shall be used for the cotton pests program for cost share purposes or for debt retirement for active eradication zones; of which **[\$9,750,000] \$24,144,000** shall be available for a National Animal Identification program; of which **[\$51,725,000]** shall be used to conduct a surveillance and preparedness program for highly pathogenic avian influenza **[\$59,849,000]** shall be used to prevent and control avian influenza and shall remain available until expended; of which **\$1,015,000** of the plum pox program shall remain available until September 30, 2010: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That, in addition, **[in emergencies]** for sudden, urgent and unforeseen circumstances which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with sections 10411 and 10417 of the Animal Health Protection Act (7 U.S.C. 8310 and 8316) and sections 431 and 442 of the Plant Protection Act (7 U.S.C. 7751 and 7772), and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year **[2008] 2009**, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-1600-0-1-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	87	5	5
Adjustments:			
01.91 Adjustment to reconcile to unavailable receipts	-82		
01.99 Balance, start of year	5	5	5
Receipts:			
02.20 Fees, Animal Welfare User Fee Account—legislative proposal subject to PAYGO			20
02.60 1990 Food, Agricultural Quarantine Inspection Fees	472	537	560
02.99 Total receipts and collections	472	537	580
04.00 Total: Balances and collections	477	542	585
Appropriations:			
05.00 Salaries and Expenses	-472	-537	-560

07.99 Balance, end of year	5	5	25
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Program and Financing (in millions of dollars)

Identification code 12-1600-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Pest and disease exclusion	154	155	178
00.02 Plant and animal health monitoring	252	234	294
00.03 Pest and disease management programs	342	362	327
00.04 Animal care	18	21	22
00.05 Scientific and technical services	78	83	104
00.06 Contingencies	4	2	4
00.07 Emergency program funding	88	69	31
00.08 Information technology infrastructure	5	4	5
00.10 Physical/operational security	4	4	7
00.11 Citrus Canker/Section 32	107		
00.12 Agricultural Quarantine Inspection User Fees	179	197	220
01.00 Total direct program	1,231	1,131	1,192
09.01 Reimbursable program	89	91	93
10.00 Total new obligations	1,320	1,222	1,285
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	305	305	258
22.00 New budget authority (gross)	1,277	1,175	1,239
22.10 Resources available from recoveries of prior year obligations	43		
23.90 Total budgetary resources available for obligation	1,625	1,480	1,497
23.95 Total new obligations	-1,320	-1,222	-1,285
24.40 Unobligated balance carried forward, end of year	305	258	212
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	846	874	919
40.33 Appropriation permanently reduced (P.L. 110-161)		-6	
41.00 Transferred to other accounts	-4		
42.00 Transferred from other accounts	55		
43.00 Appropriation (total discretionary)	897	868	919
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	79	91	93
58.10 Change in uncollected customer payments from Federal sources (unexpired)	13		
58.90 Spending authority from offsetting collections (total discretionary)	92	91	93
Mandatory:			
60.20 Appropriation (special fund)	472	537	560
61.00 Transferred to other accounts	-286	-321	-333
62.50 Appropriation (total mandatory)	186	216	227
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	102		
70.00 Total new budget authority (gross)	1,277	1,175	1,239
Change in obligated balances:			
72.40 Obligated balance, start of year	433	395	333
73.10 Total new obligations	1,320	1,222	1,285
73.20 Total outlays (gross)	-1,301	-1,284	-1,231
73.40 Adjustments in expired accounts (net)	-4		
73.45 Recoveries of prior year obligations	-43		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-13		
74.10 Change in uncollected customer payments from Federal sources (expired)	3		
74.40 Obligated balance, end of year	395	333	387
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	739	829	874
86.93 Outlays from discretionary balances	282	241	130
86.97 Outlays from new mandatory authority	239	205	216
86.98 Outlays from mandatory balances	41	9	11
87.00 Total outlays (gross)	1,301	1,284	1,231
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-120	-31	-32
88.40 Non-Federal sources	-64	-60	-61

88.90	Total, offsetting collections (cash)	-184	-91	-93
	Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-13		
88.96	Portion of offsetting collections (cash) credited to expired accounts	3		
Net budget authority and outlays:				
89.00	Budget authority	1,083	1,084	1,146
90.00	Outlays	1,117	1,193	1,138

The major objective of the Animal and Plant Health Inspection Service (APHIS) is to protect the health and value of American agriculture and natural resources against a variety of threats. To achieve this mission, APHIS has developed a protection system that is based on a strategic premise that safeguarding the health of animals, plants, and ecosystems makes possible safe agricultural trade and reduces losses to agricultural and natural resources. This mission is carried out under the five major areas of activity, as follows:

Pest and disease exclusion.—The Agency develops protocols for trade and travel to prevent the entry of plant or animal pests and diseases into the United States and conducts quarantines and treatments of regulated products. APHIS develops and conducts preclearance programs to ensure that agricultural products destined for U.S. ports-of-entry do not present a risk to U.S. agriculture. APHIS engages in cooperative programs in foreign countries to control pests of imminent concern to the United States. APHIS also certifies plants and plant products for export and regulates imports and exports of designated endangered plant species. The 2009 Budget proposes increases to enhance overseas surveillance and eradication efforts such as the fruit fly, and cattle fever tick, and to identify exotic animal diseases more effectively.

Plant and animal health monitoring.—The Agency conducts programs to assess animal and plant health and to detect endemic and exotic diseases and pests. The plant and animal health monitoring programs are primarily cooperative efforts of the Federal and State governments, and industry. The Agency also carries out surveys in cooperation with the States to detect harmful plant and animal pests and diseases and to determine if there is a need for pest eradication programs. The 2009 Budget includes increases in monitoring programs to enhance agricultural defense efforts including the National Animal Health Laboratory Network, National Veterinary Stockpile, plant safeguarding activities, emergency coordination at the national level, and the regulatory oversight and inspection activities related to select agents.

Pest and disease management programs.—The Agency carries out programs to control and eradicate infestations and animal diseases that threaten the United States; to reduce agricultural losses caused by predatory animals, birds, and rodents; to provide technical assistance to States, counties, farmer or rancher groups, and foundations; and to ensure compliance with interstate movement and disease control regulations. Interstate shipments of plants, livestock, and related materials are monitored and regulated to prevent the spread of disease. APHIS protects agriculture from detrimental animal predators through identification, demonstration, and application of the most appropriate methods of control. The Budget for a number of programs is based on cost-share criteria for Federal and non-Federal partners to respond to a plant and animal infestation. In addition, the 2009 Budget includes increases related to pests and diseases for a number of programs, such as emerald ash borer, light brown apple moth, sudden oak death, *Sirex noctilio*, and tuberculosis.

Animal care.—The Agency conducts regulatory activities that ensure the humane care and handling of animals used in research, exhibition, or the wholesale pet trade. The Agency is also responsible for administering the Horse Protection Act, which prohibits the showing, selling, or exhibition of sore horses. The 2009 request includes additional funding

for increased inspection activities as well as for programs related to birds, rats and mice.

Scientific and technical services.—APHIS develops methods to control animals and pests that are detrimental to agriculture, other wildlife, and public safety. The Agency regulates genetic research to guard against the release of potentially harmful organisms into the environment. APHIS also conducts veterinary diagnostic laboratory activities and biologic regulatory enforcement to ensure that the products developed for combatting disease are potent, safe, and pure. It also provides and directs technology development in coordination with other groups in APHIS to support programs of the Agency and its cooperators at the State, national, and international levels. The 2009 Budget includes increases for biotechnology regulatory services, plant and wildlife methods development, reviewing and testing of veterinary biologics products, and veterinary diagnostics. Several of these increases enhance agricultural defense.

Object Classification (in millions of dollars)

Identification code 12-1600-0-1-352	2007 actual	2008 est.	2009 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	352	354	370
11.3	Other than full-time permanent	10	11	12
11.5	Other personnel compensation	31	31	32
11.9	Total personnel compensation	393	396	414
12.1	Civilian personnel benefits	118	119	125
13.0	Benefits for former personnel	1	1	1
21.0	Travel and transportation of persons	46	46	46
22.0	Transportation of things	7	6	6
23.1	Rent, Communications, and Utilities	23	20	21
23.2	Communication Services	1	1	1
23.3	Communications Services—GSA	14	18	18
24.0	Printing and reproduction	2	2	2
25.2	Other services	367	374	405
26.0	Supplies and materials	75	76	76
31.0	Equipment	40	33	37
41.0	Joint Screwworm eradication programs	9	9	9
41.0	Other grants, subsidies, and contributions	83	21	21
42.0	Other insurance claims and indemnities	51	8	9
43.0	Interest and dividends	1	1	1
99.0	Direct obligations	1,231	1,131	1,192
99.0	Reimbursable obligations	89	91	93
99.9	Total new obligations	1,320	1,222	1,285

Employment Summary

Identification code 12-1600-0-1-352	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	6,480	6,244	6,383
Reimbursable:				
2001	Civilian full-time equivalent employment	833	833	896

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, \$7,431,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 12-1601-0-1-352	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Buildings and facilities	3	5	4
10.00	Total new obligations (object class 25.2)	3	5	4
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	7	10	5
22.00	New budget authority (gross)	5		7

BUILDINGS AND FACILITIES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1601-0-1-352	2007 actual	2008 est.	2009 est.
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	13	10	12
23.95 Total new obligations	-3	-5	-4
24.40 Unobligated balance carried forward, end of year	10	5	8
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	5		7
Change in obligated balances:			
72.40 Obligated balance, start of year	9	8	11
73.10 Total new obligations	3	5	4
73.20 Total outlays (gross)	-3	-2	-2
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	8	11	13
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1		2
86.93 Outlays from discretionary balances	2	2	
87.00 Total outlays (gross)	3	2	2
Net budget authority and outlays:			
89.00 Budget authority	5		7
90.00 Outlays	3	2	2

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

The 2009 Budget proposes \$7.431 million for this program, which consists of repairs, alterations, preventive maintenance, and renovations for currently owned APHIS facilities, including additional funding to address safety issues with several facilities.

Trust Funds

MISCELLANEOUS TRUST FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9971-0-7-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.20 Deposits of Miscellaneous Contributed Funds, APHIS	17	14	14
04.00 Total: Balances and collections	17	14	14
Appropriations:			
05.00 Miscellaneous Trust Funds	-17	-14	-14
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9971-0-7-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Miscellaneous trust funds	15	16	15
10.00 Total new obligations	15	16	15
Budgetary resources available for obligation:			
22.40 Unobligated balance carried forward, start of year	13	15	13
21.00 New budget authority (gross)	17	14	14
23.90 Total budgetary resources available for obligation	30	29	27
23.95 Total new obligations	-15	-16	-15

24.40 Unobligated balance carried forward, end of year	15	13	12
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	17	14	14
Change in obligated balances:			
72.40 Obligated balance, start of year	1	2	4
73.10 Total new obligations	15	16	15
73.20 Total outlays (gross)	-14	-14	-14
74.40 Obligated balance, end of year	2	4	5
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	11	11	13
86.98 Outlays from mandatory balances	3	3	1
87.00 Total outlays (gross)	14	14	14
Net budget authority and outlays:			
89.00 Budget authority	17	14	14
90.00 Outlays	14	14	14

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

Miscellaneous contributed funds.—Funds are received from States, local organizations, individuals, and others and are available for plant and animal quarantine inspection and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220). Commencing in 1979, fees were collected for the importation of commercial birds.

Object Classification (in millions of dollars)

Identification code 12-9971-0-7-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	7	8	7
11.5 Other personnel compensation			1
11.9 Total personnel compensation	7	8	8
12.1 Civilian personnel benefits	2	2	1
21.0 Travel and transportation of persons	2	2	2
25.2 Other services	1	1	1
26.0 Supplies and materials	2	2	2
31.0 Equipment	1	1	1
99.9 Total new obligations	15	16	15

Employment Summary

Identification code 12-9971-0-7-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	150	150	150

FOOD SAFETY AND INSPECTION SERVICE

Federal Funds

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed \$50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$930,120,000, of which no less than \$829,807,000 shall be available for Federal food safety inspection] \$951,946,000**; and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1327 of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 138f): *Provided*, That no fewer than 83 full time equivalent positions above the fiscal year 2002 level shall be employed during fiscal year **[2008]** 2009 for purposes dedicated solely to inspections and enforcement related to the Humane Methods of Slaughter Act: **[Provided further**, That of the amount available under this heading, \$3,000,000 shall be obligated to maintain the Humane Animal Tracking System as

part of the Public Health Data Communication Infrastructure System: *Provided further*, That not to exceed \$650,000 is for construction of a laboratory sample receiving facility: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (7 U.S.C. 450, 1901-06; 10 U.S.C. 2306; 18 U.S.C. 1114; 21 U.S.C. 451-470, 601-624, 641-645, 661, 671-680, 691-692; 694-695; Public Law 99-641; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-3700-0-1-554	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.20 Fees, Food Safety Inspection User Fee Account—legislative proposal subject to PAYGO			96
04.00 Total: Balances and collections			96
07.99 Balance, end of year			96

Program and Financing (in millions of dollars)

Identification code 12-3700-0-1-554	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Salaries and expenses	881	930	952
09.01 Reimbursable program	128	133	133
10.00 Total new obligations	1,009	1,063	1,085
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	22	16
22.00 New budget authority (gross)	1,031	1,060	1,084
22.10 Resources available from recoveries of prior year obligations	1	1	1
23.90 Total budgetary resources available for obligation	1,035	1,083	1,101
23.95 Total new obligations	-1,009	-1,063	-1,085
23.98 Unobligated balance expiring or withdrawn	-4	-4	-4
24.40 Unobligated balance carried forward, end of year	22	16	12
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	892	930	952
41.00 Transferred to other accounts	-10		
42.00 Transferred from other accounts	8		
43.00 Appropriation (total discretionary)	890	930	952
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	134	130	132
58.10 Change in uncollected customer payments from Federal sources (unexpired)	7		
58.90 Spending authority from offsetting collections (total discretionary)	141	130	132
70.00 Total new budget authority (gross)	1,031	1,060	1,084
Change in obligated balances:			
72.40 Obligated balance, start of year	95	137	231
73.10 Total new obligations	1,009	1,063	1,085
73.20 Total outlays (gross)	-953	-968	-1,081
73.40 Adjustments in expired accounts (net)	-7		
73.45 Recoveries of prior year obligations	-1	-1	-1
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-7		
74.10 Change in uncollected customer payments from Federal sources (expired)	1		
74.40 Obligated balance, end of year	137	231	234
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	917	968	990
86.93 Outlays from discretionary balances	36		91
87.00 Total outlays (gross)	953	968	1,081
Offsets:			
Against gross budget authority and outlays:			

Offsetting collections (cash) from:			
88.00 Federal sources	-2	-2	-2
88.40 Non-Federal sources	-133	-128	-130
88.90 Total, offsetting collections (cash)	-135	-130	-132
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-7		
88.96 Portion of offsetting collections (cash) credited to expired accounts	1		
Net budget authority and outlays:			
89.00 Budget authority	890	930	952
90.00 Outlays	818	838	949

The primary objectives of the Food Safety and Inspection Service (FSIS) are to ensure that meat, poultry, and egg products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act. In carrying out this mission, FSIS oversight responsibility covers 20 percent of the American food dollar. Providing adequate resources for Federal food safety agencies is a priority of the Administration, and the 2009 Budget proposes a \$22 million increase from the 2008 enacted funding level for inspection of meat, poultry, and egg products. The increase for 2009 will cover the pay costs for existing employees in the Federal and State inspection programs and food and agriculture defense initiative activities. In addition, legislation will be submitted for two new user fees. One fee is a licensing fee that all facilities will pay based on production levels. The second fee will be a performance fee charged to facilities that fail testing, have recalls, or are linked to outbreaks.

FEDERALLY FUNDED INSPECTION ACTIVITIES

	2007 actual	2008 est.	2009 est.
Federally inspected establishments:			
Slaughter plants	126	129	130
Processing plants	4,176	4,186	4,180
Combination slaughter and processing plants	938	926	920
Talmadge-Aiken plants	354	350	350
Import establishments	153	155	158
Egg plants	75	72	72
Other plants	730	743	728
Federally inspected and passed production (millions of pounds):			
Meat slaughter	47,605	48,000	49,000
Poultry slaughter	57,138	58,000	59,000
Egg products	4,345	4,400	4,400
Import/export activity (millions of pounds):			
Meat and poultry imported	4,100	4,300	4,500
Meat and poultry exported	10,481	11,060	10,995
States and territories with cooperative programs:¹			
Intrastate inspection	27	27	27
Talmadge-Aiken inspection	9	9	9
Number of slaughter and/or processing plants (excludes exempt plants)	2,001	2,001	2,021
Pounds inspected slaughter (millions)	961	982	997
Compliance activities:²			
Corrective action reviews	11,841	10,657	9,591
Corrective actions completed	1,517	1,365	1,228
Product Testing (samples analyzed):			
Food chemistry	1,381	1,400	1,400
Food microbiology	85,861	90,000	90,000
Chemical residues	30,435	31,000	31,000
Antibiotic residues	125,842	135,000	135,000
Pathology samples	5,068	5,100	5,100
Egg Products:			
Food microbiology	1,623	1,700	1,700
Consumer Education and public outreach:			
Meat and poultry hotline calls received	80,822	80,000	80,000
Website visits	10,100,000	11,000,000	11,500,000
Electronic messages received	19,537	19,800	19,800
Publications distributed	940,000	1,122,000	1,150,000
Personal contacts (meetings, workshops, etc.)	33,871	35,000	40,000
E-mail alert service subscribers	49,700	52,000	55,000
Epidemiological Investigations:			
Cooperative efforts with State and public health offices	72	72	72
Illnesses reported and treated ³	2,210	2,200	2,200

¹ States with cooperative agreements which are operating programs.

FOOD SAFETY AND INSPECTION SERVICE—Continued

²Number decreased due to re-allocation of resources to Food Safety outbreak investigation and Export Certification Investigation.

³Data must be collected over a number of years to chart national trends and estimate the incidence of foodborne illness and treatment.

Object Classification (in millions of dollars)

Identification code 12-3700-0-1-554	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	475	507	523
11.3 Other than full-time permanent	12	15	15
11.5 Other personnel compensation	24	25	25
11.9 Total personnel compensation	511	547	563
12.1 Civilian personnel benefits	170	180	185
13.0 Benefits for former personnel	1	2	2
21.0 Travel and transportation of persons	34	34	34
22.0 Transportation of things	3	5	5
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	10	10	10
24.0 Printing and reproduction	1	1	2
25.1 Advisory and assistance services	5	5	5
25.2 Other services	27	28	28
25.3 Other purchases of goods and services from Government accounts	35	38	38
25.4 Operation and maintenance of facilities	2	2	1
25.7 Operation and maintenance of equipment	1	2	2
26.0 Supplies and materials	11	11	11
31.0 Equipment	19	15	15
41.0 Grants, subsidies, and contributions	47	47	48
42.0 Insurance claims and indemnities	1	1	1
99.0 Direct obligations	880	930	952
99.0 Reimbursable obligations	127	132	133
99.5 Below reporting threshold	2	1	.....
99.9 Total new obligations	1,009	1,063	1,085

Employment Summary

Identification code 12-3700-0-1-554	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	9,184	9,425	9,425
Reimbursable:			
2001 Civilian full-time equivalent employment	31	29	29

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8137-0-7-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year .....	.....	.....	1
01.99 Balance, start of year .....	.....	.....	1
Receipts:			
02.20 Deposits of Fees, Inspection and Grading of Farm Products, Food Safety and Quality Service	8	8	8
04.00 Total: Balances and collections	8	8	9
Appropriations:			
05.00 Expenses and Refunds, Inspection and Grading of Farm Products .....	.....	-7	-7
05.01 Expenses and Refunds, Inspection and Grading of Farm Products	-8	.....	.....
05.99 Total appropriations	-8	-7	-7
07.99 Balance, end of year .....	.....	1	2

Program and Financing (in millions of dollars)

Identification code 12-8137-0-7-352	2007 actual	2008 est.	2009 est.
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Obligations by program activity:

00.01 Expenses and refunds, inspection and grading of farm products	8	7	7
10.00 Total new obligations	8	7	7

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	1	1	1
22.00 New budget authority (gross)	8	7	7
23.90 Total budgetary resources available for obligation	9	8	8
23.95 Total new obligations	-8	-7	-7
24.40 Unobligated balance carried forward, end of year	1	1	1

New budget authority (gross), detail:

Mandatory:			
60.26 Appropriation (trust fund) .....	.....	7	7
65.26 Advance appropriation (trust fund)	8	.....	.....
70.00 Total new budget authority (gross)	8	7	7

Change in obligated balances:

72.40 Obligated balance, start of year	1	1	1
73.10 Total new obligations	8	7	7
73.20 Total outlays (gross)	-8	-7	-7
74.40 Obligated balance, end of year	1	1	1

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	8	7	7
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Net budget authority and outlays:

89.00 Budget authority	8	7	7
90.00 Outlays	8	7	7

Under authority of the Agricultural Marketing Act of 1946, Federal meat and poultry inspection services are provided upon request and for a fee in cases where inspection is not mandated by statute. This service includes: certifying products for export beyond the requirements of export certificates; inspecting certain animals and poultry intended for human food where inspection is not required by statute, such as buffalo, rabbit, and quail; and inspecting products intended for animal consumption.

Object Classification (in millions of dollars)

Identification code 12-8137-0-7-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	4	3	3
11.5 Other personnel compensation	3	2	2
11.9 Total personnel compensation	7	5	5
12.1 Civilian personnel benefits	1	1	1
25.2 Other services .....	.....	1	1
99.9 Total new obligations	8	7	7

Employment Summary

Identification code 12-8137-0-7-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	61	61	61

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, **[\$38,785,000]** \$44,005,000: *Provided*, That this appropriation shall be available pur-

suant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (7 U.S.C. 71, 74-79, 84-87, 181-229, 1621-27; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-2400-0-1-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.20 Fees, Grain Inspection, Packers and Stockyards User Fee Account—legislative proposal subject to PAYGO			27
04.00 Total: Balances and collections			27
07.99 Balance, end of year			27

Program and Financing (in millions of dollars)

Identification code 12-2400-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Standardization	4	4	4
00.02 Compliance	7	7	7
00.03 Methods development	7	7	8
00.04 Packers and stockyards program	19	21	25
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	38	40	45
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	39	39	44
23.95 Total new obligations	-38	-40	-45
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	38	39	44
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	39	39	44
Change in obligated balances:			
72.40 Obligated balance, start of year	10	6	7
73.10 Total new obligations	38	40	45
73.20 Total outlays (gross)	-41	-38	-43
73.40 Adjustments in expired accounts (net)	-1	-1	
74.40 Obligated balance, end of year	6	7	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	32	32	36
86.93 Outlays from discretionary balances	9	6	7
87.00 Total outlays (gross)	41	38	43
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1		
Net budget authority and outlays:			
89.00 Budget authority	38	39	44
90.00 Outlays	40	38	43

The Grain Inspection, Packers and Stockyards Administration's (GIPSA) Grain Regulatory Program promotes and enforces the accurate and uniform application of the United States Grain Standards Act (USGSA) and applicable provisions of the Agricultural Marketing Act of 1946 (AMA). GIPSA identifies, evaluates, and implements new or improved techniques for measuring grain quality. GIPSA also establishes and updates testing and grading standards to facilitate the marketing of U.S. grain, oilseeds, and related products. GIPSA briefs foreign buyers, assesses foreign inspection and weighing techniques, and responds to foreign quality and quantity complaints. An advisory committee consisting of

members from the grain industry exists to advise the Agency regarding efficient and economical implementation of the USGSA. The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain.

GIPSA's Packers and Stockyards Program is responsible for administering the Packers and Stockyards Act of 1921 (P&S Act), which prohibits unfair, deceptive, and fraudulent practices by market agencies, dealers, packers, swine contractors, and live poultry dealers in the livestock, poultry, and meatpacking industries. The P&S Act makes it unlawful for a regulated entity to engage in unfair, unjustly discriminatory, or deceptive practices. Packers, live poultry dealers, and swine contractors are also prohibited from engaging in specific anti-competitive practices. GIPSA conducts two broad types of activities, regulatory and investigative, in its administration and enforcement of the P&S Act. GIPSA activities cover two general areas: Business Practices and Financial Protection. Business Practices are further divided into Competition and Trade Practices. The Agency also carries out the Secretary's responsibilities under Section 1324 of the Food Security Act of 1985 covering "central filing systems" established by States for pre-notification of security interests against farm products.

MAIN WORKLOAD FACTORS

Grain Regulatory Program	2007 actual	2008 est.	2009 est.
U.S. standards and factors (attribute tests) in effect at end of year	134	136	138
Standards reviews and factors in progress	9	9	9
Standards reviews and factors completed	2	2	2
On-site investigations	4	4	4
Designations renewed	21	19	18
Registration certificates issued	122	130	130
Packers and Stockyards Program			
Investigations	1,071	1,075	1,269
Regulatory Activities	1,269	1,270	1,500
Market agencies/dealers registered	5,285	5,285	5,300
Stockyards posted	1,252	1,252	1,255
Slaughtering and processing packers subject to the Act (estimated)	5,000	5,000	5,000
Distributors, brokers, and dealers subject to the Act (estimated)	6,000	6,000	6,325
Poultry operations subject to the Act	121	121	121

Object Classification (in millions of dollars)

Identification code 12-2400-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	22	23	26
12.1 Civilian personnel benefits	6	6	7
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	4	5	6
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Direct obligations	37	39	44
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	38	40	45

Employment Summary

Identification code 12-2400-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	312	318	337
Reimbursable:			
2001 Civilian full-time equivalent employment	5	5	5

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed \$42,463,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress. (7 U.S.C. 71, 74–79, 84–87, 181–229, 1621–27; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008*.)

Program and Financing (in millions of dollars)

Identification code 12–4050–0–3–352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.00 Limitation on inspection and weighing services expenses	39	42	42
10.00 Total new obligations	39	42	42
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	6	6	6
22.00 New budget authority (gross)	39	42	42
23.90 Total budgetary resources available for obligation	45	48	48
23.95 Total new obligations	–39	–42	–42
24.40 Unobligated balance carried forward, end of year	6	6	6
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	38	42	42
69.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
69.90 Spending authority from offsetting collections (total mandatory)	39	42	42
Change in obligated balances:			
72.40 Obligated balance, start of year	–2	–2	–2
73.10 Total new obligations	39	42	42
73.20 Total outlays (gross)	–38	–42	–42
74.00 Change in uncollected customer payments from Federal sources (unexpired)	–1		
74.40 Obligated balance, end of year	–2	–2	–2
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	38	42	42
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	–38	–42	–42
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	–1		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

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

Fee supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by GIPSA employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. The Agency supervises the inspection and weighing activities performed by its own employees. The Agency also oversees the inspection and weighing of grain performed by employees of 6 delegated States and 55 designated State and private agencies. The Agency provides an appeal service of original grain inspections and a registration system for grain exporting firms. Through support from the Association of American Railroads and user fees, GIPSA conducts a railroad track scale testing program. In addition, the

agency provides grading services, on request, for rice and grain related products under the authority of the Agricultural Marketing Act of 1946 (AMA).

	2007 actual	2008 est.	2009 est.
Export grain inspected and/or weighed (million metric tons):			
By Federal personnel	76.9	80.0	76.9
By delegated States	26.6	27.7	26.6
Quantity of grain inspected (official inspections) domestically (million metric tons)	178.2	185.3	178.2
Number of grain official inspections and reinspections:			
By Federal personnel	85,930	90,000	86,000
By delegated state/official agency licenses	3,047,815	3,200,000	3,000,000
Number of appeals (Grain, Rice, and Pulses)	2,215	2,300	2,200
Number of appeals to the Board of Appeals and Review (Grain, Rice, and Pulses)	302	315	300
Quantity of rice inspected (million metric tons)	1.9	1.9	1.9
Quantity of rice exports (million metric tons)	3.6	3.8	3.7

Object Classification (in millions of dollars)

Identification code 12–4050–0–3–352	2007 actual	2008 est.	2009 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	21	22	22
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	5	6	6
11.9 Total personnel compensation	27	29	29
12.1 Civilian personnel benefits	5	6	6
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	3	3	3
26.0 Supplies and materials	1	1	1
99.9 Total new obligations	39	42	42

Employment Summary

Identification code 12–4050–0–3–352	2007 actual	2008 est.	2009 est.
Reimbursable:			
2001 Civilian full-time equivalent employment	314	353	353

AGRICULTURAL MARKETING SERVICE

Federal Funds

MARKETING SERVICES

For necessary expenses to carry out services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, **[\$76,862,000]** \$76,015,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701). (7 U.S.C. 91–99, 136i–136l, 138–138l, 291–292, 415b–415d, 471–476, 501–508, 581–599, 951–957, 1031–1056, 1291, 1551–56, 1621–27, 2204(b)(c), 4401–06, 6501–22; 15 U.S.C. 714–714p; 21 U.S.C. 1031–56; 26 U.S.C. 6804, 7233, 7263, 7492–93, 7701; 49 U.S.C. 1653; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008*.)

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed **[\$61,233,000]** \$62,888,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008*.)

Program and Financing (in millions of dollars)

Identification code 12-2500-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Market news service	32	34	34
00.02 Inspection and standardization	7	8	8
00.03 Market protection and promotion	28	28	27
00.04 Wholesale market development	4	4	4
00.05 Transportation services	3	3	3
09.01 Reimbursable program	55	64	66
10.00 Total new obligations	129	141	142
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	28	27	27
22.00 New budget authority (gross)	129	141	143
23.90 Total budgetary resources available for obligation	157	168	170
23.95 Total new obligations	-129	-141	-142
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	27	27	28
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	75	77	76
40.33 Appropriation permanently reduced (P.L. 110-161)		-1	
43.00 Appropriation (total discretionary)	75	76	76
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	55	64	66
58.00 Offsetting collections (cash) interest earned	1	1	1
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-2		
58.90 Spending authority from offsetting collections (total discretionary)	54	65	67
70.00 Total new budget authority (gross)	129	141	143
Change in obligated balances:			
72.40 Obligated balance, start of year	26	31	30
73.10 Total new obligations	129	141	142
73.20 Total outlays (gross)	-126	-142	-145
73.40 Adjustments in expired accounts (net)	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	2		
74.10 Change in uncollected customer payments from Federal sources (expired)	1		
74.40 Obligated balance, end of year	31	30	27
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	126	133	135
86.93 Outlays from discretionary balances		9	10
87.00 Total outlays (gross)	126	142	145
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-4	-3	-3
88.20 Interest on Federal securities	-1	-1	-1
88.40 Non-Federal sources	-52	-61	-63
88.90 Total, offsetting collections (cash)	-57	-65	-67
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	2		
88.96 Portion of offsetting collections (cash) credited to expired accounts	1		
Net budget authority and outlays:			
89.00 Budget authority	75	76	76
90.00 Outlays	69	77	78

Agricultural Marketing Service activities assist producers and handlers of agricultural commodities by providing a variety of marketing-related services. These services continue to become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the agricultural market structure undergoes extensive changes. Marketing changes include increased concentration in food retailing, direct buying, decen-

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

The individual Marketing Services activities include:

Market news service.—The market news program provides the agricultural community with information pertaining to the movement of agricultural products. This nationwide service provides daily reports on the supply, demand, and price of over 700 commodities on domestic and foreign markets.

Inspection, grading and standardization.—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of products to: promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; and encourage better preparation of uniform quality products for market. Grading services are provided on request for cotton and tobacco.

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

MARKET NEWS PROGRAM

	2007 actual	2008 est.	2009 est.
Percentage of reports released on time	95%	95%	95%

COTTON AND TOBACCO USER FEE PROGRAM

	2007 actual	2008 est.	2009 est.
Cotton classed (bales in millions)	21	20	20
Domestic tobacco graded (million pounds)	5	5	5
Imported tobacco inspected (million kilograms)	175	175	175

FEDERALLY FUNDED INSPECTION AND MARKETING ACTIVITIES

	2007 actual	2008 est.	2009 est.
States and Commonwealths with cooperative agreements	52	52	52
Percentage of noncomplying shell egg lots that are reprocessed or diverted	100%	100%	100%

STANDARDIZATION ACTIVITIES

	2007 actual	2008 est.	2009 est.
International and U.S. standards in effect, end of fiscal year	434	448	450
Number of commodities covered	257	261	263

Market protection and promotion.—This program consists of: (1) the research and promotion programs which are designed to improve the competitive position and expand markets for cotton, eggs and egg products, honey, pork, beef, dairy products, potatoes, watermelons, mushrooms, soybeans, fluid milk, popcorn, blueberries, avocados, lamb, mangos and peanuts; (2) the Federal Seed Act; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act.

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

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

Federal seed inspectors conduct tests on seed samples to help ensure truthful labeling of agricultural and vegetable seeds sold in interstate commerce.

The Capper-Volstead Act and the Agricultural Fair Practices Act protect producers against discriminatory practices by handlers, permit producers to engage in cooperative efforts, and ensure that such cooperatives do not engage in practices that monopolize or restrain trade.

The national organic program certifies that organically produced food products meet national standards.

LIMITATION ON ADMINISTRATIVE EXPENSES—Continued

MARKET PROTECTION AND PROMOTION ACTIVITIES

	2007 actual	2008 est.	2009 est.
Pesticide data program (PDP):			
Number of children's food commodities included in PDP	45	46	47
Number of compounds reported by PDP labs	378	385	388
Pesticide recordkeeping:			
Number of State/Federal Inspections conducted	4086	4,000	4,000
Percentage of sampling goal attained	100%	100%	100%
Seed Act:			
Interstate investigations:			
Completed	342	370	370
Pending	289	350	350
Seed samples tested	1449	2,000	2,000
Percentage of cases submitted that are completed	101%	100%	100%
Plant Variety Protection Act:			
Number of applications received	455	325	325
Certificates of protection issued and abandoned	398	375	375
Research and promotion collections (dollars in millions)	503	503	503
Percentage of board budgets and marketing plans approved within time frame goal	100%	92%	92%

Wholesale market development.—This program is designed to enhance the marketing of domestic agricultural commodities by conducting research into more efficient marketing methods and by providing technical assistance to urban areas interested in improving their food distribution facilities.

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

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	2007 actual	2008 est.	2009 est.
Number of projects completed	12	12	12

TRANSPORTATION SERVICES ACTIVITIES

	2007 actual	2008 est.	2009 est.
Number of projects completed	10	11	11

Object Classification (in millions of dollars)

Identification code 12-2500-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	33	39	37
11.3 Other than full-time permanent	1	3	3
11.9 Total personnel compensation	34	42	40
12.1 Civilian personnel benefits	9	10	10
21.0 Travel and transportation of persons	2	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	1	1
25.2 Other services	20	13	16
25.3 Other purchases of goods and services from Government accounts	7	6	6
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	2	2
99.0 Direct obligations	77	77	78
99.0 Reimbursable obligations	52	64	64
99.9 Total new obligations	129	141	142

Employment Summary

Identification code 12-2500-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	428	438	440
Reimbursable:			
2001 Civilian full-time equivalent employment	566	552	552

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), [\$11,709,000, of which not less than \$1,875,000 shall be used to make a grant under this heading; *Provided*, That of the amount provided under this heading, \$8,500,000, to remain available until expended, is for specialty crop block grants authorized under section 101 of the Specialty Crops Competitiveness Act of 2004 (Public Law 108-465; 7 U.S.C. 1621 note), of which not to exceed 5 percent may be available for administrative expenses] \$1,334,000. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-2501-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Payments to States and possessions	7	20	1
10.00 Total new obligations (object class 41.0)	7	20	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	8	
22.00 New budget authority (gross)	8	12	1
23.90 Total budgetary resources available for obligation	15	20	1
23.95 Total new obligations	-7	-20	-1
24.40 Unobligated balance carried forward, end of year	8		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	8	12	1
Change in obligated balances:			
72.40 Obligated balance, start of year	7	5	14
73.10 Total new obligations	7	20	1
73.20 Total outlays (gross)	-9	-11	-9
74.40 Obligated balance, end of year	5	14	6
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	3	
86.93 Outlays from discretionary balances	7	8	9
87.00 Total outlays (gross)	9	11	9
Net budget authority and outlays:			
89.00 Budget authority	8	12	1
90.00 Outlays	9	11	9

Grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved programs designed to enhance marketing efficiency. Under this activity, specialists work with farmers, marketing firms, and other agencies in solving marketing problems and in using research results.

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-5070-0-2-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			1
01.99 Balance, start of year			1
Receipts:			
02.40 Earnings on Investments, Perishable Agricultural Commodities Act Fund		1	1
02.60 License Fees and Defaults, Perishable Agricultural Commodities Act Fund	7	7	7
02.99 Total receipts and collections	7	8	8
04.00 Total: Balances and collections	7	8	9
Appropriations:			
05.00 Perishable Agricultural Commodities Act Fund	-7	-7	-7

07.99	Balance, end of year	1	2
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Program and Financing (in millions of dollars)

Identification code 12-5070-0-2-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Perishable Agricultural Commodities Act	11	10	10
10.00 Total new obligations	11	10	10
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	18	14	11
22.00 New budget authority (gross)	7	7	7
23.90 Total budgetary resources available for obligation	25	21	18
23.95 Total new obligations	-11	-10	-10
24.40 Unobligated balance carried forward, end of year	14	11	8
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	7	7	7
Change in obligated balances:			
72.40 Obligated balance, start of year	1	2	5
73.10 Total new obligations	11	10	10
73.20 Total outlays (gross)	-10	-7	-7
74.40 Obligated balance, end of year	2	5	8
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	7	7	7
86.98 Outlays from mandatory balances	3		
87.00 Total outlays (gross)	10	7	7
Net budget authority and outlays:			
89.00 Budget authority	7	7	7
90.00 Outlays	10	7	7

License fees are deposited in this special fund and are used to meet the costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s).

The Acts are intended to ensure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation awards, and/or (c) suspension or revocation of license and/or publication of the facts.

The Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due. Beginning October 1, 1994, an additional fee was instituted for the filing of formal and informal complaints of violations of the Act. The November 1995 amendments to the Perishable Agricultural Commodities Act: (1) increased the license fee and phased out fees for wholesale grocers and retailers by 1999; (2) provided permanent authority to the Secretary of Agriculture to set license and reparation complaint filing fees; and (3) repealed the 25 percent maximum funding reserve cap.

PERISHABLE AGRICULTURAL COMMODITIES ACT ACTIVITIES

	2007 actual	2008 est.	2009 est.
Percentage of informal reparation complaints completed within time frame goal	91%	85%	85%

Object Classification (in millions of dollars)

Identification code 12-5070-0-2-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	2	2	2
21.0 Travel and transportation of persons	1	1	1
25.3 Other purchases of goods and services from Government accounts	2	1	1
99.9 Total new obligations	11	10	10

Employment Summary

Identification code 12-5070-0-2-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	81	85	85

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

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, including not less than **[\$10,000,000]** \$20,000,000 for replacement of a system to support commodity purchases, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than **[\$16,798,000]** \$17,270,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-5209-0-2-605	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	12,485	13,423	14,651
01.99 Balance, start of year	12,485	13,423	14,651
Receipts:			
02.40 General Fund Payment, Funds for Strengthening Markets, Income, and Supply (section 32)		1	1
02.60 30 Percent of Customs Duties, Funds for Strengthening Markets, Income and Supply (section 32)	7,887	8,791	9,398
02.99 Total receipts and collections	7,887	8,792	9,399
04.00 Total: Balances and collections	20,372	22,215	24,050
Appropriations:			
05.00 Funds for Strengthening Markets, Income, and Supply (section 32)			-49
05.01 Funds for Strengthening Markets, Income, and Supply (section 32)	-7,029	-7,564	-7,930
05.99 Total appropriations	-7,029	-7,564	-7,979
06.10 Funds for Strengthening Markets, Income, and Supply (section 32)	80		
07.99 Balance, end of year	13,423	14,651	16,071

Program and Financing (in millions of dollars)

Identification code 12-5209-0-2-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Child nutrition program purchases	665	615	615
00.02 Emergency surplus removal	57	375	395
00.03 Direct payments	102		
00.04 State option contract		5	5
00.05 Removal of defective commodities	2	2	2
00.06 Disaster Relief	11	5	5
00.91 Subtotal, Commodity program payments	837	1,002	1,022
01.01 Administrative expenses	25	29	29
01.02 Replacement of computer system	20	10	20
01.91 Direct Program by Activities—Subtotal (1 level)	45	39	49
01.92 Total direct program	882	1,041	1,071

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

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-5209-0-2-605	2007 actual	2008 est.	2009 est.
09.11 Reimbursable program	1	1	1
10.00 Total new obligations	883	1,042	1,072
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	147	500	.....
22.00 New budget authority (gross)	1,316	542	1,072
23.90 Total budgetary resources available for obligation	1,463	1,042	1,072
23.95 Total new obligations	-883	-1,042	-1,072
23.98 Unobligated balance expiring or withdrawn	-80	.....	.....
24.40 Unobligated balance carried forward, end of year	500	.....	.....
24.41 Special and trust fund receipts returned to Schedule N	80	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund) .....	.....	.....	49
40.36 Unobligated balance permanently reduced .....	.....	.....	-293
43.00 Appropriation (total discretionary) .....	.....	.....	-244
Mandatory:			
60.20 Appropriation (special fund)	7,029	7,564	7,930
60.36 Unobligated balance permanently reduced	-38	-684	.....
61.00 Transferred to other accounts	-5,814	-6,339	-6,615
62.50 Appropriation (total mandatory)	1,177	541	1,315
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	139	1	1
70.00 Total new budget authority (gross)	1,316	542	1,072
Change in obligated balances:			
72.40 Obligated balance, start of year	55	60	560
73.10 Total new obligations	883	1,042	1,072
73.20 Total outlays (gross)	-878	-542	-1,062
74.40 Obligated balance, end of year	60	560	570
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority .....	.....	.....	-254
86.97 Outlays from new mandatory authority	676	482	1,316
86.98 Outlays from mandatory balances	202	60	.....
87.00 Total outlays (gross)	878	542	1,062
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-139	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	1,177	541	1,071
90.00 Outlays	739	541	1,061

The Agriculture Appropriations Act of 1935 established the Section 32 program (7 U.S.C. 612c) which provides that 30 percent of U.S. Customs receipts for each calendar year are transferred to this account within the Department of Agriculture (USDA). The purpose of the Section 32 program is three-fold: to encourage the exportation of agricultural commodities and products, to encourage domestic consumption of agricultural products by diverting them, and to reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. There is also a requirement that the funds available under Section 32 shall be principally devoted to perishable agricultural commodities (e.g., fruits and vegetables). Program funds are used for a variety of purposes in support of the three primary purposes specified in the program's authorizing legislation. Funds may be used to stabilize market conditions through purchasing surplus commodities which are in turn, distributed to nutrition assistance

programs. Program funds are also used to purchase commodities that are distributed to schools as part of Child Nutrition Program entitlements. Furthermore, funds are transferred to the Food and Nutrition Service for commodity purchases under section 6 of the Richard B. Russell National School Lunch Act and other authorities specified in the child nutrition appropriation. In recent years, program funds have also been used to provide specialty crop, livestock, sheep and lamb producers with disaster assistance in the form of direct payments and commodities.

Object Classification (in millions of dollars)

Identification code 12-5209-0-2-605	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	13	13	14
12.1 Civilian personnel benefits	4	4	5
21.0 Travel and transportation of persons	1	1	1
22.0 Transportation of things	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	2	2
24.0 Printing and reproduction .....	.....	2	2
25.2 Other services	129	120	140
25.3 Other purchases of goods and services from Government accounts	67	68	68
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials: Grants of commodities to States	664	827	835
31.0 Equipment .....	.....	1	1
99.0 Direct obligations	882	1,041	1,071
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	883	1,042	1,072

Employment Summary

Identification code 12-5209-0-2-605	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	117	117	117
Reimbursable:			
2001 Civilian full-time equivalent employment	8	8	8

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8015-0-7-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	3	3	3
01.99 Balance, start of year	3	3	3
Receipts:			
02.00 Interest on Investments in Public Debt Securities, AMS	2	3	4
02.01 Payments from General Fund, Wool Research, Development, and Promotion Trust Fund	2	2	2
02.20 Deposits of Fees, Inspection and Grading of Farm Products, AMS	138	132	136
02.21 Deposits of Fees, Inspection and Grading of Farm Products, AMS—legislative proposal subject to PAYGO .....	.....	.....	10
02.99 Total receipts and collections	142	137	152
04.00 Total: Balances and collections	145	140	155
Appropriations:			
05.00 Expenses and Refunds, Inspection and Grading of Farm Products	-142	-137	-142
05.01 Expenses and Refunds, Inspection and Grading of Farm Products—legislative proposal subject to PAYGO .....	.....	.....	-10
05.99 Total appropriations	-142	-137	-152
07.99 Balance, end of year	3	3	3

Program and Financing (in millions of dollars)

Identification code 12-8015-0-7-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Dairy products	5	5	6
00.02 Fruits and vegetables	61	63	66
00.03 Meat grading	30	28	29
00.04 Poultry products	36	34	34
00.05 Miscellaneous agricultural commodities	7	9	9
10.00 Total new obligations	139	139	144
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	40	45	43
22.00 New budget authority (gross)	144	137	142
23.90 Total budgetary resources available for obligation	184	182	185
23.95 Total new obligations	-139	-139	-144
24.40 Unobligated balance carried forward, end of year	45	43	41
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	142	137	142
62.00 Transferred from other accounts	2		
62.50 Appropriation (total mandatory)	144	137	142
Change in obligated balances:			
72.40 Obligated balance, start of year	18	17	19
73.10 Total new obligations	139	139	144
73.20 Total outlays (gross)	-140	-137	-141
74.40 Obligated balance, end of year	17	19	22
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	82	132	136
86.98 Outlays from mandatory balances	58	5	5
87.00 Total outlays (gross)	140	137	141
Net budget authority and outlays:			
89.00 Budget authority	144	137	142
90.00 Outlays	140	137	141

Summary of Budget Authority and Outlays

	(in millions of dollars)		
Enacted/requested:	2007 actual	2008 est.	2009 est.
Budget Authority	144	137	142
Outlays	140	137	141
Legislative proposal, subject to PAYGO:			
Budget Authority			10
Outlays			10
Total:			
Budget Authority	144	137	152
Outlays	140	137	151

Expenses and refunds, inspection and grading of farm products.—The commodity grading programs provide grading, examination, and certification services for a wide variety of fresh and processed food commodities using federally approved grade standards and purchase specifications. Commodities graded include poultry, livestock, meat, dairy products, and fresh and processed fruits and vegetables. These programs use official grade standards which reflect the relative quality of a particular food commodity based on laboratory testing and characteristics such as taste, color, weight, and physical condition. Producers voluntarily request grading and certification services which are provided on a fee for service basis.

WORKLOAD INDICATORS

	2007 actual	2008 est.	2009 est.
Weighted average cost per cwt. (1990 index)	\$0.23	\$0.21	\$0.21

Object Classification (in millions of dollars)

Identification code 12-8015-0-7-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	61	61	62
11.3 Other than full-time permanent	7	7	7
11.5 Other personnel compensation	17	17	18
11.9 Total personnel compensation	85	85	87
12.1 Civilian personnel benefits	25	25	26
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	8	7	7
23.2 Rental payments to others	3	2	2
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services	9	12	13
26.0 Supplies and materials	2	2	2
31.0 Equipment	2	1	2
41.0 Grants, subsidies, and contributions	2	2	2
99.9 Total new obligations	139	139	144

Employment Summary

Identification code 12-8015-0-7-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	1,464	1,491	1,491

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-8015-4-7-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.03 Meat grading			10
10.00 Total new obligations			10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			10
23.95 Total new obligations			-10
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)			10
Change in obligated balances:			
73.10 Total new obligations			10
73.20 Total outlays (gross)			-10
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			10
Net budget authority and outlays:			
89.00 Budget authority			10
90.00 Outlays			10

Country of Origin Labeling (COOL) becomes mandatory for all covered commodities on September 30, 2008. Currently, AMS operates a small COOL enforcement program for fish and shellfish compliance (the only commodities for which labeling is now required). As part of the 2009 budget, the agency will propose to charge a mandatory fee for the full implementation of a complete COOL enforcement program for the following commodities, in addition to the current fish and shellfish items: muscle cuts of beef (including veal), lamb, and pork; ground beef, ground lamb and ground pork; perishable agricultural commodities; peanuts and the current fish and shellfish items. Additional commodities may also be considered. The additional funds will be deposited into the agency's existing Trust account.

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

Object Classification (in millions of dollars)

Identification code 12-8015-4-7-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent			1
25.2 Other services			9
99.9 Total new obligations			10

Employment Summary

Identification code 12-8015-4-7-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment			10

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing (in millions of dollars)

Identification code 12-8412-0-8-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Administration	43	45	48
09.02 Marketing service	6	7	8
10.00 Total new obligations	49	52	56

Budgetary resources available for obligation:

22.00 New budget authority (gross)	49	52	56
23.95 Total new obligations	-49	-52	-56

New budget authority (gross), detail:

Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	49	52	56
69.00 Offsetting collections (Proceeds from non-Federal securities not immediately reinvested)			
69.90 Spending authority from offsetting collections (total mandatory)	49	52	56

Change in obligated balances:

73.10 Total new obligations	49	52	56
73.20 Total outlays (gross)	-49	-52	-56

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	49	52	56
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Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Non-Federal sources	-49	-52	-56
88.40 Non-Federal sources (Proceeds from non-Federal securities not immediately reinvested)			
88.90 Total, offsetting collections (cash)	-49	-52	-56

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays			

Memorandum (non-add) entries:

92.03 Total investments, start of year: non-Federal securities: Market value	24	14	2
92.04 Total investments, end of year: non-Federal securities: Market value	14	2	

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended under certain conditions to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers. There are currently 10 Federally-sanctioned milk market orders in operation.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific mar-

keting orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported in these schedules. The majority of these funds are collected and deposited in checking and savings accounts in local banks, and disbursed directly by the market administrator. A portion of the funds collected are invested in securities such as certificates of deposit.

Expenses of local offices are met from an administrative fund and a marketing service fund, which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The marketing service fund of the individual order disseminates market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time to time upon recommendations by the market administrator and upon approval of the Agricultural Marketing Service to provide reserves at about a 6-month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers, as the case may be.

Object Classification (in millions of dollars)

Identification code 12-8412-0-8-351	2007 actual	2008 est.	2009 est.
Reimbursable obligations:			
11.1 Personnel compensation: Full-time permanent	30	32	35
12.1 Civilian personnel benefits	8	8	9
21.0 Travel and transportation of persons	3	3	3
23.2 Rental payments to others	3	4	4
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services	1	1	1
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.9 Total new obligations	49	52	56

Employment Summary

Identification code 12-8412-0-8-351	2007 actual	2008 est.	2009 est.
Reimbursable:			
2001 Civilian full-time equivalent employment	384	384	384

RISK MANAGEMENT AGENCY

Federal Funds

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by section 226A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933), **[\$76,658,000] \$77,177,000: Provided,** That **[not more than \$11,166,000 of]** the funds made available under section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) may be used for **[program compliance and integrity purposes, including]** the data mining project, **[and for]** the Common Information Management System, *and the development, modernization, and enhancement of the information technology systems used to manage and deliver the crop insurance program: Provided further,* That not to exceed \$1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-2707-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Administrative and operating expenses	76	76	77
10.00 Total new obligations	76	76	77

Budgetary resources available for obligation:				
22.00	New budget authority (gross)	77	76	77
23.95	Total new obligations	-76	-76	-77
23.98	Unobligated balance expiring or withdrawn	-1		

New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	77	77	77
40.33	Appropriation permanently reduced (P.L. 110-161)		-1	
43.00	Appropriation (total discretionary)	77	76	77

Change in obligated balances:				
72.40	Obligated balance, start of year	21	17	22
73.10	Total new obligations	76	76	77
73.20	Total outlays (gross)	-79	-70	-77
73.40	Adjustments in expired accounts (net)	-1	-1	-1
74.40	Obligated balance, end of year	17	22	21

Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	56	53	54
86.93	Outlays from discretionary balances	23	17	23
87.00	Total outlays (gross)	79	70	77

Net budget authority and outlays:				
89.00	Budget authority	77	76	77
90.00	Outlays	79	70	77

This appropriation provides funding for the administrative and operating expenses of the Risk Management Agency (RMA). The Agricultural Risk Protection Act (ARPA) of 2000 significantly enhanced RMA's role in protecting the integrity of the Federal Crop Insurance program for farmers. ARPA imposed new regulatory responsibilities and expanded the scope of program compliance and monitoring activities. Accordingly, it changed the amount and type of information RMA collects. The budget requests additional funding to fully implement these responsibilities.

The Federal Crop Insurance program is delivered through private insurance companies. Certain administrative expenses incurred by the companies are reimbursed through mandatory funding that is reflected in the account for the Federal Crop Insurance Fund. In addition, the data mining project, the joint Farm Service Agency/RMA Common Information Management System (CIMS), and information technology (IT) costs related to reducing fraud, waste, and abuse as well as IT modernization are proposed as authorized uses of the research and development funding in the Federal Crop Insurance Act.

Object Classification (in millions of dollars)

Identification code 12-2707-0-1-351				
		2007 actual	2008 est.	2009 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	39	39	39
11.3	Other than full-time permanent	1	1	1
11.9	Total personnel compensation	40	40	40
12.1	Civilian personnel benefits	10	10	10
21.0	Travel and transportation of persons	2	2	2
23.2	Rental payments to others	1	1	1
23.3	Communications, utilities, and miscellaneous charges	1	1	1
25.2	Other services	20	20	21
26.0	Supplies and materials	1	1	1
31.0	Equipment	1	1	1
99.9	Total new obligations	76	76	77

Employment Summary

Identification code 12-2707-0-1-351				
		2007 actual	2008 est.	2009 est.
Direct:				
1001	Civilian full-time equivalent employment	488	553	553

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516), such sums as may be necessary, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-4085-0-3-351				
		2007 actual	2008 est.	2009 est.
Obligations by program activity:				
00.01	Indemnities	2,199	4,214	5,036
00.02	A&O reimbursements	1,111	1,480	1,472
00.03	ARPA obligations	70	70	70
09.01	Reimbursable program—indemnities	1,363	1,315	2,243
10.00	Total new obligations	4,743	7,079	8,821
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1,266	2,260	641
22.00	New budget authority (gross)	5,737	5,460	8,821
23.90	Total budgetary resources available for obligation	7,003	7,720	9,462
23.95	Total new obligations	-4,743	-7,079	-8,821
24.40	Unobligated balance carried forward, end of year	2,260	641	641
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	4,379	4,150	6,583
61.00	Transferred to other accounts	-5	-5	-5
62.50	Appropriation (total mandatory)	4,374	4,145	6,578
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	1,363	1,315	2,243
70.00	Total new budget authority (gross)	5,737	5,460	8,821
Change in obligated balances:				
72.40	Obligated balance, start of year	255	164	1,543
73.10	Total new obligations	4,743	7,079	8,821
73.20	Total outlays (gross)	-4,834	-5,700	-7,741
74.40	Obligated balance, end of year	164	1,543	2,623
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	3,568	3,441	7,101
86.98	Outlays from mandatory balances	1,266	2,259	640
87.00	Total outlays (gross)	4,834	5,700	7,741
Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-1,363	-1,315	-2,243
Net budget authority and outlays:				
89.00	Budget authority	4,374	4,145	6,578
90.00	Outlays	3,471	4,385	5,498

Summary of Budget Authority and Outlays

(in millions of dollars)				
		2007 actual	2008 est.	2009 est.
Enacted/requested:				
	Budget Authority	4,374	4,145	6,578
	Outlays	3,471	4,385	5,498
Legislative proposal, subject to PAYGO:				
	Budget Authority			-277

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

Summary of Budget Authority and Outlays—Continued

	(in millions of dollars)		
	2007 actual	2008 est.	2009 est.
Outlays			-277
Total:			
Budget Authority	4,374	4,145	6,301
Outlays	3,471	4,385	5,221

The Federal Crop Insurance Corporation (FCIC), a wholly-owned government corporation, provides multi-peril and catastrophic crop insurance protection against losses from unavoidable natural events. The crop insurance program is an integral part of the broad-based safety net and includes programs involving yield and revenue insurance, pasture, rangeland and forage, livestock, and other educational and risk mitigation initiatives/tools to manage risk.

Commercial insurance companies deliver crop insurance. For producers who obtain Catastrophic Crop Insurance (CAT), which compensates the farmer for losses up to 50 percent of the individual's average yield at 55 percent of the expected market price, the premium is entirely subsidized. The cost to the producer for this type of coverage is an annual administrative fee of \$100 per crop per county.

Additional coverage is available to producers and is commonly referred to as "buy-up" coverage. Policyholders can elect to be paid up to 100 percent of the market price established by FCIC for each unit of production their actual yield is less than the individual yield guarantee. Premium rates for additional coverage depend on the level of protection selected and vary from crop to crop and county to county. Producers are assessed a fee of \$30 per crop, per county, in addition to a share of the premium. The additional levels of insurance coverage are more attractive to farmers due to availability of optional units, other policy provisions not available with CAT coverage, and the ability to obtain a level of protection that permits them to use crop insurance as loan collateral and to achieve greater financial security.

Revenue protection for all products is provided by extending traditional multi-peril crop insurance protection, based on actual production history (APH), to include price variability. Revenue insurance helps to ensure a certain level of a crop's annual income. In 2006, RMA published a proposed rule to combine the APH plan of insurance and five existing revenue plans, including Crop Revenue Coverage, Revenue Assurance, Income Protection, and Indexed Income Protection into a single policy. The combined policy would have the traditional APH policy as its base plan of insurance with optional revenue coverages. The combined policy will eliminate duplicative revenue coverages and simplify the application process. A final rule implementing the combined policy will be published in the Federal Register in 2008 after numerous public comments are addressed.

FCIC is also piloting an Adjusted Gross Revenue (AGR) program, which is designed to insure a portion of a producer's gross revenue based on their Schedule F farm income tax reports. The Adjusted Gross Revenue-Lite (AGR-Lite) insurance plan, a modification of AGR, was approved in late 2002 and offered for sale in 2003. This product was submitted to FCIC through Section 508(h) of the Act. For 2007, AGR-Lite covers whole farm revenue up to \$1 million, including revenue from animals and animal products. AGR-Lite covers the adjusted gross revenue from the whole farm based on five years of tax forms and a farm plan. AGR-Lite initially began as a pilot in Pennsylvania and recently expanded to cover 34 States.

For the 2007 crop year, RMA implemented two new insurance programs for pasture, rangeland and forage with coverage available in 9 states. The two new programs are group risk policies that cover livestock grazing and forage land.

They are based on one of two indices; a Rainfall Index or a Vegetation Index. In the initial year of being available (2007 insurance year) there were 9,700 policies sold covering more than 28.5 million acres and nearly 390 million dollars of liability. In 2008, RMA will begin a two year plan expanding the pilot area to a total of 17 states. When the expansion is complete in 2009, approximately 450 million acres of grazing and forage land will be eligible for PRF coverage. RMA also awarded 8 research and development partnership agreements totaling over \$3 million to develop risk management decision support tools that assist producers with making appropriate crop insurance choices. Additionally RMA funded approximately \$5 million for improvements and expansion to decision support tools for production practices to manage soybean rust and to help in the establishment of sentinel plots to assist in keeping the nation informed on the movement of the rust disease.

In crop year 2007, 271 million acres were insured, with an estimated \$6,555 million in total premium income, including \$3,818 million in premium subsidy.

ARPA provided RMA with mandatory funding to implement data mining and data warehousing to improve compliance and integrity in the crop insurance program in years 2001–2005. In 2006 and 2007, Congress provided funding for data mining in the Administrative and Operating Account for RMA. However, Congress recommended that RMA seek mandatory funding in future years. The 2002 Farm Bill mandated the development of the Common Information Management System (CIMS), a joint IT system between RMA and the Farm Service Agency intended to improve data sharing and program compliance activities. Mandatory funding provided by the 2002 Farm Bill for CIMS expired in 2007. The 2008 budget requested, and Congress provided, funding through ARPA to ensure the continuation of the data mining and CIMS projects.

In recent years, the Administration has included several proposals in the Budget to modernize the IT system used by RMA to administer the Federal crop insurance program. The scope of RMA's IT system cover an enterprise-wide infrastructure and business operations at the national and local levels as well as interfaces with private industry partners reinsured by the FCIC. These systems support risk management programs expected to offer more than \$72 billion in coverage to America's producers in 2009 and provide current and historical crop insurance information to the industry and the public. The existing IT system is nearing the end of its useful life and recent years have seen increases in downtime resulting from system failures. More recently, RMA has been forced to delay implementation of certain program changes due to the inability of the IT system to handle the modifications. Over the years, numerous changes have occurred in the Federal crop insurance program; including, the development of revenue, livestock, and pasture/rangeland insurance which have greatly expanded the program and taxed the IT system due to new requirements, such as daily livestock pricing, which were not envisioned when the existing IT system was designed. These new requirements contribute to increased maintenance costs and limit RMA's ability to comply with Congressional mandates pertaining to data reconciliation with the Farm Service Agency.

The 2009 budget proposes a two prong approach to securing the funding needed to modernize the RMA IT infrastructure. First, the budget re-proposes legislation to implement a user-fee to be paid by the participating insurance companies. The fee would be based on the premium volume of the participating companies and would be capped at \$15 million annually. The fee could be generated with a charge of about one-quarter cent per dollar of premium sold. Second, the budget proposes to expand on Congressional action in the 2008 appropriation by including IT modernization, in addition to data

mining and CIMS as authorized purposes for existing funding provided by ARPA.

The following table compares the scope of the insurance operations planned for 2009. Amounts in the 2007 column are as of September 30, 2007, and pertain to the 2007 crop year.

	2007 CY est.	2008 CY est.	2009 CY est.
Number of States	50	50	50
Number of counties	3,066	3,066	3,066
Insurance in force (millions)	67,263	71,312	71,814
Insured acreage (millions)	271	285	288
Producer premium (millions) ¹	\$2,737	\$2,913	\$2,888
Premium subsidy (millions) ¹	\$3,818	\$4,102	\$4,084
Total premium (millions) ¹	\$6,555	\$7,015	\$6,972
Indemnities (millions) ¹	\$6,817	\$7,296	\$7,251
Loss ratio	1.040	1.040	1.040

¹Includes amounts that will appear on the books of the reinsured companies.

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

Receipts, which are for deposit to this fund, come mainly from premiums paid by farmers. The principal payments from this fund are for indemnities to insured farmers, and administrative expenses for approved insurance providers.

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

PREMIUM AND SUBSIDY

(In millions of dollars)

	FY 2007 actual	FY 2008 est.	FY 2009 est.
Premiums:			
Additional coverage premium subsidy	2,508	3,571	3,801
Catastrophic coverage—Reinsurance premium subsidy	220	275	299
Subtotal, premium subsidy	2,728	3,846	4,100
Producer premium	1,316	1,272	2,201
Total premiums	4,044	5,118	6,301
Indemnities:			
Additional coverage	3,133	5,297	6,968
Catastrophic coverage—Reinsurance	236	233	312
Total indemnities	3,369	5,530	7,280

The following table summarizes the insurance operations for 2007, 2008, and 2009:

NET INCOME OR LOSS (–) ON INSURANCE OPERATIONS

(In millions of dollars)

	FY 2007 actual	FY 2008 est.	FY 2009 est.
Producer premium less indemnities	–2,053	–4,258	–5,079
Interest expense, net	0	0	0
Delivery expenses ¹	–1,111	–1,480	–1,472
Other income or expense, net	47	43	42
ARPA costs	–75	–75	–75
Reinsurance underwriting gain (+) or loss (–)	–834	–1,482	–709
Net income or loss (–)	–4,026	–7,252	–7,293

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

Balance Sheet (in millions of dollars)

	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1,431	2,345
1206 Non-Federal assets: Receivables, net	1,713	2,458
1803 Other Federal assets: Property, plant and equipment, net	1	

1999 Total assets	3,145	4,803
LIABILITIES:		
2105 Federal liabilities: Other		1
Non-Federal liabilities:		
2201 Accounts payable	11	17
2207 Other	3,916	5,178
2999 Total liabilities	3,927	5,196
NET POSITION:		
3100 Appropriated capital	510	1,180
3300 Cumulative results of operations	–1,292	–1,573
3999 Total net position	–782	–393
4999 Total liabilities and net position	3,145	4,803

Object Classification (in millions of dollars)

Identification code 12–4085–0–3–351	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services-ARPA requirements	70	70	70
25.2 Other services	1,111	1,480	1,472
42.0 Insurance claims and indemnities (reinsured buyup)	2,199	4,214	5,036
99.0 Direct obligations	3,380	5,764	6,578
42.0 Reimbursable obligations: Insurance claims and indemnities	1,363	1,315	2,243
99.9 Total new obligations	4,743	7,079	8,821

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

Program and Financing (in millions of dollars)

Identification code 12–4085–4–3–351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Crop insurance Farm Bill proposal			–277
10.00 Total new obligations (object class 41.0)			–277
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			–277
23.95 Total new obligations			277
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			–277
Change in obligated balances:			
73.10 Total new obligations			–277
73.20 Total outlays (gross)			277
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			–277
Net budget authority and outlays:			
89.00 Budget authority			–277
90.00 Outlays			–277

Reflects the total savings generated from the Administration's Farm Bill proposals for the Crop Insurance Program.

FARM SERVICE AGENCY

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, **[\$1,134,045,000] \$1,188,580,000: Provided,** That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided further,* That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: *Pro-*

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

vided further, That none of the funds made available by this Act may be used to pay the salary or expenses of any officer or employee of the Department of Agriculture to close or relocate any county or field office of the Farm Service Agency (other than a county or field office that had zero employees as of February 7, 2007), or to develop, submit, consider, or approve any plan for any such closure or relocation before enactment of an omnibus authorization law to provide for the continuation of agricultural programs for fiscal years after 2007]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-0600-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Conservation	218	260	250
00.02 Income support	841	939	921
00.05 Commodity operations	13	28	17
03.00 Subtotal, direct program	1,072	1,227	1,188
09.01 Farm loans	304	301	325
09.02 Other programs	108	87	100
09.99 Subtotal, reimbursable program	412	388	425
10.00 Total new obligations	1,484	1,615	1,613
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	77	81	.....
22.00 New budget authority (gross)	1,502	1,534	1,613
22.10 Resources available from recoveries of prior year obligations	1	.....	.....
23.90 Total budgetary resources available for obligation	1,580	1,615	1,613
23.95 Total new obligations	-1,484	-1,615	-1,613
23.98 Unobligated balance expiring or withdrawn	-15	.....	.....
24.40 Unobligated balance carried forward, end of year	81	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,090	1,154	1,188
40.33 Appropriation permanently reduced (P.L. 110-161) .....	.....	-8	.....
43.00 Appropriation (total discretionary)	1,090	1,146	1,188
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	399	388	425
58.10 Change in uncollected customer payments from Federal sources (unexpired)	13	.....	.....
58.90 Spending authority from offsetting collections (total discretionary)	412	388	425
70.00 Total new budget authority (gross)	1,502	1,534	1,613
Change in obligated balances:			
72.40 Obligated balance, start of year	161	167	285
73.10 Total new obligations	1,484	1,615	1,613
73.20 Total outlays (gross)	-1,462	-1,497	-1,627
73.40 Adjustments in expired accounts (net)	-9	.....	.....
73.45 Recoveries of prior year obligations	-1	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-13	.....	.....
74.10 Change in uncollected customer payments from Federal sources (expired)	7	.....	.....
74.40 Obligated balance, end of year	167	285	271
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1,462	1,416	1,491
86.93 Outlays from discretionary balances .....	.....	81	136
87.00 Total outlays (gross)	1,462	1,497	1,627
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-410	-388	-425
88.40 Non-Federal sources	-6	.....	.....
88.90 Total, offsetting collections (cash)	-416	-388	-425
Against gross budget authority only:			

88.95 Change in uncollected customer payments from Federal sources (unexpired)	-13	.....	.....
88.96 Portion of offsetting collections (cash) credited to expired accounts	17	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	1,090	1,146	1,188
90.00 Outlays	1,046	1,109	1,202

The Farm Service Agency (FSA) was established October 3, 1994, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354. The Department of Agriculture Reorganization Act of 1994 was amended on April 4, 1996, by the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127. The FSA administers a variety of activities, such as farm income support programs through various loans and payments; the Conservation Reserve Program (CRP); the Emergency Conservation Program; the Hazardous Waste Management Program; the Commodity Operation Programs including the warehouse examination function; farm ownership, farm operating, emergency disaster, and other loan programs; and the Noninsured Crop Disaster Assistance Program (NAP), which provides crop loss protection for growers of many crops for which crop insurance is not available. The Agency also assists in the administration of several conservation cost-share programs financed by the Commodity Credit Corporation (CCC), including the Grasslands Reserve Program (GRP). In addition, FSA currently provides certain administrative support services to the Foreign Agricultural Service (FAS) and to the Risk Management Agency (RMA).

This consolidated administrative expenses account includes funds to cover expenses of programs administered by, and functions assigned to, the Agency. The funds consist of a direct appropriation, transfers from program loan accounts under credit reform procedures, user fees, and advances and reimbursements from other sources. This is a consolidated account for administrative expenses of national, regional, State, and county offices.

USDA's FSA, Natural Resources Conservation Service (NRCS), and Rural Development (RD) offices act as separate franchises, with offices often located adjacent to each other. Prior efforts to improve the efficiency of USDA's county-based offices have resulted in significant co-location, and introduction of new information technology to simplify customer transactions.

Farm programs.—These programs provide an economic safety net through farm income support to eligible producers, cooperatives, and associations to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber. Objectives of the Agency include providing direct and counter-cyclical payments, providing marketing assistance loans and loan deficiency payments enabling recipients to continue farming operations without marketing their product immediately after harvest, and providing a financial assistance safety net to eligible producers when natural disasters result in a catastrophic loss of production or prevent planting of noninsured crops, and timely approval of crop prices, average yields, and payment factors for the Non-insured Crop Disaster Assistance Program (NAP).

Farm program activities include the following functions dealing with the administration of programs carried out through the farmer committee system of the FSA: (a) developing program regulations and procedures; (b) collecting and compiling basic data for individual farms; (c) establishing individual farm allotments for farm planting history; (d) notifying producers of established allotments and farm planting histories; (e) conducting referendums and certifying results; (f) accepting farmer certifications and checking compliance for specific purposes; (g) processing commodity loan docu-

ments and issuing checks; (h) processing direct and counter-cyclical payments and issuing checks; (i) certifying payment eligibility and monitoring payment limitations; and (j) processing farm storage facility loans and issuing checks.

Conservation and environment.—These programs assist agricultural producers and landowners in achieving a high level of stewardship of soil, water, air, and wildlife resources on America’s farmland and ranches while protecting the human and natural environment. Objectives of the Agency include improving environmental quality, protecting natural resources, and enhancing habitat for fish and wildlife, including threatened and endangered species, providing Emergency Conservation Program funding for farmers and ranchers to rehabilitate damaged farmland and for carrying out emergency conservation measures during periods of severe drought or flooding, protecting the public health of communities through implementation of the Hazardous Waste Management Program, and implementing administrative processes and procedures for contracting, financial reporting, and other financial operations. This activity includes: (a) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; and (b) issuing checks for other conservation programs.

Commodity operations.—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) accounting for loans and commodities; and (f) commercial warehouse activities, which include improving the effectiveness and efficiency of FSA’s commodity acquisition, procurement, storage, and distribution activities to support domestic and international food assistance programs and administering the U.S. Warehouse Act (USWA). The Agency provides for the examination of warehouses licensed under the USWA and non-licensed warehouses storing CCC-owned or pledged commodities. Examiners perform periodic examinations of the facilities and the warehouse records to ensure protection of depositors against potential losses of the stored commodities and to ensure compliance with the USWA and any CCC storage agreements.

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

Other reimbursable activities.—FSA collects a fee or is reimbursed for performing a variety of services for other Federal agencies, CCC, industry, and others, including certain administrative support services for the Risk Management Agency and the Foreign Agricultural Service, and for county office services provided to Federal and non-Federal entities, including a variety of services to producers. As such, the FY 2009 Budget shifts \$6.5 million from the FSA Salaries and Expenses account to the P.L. 480 Title II account for the cost of certain services FSA currently provides for Title II programs.

11.3	Other than full-time permanent	3	1	2
11.5	Other personnel compensation	2	1	1
11.9	Total personnel compensation	146	162	157
12.1	Civilian personnel benefits	37	37	38
21.0	Travel and transportation of persons	10	15	14
22.0	Transportation of things	4	4	3
23.3	Communications, utilities, and miscellaneous charges	10	12	11
24.0	Printing and reproduction	1	1	1
25.2	Other services	159	270	229
26.0	Supplies and materials	5	6	6
31.0	Equipment	13	2	2
41.0	Grants, subsidies, and contributions	687	718	727
99.0	Direct obligations	1,072	1,227	1,188
99.0	Reimbursable obligations	412	388	425
99.9	Total new obligations	1,484	1,615	1,613

Employment Summary

Identification code 12-0600-0-1-351	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	2,112	2,128	2,064
Reimbursable:			
2001 Civilian full-time equivalent employment	3,030	3,125	3,189

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101-5106), **[\$4,400,000]** \$4,000,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0170-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 State mediation grants	4	4	4
10.00 Total new obligations (object class 41.0)	4	4	4
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	4	4	4
23.95 Total new obligations	-4	-4	-4
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	4	4	4
Change in obligated balances:			
72.40 Obligated balance, start of year	3	3	3
73.10 Total new obligations	4	4	4
73.20 Total outlays (gross)	-4	-4	-4
74.40 Obligated balance, end of year	3	3	3
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	2	2
86.93 Outlays from discretionary balances	2	2	2
87.00 Total outlays (gross)	4	4	4
Net budget authority and outlays:			
89.00 Budget authority	4	4	4
90.00 Outlays	4	4	4

This grant program is authorized by Title V of the Agricultural Credit Act of 1987, P.L. 100-233, as amended. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354) to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticide use. Grants are made to States whose agricultural

Object Classification (in millions of dollars)

Identification code 12-0600-0-1-351	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	141	160	154

STATE MEDIATION GRANTS—Continued

mediation programs have been certified by the Farm Service Agency. A grant will not exceed 70 percent of the total fiscal year funds that a qualifying State requires to operate and administer its agricultural mediation program. In no case will the total amount of a grant exceed \$500,000 annually.

GRANT OBLIGATIONS

	2007 actual	2008 est.	2009 est.
Number of States receiving grants	34	36	36
Amount of grants (in millions of dollars)	5	4	4

USDA DISASTER ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 12-2701-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Disaster Payments		3,402	
10.00 Total new obligations (object class 41.0)		3,402	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		2,800	
22.00 New budget authority (gross)	2,800	602	
23.90 Total budgetary resources available for obligation	2,800	3,402	
23.95 Total new obligations		-3,402	
24.40 Unobligated balance carried forward, end of year	2,800		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,800	602	
Change in obligated balances:			
72.40 Obligated balance, start of year	3		
73.10 Total new obligations		3,402	
73.20 Total outlays (gross)		-3,402	
73.40 Adjustments in expired accounts (net)	-3		
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		602	
86.93 Outlays from discretionary balances		2,800	
87.00 Total outlays (gross)		3,402	
Net budget authority and outlays:			
89.00 Budget authority	2,800	602	
90.00 Outlays		3,402	

On May 25, 2007, the President signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act), P.L. 110-28. The 2007 Act provided \$2.8 billion in agricultural disaster aid for America's farmers and ranchers. Specifically, the 2007 Act provides funds for a Crop Disaster Program (CDP), Livestock Compensation Program (LCP), Livestock Indemnity Program (LIP), and Dairy Disaster Assistance Program (DDAP). The U.S. Department of Agriculture (USDA) is charged with implementing the programs. The USDA Farm Service Agency (FSA) will promulgate regulations to govern the programs for publication in the Federal Register. In addition, the agency will design and develop software for sign-up and payment processes. The FY 2008 Consolidated Appropriations Act, P.L. 110-161, provided an additional \$602 million under Sec. 743, which extends the period of loss eligibility for disaster assistance from February 28, 2007 to December 31, 2007.

REFORESTATION PILOT PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3305-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Reforestation pilot program		1	
10.00 Total new obligations (object class 41.0)		1	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		1	
23.95 Total new obligations		-1	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		1	
Change in obligated balances:			
73.10 Total new obligations		1	
73.20 Total outlays (gross)		-1	
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		1	
Net budget authority and outlays:			
89.00 Budget authority		1	
90.00 Outlays		1	

These funds were appropriated by section 742 of P.L. 110-161 for the Farm Service Agency to carry out a reforestation pilot program. The program's purpose is to demonstrate the use of new technologies that increase the rate of growth of re-forested hardwood trees on private non-industrial forest lands, enrolling lands on the coast of the Gulf of Mexico that were damaged by Hurricane Katrina in 2005. The budget does not request any 2009 funding for this program.

AGRICULTURAL CONSERVATION PROGRAM

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

The primary objective of the program was to conserve soil and water resources. Along with annual agreements, cost sharing was authorized for long-term agreements of 3-10 years. In 2007 a transfer of \$25,000 in unobligated funds was made to the USDA Working Capital Fund as authorized in Section 104 of the Revised Continuing Appropriations Resolution, 2007 P.L. 110-5. Outlays to States in 2007 totaled \$51,000.

EMERGENCY CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3316-0-1-453	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Emergency conservation program	39	83	26
10.00 Total new obligations (object class 41.0)	39	83	26
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	150	129	46
22.00 New budget authority (gross)	18		
23.90 Total budgetary resources available for obligation	168	129	46
23.95 Total new obligations	-39	-83	-26
24.40 Unobligated balance carried forward, end of year	129	46	20

New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	18	
Change in obligated balances:			
72.40	Obligated balance, start of year	60	27 30
73.10	Total new obligations	39	83 26
73.20	Total outlays (gross)	-72	-80 -45
74.40	Obligated balance, end of year	27	30 11
Outlays (gross), detail:			
86.93	Outlays from discretionary balances	72	80 45
Net budget authority and outlays:			
89.00	Budget authority	18	
90.00	Outlays	72	80 45

The Emergency Conservation Program (ECP) was authorized by the Agricultural Credit Act of 1978 (16 U.S.C. 2201–05). It provides funds for sharing the cost of emergency measures to deal with cases of severe damage to farmlands and rangelands resulting from natural disasters.

For 2007, the Emergency Supplemental Appropriations in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, P.L. 110–28, provided \$16 million for the cleanup and restoration of farm and agricultural production lands. Unlike other ECP funding, eligibility criteria include income levels. In addition, \$2 million was provided, as determined by the Secretary of Agriculture, to eligible agricultural producers in Kansas as recovery assistance in response to damage in conjunction with the Presidential declaration of a major disaster dated May 6, 2007, for needs not met by the Federal Emergency Management Agency or private insurers. These funds are available until expended.

The 2009 Budget proposes no funding for this program.

【GRASSROOTS SOURCE WATER PROTECTION PROGRAM】

【For necessary expenses to carry out wellhead or groundwater protection activities under section 12400 of the Food Security Act of 1985 (16 U.S.C. 3839bb–2), \$3,713,000, to remain available until expended.】 (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12–3304–0–1–302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Grassroots source water payments	4	4
10.00	Total new obligations (object class 41.0)	4	4
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	4	4
23.95	Total new obligations	-4	-4
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	4	4
Change in obligated balances:			
73.10	Total new obligations	4	4
73.20	Total outlays (gross)	-4	-4
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	4	4
Net budget authority and outlays:			
89.00	Budget authority	4	4
90.00	Outlays	4	4

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, Indian tribe land acquisition loans (25 U.S.C. 488), and boll weevil loans (7 U.S.C. 1989), to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, **【\$1,471,257,000】 \$1,476,538,000**, of which **【\$1,247,400,000】 \$1,223,636,000** shall be for unsubsidized guaranteed loans and **【\$223,857,000】 \$252,902,000** shall be for direct loans; operating loans, **【\$1,875,686,000】 \$1,901,684,000**, of which **【\$1,024,650,000】 \$1,012,369,000** shall be for unsubsidized guaranteed loans, **【\$271,886,000】 \$260,943,000** shall be for subsidized guaranteed loans and **【\$579,150,000】 \$628,372,000** shall be for direct loans; Indian tribe land acquisition loans, **【\$3,960,000】 \$3,975,000**; and for boll weevil eradication program loans, **【\$100,000,000】 \$59,400,000**: *Provided*, That the Secretary shall deem the pink bollworm to be a boll weevil for the purpose of boll weevil eradication program loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, **【\$14,952,000】 \$18,504,000**, of which **【\$4,990,000】 \$4,038,000** shall be for unsubsidized guaranteed loans, and **【\$9,962,000】 \$14,466,000** shall be for direct loans; operating loans, **【\$134,561,000】 \$135,277,000**, of which **【\$24,797,000】 \$25,208,000** shall be for unsubsidized guaranteed loans, **【\$36,270,000】 \$35,984,000** shall be for subsidized guaranteed loans, and **【\$73,494,000】 \$74,085,000** shall be for direct loans; and Indian tribe land acquisition loans, **【\$125,000】 \$250,000**.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **【\$311,229,000】 \$333,013,000**, of which **【\$303,309,000】 \$325,093,000** shall be **【transferred to and merged with】 paid to** the appropriation for “Farm Service Agency, Salaries and Expenses”.

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs: *Provided*, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, \$100,000, to remain available until expended: *Provided*, That such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387, 114 Stat. 1549A–12). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12–1140–0–1–351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Direct loan subsidy	92	88 89
00.02	Guaranteed loan subsidy	56	67 65
00.05	Reestimates of direct loan subsidy	30	49
00.06	Interest on reestimates of direct loan subsidy	16	47
00.07	Reestimates of guaranteed loan subsidy	47	28
00.08	Interest on reestimate of guaranteed loan subsidy	10	22
00.09	Administrative expenses—salaries and expenses	305	301 325
00.10	Administrative expenses—PLCE	5	8 8
10.00	Total new obligations	561	610 487
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	16	7 2
22.00	New budget authority (gross)	564	605 487
23.90	Total budgetary resources available for obligation	580	612 489
23.95	Total new obligations	-561	-610 -487
23.98	Unobligated balance expiring or withdrawn	-12	
24.40	Unobligated balance carried forward, end of year	7	2 2
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	461	461 487

DAIRY INDEMNITY PROGRAM—Continued
(INCLUDING TRANSFER OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1140-0-1-351	2007 actual	2008 est.	2009 est.
40.33 Appropriation permanently reduced (P.L. 110-161)		-3	
43.00 Appropriation (total discretionary)	461	458	487
Mandatory:			
60.00 Appropriation	103	147	
70.00 Total new budget authority (gross)	564	605	487
Change in obligated balances:			
72.40 Obligated balance, start of year	16	16	21
73.10 Total new obligations	561	610	487
73.20 Total outlays (gross)	-558	-605	-487
73.40 Adjustments in expired accounts (net)	-3		
74.40 Obligated balance, end of year	16	21	21
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	435	441	470
86.93 Outlays from discretionary balances	20	17	17
86.97 Outlays from new mandatory authority	103	147	
87.00 Total outlays (gross)	558	605	487
Net budget authority and outlays:			
89.00 Budget authority	564	605	487
90.00 Outlays	558	605	487

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

Identification code 12-1140-0-1-351	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Farm Ownership	304	222	253
115002 Farm Operating	600	576	628
115003 Emergency Disaster	75	46	
115004 IndianTribes Land Acquisition		4	4
115005 Boll Weevil Eradication	6	100	59
115999 Total direct loan levels	985	948	944
Direct loan subsidy (in percent):			
132001 Farm Ownership	4.19	4.45	5.72
132002 Farm Operating	11.69	12.69	11.79
132003 Emergency Disaster	11.77	11.15	0.00
132004 IndianTribes Land Acquisition	0.00	3.15	6.29
132005 Boll Weevil Eradication	1.90	-0.27	-0.56
132999 Weighted average subsidy rate	9.32	9.28	9.37
Direct loan subsidy budget authority:			
133001 Farm Ownership	13	10	14
133002 Farm Operating	70	73	74
133003 Emergency Disaster	9	5	
133999 Total subsidy budget authority	92	88	88
Direct loan subsidy outlays:			
134001 Farm Ownership	9	10	14
134002 Farm Operating	70	70	75
134003 Emergency Disaster	7	5	
134004 IndianTribes Land Acquisition	1		
134999 Total subsidy outlays	87	85	89
Direct loan upward reestimates:			
135001 Farm Ownership	10	5	
135002 Farm Operating		52	
135003 Emergency Disaster	14		
135005 Boll Weevil Eradication	20	19	
135008 Credit Sales of Acquired Property		20	
135009 Indian Land, Credit Sales, Seed, Soil & Water	2		
135999 Total upward reestimate budget authority	46	96	
Direct loan downward reestimates:			
137001 Farm Ownership	-40	-101	
137002 Farm Operating		-185	
137003 Emergency Disaster	-4	-178	
137004 IndianTribes Land Acquisition	-1	-1	
137005 Boll Weevil Eradication	-5	-16	
137006 Seed Loans to Producers	-2		
137008 Credit Sales of Acquired Property	-1		

137009 Indian Land, Credit Sales, Seed, Soil & Water		-1	
137999 Total downward reestimate budget authority	-53	-482	

Guaranteed loan levels supportable by subsidy budget authority:

215001 Farm Ownership—Unsubsidized	965	1,247	1,224
215002 Farm Operating—Unsubsidized	918	1,090	1,012
215003 Farm Operating—Subsidized	272	270	261
215999 Total loan guarantee levels	2,155	2,607	2,497
Guaranteed loan subsidy (in percent):			
232001 Farm Ownership—Unsubsidized	0.58	0.40	0.33
232002 Farm Operating—Unsubsidized	2.47	2.42	2.49
232003 Farm Operating—Subsidized	10.07	13.34	13.79
232999 Weighted average subsidy rate	2.58	2.58	2.61
Guaranteed loan subsidy budget authority:			
233001 Farm Ownership—Unsubsidized	6	5	4
233002 Farm Operating—Unsubsidized	23	26	25
233003 Farm Operating—Subsidized	27	36	36
233999 Total subsidy budget authority	56	67	65
Guaranteed loan subsidy outlays:			
234001 Farm Ownership—Unsubsidized	5	5	5
234002 Farm Operating—Unsubsidized	35	25	25
234003 Farm Operating—Subsidized	15	35	35
234999 Total subsidy outlays	55	65	65
Guaranteed loan upward reestimates:			
235001 Farm Ownership—Unsubsidized		6	
235002 Farm Operating—Unsubsidized	10	21	
235003 Farm Operating—Subsidized	47	23	
235999 Total upward reestimate budget authority	57	50	
Guaranteed loan downward reestimates:			
237001 Farm Ownership—Unsubsidized	-15	-24	
237002 Farm Operating—Unsubsidized	-16	-47	
237003 Farm Operating—Subsidized	-4	-28	
237999 Total downward reestimate subsidy budget authority	-35	-99	

Administrative expense data:

3510 Budget authority	309	309	333
3590 Outlays from new authority	309	309	333

The Agricultural credit insurance fund program account's loans are authorized by title III of the Consolidated Farm and Rural Development Act, as amended.

This program account includes subsidies to provide direct and guaranteed loans for farm ownership, farm operating, and emergency loans to individuals. Indian tribes and tribal corporations are eligible for Indian land acquisition loans. Boll weevil eradication loans are available to eliminate the cotton boll weevil pest from infested areas.

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

Under the Dairy Indemnity Program (DIP), payments are made to farmers and manufacturers of dairy products who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals that have been registered and approved by the Federal Government, other chemicals, nuclear radiation, or nuclear fallout. Indemnification may also be paid for cows producing such milk. In 2007, \$181,000 was paid to producers who filed claims under the program and the 2009 Budget requests \$100,000 for this program.

Object Classification (in millions of dollars)

Identification code 12-1140-0-1-351	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.3 Other purchases of goods and services from Government accounts	310	308	333

41.0	Grants, subsidies, and contributions	251	302	154
99.9	Total new obligations	561	610	487

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4212-0-3-351	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Direct loan obligations	985	948	944
00.02	Payments of interest to Treasury	274	250	250
00.03	Direct program activity	3	4	4
00.04	Advances on behalf of borrowers	3	3	3
00.91	Direct program by activities—subtotal (1 level)	1,262	1,205	1,201
08.02	Downward reestimate	44	299	.....
08.04	Interest on downward reestimate	9	182	.....
08.91	Direct program by activities—Subtotal (1 level)	53	481	.....
10.00	Total new obligations	1,315	1,686	1,201

Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	597	1,515	1,357
22.00	New financing authority (gross)	2,354	1,528	1,350
22.10	Resources available from recoveries of prior year obligations	26	.....	.....
22.60	Portion applied to repay debt	-124	.....	.....
22.70	Balance of authority to borrow withdrawn	-23	.....	.....
23.90	Total budgetary resources available for obligation	2,830	3,043	2,707
23.95	Total new obligations	-1,315	-1,686	-1,201
24.40	Unobligated balance carried forward, end of year	1,515	1,357	1,506

New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	1,164	1,214	1,128
Spending authority from offsetting collections:				
69.00	Offsetting collections (cash)	1,190	1,264	1,172
69.47	Portion applied to repay debt	-950	-950	.....
69.90	Spending authority from offsetting collections (total mandatory)	1,190	314	222
70.00	Total new financing authority (gross)	2,354	1,528	1,350

Change in obligated balances:				
72.40	Obligated balance, start of year	187	189	120
73.10	Total new obligations	1,315	1,686	1,201
73.20	Total financing disbursements (gross)	-1,287	-1,755	-1,180
73.45	Recoveries of prior year obligations	-26	.....	.....
74.40	Obligated balance, end of year	189	120	141

Outlays (gross), detail:				
87.00	Total financing disbursements (gross)	1,287	1,755	1,180

Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal Sources: Reestimate payment from program account	-103	-96	.....
88.00	Federal Sources: Subsidy payment from program account	-32	-85	-89
88.25	Federal Sources: Interest on uninvested funds	-86	-115	-115
88.40	Repayments of principal	-794	-762	-762
88.40	Repayments of interest	-175	-206	-206
88.90	Total, offsetting collections (cash)	-1,190	-1,264	-1,172

Net financing authority and financing disbursements:				
89.00	Financing authority	1,164	264	178
90.00	Financing disbursements	97	491	8

Status of Direct Loans (in millions of dollars)

Identification code 12-4212-0-3-351	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			

1111	Limitation on direct loans	910	899	944
1121	Limitation available from carry-forward	124	49	.....
1143	Unobligated limitation carried forward (P.L. 106-113) (-)	-49	.....	.....
1150	Total direct loan obligations	985	948	944

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	4,434	4,563	4,672
1231	Disbursements: Direct loan disbursements	958	921	923
1251	Repayments: Repayments and prepayments	-796	-762	-762
1261	Adjustments: Capitalized interest	12	.....	.....
Write-offs for default:				
1263	Direct loans	-52	-50	-50
1264	Other adjustments, net (+ or -)	7	.....	.....
1290	Outstanding, end of year	4,563	4,672	4,783

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

This account finances direct loans for farm ownership, farm operating, emergency disaster, Indian land, boll weevil eradication, and credit sales of acquired property.

Balance Sheet (in millions of dollars)

Identification code 12-4212-0-3-351	2006 actual	2007 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	597	1,515
Investments in US securities:			
1106	Receivables, net	58	104
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	4,434	4,563
1402	Interest receivable	191	134
1403	Accounts receivable from foreclosed property	4	4
1405	Allowance for subsidy cost (-)	-627	-343
1499	Net present value of assets related to direct loans	4,002	4,358
1999	Total assets	4,657	5,977
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	4,489	5,504
2207	Non-Federal liabilities: Other	168	473
2999	Total liabilities	4,657	5,977
4999	Total liabilities and net position	4,657	5,977

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4213-0-3-351	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Default claims	8	47	47
00.02	Payment of Interest to Treasury	7	2	2
00.03	Guaranteed debt offset/purchases/settlement expense	21	.....	.....
00.04	Interest assistance	67	66	64
00.91	Direct program by activities—subtotal (1 level)	103	115	113
08.02	Downward reestimate of subsidy	28	64	.....
08.04	Downward reestimate of subsidy-interest	6	34	.....
08.91	Subtotal, reestimates	34	98	.....
10.00	Total new obligations	137	213	113

Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	185	306	347
22.00	New financing authority (gross)	200	194	146
22.10	Resources available from recoveries of prior year obligations	58	60	60

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN
FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4213-0-3-351	2007 actual	2008 est.	2009 est.
23.90 Total budgetary resources available for obligation	443	560	553
23.95 Total new obligations	-137	-213	-113
24.40 Unobligated balance carried forward, end of year	306	347	440
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	48	48	50
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	152	146	96
70.00 Total new financing authority (gross)	200	194	146
Change in obligated balances:			
72.40 Obligated balance, start of year	275	244	186
73.10 Total new obligations	137	213	113
73.20 Total financing disbursements (gross)	-110	-211	-111
73.45 Recoveries of prior year obligations	-58	-60	-60
74.40 Obligated balance, end of year	244	186	128
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	110	211	111
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account upward reestimate	-57	-50	
88.00 Payments from program account subsidy	-55	-65	-65
88.25 Interest on uninvested funds	-22	-13	-13
88.40 Fees and premiums	-16	-16	-16
88.40 Loss recoveries and repayments	-1	-1	-1
88.40 Miscellaneous	-1	-1	-1
88.90 Total, offsetting collections (cash)	-152	-146	-96
Net financing authority and financing disbursements:			
89.00 Financing authority	48	48	50
90.00 Financing disbursements	-42	65	15

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4213-0-3-351	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	2,153	2,526	2,497
2121 Limitation available from carry-forward	83	81	
2143 Uncommitted limitation carried forward	-81		
2150 Total guaranteed loan commitments	2,155	2,607	2,497
2199 Guaranteed amount of guaranteed loan commitments	1,939	2,346	2,247
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	10,087	10,045	10,824
2231 Disbursements of new guaranteed loans	2,110	2,475	2,500
2251 Repayments and prepayments	-2,087	-1,649	-1,303
Adjustments:			
2261 Terminations for default that result in loans receivable	-1	-18	-18
2263 Terminations for default that result in claim payments	-7	-29	-29
2264 Other adjustments, net	-57		
2290 Outstanding, end of year	10,045	10,824	11,974
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	9,027	9,294	9,294
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	36	49	54
2331 Disbursements for guaranteed loan claims	20	18	18
2351 Repayments of loans receivable	-2	-6	-6

2361 Write-offs of loans receivable	-5	-7	-7
2390 Outstanding, end of year	49	54	59

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

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

Balance Sheet (in millions of dollars)

Identification code 12-4213-0-3-351	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	460	551
1206 Non-Federal assets: Receivables, net	57	50
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	36	49
1502 Interest receivable	1	1
1505 Allowance for subsidy cost (-)	-22	-32
1599 Net present value of assets related to defaulted guaranteed loans	15	18
1999 Total assets	532	619
LIABILITIES:		
Federal liabilities:		
2104 Resources payable to Treasury	102	150
2105 Other	34	99
Non-Federal liabilities:		
2201 Accounts payable	275	244
2204 Liabilities for loan guarantees	121	126
2999 Total liabilities	532	619
4999 Total liabilities and net position	532	619

AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4140-0-3-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.08 Loan recoverable costs	2	5	5
00.09 Minor capital improvements	1	1	1
00.91 Direct program by activities—subtotal (1 level)	3	6	6
01.08 Administrative expenses—Department of Justice fees	1	1	1
01.09 Costs incidental to acquisition of real property	2	2	2
01.13 Interest assistance—guaranteed loans	1	1	1
01.14 Loss settlement expenses guaranteed loans	1	1	1
01.18 Civil rights settlements	1	1	1
01.91 Total operating expenses	1	6	6
10.00 Total new obligations (object class 25.2)	4	12	12
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	24	14	
22.00 New budget authority (gross)	17	12	12
22.10 Resources available from recoveries of prior year obligations	1		
22.40 Capital transfer to general fund	-24	-14	
23.90 Total budgetary resources available for obligation	18	12	12
23.95 Total new obligations	-4	-12	-12
24.40 Unobligated balance carried forward, end of year	14		
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	392	336	317
69.27 Capital transfer to general fund	-375	-324	-305
69.90 Spending authority from offsetting collections (total mandatory)	17	12	12

Change in obligated balances:				
72.40	Obligated balance, start of year	2	2	2
73.10	Total new obligations	4	12	12
73.20	Total outlays (gross)	-3	-12	-12
73.45	Recoveries of prior year obligations	-1		
74.40	Obligated balance, end of year	2	2	2
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	3	12	12
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.40	Interest on loans	-118	-90	-85
88.40	Miscellaneous undistributed receipts		-1	-1
88.40	Interest on judgments	-1	-2	-2
88.40	Repayments on loans—principal	-255	-224	-212
88.40	Judgments—principal	-10	-7	-7
88.40	Shared appreciation recapture	-3	-7	-5
88.40	Sale of acquired property/chattels	-5	-4	-4
88.40	Write-offs		-1	-1
88.90	Total, offsetting collections (cash)	-392	-336	-317
Net budget authority and outlays:				
89.00	Budget authority	-375	-324	-305
90.00	Outlays	-389	-324	-305

Status of Direct Loans (in millions of dollars)				
Identification code 12-4140-0-3-351	2007 actual	2008 est.	2009 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	1,989	1,687	1,449
1251	Repayments: Repayments and prepayments	-273	-224	-212
1261	Adjustments: Capitalized interest	7	6	5
Write-offs for default:				
1263	Direct loans	-46	-20	-20
1264	Other adjustments, net (+ or -)	10		
1290	Outstanding, end of year	1,687	1,449	1,222

Status of Guaranteed Loans (in millions of dollars)				
Identification code 12-4140-0-3-351	2007 actual	2008 est.	2009 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	86	66	50
2251	Repayments and prepayments	-20	-15	-12
2263	Adjustments: Terminations for default that result in claim payments		-1	-1
2290	Outstanding, end of year	66	50	37
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	58	35	35
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	8	8	7
2351	Repayments of loans receivable		-1	-1
2361	Write-offs of loans receivable			
2390	Outstanding, end of year	8	7	6

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

Balance Sheet (in millions of dollars)			
Identification code 12-4140-0-3-351	2006 actual	2007 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	26	16
1601	Loans Receivable	1,989	1,687
1602	Interest receivable	351	299
1603	Allowance for estimated uncollectible loans and interest (-)	-397	-318
1604	Direct loans and interest receivable, net	1,943	1,668
1605	Accounts receivable/judgments receivable		2
1606	Foreclosed property	13	4
1699	Value of assets related to direct loans	1,956	1,674
1701	Defaulted guaranteed loans, gross	8	8
1999	Total assets	1,990	1,698
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	1,980	1,692
Non-Federal liabilities:			
2201	Accounts payable	1	1
2204	Liabilities for loan guarantees	1	1
2207	Other	8	4
2999	Total liabilities	1,990	1,698
4999	Total liabilities and net position	1,990	1,698

COMMODITY CREDIT CORPORATION FUND
REIMBURSEMENT FOR NET REALIZED LOSSES

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11): *Provided*, That of the funds available to the Commodity Credit Corporation under section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) for the conduct of its business with the Foreign Agricultural Service, up to \$5,000,000 may be transferred to and used by the Foreign Agricultural Service for information resource management activities of the Foreign Agricultural Service that are not related to Commodity Credit Corporation business.

HAZARDOUS WASTE MANAGEMENT
(LIMITATION ON EXPENSES)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than \$5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(g)), and section 6001 of the Resource Conservation and Recovery Act (42 U.S.C. 6961). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-4336-0-3-999	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Commodity purchases and related inventory transactions	5,391	3,128	2,791
00.02	Storage, transportation and other obligations	104	32	115
00.04	Market access program	184	191	199
00.07	Foreign market development cooperative	35	14	
00.08	Quality samples program	1	2	2
00.10	Feed grains	2,204	2,366	2,384
00.11	Wheat	1,100	1,161	1,118
00.12	Rice	414	498	423
00.13	Cotton	1,519	1,264	1,486
00.14	Dairy program	68		
00.15	Tobacco program	955	960	960
00.16	Peanut program	206	131	84
00.17	Wool and Mohair program	7	8	8
00.19	Lentils	1		
00.21	Dry Peas program	4		
00.23	Non-Insured assistance program	127	325	325
00.24	Oilseeds payment program	626	600	607
00.25	Marketing loan writeoffs	13	13	5
00.27	Crop disaster program	59	3	
00.32	Livestock assistance	1		
00.34	Tree Assistance Program	2		
00.36	Conservation reserve program (CRP)	1,868	1,930	1,854
00.37	Emergency Forestry Conservation Reserve Program		21	24

COMMODITY CREDIT CORPORATION FUND—Continued
(LIMITATION ON EXPENSES)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4336-0-3-999	2007 actual	2008 est.	2009 est.
00.47 Reimbursable agreement/transfers to State and Federal Agencies	50	48	48
00.48 Treasury	355	231	219
00.49 Other Interest	1	2	2
00.52 Conservation Reserve Program Technical assistance	80	65	95
00.53 Emergency Forestry Conservation Reserve Program Technical Assistance		3	2
00.57 BEHT Non-Commodity Costs		140	140
00.58 Section 416b/FFP/ocean transportation	49	60	58
01.92 Total support and related programs	15,424	13,196	12,949
09.01 Commodity loans	10,634	9,339	8,786
09.02 Commodities procured—PL480 Titles II / III Commodity costs	644	488	488
09.04 P. L. 480 ocean transportation	650	731	731
09.09 Subtotal, reimbursable programs	11,928	10,558	10,005
10.00 Total new obligations	27,352	23,754	22,954
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	756	1,039	
22.00 New budget authority (gross)	27,054	23,754	22,954
22.10 Resources available from recoveries of prior year obligations	581		
22.60 Portion applied to repay debt		-1,039	
23.90 Total budgetary resources available for obligation	28,391	23,754	22,954
23.95 Total new obligations	-27,352	-23,754	-22,954
24.40 Unobligated balance carried forward, end of year	1,039		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	81		
41.00 Transferred to other accounts	-85		
42.00 Transferred from other accounts	4		
43.00 Appropriation (total discretionary)			
Mandatory:			
60.00 Appropriation	23,027	12,567	11,106
60.47 Portion applied to repay debt	-21,247	-10,463	-8,983
61.00 Transferred to other accounts	-1,780	-2,104	-2,123
62.50 Appropriation (total mandatory)			
67.10 Authority to borrow	31,226	9,310	9,342
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	16,704	14,435	13,603
69.00 MARAD Cargo Preference Reimbursements	48	9	9
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-963		
69.47 Portion applied to repay debt	-19,961		
69.90 Spending authority from offsetting collections (total mandatory)	-4,172	14,444	13,612
70.00 Total new budget authority (gross)	27,054	23,754	22,954
Change in obligated balances:			
72.40 Obligated balance, start of year	6,493	7,301	7,197
73.10 Total new obligations	27,352	23,754	22,954
73.20 Total outlays (gross)	-26,926	-23,858	-23,061
73.45 Recoveries of prior year obligations	-581		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	963		
74.40 Obligated balance, end of year	7,301	7,197	7,090
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	5,644	10,323	10,351
86.98 Outlays from mandatory balances	21,282	13,535	12,710
87.00 Total outlays (gross)	26,926	23,858	23,061
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Sales to special activities	-644	-488	-488
88.00 Advances from Foreign Assistance Programs (P.L. 480)	-1,695	-1,219	-1,219

88.00 Other Revenue	-1,886		
88.00 Tobacco Trust Fund	-934	-960	-960
88.00 MARAD Reimbursements	-48	-9	-9
88.40 Sales and other proceeds	-113	-59	-73
88.40 Interest Revenue	-192	-124	-139
88.40 Loans Repaid	-7,582	-9,074	-8,825
88.40 Commodity Certificates Redeemed	-3,653	-2,490	-1,899
88.40 Export Credit Sales Program Repayments	-3	-21	
88.40 Interest Revenue	-2		
88.90 Total, offsetting collections (cash)	-16,752	-14,444	-13,612
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	963		

Net budget authority and outlays:

89.00 Budget authority	11,265	9,310	9,342
90.00 Outlays	10,174	9,414	9,449

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	11,265	9,310	9,342
Outlays	10,174	9,414	9,449
Legislative proposal, subject to PAYGO:			
Budget Authority		813	-291
Outlays		62	-236
Total:			
Budget Authority	11,265	10,123	9,051
Outlays	10,174	9,476	9,213

Status of Direct Loans (in millions of dollars)

Identification code 12-4336-0-3-999	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	24	21	
1251 Repayments: Repayments and prepayments	-3	-21	
1290 Outstanding, end of year	21		
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	11,286	9,339	8,786
1150 Total direct loan obligations	11,286	9,339	8,786
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,463	744	1,005
1231 Disbursements: Direct loan disbursements	11,286	9,339	8,786
1251 Repayments: Repayments and prepayments	-11,840	-9,074	-8,825
1264 Write-offs for default: Other adjustments, net (+ or -)	-165	-4	-3
1290 Outstanding, end of year	744	1,005	963

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

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

Current, indefinite appropriation authority is requested to cover all net realized losses. Appropriations to the Corporation for net realized losses have no effect on budget authority, as they are used to repay debt directly with the Treasury.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 2008 and 2009 budget estimates: (a) national income will rise both in 2008 and 2009 from the present level; (b) 2008 crop production will increase from 2007 crop levels for some commodities; (c) generally, exports of agricultural commodities in 2009 are expected to be higher than 2008 levels; and (d) yields for the 2008 crops are based on recent averages adjusted for trends.

It is difficult to accurately forecast requirements for the year ending September 30, 2009, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed, food, and energy needs here and overseas, and available dollar exchange.

The 2002 Act re-authorized CRP enrollment through calendar year 2007, increased maximum CRP enrollment at any one time from 36.4 million acres to 39.2 million acres, expanded the Farmable Wetlands Program (FWP) from six states to nationwide with a 1-million-acre cap, and included provisions for managed haying and grazing. Section 751 of the Consolidated Appropriations Act of 2008 (P.L. 110–161) extended CRP through March 15, 2008. Enrollment under competitive general CRP sign-up provisions and under non-competitive continuous CRP (CCRP), Conservation Reserve Enhancement Program (CREP), and the FWP are guided by eligibility and selection criteria rules published in May 2003, May 2004, and August 2004.

Subsequent to passage of the 2002 Act, USDA initiated several enhancements to CRP continuous signup designed to enroll up to: 1) 500,000 acres of bottomland hardwood trees to enhance wildlife, sequester carbon, protect water quality, and reduce flood damage; 2) 500,000 and 250,000 acres, respectively, for restoration of floodplain and non-floodplain wetlands; 3) 250,000 acres for upland bird habitat buffers; 4) 100,000 acres to provide habitat for duck nesting in wetland complexes located in the Prairie Pothole region; 5) 250,000 acres for restoration of longleaf pine ecosystems in the Southeastern U.S.; and 6) 500,000 acres to restore habitat for high-priority wildlife species throughout the U.S. Also, in August 2004, the Administration announced it was committed to full enrollment of CRP. Recognizing that contracts on 28.6 million acres mature during 2007–2010, the Administration announced it would provide for early re-enrollment and extension during FY 2006. This activity resulted in 4.3 million acres being approved for re-enrollment under new contracts and 18.9 million acres with 2–5 year contract extensions.

Total CRP enrollment, 36.8 million acres at the end of FY 2007, is projected to decline to 32.6 million acres by the end of FY 2011, then gradually increase to 39.2 million acres by FY 2017. As for the Emergency Forestry Conservation Reserve Program, established to restore and enhance forest lands damaged by 2005 hurricanes, enrollment during calendar year 2006 was 180,175 acres.

Sign-up activity is projected as follows (by sign-up year)
Continuous:

FY 2008: 395,000 acres (250,000 acres of new lands and 145,000 acres of re-enrolled lands)

FY 2009: 457,000 acres (350,000 acres of new lands and 107,000 acres of re-enrolled lands)

General:

FY 2008: 250,000 acres

FY 2009: 2.4 million acres (1.9 million acres of re-enrolled land and .5 million acres of new land)

To improve the environmental benefits of continuous CRP and CREP and focus on lands that provide the most benefits, a signing incentive and a practice cost-based incentive are often provided for high environmental value practices. In addition, USDA announced a new CREP agreement with Kansas in December 2007 to improve water quality and supplies in the Upper Arkansas River.

P.L. 108–498, signed into law December 23, 2004, provides independent authority beginning October 1, 2004, for CRP funds to be used for technical assistance.

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

USDA has incorporated stochastic price and production variability into its 10-year budget baseline process starting with

the 2007 President's Budget. For the 2008–2017 crops, Commodity Credit Corporation outlay projections for counter-cyclical payments, marketing loan benefits, and milk income loss contract payments are based on price probability distributions and flexibilities generated by the Economic Research Service's Food and Agricultural Policy Simulation model. This approach was used for feed grains (corn, barley, sorghum, oats), wheat, rice, upland cotton, soybeans, sugar, and dairy.

2009 ESTIMATE			
[In millions of dollars]			
Program	Gross obligations	Net outlays	Net realized loss for year
Farm income, marketing assistance loans, and price support:			
Commodity loans	8,786	1,861	0
Feed grain payments	2,384	2,384	2,384
Wheat payments	1,118	1,118	1,118
Rice payments	423	423	423
Cotton payments	1,486	1,486	1,486
Other support and related	6,503	–181	3,619
Other items not distributed by program:			
Interest	221	88	82
All other	58	295	58
Total, farm income, marketing assistance loans, and price-support programs	20,979	7,474	9,170
Conservation programs:			
Conservation reserve program	1,950	1,950	1,950
Emergency forestry conservation reserve program	25	25	25
Total, conservation programs	1,975	1,975	1,975
Total, Commodity Credit Corporation	22,954	9,449	11,145

PROGRAMS OF THE CORPORATION

Price support, marketing assistance loans, and related stabilization programs.—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to producers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended, the Agricultural Act of 1949 (the 1949 Act), as amended, and the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill).

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

One method of providing support is loans to and purchases from producers. With limited exceptions, loans made on commodities are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy the loan obligation without further payment.

Direct purchases may be made from processors as well as producers, depending on the commodity involved. Also, special purchases are made under various laws for the removal of surpluses; for example, the Act of August 19, 1958, as amended, and section 416 of the Agricultural Act of 1949, as amended.

Direct Payments and Counter-Cyclical Payments.—The 2002 Farm Bill established direct payments and counter-cyclical payments for May 2002 through 2007. The eligible commodities for both direct payments and counter-cyclical payments are wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybeans, other oilseeds, and peanuts.

Direct Payments are payments to producers for which payment yields and base acres are established. The commodity payment amount is calculated as follows: Payment Amount = specified rate x payment acres x payment yield. At the option of the producer, the producer can choose to receive advance payments (up to 22% for crop year 2007) during

COMMODITY CREDIT CORPORATION FUND—Continued

PROGRAMS OF THE CORPORATION—Continued

the producer's selected month. The month selected may be any month during the period beginning on December 1 of the calendar year before the calendar year in which the crop of the covered commodity is harvested through the month within which the direct payment would otherwise be made.

Counter-Cyclical Payments are payments to producers for which payment yields and base acres are established for eligible commodities if it is determined that the effective commodity price is less than the target commodity price. Counter-cyclical payments will be made for the crop as soon as practicable after the end of the 12-month marketing year for the eligible commodity. If, before the end of the 12-month marketing year it is determined that counter-cyclical payments will be required for the eligible commodity, producers will be provided the option to receive partial payment of the projected counter-cyclical payment.

Marketing assistance loans.—The 2002 Farm Bill authorized producers of eligible crops to receive non-recourse marketing assistance loans from the government for any quantity of a loan commodity produced on the farm by pledging their production as loan collateral. This loan shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made. The loan cannot be extended. As a condition of the receipt of a marketing assistance loan, the producer shall comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 and applicable wetland protection requirements under subtitle C of title XII of the Act during the term of the loan. Producers of eligible commodities can repay a marketing assistance loan at a rate that is the lesser of (1) the loan rate established for the commodity plus interest; or (2) a rate that the Secretary determines. Special rules apply to upland cotton, rice, and extra long staple cotton. Crops eligible for marketing assistance loans include wheat, corn, barley, oats, grain sorghum, rice, upland cotton, soybeans, extra long staple cotton, other oilseeds, dry peas, lentils, small chickpeas, honey, wool, and mohair.

Peanut price support program.—Under the 2002 Farm Bill, peanuts qualify for direct payments, counter-cyclical payments, marketing assistance loans and loan deficiency payments for the 2002 through 2007 crops.

The 2002 Farm Bill terminated the marketing quota programs and repealed price support programs. The prior quota programs stayed in effect for the 2001 crop only, with quota buyout compensation payments being made during 2002 through 2006. The prior price support programs remained in effect for the 2002 crop only, notwithstanding any other provision of law or crop insurance policy.

The 2002 Farm Bill established marketing assistance loans for the 2002 through 2007 crops, with the loan rate for peanuts of \$355 per ton. The payment rate shall be the amount by which the established loan rate exceeds the rate at which a loan may be repaid. The Farm Bill also requires that for crop years 2002 through 2006 CCC will pay storage, handling, and other associated costs to ensure proper storage of peanuts for which a loan is made. This authority terminates beginning with the 2007 crop.

Tobacco program.—The American Jobs Creation Act of 2004, P.L. 108-357, eliminated the program effective with the 2005 crop. In return for losing the program, growers and quota holders will receive a buyout. The owners of quota will be paid \$7 per pound for the quota they hold. The actual producers will be paid \$3 per pound for the quota they produced. The legislation eliminates all geographic and poundage restrictions on tobacco production as well as price support. The buyout will be funded by assessments on the tobacco product manufacturers and importers. The program will cost

\$10.14 billion, and the growers and quota holders will be paid over a 10-year period.

Sugar program.—Sugar qualifies for price support. The 2002 Farm Bill extended the national average sugar loan rates to cover through the 2007 crops at 18 cents per pound for raw cane sugar and 22.9 cents per pound for refined beet sugar. Loans are available to processors of domestically grown sugarcane and sugar beets for a term of nine months that does not begin or extend beyond the end/beginning of a fiscal year. The non-recourse loans are extended through the 2007 crop for processors of domestically produced sugar beets and sugarcane including for in-process sugar. Loans for in-process sugar have a loan rate of 80% of the loan rate for raw cane sugar or refined beet sugar (based on the source material used). If forfeitures occur, the processor shall convert the in-process into final product at no cost to the CCC. Upon transfer, the processor will receive payment based on the loan rate less 80% of raw cane or refined beet sugar rate times the quantity of sugar transferred. The loan program is assumed to continue through the 2012 crop. The 2002 Farm Bill did not resume the sugar marketing assessment collections but authorized marketing allotments. The 2002 Act provides assistance for sugar donations in the amount of 10,000 tons to compensate sugar producers who suffer losses incurred beyond existing CCC administered programs.

Dairy program.—The 2002 Farm Bill extended the Dairy Price Support Program from June 1, 2002 through December 31, 2007 at a rate of \$9.90 per hundredweight for milk containing 3.67% butterfat. The support program is carried out through the purchase of butter, nonfat dry milk, and cheese at prices that enable processors to pay dairy farmers, on average, the support price for milk. As under previous law, the Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that minimizes CCC expenditures or other objectives, as the Secretary considers appropriate. Cash CCC inventory sales (with some exceptions) shall be at any price that the Secretary determines will maximize CCC returns. The 2002 Farm Bill repealed all legislative authority for the Dairy Recourse Loan Program but established a new Milk Income Loss Contract Program (MILC), under which the Secretary may contract with eligible producers to make monthly payments when milk prices fall below specified levels. The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28) extended the MILC program through September 2007.

Payment Limitations.—In general, the 2002 Farm Bill revised the Food Security Act of 1985 (7 U.S.C. 1308) for payment limitations. The total amount of direct payments made to a person during any crop year for 1 or more covered commodities may not exceed \$40,000. The total amount of counter-cyclical payments made to a person during any crop year for 1 or more covered commodities may not exceed \$65,000. Separate limits apply to direct and counter-cyclical payments for peanuts. The total amount of gains and payments that a person may receive during any crop year under marketing assistance loan and loan deficiency payment provisions may not exceed \$75,000. Notwithstanding any other provision of law, an individual or entity shall not be eligible to receive any benefit described above if the average adjusted annual gross income of the individual or entity exceeds \$2,500,000, unless not less than 75 percent of the average adjusted gross income of the individual or entity is derived from farming, ranching, or forestry operations, as determined by the Secretary. This shall apply during the 2003 through 2007 crop years.

Disaster Payments.—The Agricultural Disaster Assistance Act of 2006, P.L. 109-234, authorized almost \$500 million in financial relief for farmers, ranchers, foresters, and other

agricultural producers who incurred losses due to hurricanes. Approximately \$125 million was spent for these disaster programs in FY2006-FY2008. The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, P.L. 110-28, appropriated \$2.8 billion in agricultural disaster aid for America's farmers and ranchers. The FY 2008 Consolidated Appropriations Act, P.L. 110-161, provided an additional \$602 million under Sec. 743, which extends the period of loss eligibility for disaster assistance from February 28, 2007 to December 31, 2007.

Noninsured Assistance Program.—The Agricultural Risk Protection Act of 2000 eliminated the area loss requirement for triggers and made other changes. It also included a provision that all types or varieties of a crop or commodity may be considered to be a single eligible crop for NAP assistance.

Dairy Export Incentive Program (DEIP).—DEIP provides cash bonus payments to exporters to facilitate commercial sales of U.S. dairy products in overseas markets. Estimates of the quantity of dairy products to be exported under DEIP and associated expenditures were formulated within the maximum allowable expenditure and quantity levels specified in conjunction with provisions of the Uruguay Round Agreement. Consequently, current baseline projections assume that DEIP will not exceed \$116.6 million annually during 2002-2012. Actual DEIP subsidies are further limited on a product-by-product basis under the Uruguay Round.

Export Enhancement Program (EEP).—The 2002 Farm Bill authorizes funding up to \$478 million annually for EEP through 2007, which will be available for EEP programming should market conditions warrant. Actual subsidies for EEP are further limited on a product-by-product basis under the Uruguay Round.

Market Access Program (MAP).—Under the MAP, CCC Funds are used to reimburse participating organizations for a portion of the costs of carrying out overseas marketing and promotional activities. The 2002 Farm Bill continued the authority for the MAP program and increased the funding as follows: \$100 million for 2002, \$110 million for 2003, \$125 million for 2004, \$140 million for 2005, and \$200 million for 2006 and 2007.

Foreign Market Development Cooperator Program (FMD) and Quality Samples Program.—Under the FMD program, cost-share assistance is provided to nonprofit commodity and agricultural trade associations to support overseas market development activities that are designed to remove long-term impediments to increased U.S. trade. The 2002 Farm Bill increased the available funds for this program to \$34.5 million for 2002 through 2007.

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

Commodity Donations.—The 2002 Farm Bill authorizes the donation of surplus commodity inventory to domestic nutrition programs. The Corporation may also donate commodities under the authority of section 416(b) of the Agricultural Act of 1949 to carry out programs of assistance in developing countries and friendly countries and pay costs associated with making the commodities available. Commodities that are acquired by CCC in the normal course of its domestic support operations will be available for donation. The current CCC inventory has nonfat dry milk available for donation. The Corporation may also use its funds to furnish commodities overseas under the authority of the Food for Progress Act of 1985; however, not more than \$40 million of the funds of the Corporation (exclusive of the costs of commodities) may be used for each fiscal year.

The Bill Emerson Humanitarian Trust.—The Bill Emerson Humanitarian Trust (BEHT) is a commodity reserve that was

established to ensure that the United States can meet its international food aid commitments. Commodities authorized for the 4-million-ton reserve include wheat, corn, grain sorghum, and rice. The Secretary is authorized to release up to 500,000 metric tons for urgent humanitarian relief in disasters in the case of unanticipated need and to release an additional 500,000 metric tons of eligible commodities that could have been released but were not released in previous years. The Secretary is authorized to release eligible commodities from the reserve when supplies are so limited that eligible commodities cannot be made available for programming under P.L. 480. The 2002 Farm Bill extended the authorization to replenish the BEHT through 2007. CCC is authorized to hold funds as well as commodities in the reserve.

Conservation Programs.—Title II of the Farm Security and Rural Investment Act of 2002, P.L. 107-171, authorizes funding for new and existing conservation programs implemented by the Farm Service Agency or the Natural Resources Conservation Service and funded through the Commodity Credit Corporation. The bill provides additional funding to help farmers adopt and maintain conservation systems that protect water quality, reduce soil erosion, protect and enhance wildlife habitat and wetlands, conserve water, and sequester carbon. One such program is the Conservation Reserve Program administered by FSA. Although CRP's authorization to enroll acres under P.L. 107-171 expired Jan. 1, 2008, P.L. 110-161 extended the authorization through March 15, 2008.

Up to 39.2 million acres may be enrolled at any one time. CRP is USDA's largest conservation/environmental program. The purpose of CRP is to cost-effectively assist farm owners and operators in conserving and improving soil, water, air, and wildlife resources by converting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural commodities to a long-term resource-conserving cover. CRP participants enroll contracts for periods from 10 to 15 years in exchange for annual rental payments and cost-share and technical assistance for installing approved conservation practices.

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

The financial assistance for conservation programs where the Natural Resources Conservation Service (NRCS) is the lead agency, is transferred from CCC to NRCS's Farm Security and Rural Investment Programs account (see the NRCS section). Specifically, these programs include the Environmental Quality Incentives Program, Wetlands Reserve Program, Wildlife Habitat Incentives program, Farm and Ranch Lands Protection Program, Conservation Security Program, and Grassland Reserve Program.

The Agricultural Risk Protection Act of 2000 authorized CCC funding of \$10 million for 2001 and subsequent years for the Agricultural Management Assistance Program (AMAP). AMAP provides cost-share assistance to producers in not less than 10, nor more than 15, States in which the Federal Crop Insurance Program is historically low as determined by the Secretary of Agriculture. The Secretary delegated authority to implement this program to the Natural Resources Conservation Service, Risk Management Agency, and the Agricultural Marketing Service. The 2009 Budget

COMMODITY CREDIT CORPORATION FUND—Continued

PROGRAMS OF THE CORPORATION—Continued

assumes the \$10 million authorized for use in 2009 will not be funded because the assistance AMAP provides is duplicative of other priority conservation programs, such as the Environmental Quality Incentives Program.

Emergency Forestry Conservation Reserve Program.—The Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act of 2006, P.L. 109–148, as amended by P.L. 109–234 and P.L. 110–28, mandates that the Secretary shall carry out an emergency pilot program in States that the Secretary determines have suffered damage to merchantable timber in counties affected by hurricanes during the 2005 calendar year. The Act provided \$404.1 million for this program, called the Emergency Forestry Conservation Reserve Program (EFCRP). P.L. 109–234 increased funding for EFCRP by \$100 million, to \$504.1 million. P.L. 110–28 lifted a restriction limiting the program to calendar year 2006. EFCRP enrollment during calendar year 2006 was 180,175 acres. Signup ended on December 31, 2006 and resumed in August 2007.

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

[In millions of dollars]				
Item	2007 actual	2008 est.	2009 est.	
Loans outstanding, gross, start of year:				
Commodity Credit Corporation	1,463	744	1,005	
Additional loans made	11,286	9,339	8,786	
Deduct:				
Loans repaid	-11,840	-9,074	-8,825	
Acquisition of loan collateral	-76	-4	-3	
Write-offs	-89	0	0	
Total loans outstanding, gross, end of year	744	1,005	963	

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

AGRICULTURAL COMMODITIES

[In millions of dollars]				
Item	2007 actual	2008 est.	2009 est.	
On hand, start of year, gross	226	185	124	
Acquisitions:				
Forfeiture of loan collateral	76	4	3	
Excess of collateral acquired over loans canceled	4	0	0	
Purchases	5,387	3,125	2,702	
Transfers and exchanges	-9	0	0	
Carrying charges:				
Charges to inventory	10	3	0	
Storage and handling (non-add)	74	15	13	
Transportation (non-add)	1	1	0	
Total acquisitions	5,468	3,132	2,705	
Dispositions:				
Domestic donations to:				
Families	13	9	0	
Institutions	10	6	0	
Total domestic donations	23	15	0	
Export donations	71	144	158	
Sales and transfers:				
Special programs: Title II, Public Law 480	645	488	488	
Other sales	3,757	2,540	1,964	
Net loss or gain (-) on sales and transfers	1,013	6	95	
Total sales and transfers	5,415	3,034	2,547	
Total dispositions	5,509	3,193	2,705	
On hand, end of year, gross	185	124	124	

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

DATA ON SUPPORT AND RELATED PROGRAMS

[In millions of dollars]				
Item	2007 actual	2008 est.	2009 est.	
Loans made	11,286	9,339	8,786	
Loans repaid	11,840	9,074	8,825	
Loan collateral forfeited	76	4	3	
Loans outstanding, end of year	744	1,005	963	
Acquisitions	5,468	3,132	2,705	
Cost of commodities sold	5,415	3,034	2,547	
Cost of commodities donated	94	159	158	
Inventory, end of year	185	124	124	
Investment in loans and inventory, end of year	929	1,129	1,087	
Direct producer payments	10,495	9,019	8,882	
Net expenditures	10,174	9,419	9,449	
Realized losses	12,567	11,106	11,145	

Operating expenses.—The Corporation carries out its functions through utilization of employees and facilities of other Government agencies. Administrative expenses are incurred by: the Farm Service Agency (FSA); the Foreign Agricultural Service; the Natural Resources Conservation Service; the Risk Management Agency; other agencies of the Department engaged in the Corporation's activities; and the Office of the Inspector General for audit functions. Additional expenses are incurred by FSA county offices for work related to programs of the Corporation, other FSA expenses offset by revenue, custodian, and agency expenses of the Federal Reserve banks and lending agencies, and miscellaneous costs.

Expenses are incurred for acquisition, operation, maintenance, improvement, or disposition of existing property that the Corporation owns or in which it has an interest. These expenses are treated as program expenses. Such program expenses include inspection, classing, and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; and special services performed by Federal agencies within and outside this Department. Most of these general expenses, including storage and handling, transportation, inspection, classing and grading, and producer storage payments, are included in program costs. They are shown in the program and financing schedule in the entries entitled "Storage, transportation, and other obligations not included above," and "Producer storage payments."

Section 161 of the 1996 Act amended Section 11 of the CCC Charter Act to limit the use of CCC funds for the transfer and allotment of funds to State and Federal agencies. The Section 11 cap of \$56 million including FSA loan service fees remains at \$56 million in 2008.

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87–152 by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however. The Corporation receives reimbursement for the commodity costs and other costs, including administrative costs, for commodities supplied to domestic nutrition programs and international food aid programs.

FINANCING

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

Funds are borrowed from the Treasury and may also be borrowed from private lending agencies and others. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made to the Corporation by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938.

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable ma-

turity date) of the United States as of the preceding month. Interest is also paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of the Treasury.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating interest after June 30, 1964 on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after the end of the fiscal year in which such losses are realized.

POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR

[In millions of dollars]

Item	2007 actual	2008 est.	2009 est.
Statutory borrowing authority	30,000	30,000	30,000
Deduct: Borrowings from Treasury	3,367	4,961	4,837
Net statutory borrowing authority available	26,633	25,039	25,163

Note.—Accounts payable, accrued liabilities, and other outstanding obligations not reflected on this table do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

Contract authority.—Price support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds that may become available to the Corporation. Any increase in obligations in excess of available fund resources is reported as contract authority in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authority.

Appropriations.—Under section 2 of Public Law 87-155 annual appropriations are authorized for each fiscal year to reimburse the Corporation for net realized losses incurred as of the close of each year.

The special activities are financed as indicated in the program descriptions above. In addition to certain reimbursements from other agencies, appropriations are made for foreign assistance programs.

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

SUPPORT AND RELATED PROGRAMS

[In millions of dollars]

	2007 actual
Realized losses, 1933 to 2007, inclusive	454,109
Reimbursements by the Treasury:	
Reimbursements of realized losses:	
Appropriations (68 times)	438,384
Note cancellations (6 times)	2,698
Less dividends paid to Treasury (4 times)	-138
Total reimbursements for net realized losses	440,944
Other reimbursements:	
Appropriations (2 times)	542
Note cancellation (1 time)	56
Total other reimbursements	598
Total	441,542
Realized deficit as of September 30, 2007, support and related programs	12,567

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

repay marketing assistance loans when the adjusted world price (for rice and upland cotton) or the posted county price (for wheat, feed grains, soybeans, wool, mohair, honey, peanuts, dry peas, lentils, small chickpeas, and designated minor oilseeds) is lower than the applicable loan rate. The Budget assumes that commodity certificates may be exchanged for loan collateral through crop year 2018.

Balance Sheet (in millions of dollars)

Identification code 12-4336-0-3-999	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	-1,372	-3,262
Investments in US securities:		
1106 Receivables, net	1,689	758
1107 Advances and prepayments	1	
Non-Federal assets:		
1206 Receivables, net	60	69
1207 Advances and prepayments	32	32
1601 Direct loans, gross	1,487	765
1602 Interest receivable	30	19
1603 Allowance for estimated uncollectible loans and interest (-)	-137	-3
1604 Direct loans and interest receivable, net	1,380	781
1699 Value of assets related to direct loans	1,380	781
Other Federal assets:		
1801 Cash and other monetary assets	33	
1802 Inventories and related properties	55	185
1803 Property, plant and equipment, net	52	55
1999 Total assets	1,930	-1,382
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable		1
2102 Interest payable	427	62
2103 Debt	16,595	3,493
2105 Other	1,038	853
Non-Federal liabilities:		
2201 Accounts payable	151	1
2207 Other	7,390	6,362
2999 Total liabilities	25,601	10,772
NET POSITION:		
3100 Appropriated capital		-11
3300 Cumulative results of operations	-23,671	-12,143
3999 Total net position	-23,671	-12,154
4999 Total liabilities and net position	1,930	-1,382

Object Classification (in millions of dollars)

Identification code 12-4336-0-3-999	2007 actual	2008 est.	2009 est.
Direct obligations:			
22.0 Transportation of things	49	201	198
25.2 Other services	104	59	179
25.2 Other services: Storage and handling	74	15	13
26.0 Supplies and materials: Costs of commodities sold or donated	5,391	3,128	2,792
41.0 Grants, subsidies, and contributions	9,450	9,560	9,546
43.0 Interest and dividends	356	233	221
99.0 Direct obligations	15,424	13,196	12,949
Reimbursable obligations:			
22.0 Transportation of things: P. L. 480 ocean transportation	650	731	731
26.0 Supplies and materials—Cost of Commodities Procured/Donated—PL 480	644	488	488
33.0 Investments and loans	10,634	9,339	8,786
99.0 Reimbursable obligations	11,928	10,558	10,005
99.9 Total new obligations	27,352	23,754	22,954

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

Program and Financing (in millions of dollars)

Identification code 12-4336-4-3-999	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Farm Bill proposal		813	-291

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

Program and Financing (in millions of dollars)—Continued

Identification code 12-4336-4-3-999	2007 actual	2008 est.	2009 est.
10.00 Total new obligations (object class 41.0)		813	-291
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		813	-291
23.95 Total new obligations		-813	291
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		813	-291
Change in obligated balances:			
72.40 Obligated balance, start of year			751
73.10 Total new obligations		813	-291
73.20 Total outlays (gross)		-62	236
74.40 Obligated balance, end of year		751	696
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		62	-236
Net budget authority and outlays:			
89.00 Budget authority		813	-291
90.00 Outlays		62	-236

The Administration's 2007 farm bill proposals represent a reform-minded and fiscally responsible approach to supporting America's farmers and ranchers. While the current law has served its purpose, the time has come to move forward with a farm program that is market-oriented and considers more than commodity prices alone when determining the appropriate level of government support.

The Administration's proposals reform commodity payment programs by: converting the current price-based counter-cyclical program to a revenue-based program that is responsive to actual conditions and provides a strong safety net; reforming and modernizing the marketing assistance loan program for program commodities; tightening payment limits and working to close payment loopholes. The Administration's proposal provides more than \$1.6 billion in new renewable energy funding and targets programs to cellulosic ethanol projects. The Administration's Farm Bill Proposals continue this Administration's commitment to rural America by building upon U.S. Department of Agriculture rural development programs. The proposals target nearly \$5 billion to significantly increase support of fruit and vegetable producers. The proposals also increase trade programs by nearly \$400 million to continue the creation, expansion and maintenance of agricultural exports.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM
ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, [\$5,328,000] \$5,353,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which \$4,985,000 [may] shall be [transferred] paid to [and merged with] the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which [\$343,000] \$368,000 [may] shall be [transferred] paid to [and merged with] the appropriation for "Farm Service Agency, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1336-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	39	53	26
00.07 Reestimates of subsidy	77	32	
00.08 Interest on reestimates	6	34	
00.09 Administrative expenses	5	5	5
10.00 Total new obligations	127	124	31
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	161	183	188
22.00 New budget authority (gross)	149	129	31
23.90 Total budgetary resources available for obligation	310	312	219
23.95 Total new obligations	-127	-124	-31
24.40 Unobligated balance carried forward, end of year	183	188	188
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	5	5	5
Mandatory:			
60.00 Appropriation	61	53	26
60.00 Appropriation—upward reestimate	83	71	
62.50 Appropriation (total mandatory)	144	124	26
70.00 Total new budget authority (gross)	149	129	31
Change in obligated balances:			
72.40 Obligated balance, start of year	168	166	177
73.10 Total new obligations	127	124	31
73.20 Total outlays (gross)	-129	-113	-39
74.40 Obligated balance, end of year	166	177	169
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	5	5	5
86.97 Outlays from new mandatory authority	124	108	18
86.98 Outlays from mandatory balances			16
87.00 Total outlays (gross)	129	113	39
Net budget authority and outlays:			
89.00 Budget authority	149	129	31
90.00 GSM 103 [12-4337]	129	113	39

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

Identification code 12-1336-0-1-351	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 GSM 102	1,334	2,214	2,600
215003 Export guarantee program—Facilities		60	75
215999 Total loan guarantee levels	1,334	2,274	2,675
Guaranteed loan subsidy (in percent):			
232001 GSM 102	2.92	2.39	0.87
232002 Supplier Credit	4.55	0.00	0.00
232003 Export guarantee program—Facilities	0.34	-0.05	4.04
232999 Weighted average subsidy rate	2.92	2.33	0.96
Guaranteed loan subsidy budget authority:			
233001 GSM 102	39	53	23
233003 Export guarantee program—Facilities			3
233999 Total subsidy budget authority	39	53	26
Guaranteed loan subsidy outlays:			
234001 GSM 102	41	37	34
234999 Total subsidy outlays	41	37	34
Guaranteed loan upward reestimates:			
235001 GSM 102	2	58	
235002 Supplier Credit	81	4	
235004 GSM 103		4	
235999 Total upward reestimate budget authority	83	66	
Guaranteed loan downward reestimates:			
237001 GSM 102	-379	-265	
237002 Supplier Credit	-2	-55	
237004 GSM 103	-9	-1	

237999 Total downward reestimate subsidy budget authority	-390	-321	
Administrative expense data:			
3510 Budget authority	5	5	5
3590 Outlays from new authority	5	5	5

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

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

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

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the credit guarantees committed in 1992 and beyond (including modifications of credit guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. The 2009 Budget displays the GSM loan guarantee volume and the subsidy level that can be justified by forecast economic conditions, the expected supply/demand conditions of countries requesting GSM loan guarantees.

Object Classification (in millions of dollars)

Identification code 12-1336-0-1-351	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.3 Other purchases of goods and services from Government accounts	5	5	5
41.0 Grants, subsidies, and contributions	122	119	26
99.9 Total new obligations	127	124	31

COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4337-0-3-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Default claims	16	26	17
00.02 Interest on debt to Treasury	54	51	51
00.03 Modification savings		89	
00.91 Subtotal	70	166	68
08.02 Reestimates of guaranteed loan subsidy	308	257	
08.04 Interest on reestimates of guaranteed loan subsidy	83	64	

08.91 Subtotal, reestimates	391	321	
10.00 Total new obligations	461	487	68

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	896	1,215	929
22.00 New financing authority (gross)	780	201	119
23.90 Total budgetary resources available for obligation	1,676	1,416	1,048
23.95 Total new obligations	-461	-487	-68
24.40 Unobligated balance carried forward, end of year	1,215	929	980

New financing authority (gross), detail:

Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	322	203	119
69.00 Offsetting collections—Prepayments	459		
69.10 Receivable from Federal sources	-1		
69.27 Capital transfer to general fund		-2	
69.90 Spending authority from offsetting collections (total mandatory)	780	201	119

Change in obligated balances:

72.40 Obligated balance, start of year	-130	-129	-78
73.10 Total new obligations	461	487	68
73.20 Total financing disbursements (gross)	-461	-436	-68
74.00 Change in uncollected customer payments from Federal sources (unexpired)	1		
74.40 Obligated balance, end of year	-129	-78	-78

Outlays (gross), detail:

87.00 Total financing disbursements (gross)	461	436	68
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Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-124	-103	-34
88.25 Interest on uninvested funds	-38	-61	-41
88.40 Loan origination fee	-10	-15	-15
88.40 Principal collections	-558	-15	-18
88.40 Interest collections	-39	-9	-11
88.40 Other actual collections Non-Federal sources	-12		
88.90 Total, offsetting collections (cash)	-781	-203	-119
Against gross financing authority only:			
88.95 Change in receivables from program accounts	1		

Net financing authority and financing disbursements:

89.00 Financing authority		-2	
90.00 Financing disbursements	-320	233	-51

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4337-0-3-351	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation	1,334	2,274	2,675
2150 Total guaranteed loan commitments	1,334	2,274	2,675
2199 Guaranteed amount of guaranteed loan commitments	1,260	2,229	2,619
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	3,022	3,379	4,377
2231 Disbursements of new guaranteed loans	1,334	2,274	2,675
2251 Repayments and prepayments	-961	-1,250	-1,750
2263 Adjustments: Terminations for default that result in claim payments	-16	-26	-17
2290 Outstanding, end of year	3,379	4,377	5,285

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year			
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Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	1,189	630	632
2331 Disbursements for guaranteed loan claims	16	26	17

COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING
ACCOUNT—Continued

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

Identification code 12-4337-0-3-351	2007 actual	2008 est.	2009 est.
2351 Repayments of loans receivable	-558	-24	-29
2364 Other adjustments, net	-17		
2390 Outstanding, end of year	630	632	620

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

Balance Sheet (in millions of dollars)

Identification code 12-4337-0-3-351	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	765	1,085
1101 Accounts Receivable, net	214	143
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	1,189	630
1502 Interest receivable	20	19
1505 Allowance for subsidy cost (-)	-406	-114
1599 Net present value of assets related to defaulted guaranteed loans	803	535
1999 Total assets	1,782	1,763
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	394	540
2104 Resources payable to Treasury	1,038	1,039
2105 Liability Subsidy for Unidbursed Loans	131	
2204 Non-Federal liabilities: Liabilities for loan guarantees	219	184
2999 Total liabilities	1,782	1,763
4999 Total liabilities and net position	1,782	1,763

COMMODITY CREDIT CORPORATION GUARANTEED LOANS LIQUIDATING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4338-0-3-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Operating expenses	2	4	2
10.00 Total new obligations (object class 25.3)	2	4	2
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	74	6	
22.00 New budget authority (gross)	8	4	3
22.40 Capital transfer to general fund	-74	-6	-1
23.90 Total budgetary resources available for obligation	8	4	2
23.95 Total new obligations	-2	-4	-2
24.40 Unobligated balance carried forward, end of year	6		
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	198	316	3
69.27 Capital transfer to general fund	-190	-312	
69.90 Spending authority from offsetting collections (total mandatory)	8	4	3
Change in obligated balances:			
72.40 Obligated balance, start of year	3	4	3
73.10 Total new obligations	2	4	2
73.20 Total outlays (gross)	-1	-5	-4

74.40 Obligated balance, end of year	4	3	1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	3	2
86.98 Outlays from mandatory balances		2	2
87.00 Total outlays (gross)	1	5	4

Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Repayments of principal	-175	-314	-1
88.40 Interest received on loans	-27	-2	-2
88.40 Other Interest	4		
88.90 Total, offsetting collections (cash)	-198	-316	-3
Net budget authority and outlays:			
89.00 Budget authority	-190	-312	
90.00 Outlays	-197	-311	1

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4338-0-3-351	2007 actual	2008 est.	2009 est.
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	516	350	36
2351 Repayments of loans receivable	-174	-314	-1
2364 Other adjustments, net	8		
2390 Outstanding, end of year	350	36	35

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

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

Balance Sheet (in millions of dollars)

Identification code 12-4338-0-3-351	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	77	9
1701 Defaulted guaranteed loans, gross	516	350
1702 Interest receivable	7	195
1703 Allowance for estimated uncollectible loans and interest (-)	-137	-114
1799 Value of assets related to loan guarantees	386	431
1999 Total assets	463	440
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	3	3
2104 Resources payable to Treasury	452	246
2207 Non-Federal liabilities: Other	8	191
2999 Total liabilities	463	440
4999 Total liabilities and net position	463	440

FARM STORAGE FACILITY LOANS PROGRAM ACCOUNT

For administrative expenses necessary to carry out the Farm Storage and Sugar Storage Facility Loan Programs, \$4,724,000, which shall be paid to the appropriation for "Farm Service Agency, Salaries and Expenses."

Program and Financing (in millions of dollars)

Identification code 12-3301-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan subsidy	1	2	9
00.05 Upward Reestimate		51	
00.06 Interest on Upward Reestimate		10	
00.09 Administrative expenses			5

10.00	Total new obligations (object class 41.0)	1	63	14
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1	1	1
22.00	New budget authority (gross)	1	63	14
23.90	Total budgetary resources available for obligation	2	64	15
23.95	Total new obligations	-1	-63	-14
24.40	Unobligated balance carried forward, end of year	1	1	1
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation			5
Mandatory:				
60.00	Appropriation	1	63	9
70.00	Total new budget authority (gross)	1	63	14
Change in obligated balances:				
73.10	Total new obligations	1	63	14
73.20	Total outlays (gross)	-1	-63	-14
74.40	Obligated balance, end of year			
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority			5
86.97	Outlays from new mandatory authority	1	63	9
87.00	Total outlays (gross)	1	63	14
Net budget authority and outlays:				
89.00	Budget authority	1	63	14
90.00	Outlays	1	63	14

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

Identification code 12-3301-0-1-351	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Farm Storage Facility Loans	174	150	150
115002 Sugar Storage Facility Loans		3	3
115999 Total direct loan levels	174	153	153
Direct loan subsidy (in percent):			
132001 Farm Storage Facility Loans	0.38	1.01	6.25
132002 Sugar Storage Facility Loans	0.00	0.98	-1.08
132999 Weighted average subsidy rate	0.38	1.01	6.11
Direct loan subsidy budget authority:			
133001 Farm Storage Facility Loans	1	2	9
133999 Total subsidy budget authority	1	2	9
Direct loan subsidy outlays:			
134001 Farm Storage Facility Loans		1	6
134999 Total subsidy outlays		1	6
Direct loan upward reestimates:			
135001 Farm Storage Facility Loans		61	
135999 Total upward reestimate budget authority		61	
Direct loan downward reestimates:			
137001 Farm Storage Facility Loans		-1	
137999 Total downward reestimate budget authority		-1	
Administrative expense data:			
3510 Budget authority			5
3590 Outlays from new authority			5

Farm Storage Facility Loan (FSFL) Program.—The FSFL program was established by CCC in 1949 to offer low-cost financing to producers for the construction or upgrade of on-farm storage facilities—the program was discontinued in the early 1980’s when studies showed sufficient storage space was available. The FSFL was re-established in 2000 due to a severe shortage of sufficient available storage. The program was implemented in 2000 by CCC under Section 504(c) of the Federal Credit Reform Act of 1990. The program provides producers financing with five- to ten-year repayment terms and low interest rates. The program gives producers greater

marketing flexibility when farm storage is limited and/or transportation difficulties cause storage problems, allows farmers to benefit from new marketing and technological advances, and maximizes their returns through identity-preserved marketing.

Sugar Storage Facility Loans.—the 2002 Farm Bill directs that the CCC establish a sugar storage facility loan program to provide financing for processors of domestically produced sugarcane and sugar beets to construct or upgrade storage and handling facilities for raw sugars and refined sugars. The loan term is a minimum of 7 years with the amount and terms being determined as any other commercial loan.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4158-0-3-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loans	174	153	153
00.02 Payment of interest to Treasury	22	20	20
00.91 Obligations associated with loans	196	173	173
08.02 Downward reestimates paid to receipt accounts		1	
10.00 Total new obligations	196	174	173
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	23	43	14
22.00 New financing authority (gross)	211	335	265
22.10 Resources available from recoveries of prior year obligations	14	10	
22.60 Portion applied to repay debt	-9	-200	-105
23.90 Total budgetary resources available for obligation	239	188	174
23.95 Total new obligations	-196	-174	-173
24.40 Unobligated balance carried forward, end of year	43	14	1
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	187	164	162
Spending authority from offsetting collections:			
69.00 Payments from program account		62	6
69.00 Principal	56	86	76
69.00 Interest collections (cash)	11	17	15
69.00 Interest on Uninvested Funds	12	6	6
69.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
69.47 Portion applied to repay debt	-56		
69.90 Spending authority from offsetting collections (total mandatory)	24	171	103
70.00 Total new financing authority (gross)	211	335	265
Change in obligated balances:			
72.40 Obligated balance, start of year	72	119	113
73.10 Total new obligations	196	174	173
73.20 Total financing disbursements (gross)	-134	-170	-170
73.45 Recoveries of prior year obligations	-14	-10	
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.40 Obligated balance, end of year	119	113	116
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	134	170	170
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from Program Account		-62	-6

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT—
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4158-0-3-351		2007 actual	2008 est.	2009 est.
88.25	Interest on uninvested funds	-12	-6	-6
88.40	Principal collections	-56	-86	-76
88.40	Interest collections	-11	-17	-15
88.90	Total, offsetting collections (cash)	-79	-171	-103
	Against gross financing authority only:			
88.95	Change in receivables from program accounts	-1		
Net financing authority and financing disbursements:				
89.00	Financing authority	131	164	162
90.00	Financing disbursements	55	-1	67

Status of Direct Loans (in millions of dollars)

Identification code 12-4158-0-3-351		2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans			
1131	Direct loan obligations exempt from limitation	174	153	153
1142	Unobligated direct loan limitation (-)			
1150	Total direct loan obligations	174	153	153
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	248	304	388
1231	Disbursements: Direct loan disbursements	112	170	150
1251	Repayments: Repayments and prepayments	-56	-86	-76
1261	Adjustments: Capitalized interest			
1290	Outstanding, end of year	304	388	462

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

Balance Sheet (in millions of dollars)

Identification code 12-4158-0-3-351		2006 actual	2007 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	95	163
Investments in US securities:			
1106	Receivables, net	47	61
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	248	304
1402	Interest receivable	25	27
1405	Allowance for subsidy cost (-)	-70	-87
1499	Net present value of assets related to direct loans	203	244
1999	Total assets	345	468
LIABILITIES:			
Federal liabilities:			
2103	Debt payable to Treasury	344	467
2105	Other Federal Liabilities	1	1
2999	Total liabilities	345	468
4999	Total liabilities and net position	345	468

APPLE LOANS PROGRAM ACCOUNT

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

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

EMERGENCY BOLL WEEVIL LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-3303-0-1-351		2007 actual	2008 est.	2009 est.
Obligations by program activity:				
00.05	Upward Reestimate Apple and Em Boll Weevil		1	
10.00	Total new obligations (object class 41.0)		1	
Budgetary resources available for obligation:				
22.00	New budget authority (gross)		1	
23.95	Total new obligations		-1	
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation		1	
Change in obligated balances:				
73.10	Total new obligations		1	
73.20	Total outlays (gross)		-1	
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority		1	
Net budget authority and outlays:				
89.00	Budget authority		1	
90.00	Outlays		1	

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

Identification code 12-3303-0-1-351		2007 actual	2008 est.	2009 est.
Direct loan upward reestimates:				
135001	Emergency boll weevil loans		1	
135999	Total upward reestimate budget authority		1	

EMERGENCY BOLL WEEVIL DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4221-0-3-351		2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	4	4	5
22.00	New financing authority (gross)	1	1	
22.60	Portion applied to repay debt	-1		
23.90	Total budgetary resources available for obligation	4	5	5
24.40	Unobligated balance carried forward, end of year	4	5	5
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	1		
69.00	Spending authority from offsetting collections: Offsetting collections (cash)		1	
70.00	Total new financing authority (gross)	1	1	
Change in obligated balances:				
74.40	Obligated balance, end of year			
Offsets:				
Against gross financing authority and financing disbursements:				

88.00	Offsetting collections (cash) from: Federal sources	-1		
Net financing authority and financing disbursements:				
89.00	Financing authority	1		
90.00	Financing disbursements	-1		

Status of Direct Loans (in millions of dollars)

Identification code 12-4221-0-3-351	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	10	10	10
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	10	10	10

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

Balance Sheet (in millions of dollars)

Identification code 12-4221-0-3-351	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	4	4
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	10	10
1405 Allowance for subsidy cost (-)	-10	-10
1499 Net present value of assets related to direct loans		
1999 Total assets	4	4
LIABILITIES:		
2103 Federal liabilities: Debt	4	4
2999 Total liabilities	4	4
4999 Total liabilities and net position	4	4

Trust Funds

TOBACCO TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8161-0-7-351	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.60 Excise Taxes for Tobacco Assessments, Tobacco Trust Fund	934	960	960
04.00 Total: Balances and collections	934	960	960
Appropriations:			
05.00 Tobacco Trust Fund	-934	-960	-960
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8161-0-7-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Tobacco buyout cost reimbursement to CCC	934	960	960
10.00 Total new obligations (object class 41.0)	934	960	960
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	934	960	960
23.95 Total new obligations	-934	-960	-960
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	934	960	960

Change in obligated balances:			
73.10 Total new obligations	934	960	960
73.20 Total outlays (gross)	-934	-960	-960

Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	934	960	960

Net budget authority and outlays:			
89.00 Budget authority	934	960	960
90.00 Outlays	934	960	960

NATURAL RESOURCES CONSERVATION SERVICE

Federal Funds

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, [\$840,326,000] \$794,773,000, to remain available until [September] June 30, [2009] 2010: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: *Provided further*, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service. (7 U.S.C. 2201-02; 16 U.S.C. 1101-5; 33 U.S.C. 7016-11; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1000-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Technical assistance	674	741	681
00.02 Soil surveys	91	92	92
00.03 Snow survey and water forecasting	11	11	11
00.04 Plant materials centers	12	12	11
09.00 Reimbursable program	39	44	44
10.00 Total new obligations	827	900	839

Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	29	27	5
22.00 New budget authority (gross)	803	878	838
22.10 Resources available from recoveries of prior year obligations	22		
23.90 Total budgetary resources available for obligation	854	905	843
23.95 Total new obligations	-827	-900	-839
24.40 Unobligated balance carried forward, end of year	27	5	4

New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	763	840	794
40.33 Appropriation permanently reduced (P.L. 110-161)		-6	
43.00 Appropriation (total discretionary)	763	834	794

CONSERVATION OPERATIONS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1000-0-1-302	2007 actual	2008 est.	2009 est.
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	38	44	44
58.10 Change in uncollected customer payments from Federal sources (unexpired)	2		
58.90 Spending authority from offsetting collections (total discretionary)	40	44	44
70.00 Total new budget authority (gross)	803	878	838
Change in obligated balances:			
72.40 Obligated balance, start of year	296	214	203
73.10 Total new obligations	827	900	839
73.20 Total outlays (gross)	-883	-911	-847
73.40 Adjustments in expired accounts (net)	-3		
73.45 Recoveries of prior year obligations	-22		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.10 Change in uncollected customer payments from Federal sources (expired)	1		
74.40 Obligated balance, end of year	214	203	195
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	697	720	687
86.93 Outlays from discretionary balances	186	191	160
87.00 Total outlays (gross)	883	911	847
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-29	-35	-35
88.40 Non-Federal sources	-10	-9	-9
88.90 Total, offsetting collections (cash)	-39	-44	-44
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-2		
88.96 Portion of offsetting collections (cash) credited to expired accounts	1		
Net budget authority and outlays:			
89.00 Budget authority	763	834	794
90.00 Outlays	844	867	803

Technical assistance.—Technical assistance is provided through 2,955 conservation districts or special districts to land users and decisionmakers, including individual landowners and operators, community groups, units of government, Indian tribes, and others for the planning of conservation programs and installation of needed conservation systems on the land, including design, layout, installation, and consultation services.

MAIN WORKLOAD FACTORS

	2007 actual	2008 est.	2009 est.
Customers receiving technical assistance for planning & application, number	147,600	135,000	135,000
Conservation systems planned, million acres	41.4	40	40
Cropland with conservation applied to improve soil quality, million acres	7.3	7	6.5
Grazing land with conservation applied to protect the resource base, million acres	13.5	12	11

Inventory and monitoring, resource appraisal, and program development activities are also funded through this account. Resource inventories are conducted to provide soil, water, and related resource data for evaluating land-use changes and trends; and for guidance in the development and implementation of Federal, State, and local resource conservation programs. Resource appraisal and program development provides periodic reports to the public and Congress as required by the Soil and Water Resources Conservation Act of 1977 as

amended. The 2009 budget does not include funding for the Grazing Lands Conservation Initiative.

Soil surveys.—Soil surveys and investigations are made on the soil resources of the Nation's private lands. NRCS provides this information as electronic and printed publications for use by the American public and other Federal, State and local agencies in making land-use decisions. NRCS uses the information for program development, resource conservation planning, and installation of planned practices. NRCS provides national leadership for the National Cooperative Soil Survey and digitizing of soil surveys in cooperation with States, and other users of soil survey data. Historically, Soil Surveys have been published as bound paper documents. As we implement electronic access to our information, our data is increasingly provided in digital format only, and accordingly, publication goals are being reduced.

MAIN WORKLOAD FACTORS

	2007 actual	2008 est.	2009 est.
Acres mapped annually (millions)	36.4	32.5	32.5
New or updated Web Soil Surveys published, number	105	30	25

Snow survey and water supply forecasting.—Water supply forecasts prepared from snow surveys in western states are used in making efficient seasonal use of water for irrigation, flood control, fish and wildlife, recreation, power generation, municipal and industrial water supply, emergency management, and water quality management.

Operation of plant materials centers.—The selection, evaluation and release of plant materials are made at 27 plant materials centers through field trials to determine their suitability for erosion control, water quality and quantity, range and pasture management, biofuel and biomass, air quality, wildlife management, and other environmental improvements. Plant science technology is also documented in fact sheets, technical notes, and the Field Office Technical Guide.

Object Classification (in millions of dollars)

Identification code 12-1000-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	415	442	411
11.3 Other than full-time permanent	7	7	7
11.5 Other personnel compensation	11	12	11
11.9 Total personnel compensation	433	461	429
12.1 Civilian personnel benefits	131	139	129
21.0 Travel and transportation of persons	14	15	14
22.0 Transportation of things	4	4	4
23.2 Rental payments to others	22	23	21
23.3 Communications, utilities, and miscellaneous charges	15	15	14
24.0 Printing and reproduction	2	2	2
25.2 Other services	137	145	134
26.0 Supplies and materials	13	13	12
31.0 Equipment	16	37	34
32.0 Land and structures	1	1	1
99.0 Direct obligations	788	855	794
99.0 Reimbursable obligations	37	42	44
99.5 Below reporting threshold	2	3	1
99.9 Total new obligations	827	900	839

Employment Summary

Identification code 12-1000-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	6,880	7,097	6,404
Reimbursable:			
2001 Civilian full-time equivalent employment	208	199	199

FARM SECURITY AND RURAL INVESTMENT PROGRAMS

Program and Financing (in millions of dollars)

Identification code 12-1004-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Wetlands Reserve program	248	455	181
00.02 Environmental Quality Incentives program	993	1,000	1,050
00.03 Ground and Surface Water Conservation	70	60	60
00.04 Klamath Basin	8		
00.05 Wildlife Habitat Incentives program	42	85	
00.06 Farm and Ranch Lands Protection program	73	97	97
00.07 Conservation Security program	294	382	360
00.08 Grassland Reserve program	13		
00.10 Agricultural Management Assistance program	5	10	
09.00 Reimbursable program-CRP	81	60	84
10.00 Total new obligations	1,827	2,149	1,832
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,830	2,149	1,832
23.95 Total new obligations	-1,827	-2,149	-1,832
23.98 Unobligated balance expiring or withdrawn	-3		
New budget authority (gross), detail:			
Discretionary:			
40.35 Appropriation permanently reduced			-310
Mandatory:			
62.00 Transferred from other accounts	1,747	2,089	2,058
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	74	60	84
69.10 Change in uncollected customer payments from Federal sources (unexpired)	9		
69.90 Spending authority from offsetting collections (total mandatory)	83	60	84
70.00 Total new budget authority (gross)	1,830	2,149	1,832
Change in obligated balances:			
72.40 Obligated balance, start of year	2,704	2,637	2,908
73.10 Total new obligations	1,827	2,149	1,832
73.20 Total outlays (gross)	-1,585	-1,878	-2,006
73.40 Adjustments in expired accounts (net)	-329		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-9		
74.10 Change in uncollected customer payments from Federal sources (expired)	29		
74.40 Obligated balance, end of year	2,637	2,908	2,734
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-105
86.97 Outlays from new mandatory authority	759	857	927
86.98 Outlays from mandatory balances	826	1,021	1,184
87.00 Total outlays (gross)	1,585	1,878	2,006
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-30	-60	-84
88.40 Non-Federal sources	-73		
88.90 Total, offsetting collections (cash)	-103	-60	-84
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-9		
88.96 Portion of offsetting collections (cash) credited to expired accounts	29		
Net budget authority and outlays:			
89.00 Budget authority	1,747	2,089	1,748
90.00 Outlays	1,482	1,818	1,922

Total:			
Budget Authority	1,747	2,552	2,523
Outlays	1,482	1,779	2,441

The authorities provided under the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) were extended to March 15, 2008 by section 751 of P.L. 110-161, the Consolidated Appropriations Act of 2008. This extension included authority for a number of USDA's conservation programs. NRCS is responsible for implementing many of these programs. All of the assistance for programs where NRCS is the lead implementation agency is transferred from the Commodity Credit Corporation (CCC) to the Farm Security and Rural Investment Programs account. This account funds the cost-share, monitoring, easement, and other financial assistance activities associated with the programs under title II of the 2002 Farm Bill. In addition, this account funds the technical assistance costs necessary for delivering the Environmental Quality Incentives Program, the Ground and Surface Water Conservation program, the Klamath Basin program, the Wildlife Habitat Incentives Program, the Farm and Ranch Land Protection Program, the Conservation Security Program, the Grassland Reserve Program, and the Wetlands Reserve Program.

The Wetlands Reserve Program (WRP) is authorized under Section 1237 of the Food Security Act of 1985, as amended. The authority provides for a total acreage enrollment cap of 2,275,000 acres. The purpose of the WRP is to preserve, protect, and restore valuable wetlands. The 2009 Budget assumes \$181 million for this program, which will allow the program to reach its acreage enrollment cap in 2009.

The Environmental Quality Incentives Program (EQIP) was re-authorized in the Deficit Reduction Act of 2005 (P.L. 109-171). The purpose of the program is to promote agricultural production and environmental quality as compatible national goals. The 2009 Budget proposes permanently canceling mandatory funds in excess of \$1.05 billion for this program in 2009.

The Ground and Surface Water Program (GSW) is authorized by Section 1240I of Title XII of the Food Security Act of 1985. The purpose of the program is to promote ground and surface water conservation by providing cost-share payments and incentive payments to producers to carry out eligible water conservation activities. The 2009 Budget assumes \$60 million for this program.

The Klamath Basin program is authorized by Section 1240I of Title XII of the Food Security Act of 1985. The purpose of the Klamath Basin program is to carry out water conservation activities in the Klamath Basin located in California and Oregon. The 2009 Budget assumes no funding for this program.

The Farm and Ranch Lands Protection Program (FRPP) protects soil by limiting nonagricultural use of prime and unique farm and ranch land. The 2009 Budget assumes \$97 million for this program.

The Wildlife Habitat Incentives Program (WHIP) is authorized by Section 1240N of the Food Security Act of 1985. The purpose of the program is to develop habitat for upland wildlife, wetlands wildlife, threatened and endangered species, fish, and other types of wildlife. The 2009 Budget assumes no funding for this program.

The Conservation Security Program (CSP) was reauthorized in the Deficit Reduction Act of 2005. The purpose of the program is to provide financial and technical assistance for the conservation, protection, and improvement of natural resources on Tribal and private working lands. The program provides assistance to producers who have already implemented high levels of conservation in order to reward and maintain their model stewardship. CSP also pays qualified producers to do further environmental enhancements to improve natural resource conditions on their agricultural oper-

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	1,747	2,089	1,748
Outlays	1,482	1,818	1,922
Legislative proposal, subject to PAYGO:			
Budget Authority		463	775
Outlays		-39	519

FARM SECURITY AND RURAL INVESTMENT PROGRAMS—Continued

ations. The 2009 Budget proposes to both permanently cancel spending authority in excess of \$360 million in 2009 and to reduce the program's ten-year (2006 through 2015) budget authority limit by \$80 million.

The Grassland Reserve Program (GRP) is authorized by Section 1238N of Title XII, of Food Security Act of 1985. The purpose of the program is to assist landowners in restoring and protecting grassland. The 2009 budget does not include any funding for this program.

The Agricultural Management Assistance Program (AMA) is authorized by Section 211 of the Agriculture Risk Protection Act of 2000. Subtitle F, Section 2501(l)(4)(ii) of the Farm Security and Rural Investment Act of 2002 provides \$10 million annually for financial assistance in 15 states, as determined by the Secretary, in which participation in the Federal Crop Insurance Program is historically low. The program provides assistance to producers to mitigate financial risk by using conservation measures to reduce soil erosion and improve water quality. The Budget proposes permanently canceling funds in the amount of \$10 million in 2009.

NRCS works to deliver these conservation programs using its technical field staff and by partnering with public and private entities through the Technical Service Provider (TSP) system. NRCS can contract with TSPs to help deliver the Farm Bill programs, or agricultural producers may select TSPs to help plan and implement conservation practices on their operations.

Object Classification (in millions of dollars)

Identification code 12-1004-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	173	222	221
11.3 Other than full-time permanent	2	3	3
11.5 Other personnel compensation	2	3	3
11.9 Total personnel compensation	177	228	227
12.1 Civilian personnel benefits	52	66	66
21.0 Travel and transportation of persons	4	5	4
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	9	11	8
23.3 Communications, utilities, and miscellaneous charges	6	7	5
25.2 Other services	80	100	70
26.0 Supplies and materials	6	7	5
31.0 Equipment	5	5	3
32.0 Land and structures	207	379	156
41.0 Grants, subsidies, and contributions	1,199	1,280	1,203
99.0 Direct obligations	1,746	2,089	1,748
99.0 Reimbursable obligations	81	60	84
99.9 Total new obligations	1,827	2,149	1,832

Employment Summary

Identification code 12-1004-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	2,872	3,561	3,308
Reimbursable:			
2001 Civilian full-time equivalent employment	826	478	841

FARM SECURITY AND RURAL INVESTMENT PROGRAMS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1004-4-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.59 Farm Bill proposal		463	775
10.00 Total new obligations (object class 41.0)		463	775

Budgetary resources available for obligation:			
22.00 New budget authority (gross)		463	775
23.95 Total new obligations		-463	-775
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		463	775
Change in obligated balances:			
72.40 Obligated balance, start of year			502
73.10 Total new obligations		463	775
73.20 Total outlays (gross)		39	-519
74.40 Obligated balance, end of year		502	758
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		-13	176
86.98 Outlays from mandatory balances		-26	343
87.00 Total outlays (gross)		-39	519
Net budget authority and outlays:			
89.00 Budget authority		463	775
90.00 Outlays		-39	519

The Administration's farm bill proposals represent a reform-minded and fiscally responsible approach to supporting America's farmers and ranchers. For conservation, the Administration's proposals would improve program efficiency and increase conservation funding by \$7.8 billion over ten years to better serve farmers, the environment, and all U.S. citizens.

USDA has multiple conservation programs, each with its own eligibility requirements, regulations, policies, and administrative actions. These can lead to inefficiencies, increased administrative costs, fewer dollars available for producers, and fewer environmental benefits. These disparate programs are also ill-equipped to solve complex agricultural landscape problems. The Administration's proposal would simplify these programs to ensure conservation benefits are most effectively realized. Among other things, the proposal would (1) consolidate six existing financial assistance programs into one new Environmental Quality Incentives Program; (2) establish a new Regional Water Enhancement program to address water quality and quantity on a regional scale; (3) consolidate three existing easement programs into one Private Lands Protection program; (4) modify the Conservation Security Program to emphasize higher levels of conservation practices; (5) reauthorize and expand enrollment in the Wetlands Reserve Program; and (6) reauthorize and enhance the Conservation Reserve Program to focus on providing the greatest benefits for environmentally sensitive lands.

WATERSHED SURVEYS AND PLANNING

Program and Financing (in millions of dollars)

Identification code 12-1066-0-1-301	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Watershed surveys and planning		6	
10.00 Total new obligations		6	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		6	
23.95 Total new obligations		-6	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		6	
Change in obligated balances:			
72.40 Obligated balance, start of year		1	1
73.10 Total new obligations		6	
73.20 Total outlays (gross)		-6	-1

74.40	Obligated balance, end of year	1	.....
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	5	.....
86.93	Outlays from discretionary balances	1	1
87.00	Total outlays (gross)	6	1
Net budget authority and outlays:			
89.00	Budget authority	6	.....
90.00	Outlays	6	1

Under the authorities of Public Law 83-566, watershed planning assistance is provided to States and communities to address specific resource problems on a watershed scale. The funds are used to cooperate with other agencies and the States in providing local decision makers with resource data, derived from cooperative river basin surveys and flood-plain management studies, for use in decision making. Watershed plans are used to develop the small watershed projects. Watershed work plans are prepared by sponsoring local organizations with the Department's assistance or through State and local resources. The 2009 Budget does not request funding for this program because the Budget is not proposing to fund additional watershed operations projects, instead re-directing these resources to other higher priority programs within the Agency.

Object Classification (in millions of dollars)

Identification code 12-1066-0-1-301	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1	Personnel compensation: Full-time permanent	3	.....
12.1	Civilian personnel benefits	1	.....
25.2	Other services	1	.....
99.0	Direct obligations	5	.....
99.5	Below reporting threshold	1	.....
99.9	Total new obligations	6	.....

Employment Summary

Identification code 12-1066-0-1-301	2007 actual	2008 est.	2009 est.
Direct:			
1001	Civilian full-time equivalent employment	41	.....
Reimbursable:			
2001	Civilian full-time equivalent employment	3	.....

[WATERSHED AND FLOOD PREVENTION OPERATIONS]

[For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001-1005 and 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$30,000,000, to remain available until expended: *Provided*, That not to exceed \$15,500,000 of this appropriation shall be available for technical assistance.] (7 U.S.C. 2209b, 2225; 16 U.S.C. 1001-1005, 1007-1009; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1072-0-1-301	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Watershed operations (P.L. 534)	6	5
00.03	Emergency watershed protection operations	186	172
00.04	Small watershed operations (P.L. 566)	30	35
09.01	Reimbursable program	32	30
10.00	Total new obligations	254	242

Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	322	182
22.00	New budget authority (gross)	54	60
22.10	Resources available from recoveries of prior year obligations	60	.....
23.90	Total budgetary resources available for obligation	436	242
23.95	Total new obligations	-254	-242
24.40	Unobligated balance carried forward, end of year	182	.....

New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	20	30
Spending authority from offsetting collections:			
58.00	Offsetting collections (cash)	29	30
58.10	Change in uncollected customer payments from Federal sources (unexpired)	5	.....
58.90	Spending authority from offsetting collections (total discretionary)	34	30
70.00	Total new budget authority (gross)	54	60

Change in obligated balances:			
72.40	Obligated balance, start of year	407	246
73.10	Total new obligations	254	242
73.20	Total outlays (gross)	-350	-215
73.45	Recoveries of prior year obligations	-60	.....
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-5	.....
74.40	Obligated balance, end of year	246	273

Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	44	.....
86.93	Outlays from discretionary balances	350	171
87.00	Total outlays (gross)	350	215

Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	Federal sources	-17	-18
88.40	Non-Federal sources	-12	-12
88.90	Total, offsetting collections (cash)	-29	-30
Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-5	.....

Net budget authority and outlays:			
89.00	Budget authority	20	30
90.00	Outlays	321	185

These programs provide for cooperative actions between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion, for the conservation, development, utilization, and disposal of water, and for the conservation and proper utilization of land. Funds in Watershed and Flood Prevention Operations can be used for either flood prevention projects or flood damage rehabilitation efforts, depending upon the needs and opportunities. In order to improve the environmental and economic benefits of these projects, NRCS intends to focus on developing and funding non-structural flood prevention measures. The 2009 Budget does not request funding for the watershed operations programs and instead redirects their resources to other priority programs within the agency.

Emergency watershed protection.—This program authorizes the Secretary of Agriculture to undertake such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever natural elements or forces cause a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, drought or other natural causes and consequently life and property are endangered by floodwater, erosion, or sediment discharge. The emergency area need not be declared a na-

[WATERSHED AND FLOOD PREVENTION OPERATIONS]—Continued

tional disaster area to be eligible for emergency watershed protection. Emergency watershed protection is applicable to small scale, localized disasters as well as large scale disasters. State environmental, natural resource, fish and game, and other agencies participate in planning and coordinating emergency work. Funding for the emergency watershed protection program is typically provided through emergency supplemental appropriations.

Watershed operations authorized by Public Law 78-534.—The Department cooperates with soil conservation districts and other local organizations in planning and installing flood prevention improvements in 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares the cost of improvements for flood prevention, agricultural water management, recreation, and fish and wildlife development.

Small watershed operations authorized by Public Law 83-566.—The Department provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement. At least 60 percent of the funding provided is used for financial assistance.

Loans through the Agricultural Credit Insurance Fund have been made in previous years to the local sponsors in order to fund the local cost of Public Law 83-566 or 78-534 projects. No funding for these loans is assumed in 2009.

The following tabulation shows the status of Public Law 83-566 projects:

MAIN WORKLOAD FACTORS

	2007 actual	2008 est.	2009 est.
Status of operational projects:			
Projects receiving land treatment	100	97	.....
Structural projects	185	182	.....
Land treatment and structural	65	64	.....
Subtotal active projects	350	343	.....
Projects continuing post-installation assistance	1013	1018	.....
Inactive projects	182	182	.....
Project life completed	41	43	.....
Deauthorized projects	158	158	.....
Total operational projects	1744	1744	.....
New projects approved during year	2	0	.....

Object Classification (in millions of dollars)

Identification code 12-1072-0-1-301	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	21	24	.....
11.5 Other personnel compensation	3	4	.....
11.9 Total personnel compensation	24	28	.....
12.1 Civilian personnel benefits	6	7	.....
21.0 Travel and transportation of persons	2	2	.....
23.2 Rental payments to others	2	2	.....
23.3 Communications, utilities, and miscellaneous charges	1	1	.....
25.2 Other services	11	15	.....
25.2 Other services	132	120	.....
26.0 Supplies and materials	1	1	.....
31.0 Equipment	1	1	.....
41.0 Grants, subsidies, and contributions	41	36	.....
99.0 Direct obligations	221	213	.....
99.0 Reimbursable obligations	31	29	.....
99.5 Below reporting threshold	2	.....	.....
99.9 Total new obligations	254	242	.....

Employment Summary

Identification code 12-1072-0-1-301	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	352	387	.....
Reimbursable:			
2001 Civilian full-time equivalent employment	27	23	.....

WATERSHED REHABILITATION PROGRAM

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012), and in accordance with the provisions of laws relating to the activities of the Department, **[\$20,000,000]** \$5,920,000, to remain available until expended. (16 U.S.C. 1001 et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1002-0-1-301	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Watershed rehabilitation program	35	22	6
09.01 Reimbursable program	1	.....	.....
10.00 Total new obligations	36	22	6
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	2	.....
22.00 New budget authority (gross)	32	20	71
22.10 Resources available from recoveries of prior year obligations	3	.....	.....
23.90 Total budgetary resources available for obligation	38	22	71
23.95 Total new obligations	-36	-22	-6
24.40 Unobligated balance carried forward, end of year	2	.....	65
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	31	20	6
58.10 Spending authority from offsetting collections: Change in uncollected customer payments from Federal sources (unexpired)	1	.....	.....
Mandatory:			
62.00 Transferred from other accounts .....	.....	.....	65
70.00 Total new budget authority (gross)	32	20	71
Change in obligated balances:			
72.40 Obligated balance, start of year	48	58	61
73.10 Total new obligations	36	22	6
73.20 Total outlays (gross)	-22	-19	-24
73.45 Recoveries of prior year obligations	-3	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1	.....	.....
74.40 Obligated balance, end of year	58	61	43
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	15	6	2
86.93 Outlays from discretionary balances	7	13	22
87.00 Total outlays (gross)	22	19	24
Offsets:			
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-1	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	31	20	71
90.00 Outlays	22	19	24

Under the authorities of section 14 of the Watershed Protection and Flood Prevention Act, assistance is provided to communities to address concerns about local aging dams. The 2009 Budget request will support rehabilitation of the highest priority dam projects that have reached the end of their design life. NRCS may provide technical and financial assist-

ance for the planning, design, and implementation of rehabilitation projects that may include upgrading or removing the dams.

Object Classification (in millions of dollars)

Identification code 12-1002-0-1-301	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	8	3	3
12.1 Civilian personnel benefits	2	1	1
23.2 Rental payments to others	1		
25.2 Other services	6	3	2
25.2 Other services	5	4	
31.0 Equipment	1		
41.0 Grants, subsidies, and contributions	12	10	
99.0 Direct obligations	35	21	6
99.0 Reimbursable obligations	1		
99.5 Below reporting threshold		1	
99.9 Total new obligations	36	22	6

Employment Summary

Identification code 12-1002-0-1-301	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	113	48	34

[RESOURCE CONSERVATION AND DEVELOPMENT]

[For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of sections 31 and 32 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a-f); and subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$51,088,000, to remain available until expended: *Provided*, That not to exceed \$3,073,000 shall be available for national headquarters activities.] (7 U.S.C. 2225; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1010-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Technical assistance	52	51	
09.01 Reimbursable program		1	
10.00 Total new obligations	52	52	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
22.00 New budget authority (gross)	51	52	
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	53	53	1
23.95 Total new obligations	-52	-52	
24.40 Unobligated balance carried forward, end of year	1	1	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	51	51	
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	1		
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-1	1	
58.90 Spending authority from offsetting collections (total discretionary)		1	
70.00 Total new budget authority (gross)	51	52	
Change in obligated balances:			
72.40 Obligated balance, start of year	10	9	3
73.10 Total new obligations	52	52	
73.20 Total outlays (gross)	-53	-57	-3
73.45 Recoveries of prior year obligations	-1		

74.00 Change in uncollected customer payments from Federal sources (unexpired)	1	-1	
74.40 Obligated balance, end of year	9	3	

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	46	47	
86.93 Outlays from discretionary balances	7	10	3
87.00 Total outlays (gross)	53	57	3

Offsets:

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

Net budget authority and outlays:

89.00 Budget authority	51	51	
90.00 Outlays	52	57	3

The Resource Conservation and Development (RC&D) Program was developed under the Soil Conservation and Domestic Allotment Act, (16 U.S.C. 590a-590f), the Bankhead-Jones Farm Tenant Act, (16 U.S.C. 1010 and 1011), and the Food and Agricultural Act of 1962 (P.L. 87-703) and is authorized under subtitle H, title XV of the Agricultural and Food Act of 1981, (16 U.S.C. 3451-3461), as amended. The Food Security and Rural Investment Act of 2002 (2002 Act) permanently authorized the program. The Natural Resources Conservation Service (NRCS) administers the program. In 1981, sections 1528-1538 of the Agriculture and Food Act authorized a program to encourage and improve the capability of State and local units of government and local nonprofit organizations in rural areas to plan, develop, and implement programs for resource conservation and development. Through the program, RC&D areas establish or improve coordination systems in rural communities and build rural community leadership skills to use Federal, State and local programs for the communities' benefit.

The NRCS provides program administration and assistance to RC&D areas through volunteer non-profit RC&D Councils. Other USDA agencies with conservation or development activities provide input for program policy and guidance and are members of the USDA RC&D Policy Advisory Board and Working Group. In addition, these agencies provide limited technical and financial assistance to RC&D Councils. Councils also obtain the assistance from other local, State, and Federal agencies, private organizations, and foundations to carry out their specific projects.

The RC&D program provides assistance to local communities to develop strategic plans that address their locally identified natural resource and economic development concerns.

The 2009 Budget does not request funding for the RC&D program, instead redirecting these resources to higher priority programs within the Agency.

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

MAIN WORKLOAD FACTORS

	2007 actual	2008 est.	2009 est.
Areas funded at beginning of year	375	375	
Areas funded at end of year	375	375	
Project plans adopted	4,278	4,000	
Projects completed	4,442	4,200	

Object Classification (in millions of dollars)

Identification code 12-1010-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	30	30	

RESOURCE CONSERVATION AND DEVELOPMENT—Continued

Object Classification (in millions of dollars)—Continued

Identification code 12-1010-0-1-302	2007 actual	2008 est.	2009 est.
11.3 Other than full-time permanent	1	1	.....
11.9 Total personnel compensation	31	31	.....
12.1 Civilian personnel benefits	8	8	.....
21.0 Travel and transportation of persons	1	1	.....
23.2 Rental payments to others	2	2	.....
23.3 Communications, utilities, and miscellaneous charges	1	1	.....
25.2 Other services	7	6	.....
26.0 Supplies and materials	1	1	.....
31.0 Equipment	1	1	.....
99.0 Direct obligations	52	51	.....
99.0 Reimbursable obligations .....	.....	1	.....
99.9 Total new obligations	52	52	.....

Employment Summary

Identification code 12-1010-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	453	437	.....
Reimbursable:			
2001 Civilian full-time equivalent employment	1	1	.....

HEALTHY FORESTS RESERVE PROGRAM

For necessary expenses to carry out the Healthy Forests Reserve Program authorized under title V of Public Law 108-148 (16 U.S.C. 6571-6578), \$2,000,000, to remain available until expended. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1090-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Healthy forests reserve program	2	2	.....
10.00 Total new obligations (object class 32.0)	2	2	.....
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	2	2	.....
23.95 Total new obligations	-2	-2	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2	2	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	2	4	4
73.10 Total new obligations	2	2	.....
73.20 Total outlays (gross) .....	.....	-2	-1
74.40 Obligated balance, end of year	4	4	3
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority .....	.....	1	.....
86.93 Outlays from discretionary balances .....	.....	1	1
87.00 Total outlays (gross) .....	.....	2	1
Net budget authority and outlays:			
89.00 Budget authority	2	2	.....
90.00 Outlays .....	.....	2	1

Title V of the Healthy Forests Restoration Act of 2003 (Public Law 108-148) authorizes the establishment of the Healthy Forests Reserve Program (HFRP). The purpose of this program is to assist landowners in restoring, enhancing and protecting forest ecosystems to 1) promote the recovery of threatened and endangered species, 2) improve biodiversity, and 3) enhance carbon sequestration. HFRP supports the

NRCS mission goal of Healthy Plant and Animal Communities.

NRCS implements this voluntary program. At the state level, the NRCS State Conservationist determines how best to deliver HFRP and implement national policies in an efficient manner based on the national priorities identified in each sign-up announcement. Only privately held land is eligible for enrollment into HFRP. Land enrolled in the HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for species listed as threatened or endangered or candidates for the threatened or endangered species list. Technical assistance will be provided by USDA to assist owners in complying with the terms of restoration plans under the HFRP.

The 2009 Budget does not request funding for the Healthy Forests Reserve Program, as the Administration proposed consolidating this program with others into a combined Private Lands Protection Program in its 2007 Farm Bill proposal.

Employment Summary

Identification code 12-1090-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	1	1	.....

GREAT PLAINS CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2268-0-1-302	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1
Change in obligated balances:			
74.40 Obligated balance, end of year .....	.....	.....	.....
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays .....	.....	.....	.....

The 1996 Farm Bill combined the authority for this and several other conservation programs into the Environmental Quality Incentives Program. Prior-year account balances are maintained in this account until expended. The program provides cost-share assistance to participating landowners and operators in ten Great Plains states to develop and install long-term conservation plans and practices on their lands.

FORESTRY INCENTIVES PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3336-0-1-302	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	6	6
22.10 Resources available from recoveries of prior year obligations	1	.....	.....
23.90 Total budgetary resources available for obligation	6	6	6
24.40 Unobligated balance carried forward, end of year	6	6	6
Change in obligated balances:			
72.40 Obligated balance, start of year	1	.....	.....
73.45 Recoveries of prior year obligations	-1	.....	.....
74.40 Obligated balance, end of year .....	.....	.....	.....
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays .....	.....	.....	.....

No funds are proposed for the Forestry Incentives Program (FIP). The FIP was not reauthorized by the Farm Security and Rural Investment Act of 2002 (P.L. 107-171). Prior-year account balances are maintained in this account until expended. FIP shares up to 65 percent of the cost of tree planting and timber stand improvement in designated counties. Technical assistance is provided by the Forest Service.

WATER BANK PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3320-0-1-302	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1
Change in obligated balances:			
74.40 Obligated balance, end of year			
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The objectives of the Water Bank Program are to conserve water; preserve, maintain, and improve the Nation's wetlands; increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act of 1970, as amended by Public Law 96-182, approved January 2, 1980. Funding for the expiring 1985 Water Bank agreements was transferred from the 1995 Wetlands Reserve Program appropriation to this account as authorized under the Water Bank Extension Act of 1994. The 2009 Budget does not request program funding.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

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

Beginning in 1996, EQIP was implemented on an interim program level for CRBSC, providing cost-share assistance to landowners and others in Colorado, Utah, and Wyoming to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

WETLANDS RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-1080-0-1-302	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	2	2
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	2	2	2

24.40 Unobligated balance carried forward, end of year	2	2	2
Change in obligated balances:			
72.40 Obligated balance, start of year	2	1	1
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Section 1237 of the Food Security Act of 1985, as amended by Sections 2201-2204 of the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill, P.L. 107-171), authorized the Wetlands Reserve Program as a voluntary approach to preserving, protecting, and restoring valuable wetlands. The Natural Resources Conservation Service provides program administration for WRP. Funding for WRP is now provided through NRCS' Farm Security and Rural Investment Account. Information displayed in this section represents unobligated balances from the non-CCC account in which WRP was funded prior to the 1996 Farm Bill.

WILDLIFE HABITAT INCENTIVES PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3322-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Wildlife habitat incentives program	1		
10.00 Total new obligations (object class 41.0)	1		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	9	9
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	10	9	9
23.95 Total new obligations	-1		
24.40 Unobligated balance carried forward, end of year	9	9	9
Change in obligated balances:			
72.40 Obligated balance, start of year	9	3	
73.10 Total new obligations	1		
73.20 Total outlays (gross)	-1	-3	
73.40 Adjustments in expired accounts (net)	-1		
73.45 Recoveries of prior year obligations	-5		
74.40 Obligated balance, end of year	3		
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	1	3	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	3	

Section 1240N of the Food Security Act of 1985, as amended by Section 2502 of the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill), authorized the Wildlife Habitat Incentives Program (WHIP) as a voluntary approach to improving wildlife habitat in our Nation. The Natural Resources Conservation Service (NRCS) provides program administration for WHIP. Funding for WHIP is now provided through NRCS's Farm Security and Rural Investment Account. Information displayed in this section represents unobligated balances remaining from the 1996 Farm Bill only.

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8210-0-7-302	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	4	4	5
01.99 Balance, start of year	4	4	5
Receipts:			
02.20 Miscellaneous Contributed Funds		1	1
04.00 Total: Balances and collections	4	5	6
Appropriations:			
05.99 Total appropriations			
07.99 Balance, end of year	4	5	6

Program and Financing (in millions of dollars)

Identification code 12-8210-0-7-302	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	3	3
24.40 Unobligated balance carried forward, end of year	3	3	3
Change in obligated balances:			
72.40 Obligated balance, start of year	3	2	-1
73.20 Total outlays (gross)	-1	-3	
74.40 Obligated balance, end of year	2	-1	-1
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	1	3	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	3	

Funds received in this account from State, local, and other organizations are available for work under cooperative agreements for soil survey, watershed protection, and resource conservation and development activities.

Employment Summary

Identification code 12-8210-0-7-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	2	1	1

RURAL DEVELOPMENT

Federal Funds

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; **[\$169,998,000] \$258,185,000: Provided,** That notwithstanding any other provision of law, funds appropriated under this section may be used for advertising and promotional activities that support the Rural Development mission area: *Provided further,* That not more than \$10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: *Provided further,* That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0403-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			

00.01 Salaries and expenses	162	174	258
09.01 Reimbursable program	522	493	442
10.00 Total new obligations	684	667	700

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	7	5	
22.00 New budget authority (gross)	681	662	700
22.22 Unobligated balance transferred from other accounts	1		
23.90 Total budgetary resources available for obligation	689	667	700
23.95 Total new obligations	-684	-667	-700
24.40 Unobligated balance carried forward, end of year	5		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	162	170	258
40.33 Appropriation permanently reduced (P.L. 110-161)		-1	
42.00 Transferred from other accounts	7		
43.00 Appropriation (total discretionary)	169	169	258
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	511	493	442
58.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
58.90 Spending authority from offsetting collections (total discretionary)	512	493	442
70.00 Total new budget authority (gross)	681	662	700

Change in obligated balances:

72.40 Obligated balance, start of year	118	124	153
73.10 Total new obligations	684	667	700
73.20 Total outlays (gross)	-667	-638	-695
73.40 Adjustments in expired accounts (net)	-11		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.10 Change in uncollected customer payments from Federal sources (expired)	1		
74.40 Obligated balance, end of year	124	153	158

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	592	563	595
86.93 Outlays from discretionary balances	75	75	100
87.00 Total outlays (gross)	667	638	695

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-512	-493	-442
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-1		
88.96 Portion of offsetting collections (cash) credited to expired accounts	1		

Net budget authority and outlays:

89.00 Budget authority	169	169	258
90.00 Outlays	155	145	253

Since 2001, Rural Development has had a consolidated Salaries and Expenses account to administer all Rural Development programs, including programs administered by the Rural Utilities Service (RUS), the Rural Housing Service (RHS), and the Rural Business-Cooperative Service (RBS).

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

RHS was formed from the Rural Housing section of the Farmers Home Administration and the Community Facilities Division of the Rural Development Administration. RHS deliv-

ers rural housing and community facility programs through a system of State, area, and local offices.

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

Object Classification (in millions of dollars)

Identification code 12-0403-0-1-452	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	93	103	147
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1		
11.9 Total personnel compensation	95	104	148
12.1 Civilian personnel benefits	24	28	40
21.0 Travel and transportation of persons	4	4	7
23.2 Rental payments to others	6	1	2
23.3 Communications, utilities, and miscellaneous charges		6	8
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	10	15	22
25.2 Other services	1		1
25.3 Other purchases of goods and services from Government accounts	1		1
25.5 Research and development contracts	14	11	24
25.7 Operation and maintenance of equipment	4	1	1
26.0 Supplies and materials	1	2	2
31.0 Equipment	1	1	1
99.0 Direct obligations	162	174	258
99.0 Reimbursable obligations	522	493	442
99.9 Total new obligations	684	667	700

Employment Summary

Identification code 12-0403-0-1-452	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	1,580	1,584	1,520
Reimbursable:			
2001 Civilian full-time equivalent employment	4,701	4,716	4,580

RURAL COMMUNITY ADVANCEMENT PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-0400-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan subsidy	132		
00.02 Guaranteed loan subsidy	45		
00.05 Reestimate of Direct Loan Subsidy	15		
00.06 Interest on Reestimates of Direct Loan Subsidy	56		
00.07 Reestimates of Guaranteed Loan Subsidy	10		
00.08 Interest on Reestimate of Guaranteed Loan Subsidy	26		
00.11 Water and waste disposal systems grants	446		
00.12 Water and waste disposal systems emergency supplemental grants	13		
00.13 Emergency and imminent community water assistance grants	7		
00.14 Solid waste management grants	3		
00.15 Community facility grants	22		
00.16 Community facility emergency supplemental grants	19		
00.18 Economic impact initiative grants	19		
00.20 Rural business enterprise grants	45		
00.21 Rural business opportunity grants	7		
00.26 Rural Community Development Initiative Grants	7		
10.00 Total new obligations (object class 41.0)	872		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	146	141	
22.00 New budget authority (gross)	826		
22.10 Resources available from recoveries of prior year obligations	41		
22.21 Unobligated balance transferred to other accounts		-141	
23.90 Total budgetary resources available for obligation	1,013		

23.95 Total new obligations	-872		
24.40 Unobligated balance carried forward, end of year	141		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	748		
41.00 Transferred to other accounts	-29		
43.00 Appropriation (total discretionary)	719		
Mandatory:			
60.00 Appropriation	107		
70.00 Total new budget authority (gross)	826		

Change in obligated balances:

72.40 Obligated balance, start of year	2,390	2,358	
73.10 Total new obligations	872		
73.20 Total outlays (gross)	-863		
73.31 Obligated balance transferred to other accounts		-2,358	
73.45 Recoveries of prior year obligations	-41		
74.40 Obligated balance, end of year	2,358		

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	70		
86.93 Outlays from discretionary balances	686		
86.97 Outlays from new mandatory authority	107		
87.00 Total outlays (gross)	863		

Net budget authority and outlays:

89.00 Budget authority	826		
90.00 Outlays	863		

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

Identification code 12-0400-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Water and Waste Disposal Loans	1,097		
115002 Community Facility Loans	354		
115999 Total direct loan levels	1,451		
Direct loan subsidy (in percent):			
132001 Water and Waste Disposal Loans	9.96	0.00	
132002 Community Facility Loans	6.41	0.00	
132999 Weighted average subsidy rate	9.09	0.00	
Direct loan subsidy budget authority:			
133001 Water and Waste Disposal Loans	109		
133002 Community Facility Loans	23		
133999 Total subsidy budget authority	132		
Direct loan subsidy outlays:			
134001 Water and Waste Disposal Loans	72		
134002 Community Facility Loans	17		
134999 Total subsidy outlays	89		
Direct loan upward reestimates:			
135001 Water and Waste Disposal Loans	44		
135002 Community Facility Loans	27		
135999 Total upward reestimate budget authority	71		
Direct loan downward reestimates:			
137001 Water and Waste Disposal Loans	-100		
137002 Community Facility Loans	-6		
137999 Total downward reestimate budget authority	-106		
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Water and Waste Disposal Loan Guarantees	28		
215002 Community Facility Loan Guarantees	228		
215003 Business and Industry/NAD Bank Loan Guarantees	834		
215999 Total loan guarantee levels	1,090		
Guaranteed loan subsidy (in percent):			
232001 Water and Waste Disposal Loan Guarantees	-0.90	0.00	
232002 Community Facility Loan Guarantees	3.66	0.00	
232003 Business and Industry/NAD Bank Loan Guarantees	4.38	0.00	
232999 Weighted average subsidy rate	4.09	0.00	
Guaranteed loan subsidy budget authority:			
233002 Community Facility Loan Guarantees	8		

RURAL COMMUNITY ADVANCEMENT PROGRAM—Continued

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

Identification code 12-0400-0-1-452	2007 actual	2008 est.	2009 est.
233003 Business and Industry/NAD Bank Loan Guarantees	37		
233999 Total subsidy budget authority	45		
Guaranteed loan subsidy outlays:			
234002 Community Facility Loan Guarantees	8		
234003 Business and Industry/NAD Bank Loan Guarantees	29		
234999 Total subsidy outlays	37		
Guaranteed loan upward reestimates:			
235002 Community Facility Loan Guarantees	7		
235003 Business and Industry/NAD Bank Loan Guarantees	28		
235999 Total upward reestimate budget authority	35		
Guaranteed loan downward reestimates:			
237002 Community Facility Loan Guarantees	-6		
237003 Business and Industry/NAD Bank Loan Guarantees	-33		
237999 Total downward reestimate subsidy budget authority	-39		

Until 2008, this account consolidated, under the Rural Community Advancement Program (RCAP), funding for the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, solid waste management grants, direct and guaranteed community facility loans, community facility grants, direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. This was in accordance with the provisions set forth in the Federal Agriculture Improvement and Reform Act of 1996, as amended, Public Law 104-127 (the 1996 Act).

RCAP was composed of the following three funding streams: Rural Community Facilities, Rural Utilities, and Rural Business.

To continue what was proposed and passed in 2008, the 2009 Budget proposes no funding in the RCAP account and instead, each funding stream is being appropriated separately in a new account. The Water and Wastewater funding stream, which makes up the Rural Utilities stream, is in the Rural Utilities Service, the Rural Community Facilities funding stream is in the Rural Housing Service, and the Rural Business stream is in the Rural Business Service. Specific descriptions of each program funded in the streams appear with the new accounts.

NORTHERN GREAT PLAINS REGIONAL AUTHORITY

The Northern Great Plains Regional Authority was established under section 6028 of the Farm Security and Rural Investment Act of 2002 Public Law 107-171. This account is for the Federal share of the administrative expenses associated with the Northern Great Plains Regional Authority.

RURAL HOUSING SERVICE

Federal Funds

RURAL HOUSING ASSISTANCE GRANTS
(INCLUDING TRANSFER OF FUNDS)

For grants and contracts for very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1490e, and 1490m, **[\$39,000,000] \$43,500,000**, to remain available until expended: *Provided*, That of the total amount appropriated, \$1,200,000 shall be available through June 30, **[2008] 2009**, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership

Zones: *Provided further*, That any balances to carry out a housing demonstration program to provide revolving loans for the preservation of low-income multi-family housing projects as authorized in Public Law 108-447 and Public Law 109-97 shall be transferred to and merged with the "Rural Housing Service, Multi-family Housing Revitalization Program Account". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1953-0-1-604	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Multi-Family Housing Preservation Demo Revolving Fund Direct Subsidy	1		
00.10 Low-income migrant and seasonal farmworkers		16	
00.12 Very Low-Income Housing Repair Grants	30	30	30
00.13 Very Low-Income Housing Repair Natural Disaster Grants	8	9	
00.14 Supervisory and Technical Assistance Grants	1		1
00.15 Processing Workers Housing Grants	1	6	
00.16 Rural Housing Preservation Grants	10	10	12
00.17 Domestic Farm Labor Housing Natural Disaster Grants		1	
00.18 Compensation for Construction Defects			1
10.00 Total new obligations (object class 41.0)	51	72	44
Budgetary resources available for obligation:			
21.00 Unobligated balance carried forward, start of year	16	37	
22.00 New budget authority (gross)	62	39	44
22.10 Resources available from recoveries of prior year obligations	2		
22.21 Unobligated balance transferred to other accounts		-4	
22.22 Unobligated balance transferred from other accounts	8		
23.90 Total budgetary resources available for obligation	88	72	44
23.95 Total new obligations	-51	-72	-44
24.40 Unobligated balance carried forward, end of year	37		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	62	39	44
Change in obligated balances:			
72.40 Obligated balance, start of year	39	36	50
73.10 Total new obligations	51	72	44
73.20 Total outlays (gross)	-52	-53	-56
73.31 Obligated balance transferred to other accounts		-5	
73.45 Recoveries of prior year obligations	-2		
74.40 Obligated balance, end of year	36	50	38
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	30	27	28
86.93 Outlays from discretionary balances	22	26	28
87.00 Total outlays (gross)	52	53	56
Net budget authority and outlays:			
89.00 Budget authority	62	39	44
90.00 Outlays	52	53	56

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

Identification code 12-1953-0-1-604	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Multi-Family Housing Relending Program Demo	2		
115999 Total direct loan levels	2		
Direct loan subsidy (in percent):			
132001 Multi-Family Housing Relending Program Demo	47.82	0.00	0.00
132999 Weighted average subsidy rate	47.82	0.00	0.00
Direct loan subsidy budget authority:			
133001 Multi-Family Housing Relending Program Demo	1		
133999 Total subsidy budget authority	1		
Direct loan subsidy outlays:			
134001 Multi-Family Housing Relending Program Demo	3		
134999 Total subsidy outlays	3		

The rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949. The very low-income housing repair grant program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwellings, to make the dwelling safer or more sanitary, or to remove health and safety hazards. The Budget provides \$30 million for this program in 2009.

The supervisory and technical assistance grant program is carried out under the provisions of section 509(f) and 525 of the Housing Act of 1949, as amended. Under section 509, grants are made to public and private nonprofit organizations for packaging loan applications for housing under sections 502, 504, 514/516, 515, and 533 of the Housing Act of 1949, as amended. The assistance is targeted to underserved areas where at least 20 percent or more of the population is at or below the poverty level, and at least 10 percent or more of the population resides in substandard housing. Under section 525, grants are made to public and private nonprofit organizations and other associations for the developing, conducting, administering or coordinating of technical and supervisory assistance programs to demonstrate the benefits of Federal, State, and local housing programs for low-income families in rural areas. The Budget provides \$1 million for this program in 2009.

The rural housing preservation grant program is authorized under section 533 of the Housing Act of 1949, as amended. Grants are made to eligible nonprofit groups, Indian tribes, or government agencies for rehabilitation of single family housing owned by low- and very low-income families and the rehabilitation of rental and cooperative housing for low- and very low-income families. \$12 million is provided for this program in 2009.

MULTIFAMILY HOUSING REVITALIZATION DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4269-0-3-604	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan obligations	8	14	.....
00.02 Interest on Treasury Borrowing	1	1	1
00.91 Direct Program by Activities—Subtotal (1 level)	9	15	1
08.03 Adjusting payments to liquidating accounts	59	.....	.....
10.00 Total new obligations	68	15	1
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	68	30	1
22.10 Resources available from recoveries of prior year obligations	3	.....	.....
22.60 Portion applied to repay debt .....	.....	-15	.....
22.75 Balance of contract authority withdrawn	-3	.....	.....
23.90 Total budgetary resources available for obligation	68	15	1
23.95 Total new obligations	-68	-15	-1
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	53	6	.....
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	9	24	6
69.10 Change in uncollected customer payments from Federal sources (unexpired)	6	.....	-2
69.47 Portion applied to repay debt .....	.....	.....	-3
69.90 Spending authority from offsetting collections (total mandatory)	15	24	1
70.00 Total new financing authority (gross)	68	30	1

Change in obligated balances:			
72.40 Obligated balance, start of year	47	89	51
73.10 Total new obligations	68	15	1
73.20 Total financing disbursements (gross)	-17	-53	-40
73.45 Recoveries of prior year obligations	-3	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-6	.....	2
74.40 Obligated balance, end of year	89	51	14
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	17	53	40
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources	-9	-24	-6
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-6	.....	2
Net financing authority and financing disbursements:			
89.00 Financing authority	53	6	-3
90.00 Financing disbursements	8	29	34

Status of Direct Loans (in millions of dollars)

Identification code 12-4269-0-3-604	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	.....	.....	.....
1131 Direct loan obligations exempt from limitation	8	14	.....
1150 Total direct loan obligations	8	14	.....
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1	17	50
Disbursements:			
1231 Direct loan disbursements	3	6	5
1233 Purchase of loans assets from a liquidating account	13	27	21
1290 Outstanding, end of year	17	50	76

Balance Sheet (in millions of dollars)

Identification code 12-4269-0-3-604	2006 actual	2007 actual
ASSETS:		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	16
1405 Allowance for subsidy cost (-)	-8
1499 Net present value of assets related to direct loans	8
1999 Total assets	8
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	8
2999 Total liabilities	8
4999 Total liabilities and net position	8

【FARM LABOR PROGRAM ACCOUNT】

【For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, \$22,000,000, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts.】 (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1954-0-1-604	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan subsidy	16	13	.....
00.11 Farm labor housing grants	17	23	.....
10.00 Total new obligations (object class 41.0)	33	36	.....

【FARM LABOR PROGRAM ACCOUNT】—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1954-0-1-604	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	4	14	
22.00 New budget authority (gross)	32	22	
22.10 Resources available from recoveries of prior year obligations	11		
23.90 Total budgetary resources available for obligation	47	36	
23.95 Total new obligations	-33	-36	
24.40 Unobligated balance carried forward, end of year	14		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	32	22	
Change in obligated balances:			
72.40 Obligated balance, start of year	140	136	133
73.10 Total new obligations	33	36	
73.20 Total outlays (gross)	-26	-39	-44
73.45 Recoveries of prior year obligations	-11		
74.40 Obligated balance, end of year	136	133	89
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	1	
86.93 Outlays from discretionary balances	25	38	44
87.00 Total outlays (gross)	26	39	44
Net budget authority and outlays:			
89.00 Budget authority	32	22	
90.00 Outlays	26	39	44

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

Identification code 12-1954-0-1-604	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Section 514 Farm Labor Housing	33	31	
115999 Total direct loan levels	33	31	
Direct loan subsidy (in percent):			
132001 Section 514 Farm Labor Housing	47.95	43.26	0.00
132999 Weighted average subsidy rate	47.95	43.26	0.00
Direct loan subsidy budget authority:			
133001 Section 514 Farm Labor Housing	16	13	
133999 Total subsidy budget authority	16	13	
Direct loan subsidy outlays:			
134001 Section 514 Farm Labor Housing	14	15	19
134999 Total subsidy outlays	14	15	19

The direct farm labor loan program is authorized under section 514 and the rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949, as amended. The loans, grants, and contracts are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grants assistance may not exceed 90 percent of the cost of a project. Loans and grants may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms, and infirmaries. No funding is proposed in 2009.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949,

【\$482,090,000, to remain available through September 30, 2009】 \$997,000,000, to carry out the rental assistance program under section 521(a)(2) of the Act, of which \$100,000,000 is for a pilot voucher program for tenants that meet the financial eligibility requirements for rental assistance; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided*, 【That of this amount, up to \$6,000,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$50,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further*,】 That rental assistance agreements entered into or renewed during the current fiscal year shall be funded for a one-year period: *Provided further*, 【That any unexpended balances remaining at the end of such one-year agreements may be transferred and used for the purposes of any debt reduction; maintenance, repair, or rehabilitation of any existing projects; preservation; and rental assistance activities authorized under title V of the Act: *Provided further*, That rental assistance provided under agreements entered into prior to fiscal year 2008 for a farm labor multi-family housing project financed under section 514 or 516 of the Act may not be recaptured for use in another project until such assistance has remained unused for a period of 12 consecutive months, if such project has a waiting list of tenants seeking such assistance or the project has rental assistance eligible tenants who are not receiving such assistance: *Provided further*, That such recaptured rental assistance shall, to the extent practicable, be applied to another farm labor multi-family housing project financed under section 514 or 516 of the Act.】 *That the life of any such agreements may be extended to fully utilize amounts obligated: Provided further, That the recipients of rental assistance or vouchers described in this paragraph shall contribute a minimum of \$50 per month toward the rent, as determined by the Secretary. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)*

Program and Financing (in millions of dollars)

Identification code 12-0137-0-1-604	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Rental assistance program	616	479	897
00.02 Vouchers			100
10.00 Total new obligations (object class 41.0)	616	479	997
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	616	479	997
23.95 Total new obligations	-616	-479	-997
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	616	482	997
40.00 Appropriation	51	50	45
40.33 Appropriation permanently reduced (P.L. 110-161)		-3	
40.47 Portion applied to repay debt		-50	-45
40.53 Portion substituted for borrowing authority	-51		
43.00 Appropriation (total discretionary)	616	479	997
Change in obligated balances:			
72.40 Unpaid obligations, appropriation, start of year	2,153	1,882	1,159
73.10 Total new obligations	616	479	997
73.20 Total outlays (gross)	-887	-1,202	-1,281
74.40 Obligated balance, appropriation, end of year	1,882	1,159	875
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	91	240	533
86.93 Outlays from discretionary balances	796	962	748
87.00 Total outlays (gross)	887	1,202	1,281
Net budget authority and outlays:			
89.00 Budget authority	616	479	997
90.00 Outlays	887	1,202	1,281

The rental assistance program is authorized under section 521(a)(2) of the Housing Act of 1949, as amended, and is designed to reduce rent expenses for very low-income and low-income families living in RHS-financed rural rental and farm labor housing projects. Funding under this account is provided for renewals of existing rental assistance contracts, assistance for newly constructed units financed by the section 515 rural rental and cooperative housing program or the 514/516 farm labor housing loan and grant programs, and for additional servicing assistance for existing projects. For 2009, the request for rental assistance grants is for one year contracts with one-year availability, with a total funding level of \$997 million. Of this, \$897 million will be for traditional rental assistance grants and \$100 million will be for a new pilot voucher program to be used in place of project based rent on a portion of the section 515 rural rental housing projects. For 2009, the request for new vouchers program is for one year agreements with funding availability over two-years. The Budget also proposes a requirement of a minimum rent of \$50 a month for all rental assistance beneficiaries as well as voucher recipients.

From 1978 through 1991, the rental assistance program was funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for this program.

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

[For the rural housing voucher program as authorized under section 542 of the Housing Act of 1949, but notwithstanding subsection (b) of such section, for the cost to conduct a housing demonstration program to provide revolving loans for the preservation of low-income multi-family housing projects, and for additional costs to conduct a demonstration program for the preservation and revitalization of multi-family rental housing properties described in this paragraph, \$28,000,000, to remain available until expended: *Provided*, That of the funds made available under this heading, \$5,000,000 shall be available for rural housing vouchers to any low-income household (including those not receiving rental assistance) residing in a property financed with a section 515 loan which has been prepaid after September 30, 2005: *Provided further*, That the amount of such voucher shall be the difference between comparable market rent for the section 515 unit and the tenant paid rent for such unit: *Provided further*, That funds made available for such vouchers shall be subject to the availability of annual appropriations: *Provided further*, That the Secretary shall, to the maximum extent practicable, administer such vouchers with current regulations and administrative guidance applicable to section 8 housing vouchers administered by the Secretary of the Department of Housing and Urban Development (including the ability to pay administrative costs related to delivery of the voucher funds): *Provided further*, That if the Secretary determines that the amount made available for vouchers in this or any other Act is not needed for vouchers, the Secretary may use such funds for the demonstration programs for the preservation and revitalization of multi-family rental housing properties described in this paragraph: *Provided further*, That of the funds made available under this heading, \$3,000,000 shall be available for the cost of loans to private non-profit organizations, or such non-profit organizations' affiliate loan funds and State and local housing finance agencies, to carry out a housing demonstration program to provide revolving loans for the preservation of low-income multi-family housing projects: *Provided further*, That loans under such demonstration program shall have an interest rate of not more than 1 percent direct loan to the recipient: *Provided further*, That the Secretary may defer the interest and principal payment to the Rural Housing Service for up to 3 years and the term of such loans shall not exceed 30 years: *Provided further*, That of the funds made available under this heading, \$20,000,000 shall be available for a demonstration program for the preservation and revitalization of the section 514, 515, and 516 multi-family rental housing properties to restructure existing USDA multi-family housing loans, as the Secretary deems appropriate, expressly for the purposes of ensuring the project has sufficient resources to preserve the project for the purpose of providing safe and affordable housing for low-income residents and farm laborers

including reducing or eliminating interest; deferring loan payments, subordinating, reducing or reamortizing loan debt; and other financial assistance including advances and incentives required by the Secretary: *Provided further*, That if the Secretary determines that additional funds for vouchers described in this paragraph are needed, funds for the preservation and revitalization demonstration program may be used for such vouchers: *Provided further*, That if Congress enacts legislation to permanently authorize a section 515 multi-family rental housing loan restructuring program similar to the demonstration program described herein, the Secretary may use funds made available for the demonstration program under this heading to carry out such legislation with the prior approval of the Committees on Appropriations of both Houses of Congress.] *Of the balances contained in the Multifamily Housing Revitalization Program Account, \$20,000,000 is permanently cancelled. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)*

Program and Financing (in millions of dollars)

Identification code 12-2002-0-1-604	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Multifamily Housing Relending Demo		7	
00.03 Administrative expenses	1		
00.09 Administrative expenses		3	
00.10 Revitalization Grants		20	
00.11 Vouchers	3	7	
10.00 Total new obligations	4	37	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	14	26	21
22.00 New budget authority (gross)	15	28	-20
22.10 Resources available from recoveries of prior year obligations		1	
22.22 Unobligated balance transferred from other accounts		4	
23.90 Total budgetary resources available for obligation	30	58	1
23.95 Total new obligations	-4	-37	
24.40 Unobligated balance carried forward, end of year	26	21	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	16	28	
40.36 Unobligated balance permanently reduced			-20
41.00 Transferred to other accounts	-1		
43.00 Appropriation (total discretionary)	15	28	-20
Change in obligated balances:			
72.40 Obligated balance, start of year	4	5	30
73.10 Total new obligations	4	37	
73.20 Total outlays (gross)	-2	-17	-22
73.32 Obligated balance transferred from other accounts		5	
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	5	30	8
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	5	-4
86.93 Outlays from discretionary balances	-7	12	26
87.00 Total outlays (gross)	2	17	22
Net budget authority and outlays:			
89.00 Budget authority	15	28	-20
90.00 Outlays	2	17	22

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

Identification code 12-2002-0-1-604	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Multi-Family Housing Relending Demo		14	
115999 Total direct loan levels		14	
Direct loan subsidy (in percent):			
132001 Multi-Family Housing Relending Demo	0.00	46.39	0.00
132999 Weighted average subsidy rate	0.00	46.39	0.00
Direct loan subsidy budget authority:			

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT—
Continued

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

Identification code 12-2002-0-1-604	2007 actual	2008 est.	2009 est.
133001 Multi-Family Housing Relending Demo		6	
133999 Total subsidy budget authority		6	
Direct loan subsidy outlays:			
134001 Multi-Family Housing Relending Demo	1	5	3
134002 Multi-Family Housing Revitalization Seconds		2	1
134999 Total subsidy outlays	1	7	4

USDA's portfolio of multifamily housing projects provides housing for nearly half a million low-income families, many of whom are elderly. Recent Federal court rulings allow projects that received their financing prior to 1989 to prepay and leave the program. Current law allows USDA to assist families displaced by sponsors' prepayments by providing them with letters of priority and vouchers, which were newly funded in 2006, but have been minimally used. The 2009 Budget proposes to recind \$20 million in carryover balances from the multifamily housing revitalization program account and no funding is requested in 2009. Remaining funding may be used for housing vouchers for residents of projects whose sponsors prepay their outstanding indebtedness on USDA loans and leave the program.

Prior year obligated balances reflect funding for rental assistance for newly constructed units provided in limited amounts in 1984 and 1985. From 1986 through 1991 rental assistance for newly constructed units, as well as existing rental assistance contract renewals and additional servicing assistance for existing projects, had been funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for the rental assistance program.

Object Classification (in millions of dollars)

Identification code 12-2002-0-1-604	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.1 Advisory and assistance services	2	3	
41.0 Grants, subsidies, and contributions	2	34	
99.9 Total new obligations	4	37	

【MUTUAL AND SELF-HELP HOUSING GRANTS】

【For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$39,000,000, to remain available until expended: *Provided*, That of the total amount appropriated, \$1,000,000 shall be available through June 30, 2008, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.】 (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-2006-0-1-604	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Mutual and self-help housing grants	35	40	
10.00 Total new obligations (object class 41.0)	35	40	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	2	1
22.00 New budget authority (gross)	34	39	
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	37	41	1

23.95 Total new obligations	-35	-40	
24.40 Unobligated balance carried forward, end of year	2	1	1

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	34	39	

Change in obligated balances:

72.40 Obligated balance, start of year	55	53	55
73.10 Total new obligations	35	40	
73.20 Total outlays (gross)	-35	-38	-32
73.45 Recoveries of prior year obligations	-2		
74.40 Obligated balance, end of year	53	55	23

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	5	7	
86.93 Outlays from discretionary balances	30	31	32
87.00 Total outlays (gross)	35	38	32

Net budget authority and outlays:

89.00 Budget authority	34	39	
90.00 Outlays	35	38	32

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor. No funding is proposed in 2009.

RURAL COMMUNITY GRANTS

The Deficit Reduction Act rescinded the unobligated balance and no funds are provided in the Budget because this type of program activity is redundant with other programs in Forest Service, Federal Emergency Management Agency, and the Bureau of Land Management.

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans【,】 and loan guarantees【, and grants】 for rural community facilities programs as authorized by section 306 and described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act, 【\$68,952,000】 \$23,767,000, to remain available until expended: *Provided*, That 【\$6,300,000 of the amount appropriated under this heading shall be available for a Rural Community Development Initiative: *Provided further*, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: *Provided further*, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: *Provided further*, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: *Provided further*, That \$14,000,000 of the amount appropriated under this heading shall be to provide grants for facilities in rural communities with extreme unemployment and severe economic depression (Public Law 106-387), with up to 5 percent for administration and capacity building in the State rural development offices: *Provided further*, That \$4,000,000 of the amount appropriated under this heading shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of such Act: *Provided further*, That】 not to exceed 【\$1,000,000】 \$100,000 of the amount appropriated under this heading shall be available through June 30, 【2008】 2009, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural

Development Act: *Provided further*, That section 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to the funds made available under this heading: *Provided further*, That any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by section 306 and described in section 381E(d)(1) of such Act be transferred and merged with this account and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines is appropriate to transfer. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)			
Identification code 12-1951-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct Loan Subsidy		22	17
00.02 Guaranteed Loan Subsidy		8	6
00.05 Reestimate of Direct Loan Subsidy		13	
00.06 Interest on Reestimates of Direct Loan Subsidy		2	
00.07 Reestimates of Guaranteed Loan Subsidy		4	
00.08 Interest on Reestimates of Guaranteed Loan Subsidy		1	
00.10 CF Grants		24	
00.11 CF Emergency Supplemental Grants		7	
00.12 Rural Community Development Initiative Grants		13	
00.13 Economic Impact Initiative Grants		17	
10.00 Total new obligations (object class 41.0)		111	23
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		89	25
22.22 Unobligated balance transferred from other accounts		22	
23.90 Total budgetary resources available for obligation		111	25
23.95 Total new obligations		-111	-23
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		68	25
Mandatory:			
60.00 Appropriation		21	
70.00 Total new budget authority (gross)		89	25
Change in obligated balances:			
72.40 Obligated balance, start of year			176
73.10 Total new obligations		111	23
73.20 Total outlays (gross)		-117	-87
73.32 Obligated balance transferred from other accounts		182	
74.40 Obligated balance, end of year		176	112
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		9	3
86.93 Outlays from discretionary balances		87	84
86.97 Outlays from new mandatory authority		21	
87.00 Total outlays (gross)		117	87
Net budget authority and outlays:			
89.00 Budget authority		89	25
90.00 Outlays		117	87

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)			
Identification code 12-1951-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Community Facility Loans		404	302
115999 Total direct loan levels		404	302
Direct loan subsidy (in percent):			
132002 Community Facility Loans		5.55	5.72
132999 Weighted average subsidy rate		5.55	5.72
Direct loan subsidy budget authority:			
133002 Community Facility Loans		22	17
133999 Total subsidy budget authority		22	17
Direct loan subsidy outlays:			
134002 Community Facility Loans		23	22
134999 Total subsidy outlays		23	22

Direct loan upward reestimates:			
135002 Community Facility Loans		15	
135999 Total upward reestimate budget authority		15	
Direct loan downward reestimates:			
137002 Community Facility Loans		-14	
137999 Total downward reestimate budget authority		-14	
Guaranteed loan levels supportable by subsidy budget authority:			
215002 Community Facility Loan Guarantees		210	210
215999 Total loan guarantee levels		210	210
Guaranteed loan subsidy (in percent):			
232002 Community Facility Loan Guarantees		3.68	3.08
232999 Weighted average subsidy rate		3.68	3.08
Guaranteed loan subsidy budget authority:			
233002 Community Facility Loan Guarantees		8	6
233999 Total subsidy budget authority		8	6
Guaranteed loan subsidy outlays:			
234002 Community Facility Loan Guarantees		1	2
234999 Total subsidy outlays		1	2
Guaranteed loan upward reestimates:			
235002 Community Facility Loan Guarantees		5	
235999 Total upward reestimate budget authority		5	
Guaranteed loan downward reestimates:			
237002 Community Facility Loan Guarantees		-7	
237999 Total downward reestimate subsidy budget authority		-7	

This account funds the direct and guaranteed community facility loans and community facility grants. Since the passage of the Federal Agriculture Improvement and Reform Act of 1996 through 2007, the funding for these programs was provided as part of the Rural Community Advancement Program (RCAP). To continue what was proposed and passed in 2008, the 2009 Budget proposes no funding in the RCAP account and instead, each funding stream is being appropriated separately in a new account. This is the new account for the Community programs funding stream. Community facility loans and grants are authorized under sections 306(a)(1) and 306(a)(19) of the Consolidated Farm and Rural Development Act, as amended. Loans are provided to local governments and nonprofit organizations for the construction and improvement of community facilities providing essential services in rural areas of not more than 20,000 population, such as hospitals and fire stations. Total program level in 2009 is projected to be \$512 million.

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)			
Identification code 12-4225-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loans	354	404	302
00.02 Interest on Treasury borrowing	129	142	152
00.91 Direct Program by Activities—Subtotal (1 level)	483	546	454
08.02 Downward reestimate paid to receipt account	6	8	
08.04 Interest on Downward reestimate		5	
08.91 Direct Program by Activities—Subtotal (1 level)	6	13	
10.00 Total new obligations	489	559	454
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	33	
22.00 New financing authority (gross)	522	526	454
22.10 Resources available from recoveries of prior year obligations		40	
22.60 Portion applied to repay debt	-8		
22.70 Balance of authority to borrow withdrawn	-39		
23.90 Total budgetary resources available for obligation	522	559	454

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT—
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4225-0-3-452	2007 actual	2008 est.	2009 est.
23.95 Total new obligations	-489	-559	-454
24.40 Unobligated balance carried forward, end of year	33		
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	458	265	185
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	247	261	269
69.10 Change in uncollected customer payments from Federal sources (unexpired)	4		
69.47 Portion applied to repay debt	-187		
69.90 Spending authority from offsetting collections (total mandatory)	64	261	269
70.00 Total new financing authority (gross)	522	526	454
Change in obligated balances:			
72.40 Obligated balance, start of year	1,158	1,016	896
73.10 Total new obligations	489	559	454
73.20 Total financing disbursements (gross)	-587	-679	-604
73.45 Recoveries of prior year obligations	-40		
74.00 Change in uncollected customer payments from Fed- eral sources (unexpired)	-4		
74.40 Obligated balance, end of year	1,016	896	746
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	587	679	604
Offsets:			
Against gross financing authority and financing dis- bursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-44	-38	-22
88.25 Interest on uninvested funds	-19	-27	-30
88.40 Repayment of principal	-86	-117	-137
88.40 Interest received on loans	-93	-79	-80
88.40 Non-Federal sources	-5		
88.90 Total, offsetting collections (cash)	-247	-261	-269
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-4		
Net financing authority and financing disbursements:			
89.00 Financing authority	271	265	185
90.00 Financing disbursements	340	418	335

Status of Direct Loans (in millions of dollars)

Identification code 12-4225-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	354	404	302
1150 Total direct loan obligations	354	404	302
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,982	2,342	2,749
1231 Disbursements: Direct loan disbursements	451	524	452
1251 Repayments: Repayments and prepayments	-86	-117	-137
Write-offs for default:			
1263 Direct loans	-1		
1264 Other adjustments, net (+ or -)	-4		
1290 Outstanding, end of year	2,342	2,749	3,064

This account reflects the funding from direct community facility loans to non-profit organizations and local governments for the construction and improvement of community facilities providing essential services in rural areas, such as hospitals, child care centers and fire stations.

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

the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

Identification code 12-4225-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	7	33
Investments in US securities:		
1106 Receivables, net	1	14
Net value of assets related to post-1991 direct loans receiv- able:		
1401 Direct loans receivable, gross	1,982	2,342
1402 Interest receivable	29	23
1405 Allowance for subsidy cost (-)	-63	-83
1499 Net present value of assets related to direct loans	1,948	2,282
1999 Total assets	1,956	2,329
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	1,949	2,315
2105 Other	7	14
2999 Total liabilities	1,956	2,329
4999 Total liabilities and net position	1,956	2,329

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4228-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Default claims	4	4	4
00.02 Interest to Treasury		1	1
00.91 Direct Program by Activities—Subtotal (1 level)	4	5	5
08.02 Downward reestimates paid to receipt accounts	4	5	
08.04 Interest on downward reestimates	2	2	
08.91 Direct Program by Activities—Subtotal (1 level)	6	7	
10.00 Total new obligations	10	12	5
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	33	41	
22.00 New financing authority (gross)	18	12	5
22.60 Portion applied to repay debt		-41	
23.90 Total budgetary resources available for obligation	51	12	5
23.95 Total new obligations	-10	-12	-5
24.40 Unobligated balance carried forward, end of year	41		
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow		3	3
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	20	9	5
69.10 Change in uncollected customer payments from Federal sources (unexpired)		6	4
69.47 Portion applied to repay debt	-2	-6	-7
69.90 Spending authority from offsetting collections (total mandatory)	18	9	2
70.00 Total new financing authority (gross)	18	12	5
Change in obligated balances:			
72.40 Obligated balance, start of year	1		6
73.10 Total new obligations	10	12	5
73.20 Total financing disbursements (gross)	-11		
74.00 Change in uncollected customer payments from Fed- eral sources (unexpired)		-6	-4
74.40 Obligated balance, end of year		6	7

Outlays (gross), detail:			
87.00	Total financing disbursements (gross)	11	
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources	-16	-6
88.25	Interest on uninvested funds	-2	-1
88.40	Non-Federal sources, Guarantee Fees	-2	-2
88.90	Total, offsetting collections (cash)	-20	-9
Against gross financing authority only:			
88.95	Change in receivables from program accounts		-6
Net financing authority and financing disbursements:			
89.00	Financing authority	-2	-3
90.00	Financing disbursements	-9	-9

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4228-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation	228	210
2150	Total guaranteed loan commitments	228	210
2199	Guaranteed amount of guaranteed loan commitments	183	168
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	564	655
2231	Disbursements of new guaranteed loans	141	225
2251	Repayments and prepayments	-43	-53
Adjustments:			
2263	Terminations for default that result in claim payments	-4	-4
2264	Other adjustments, net	-3	
2290	Outstanding, end of year	655	823
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	584	662

This account finances loan guarantee commitments for essential community facilities in rural areas.

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

Balance Sheet (in millions of dollars)

Identification code 12-4228-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101	Fund balances with Treasury	33
Investments in US securities:		
1106	Receivables, net	7
1999	Total assets	40
LIABILITIES:		
2104	Federal liabilities: Resources payable to Treasury	8
2204	Non-Federal liabilities: Liabilities for loan guarantees	32
2999	Total liabilities	40
4999	Total liabilities and net position	40

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949,

to be available from funds in the rural housing insurance fund, as follows: **[\$5,349,391,000] \$4,848,899,000** for loans **[to] for** section 502 **[borrowers, of which \$1,129,391,000 shall be for direct loans, and of which \$4,220,000,000 shall be for] unsubsidized guaranteed loans; [\$34,652,000] \$17,678,000** for section 504 housing repair loans; **[\$70,000,000 for section 515 rental housing; \$130,000,000] \$300,000,000** for section 538 guaranteed multi-family housing loans; **\$5,045,000 for section 524 site loans; [\$11,485,000] \$11,447,000** for credit sales of acquired property, of which up to **[\$1,485,000] \$1,447,000** may be for multi-family credit sales; and **[\$5,000,000] \$4,303,000** for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, **[\$156,224,000, of which \$105,824,000 shall be for direct loans, and of which \$50,400,000] \$13,526,000**, to remain available until expended, shall be for unsubsidized guaranteed loans; section 504 housing repair loans, **[\$9,796,000] \$4,750,000**; **[repair, rehabilitation, and new construction of section 515 rental housing, \$29,827,000;] section 538 multi-family housing guaranteed loans, [\$12,220,000] \$1,710,000**; credit sales of acquired property, **[\$552,000] \$523,000**; and section 523 self-help housing and development loans, **[\$142,000] \$71,000**: *Provided*, That of the total amount appropriated in this paragraph, **[\$2,500,000] \$180,000** shall be available through June 30, **[2008] 2009**, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones: *Provided further*, **[That any funds under this paragraph initially allocated by the Secretary for housing projects in the State of Alaska that are not obligated by September 30, 2008, shall be carried over until September 30, 2009, and made available for such housing projects only in the State of Alaska] That section 538 multi-family housing guaranteed loans funded pursuant to this paragraph shall not be subject to a guarantee fee and the interest on such loans may not be subsidized: Provided further**, That any **[unobligated] balances for a demonstration program for the preservation and revitalization of the section 515 multi-family rental housing properties as authorized by Public Law 109-97 and Public Law 110-5** shall be transferred to and merged with the "Rural Housing Service, Multi-family Housing Revitalization Program Account".

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[\$452,927,000] \$399,422,000**, which shall be **[transferred to and merged with] paid to the appropriation for "Rural Development, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)**

Program and Financing (in millions of dollars)

Identification code 12-2081-0-1-371	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Direct loan subsidy	181	157
00.02	Guaranteed loan subsidy	51	84
00.03	Modification of direct loans	5	
00.04	Modification of guaranteed loans	1	
00.05	Reestimate of direct loan subsidy		22
00.06	Interest on direct loan subsidy reestimate		123
00.07	Reestimate of loan guarantee subsidy		10
00.08	Interest on guarantee subsidy reestimates		14
00.09	Administrative expenses	453	450
10.00	Total new obligations	691	860
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	48	34
22.00	New budget authority (gross)	683	826
22.10	Resources available from recoveries of prior year obligations	2	
22.21	Unobligated balance transferred to other accounts	-8	
23.90	Total budgetary resources available for obligation	725	860
23.95	Total new obligations	-691	-860
24.40	Unobligated balance carried forward, end of year	34	

New budget authority (gross), detail:

Discretionary:			
40.00	Appropriation	685	662
40.33	Appropriation permanently reduced (P.L. 110-161)		-5
41.00	Transferred to other accounts	-2	
43.00	Appropriation (total discretionary)	683	657

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-2081-0-1-371	2007 actual	2008 est.	2009 est.
Mandatory:			
60.00 Appropriation		169	
70.00 Total new budget authority (gross)	683	826	420
Change in obligated balances:			
72.40 Obligated balance, start of year	176	172	172
73.10 Total new obligations	691	860	420
73.20 Total outlays (gross)	-685	-860	-502
73.40 Adjustments in expired accounts (net)	-8		
73.45 Recoveries of prior year obligations	-2		
74.40 Obligated balance, end of year	172	172	90
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	607	583	415
86.93 Outlays from discretionary balances	78	108	87
86.97 Outlays from new mandatory authority		169	
87.00 Total outlays (gross)	685	860	502
Net budget authority and outlays:			
89.00 Budget authority	683	826	420
90.00 Outlays	685	860	502

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

Identification code 12-2081-0-1-371	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Section 502 Single-Family Housing	1,129	1,121	
115002 Section 502 Emergency Supplemental	79	44	
115004 Section 515 Multi-Family Housing	99	70	
115007 Section 504 Housing Repair	33	34	18
115008 Section 504 Emergency Supplemental	3	22	
115011 Section 514 Farm Labor Housing Supp.		1	
115012 Section 524 Site Development	3	5	5
115013 Section 523 Self-Help Housing	1	5	4
115014 Single-Family Housing Credit Sales		10	10
115015 Multi-Family Housing Credit Sales	1	1	1
115017 Multi-Family Housing Revitalization Seconds	3		
115018 Multi-Family Housing Revitalization Zero	3		
115999 Total direct loan levels	1,354	1,313	38
Direct loan subsidy (in percent):			
132001 Section 502 Single-Family Housing	10.03	9.37	0.00
132002 Section 502 Emergency Supplemental	10.03	9.37	0.00
132004 Section 515 Multi-Family Housing	45.67	42.61	0.00
132007 Section 504 Housing Repair	29.55	28.27	26.87
132008 Section 504 Emergency Supplemental	29.55	28.27	0.00
132011 Section 514 Farm Labor Housing Supp.	47.95	43.26	0.00
132012 Section 524 Site Development	-1.66	-0.79	-1.84
132013 Section 523 Self-Help Housing	2.47	2.84	1.65
132014 Single-Family Housing Credit Sales	0.48	-1.15	-2.59
132015 Multi-Family Housing Credit Sales	45.33	37.14	36.12
132017 Multi-Family Housing Revitalization Seconds	87.08	0.00	0.00
132018 Multi-Family Housing Revitalization Zero	54.11	0.00	0.00
132999 Weighted average subsidy rate	13.42	11.85	12.93
Direct loan subsidy budget authority:			
133001 Section 502 Single-Family Housing	113	105	
133002 Section 502 Emergency Supplemental	8	4	
133004 Section 515 Multi-Family Housing	45	30	
133007 Section 504 Housing Repair	10	10	5
133008 Section 504 Emergency Supplemental	1	6	
133011 Section 514 Farm Labor Housing Supp.		1	
133015 Multi-Family Housing Credit Sales	1		1
133017 Multi-Family Housing Revitalization Seconds	2		
133018 Multi-Family Housing Revitalization Zero	1		
133999 Total subsidy budget authority	181	156	6
Direct loan subsidy outlays:			
134001 Section 502 Single-Family Housing	117	98	24
134002 Section 502 Emergency Supplemental	8	5	1
134004 Section 515 Multi-Family Housing	42	45	38
134007 Section 504 Housing Repair	9	9	6
134008 Section 504 Emergency Supplemental	1	5	1

134011 Section 514 Farm Labor Housing Supp.		1	
134015 Multi-Family Housing Credit Sales	1	1	1
134017 Multi-Family Housing Revitalization Seconds	2	8	
134018 Multi-Family Housing Revitalization Zero		6	
134999 Total subsidy outlays	180	178	71
Direct loan upward reestimates:			
135004 Section 515 Multi-Family Housing		145	
135999 Total upward reestimate budget authority		145	
Direct loan downward reestimates:			
137004 Section 515 Multi-Family Housing		-18	
137999 Total downward reestimate budget authority		-18	
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Guaranteed 502 Single Family Housing, Purchase	3,334	4,959	1,018
215002 Guaranteed 502, Refinance	7	269	61
215003 Guaranteed 538 Multi-Family Housing	90	130	11
215004 Guaranteed 502 Katrina Hurricane Supplemental	323	755	
215005 Guaranteed 502 Tornado Supplemental		17	
215006 Guaranteed 538 Tornado Supplemental		11	
215999 Total loan guarantee levels	3,754	6,141	1,090
Guaranteed loan subsidy (in percent):			
232001 Guaranteed 502 Single Family Housing, Purchase	1.21	1.20	1.27
232002 Guaranteed 502, Refinance	0.50	0.81	0.98
232003 Guaranteed 538 Multi-Family Housing	7.74	9.40	15.68
232004 Guaranteed 502 Katrina Hurricane Supplemental	1.21	1.20	0.00
232005 Guaranteed 502 Tornado Supplemental	1.21	1.20	0.00
232006 Guaranteed 538 Tornado Supplemental	7.74	9.40	0.00
232999 Weighted average subsidy rate	1.37	1.37	1.40
Guaranteed loan subsidy budget authority:			
233001 Guaranteed 502 Single Family Housing, Purchase	40	60	13
233002 Guaranteed 502, Refinance		2	1
233003 Guaranteed 538 Multi-Family Housing	7	12	2
233004 Guaranteed 502 Katrina Hurricane Supplemental	4	9	
233006 Guaranteed 538 Tornado Supplemental		1	
233999 Total subsidy budget authority	51	84	16
Guaranteed loan subsidy outlays:			
234001 Guaranteed 502 Single Family Housing, Purchase	43	44	23
234002 Guaranteed 502, Refinance		2	1
234003 Guaranteed 538 Multi-Family Housing	7	7	5
234004 Guaranteed 502 Katrina Hurricane Supplemental		6	2
234005 Guaranteed 502 Tornado Supplemental		1	
234999 Total subsidy outlays	50	60	31
Guaranteed loan upward reestimates:			
235001 Guaranteed 502 Single Family Housing, Purchase		20	
235002 Guaranteed 502, Refinance		4	
235999 Total upward reestimate budget authority		24	
Guaranteed loan downward reestimates:			
237001 Guaranteed 502 Single Family Housing, Purchase		-36	
237999 Total downward reestimate subsidy budget authority		-36	
Administrative expense data:			
3510 Budget authority	453	450	399
3590 Outlays from new authority	453	450	399

Rural Housing Insurance Fund.—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended.

The programs funded through the Rural Housing Insurance Fund Program account are: section 502 very low- and low-to-moderate income homeownership loans and guarantees; section 504 very low-income housing repair loans; section 515 rural rental housing loans; section 524 housing site loans, single family and multi-family housing credit sales of acquired property, and section 538 multi-family housing guarantees. Starting in 2001, section 514 domestic farm labor housing loans and grants are funded under the new Farm Labor Program Account in order to provide flexibility between loans and the farm labor housing grants. The section 523 self-help housing land development loan program is funded in this account as of 1997.

Loan programs are limited to rural areas that include towns, villages, and other places which are not part of an urban area and that have a population not in excess of 2,500

inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

No funds are requested in 2009 for section 515 rural rental housing loans. However, RHS will continue to revitalize the existing 515 portfolio by providing multifamily housing revitalization activities funded from carryover balances.

With improvements and innovations in the banking industry, utilizing the private sector with guarantees is a more efficient way to deliver homeownership assistance. Therefore, no funds are requested for 502 direct single family housing loans for 2009. Meanwhile the 502 guaranteed single family housing loan program has been increased to \$4.8 billion, as this program is expected to replace the 502 direct loans.

For 502 guaranteed single family housing loans in 2009, the Budget reflects a 3.0 percent fee on new loans. This fee will enable the program to make more loans available to serve lower income rural Americans. The guarantee fee for the refinancing will remain at 0.5 percent.

For 538 guaranteed multifamily housing loans, the Budget reflects that there will be no fee as well as no subsidized interest for these loans. The Budget requests a \$300 million loan level for the program.

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

Object Classification (in millions of dollars)

Identification code 12-2081-0-1-371	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.3 Other purchases of goods and services from Government accounts	453	450	399
41.0 Grants, subsidies, and contributions	238	410	21
99.9 Total new obligations	691	860	420

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
(Legislative proposal, not subject to PAYGO)

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

Identification code 12-2081-2-1-371	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Guaranteed 502 Single Family Housing, Purchase			3,770
215003 Guaranteed 538 Multi-Family Housing			289
215999 Total loan guarantee levels			4,059
Guaranteed loan subsidy (in percent):			
232001 Guaranteed 502 Single Family Housing, Purchase			-1.00
232003 Guaranteed 538 Multi-Family Housing			-15.11
232999 Weighted average subsidy rate			-1.10

For the 502 guarantee program, the Budget includes a general provision that allows for the guarantee fee on new 502 guaranteed loans to be increased to 3 percent from 2 percent. This causes the loans to be less costly for the Government without a significant additional burden to the borrowers, given that they can finance the fee as part of the loan. This proposal will allow funding in 2009 to be \$4.8 billion for purchase loans, an increase of over \$600 million above 2008. The increase compensates for the elimination of funding for direct single family housing loans.

For the 538 multifamily housing guaranteed loans, the appropriations language for the Rural Housing Insurance Fund includes a provision to block any fees or interest subsidies on these loans. As with the 502 guaranteed loan proposal, this also makes the loans to be less costly. It is consistent with HUDs multifamily housing guaranteed loan program and allows for an increased loan level of \$300 million with significantly less BA than was enacted for this program in 2008. These loans are made by private lenders at a negotiated rate of interest. Existing law requires that USDA reduce the interest rate charged by private lenders down to the Treasury rate for 20 percent of the loans made.

RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4215-0-3-371	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loans including upward adjustments of prior year obligations	1,381	1,344	38
00.02 Interest on Treasury Borrowing	667	685	703
00.05 Advances on behalf of borrowers	44	45	45
00.06 Other expenses	24	25	25
00.91 Direct Program by Activities—Subtotal (1 level)	2,116	2,099	811
08.01 Negative Subsidy Obligated			1
08.02 Downward reestimate subsidy		18	
08.91 Direct Program by Activities—Subtotal (1 level)		18	1
10.00 Total new obligations	2,116	2,117	812
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	80	104	139
22.00 New financing authority (gross)	2,199	2,238	893
22.10 Resources available from recoveries of prior year obligations	78		
22.60 Portion applied to repay debt	-80	-86	
22.70 Balance of authority to borrow withdrawn	-57		
23.90 Total budgetary resources available for obligation	2,220	2,256	1,032
23.95 Total new obligations	-2,116	-2,117	-812
24.40 Unobligated balance carried forward, end of year	104	139	220
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	1,830	1,439	310
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	1,598	1,830	1,762
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-12	-22	-66
69.47 Portion applied to repay debt	-1,217	-1,009	-1,113
69.90 Spending authority from offsetting collections (total mandatory)	369	799	583
70.00 Total new financing authority (gross)	2,199	2,238	893
Change in obligated balances:			
72.40 Unpaid obligations, fund balance with Treasury, start of year	534	507	474
73.10 Total new obligations	2,116	2,117	812
73.20 Total financing disbursements (gross)	-2,077	-2,172	-1,230
73.45 Recoveries of prior year obligations	-78		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	12	22	66
74.40 Obligated balance, end of year	507	474	122
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	2,077	2,172	1,230
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: payments from program account	-190	-324	-90

RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4215-0-3-371	2007 actual	2008 est.	2009 est.
88.25 Interest on uninvested funds	-70	-166	-190
88.40 Non-Federal sources: Repayments of principal	-776	-720	-837
88.40 Interest received on loans	-488	-525	-550
88.40 Payments on judgments	-12	-14	-14
88.40 Proceeds on sale of acquired property	-15	-31	-31
88.40 Recaptured income	-50	-36	-36
88.40 Fees	-9	-7	-7
88.40 Miscellaneous collections	12	-7	-7
88.90 Total, offsetting collections (cash)	-1,598	-1,830	-1,762
Against gross financing authority only:			
88.95 Change in receivables from program accounts	12	22	66
Net financing authority and financing disbursements:			
89.00 Financing authority	613	430	-803
90.00 Financing disbursements	479	342	-532

Status of Direct Loans (in millions of dollars)

Identification code 12-4215-0-3-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	1,381	1,344	38
1150 Total direct loan obligations	1,381	1,344	38
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	13,134	13,642	14,185
Disbursements:			
1231 Direct loan disbursements	1,374	1,394	455
1232 Purchase of loans assets from the public			
1251 Repayments: Repayments and prepayments	-776	-783	-789
1261 Adjustments: Capitalized interest	17	25	25
Write-offs for default:			
1263 Direct loans	-115	-68	-71
1264 Other adjustments, net (+ or -)	8	-25	-25
1290 Outstanding, end of year	13,642	14,185	13,780

This account finances direct rural housing loans for section 502 very low- and low-to-moderate-income home ownership loan program; section 504 very low income housing repair loan program; section 514 domestic farm labor housing loan program; section 515 rural rental housing loan program; sections 523 self-help housing loans, and 524 site development loans; and single family and multi-family housing credit sales of acquired property.

Loan programs are limited to rural areas that include towns, villages and other places which are not part of an urban area and that have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low and moderate-income borrowers.

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

Balance Sheet (in millions of dollars)

Identification code 12-4215-0-3-371	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	80	116
Investments in US securities:		
1106 Receivables, net	192	223

1206 Non-Federal assets: Receivables, net		21
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	13,162	13,642
1402 Interest receivable	63	122
1404 Foreclosed property	16	24
1405 Allowance for subsidy cost (-)	-2,036	-2,062
1499 Net present value of assets related to direct loans	11,205	11,726
1999 Total assets	11,477	12,086
LIABILITIES:		
Federal liabilities:		
2103 Debt	10,960	11,487
2105 Other	503	593
2207 Non-Federal liabilities: Other	14	6
2999 Total liabilities	11,477	12,086
4999 Total liabilities and net position	11,477	12,086

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4216-0-3-371	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Default claims	100	118	136
00.03 Interest assistance paid to lenders	1	2	2
00.04 Other	1		
00.91 Direct Program by Activities—Subtotal (1 level)	102	120	138
08.02 Downward reestimate of subsidy		29	
08.04 Interest on downward reestimate		6	
08.91 Direct Program by Activities—Subtotal (1 level)		35	
10.00 Total new obligations	102	155	138
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	591	644	710
22.00 New financing authority (gross)	155	221	119
23.90 Total budgetary resources available for obligation	746	865	829
23.95 Total new obligations	-102	-155	-138
24.40 Unobligated balance carried forward, end of year	644	710	691
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	4	8	8
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	151	214	112
69.10 Change in uncollected customer payments from Federal sources (unexpired)		-1	-1
69.90 Spending authority from offsetting collections (total mandatory)	151	213	111
70.00 Total new financing authority (gross)	155	221	119
Change in obligated balances:			
73.10 Total new obligations	102	155	138
73.20 Total financing disbursements (gross)	-102	-156	-139
74.00 Change in uncollected customer payments from Federal sources (unexpired)		1	1
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	102	156	139
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-50	-84	-31
88.25 Interest on uninvested funds	-28	-30	-35
88.40 Non-Federal sources: guarantee fees	-73	-100	-46
88.90 Total, offsetting collections (cash)	-151	-214	-112
Against gross financing authority only:			
88.95 Change in receivables from program accounts		1	1
Net financing authority and financing disbursements:			
89.00 Financing authority	4	8	8

90.00	Financing disbursements	-49	-58	27
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Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4216-0-3-371	2007 actual	2008 est.	2009 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders			
2131	Guaranteed loan commitments exempt from limitation	3,754	6,141	1,090
2150	Total guaranteed loan commitments	3,754	6,141	1,090
2199	Guaranteed amount of guaranteed loan commitments	3,379	5,527	981
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	15,579	17,238	19,824
2231	Disbursements of new guaranteed loans	3,504	5,253	2,399
2251	Repayments and prepayments	-1,606	-2,396	-2,762
2263	Adjustments: Terminations for default that result in claim payments	-239	-271	-312
2290	Outstanding, end of year	17,238	19,824	19,149
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	15,514	17,569	16,961

This account finances the nonsubsidized guaranteed section 502 low-to-moderate-income home ownership loan program as well as the re-financings those loans and section 538 guaranteed multi-family housing loan program. The guaranteed programs enable RHS to utilize private sector resources for the making and servicing of loans while the Agency provides a financial guarantee to encourage private sector activity.

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

Balance Sheet (in millions of dollars)

Identification code 12-4216-0-3-371	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101	Fund balances with Treasury	643
1106	Investments in US securities:	22
1999	Receivables, net	665
LIABILITIES:		
Federal liabilities:		
2103	Debt	4
2104	Resources payable to Treasury	44
2204	Non-Federal liabilities: Liabilities for loan guarantees	617
2999	Total liabilities	665
4999	Total liabilities and net position	665

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4216-2-3-371	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
22.00	New financing authority (gross)		108
24.40	Unobligated balance carried forward, end of year		108
New financing authority (gross), detail:			
Mandatory:			
69.00	Spending authority from offsetting collections: Offsetting collections (cash)		108

Offsets:

Against gross financing authority and financing disbursements:			
88.40	Offsetting collections (cash) from: Non-Federal sources: guarantee fees		-108

Net financing authority and financing disbursements:

89.00	Financing authority		
90.00	Financing disbursements		-108

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4216-2-3-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation		4,059
2150	Total guaranteed loan commitments		4,059
2199	Guaranteed amount of guaranteed loan commitments		3,653
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		
2231	Disbursements of new guaranteed loans		2,897
2251	Repayments and prepayments		
2263	Adjustments: Terminations for default that result in claim payments		
2290	Outstanding, end of year		2,897
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year		2,592

Reflects the increases in lending as a result of the legislative proposal in section 502 guaranteed loans to increase the fee from 2% to 3% as well as the proposal for section 538 multifamily housing guaranteed loans, where we are removing the interest subsidy as well as the fee component.

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4141-0-3-371	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.02	Advances on behalf of borrowers	34	33	29
01.07	Other costs incident to loans	3	3	3
10.00	Total new obligations	37	36	32
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	59		
22.00	New budget authority (gross)		36	32
22.10	Resources available from recoveries of prior year obligations	11		
22.40	Capital transfer to general fund	-33		
23.90	Total budgetary resources available for obligation	37	36	32
23.95	Total new obligations	-37	-36	-32
24.40	Unobligated balance carried forward, end of year			
New budget authority (gross), detail:				
Mandatory:				
Spending authority from offsetting collections:				
69.00	Offsetting collections (cash)	1,025	1,012	939
69.27	Capital transfer to general fund	-1,025	-976	-907
69.90	Spending authority from offsetting collections (total mandatory)		36	32
Change in obligated balances:				
72.40	Unpaid fund balance with treasury, end of year	30	32	32
73.10	Total new obligations	37	36	32
73.20	Total outlays (gross)	-24	-36	-32
73.45	Recoveries of prior year obligations	-11		
74.40	Obligated balance, end of year	32	32	32

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT—
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4141-0-3-371	2007 actual	2008 est.	2009 est.
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		36	32
86.98 Outlays from mandatory balances	24		
87.00 Total outlays (gross)	24	36	32
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-10	-16	-13
88.40 Repayments of loans and advances	-532	-504	-478
88.40 Proceeds from sale of acquired property	-11	-15	-16
88.40 Payments on judgments	-3	-5	-5
88.40 Interest payments from borrowers	-387	-312	-271
88.40 Recapture of subsidies	-90	-155	-153
88.40 Income from residual investment in loan asset sale	-9	-5	-3
88.40 Fees and other revenue	17		
88.90 Total, offsetting collections (cash)	-1,025	-1,012	-939
Net budget authority and outlays:			
89.00 Budget authority	-1,025	-976	-907
90.00 Outlays	-1,001	-976	-907

Status of Direct Loans (in millions of dollars)

Identification code 12-4141-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	11,468	10,845	10,243
1251 Repayments: Repayments and prepayments	-532	-556	-556
1261 Adjustments: Capitalized interest	7	10	10
Write-offs for default:			
1263 Direct loans	-53	-29	-29
1264 Other adjustments, net (+ or -)	-45	-27	-21
1290 Outstanding, end of year	10,845	10,243	9,647

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4141-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	6	6	5
2251 Repayments and prepayments		-1	-1
2290 Outstanding, end of year	6	5	4
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	5	4	4

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4141-0-3-371	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	89	32
1601 Direct loans, gross	11,468	10,845
1602 Interest receivable	737	727
1603 Allowance for estimated uncollectible loans and interest (-)	-5,735	-5,672
1604 Direct loans and interest receivable, net	6,470	5,900
1606 Foreclosed property	16	21
1699 Value of assets related to direct loans	6,486	5,921
1901 Other Federal assets: Other assets	3	112
1999 Total assets	6,578	6,065

LIABILITIES:

Federal liabilities:			
2102 Interest payable	1		1
2103 Debt	1		1
2104 Resources payable to Treasury	6,477		5,967
Non-Federal liabilities:			
2204 Liabilities for loan guarantees	1		1
2207 Other	98		95
2999 Total liabilities	6,578		6,065
4999 Total liabilities and net position	6,578		6,065

Object Classification (in millions of dollars)

Identification code 12-4141-0-3-371	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services	3	3	3
33.0 Investments and loans	34	33	29
99.9 Total new obligations	37	36	32

RURAL BUSINESS—COOPERATIVE SERVICE

Federal Funds

BIOMASS RESEARCH AND DEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 12-1003-0-1-271	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Biomass research and development	14	14	
10.00 Total new obligations (object class 41.0)	14	14	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	14	14	
22.00 New budget authority (gross)	14		
23.90 Total budgetary resources available for obligation	28	14	
23.95 Total new obligations	-14	-14	
24.40 Unobligated balance carried forward, end of year	14		
New budget authority (gross), detail:			
Mandatory:			
62.00 Transferred from other accounts	14		
Change in obligated balances:			
72.40 Obligated balance, start of year	23	29	34
73.10 Total new obligations	14	14	
73.20 Total outlays (gross)	-8	-9	-12
74.40 Obligated balance, end of year	29	34	22
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	8		
86.98 Outlays from mandatory balances		9	12
87.00 Total outlays (gross)	8	9	12
Net budget authority and outlays:			
89.00 Budget authority	14		
90.00 Outlays	8	9	12

Biomass Research and Development is authorized by the Biomass Research and Development Act of 2000. The program provides competitive grants for research, development, and demonstration to encourage innovation and development related to biomass, and improved commercialization of biobased products and energy. USDA and the Department of Energy jointly administer the program.

Current priorities focus on the following: feedstock development and production; biobased products emphasizing environmental and economic performance; integrated resource management and biomass use; and effective and targeted incentive systems for biomass commercialization and adoption. No discretionary funding was provided in 2008 or is requested in 2009 for this program.

[RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS]

For grants in connection with empowerment zones and enterprise communities, \$8,187,000, to remain available until expended, for designated rural empowerment zones and rural enterprise communities, as authorized by the Taxpayer Relief Act of 1997 and the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277): *Provided*, That the funds provided under this paragraph shall be made available to empowerment zones and enterprise communities in a manner and with the same priorities such funds were made available during the 2007 fiscal year. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-0402-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Rural empowerment zones and enterprise community grants	11	11	
10.00 Total new obligations (object class 41.0)	11	11	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	3	
22.00 New budget authority (gross)	11	8	
23.90 Total budgetary resources available for obligation	14	11	
23.95 Total new obligations	-11	-11	
24.40 Unobligated balance carried forward, end of year	3		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	11	8	
Change in obligated balances:			
72.40 Obligated balance, start of year	24	24	19
73.10 Total new obligations	11	11	
73.20 Total outlays (gross)	-11	-16	-10
74.40 Obligated balance, end of year	24	19	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	1	
86.93 Outlays from discretionary balances	9	15	10
87.00 Total outlays (gross)	11	16	10
Net budget authority and outlays:			
89.00 Budget authority	11	8	
90.00 Outlays	11	16	10

The goal of the Empowerment Zone/Enterprise Community (EZ/EC) initiative is to revitalize rural communities in a manner that attracts private sector investment and thereby provides self-sustaining community and economic development. No funding is requested in 2009 for EZ/EC grants.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), [\$28,023,000] \$4,455,000, of which [\$495,000 shall be for a cooperative research agreement with a qualified academic institution to conduct research on the national economic impact of all types of cooperatives; and of which \$2,600,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed \$1,473,000] \$1,500,000 shall be for cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, [minority] socially disadvantaged producers and whose governing board and/or membership is comprised of at least 75 percent [minority; and of which \$19,000,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 6401 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1621 note)] socially disadvantaged members. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1900-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Rural Cooperative Development Grants	5	6	4
00.10 Value-added Agricultural Product Marketing (mandatory)	1		
00.11 Value added Agricultural Product Marketing (discretionary)	23	20	
00.12 Appropriate Technology Transfer for Rural Areas	1	3	
10.00 Total new obligations (object class 41.0)	30	29	4
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	2	1
22.00 New budget authority (gross)	27	28	4
22.10 Resources available from recoveries of prior year obligations	4		
23.90 Total budgetary resources available for obligation	32	30	5
23.95 Total new obligations	-30	-29	-4
24.40 Unobligated balance carried forward, end of year	2	1	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	27	28	4
Change in obligated balances:			
72.40 Obligated balance, start of year	54	48	42
73.10 Total new obligations	30	29	4
73.20 Total outlays (gross)	-31	-35	-24
73.40 Adjustments in expired accounts (net)	-1		
73.45 Recoveries of prior year obligations	-4		
74.40 Obligated balance, end of year	48	42	22
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	6	
86.93 Outlays from discretionary balances	30	29	24
87.00 Total outlays (gross)	31	35	24
Net budget authority and outlays:			
89.00 Budget authority	27	28	4
90.00 Outlays	31	35	24

Grants for rural cooperative development were authorized under section 310B(e) of the Consolidated Farm and Rural Development Act by Public Law 104-127, April 4, 1996. These grants are made available to nonprofit corporations and institutions of higher education to fund the establishment and operation of centers for rural cooperative development. The primary purpose of the centers is the improvement of economic conditions of rural areas through the development of new cooperatives and improving operations of existing cooperatives. RBS can fund up to 75 percent of any project and associated administrative costs and requires at least a 25 percent matching share from the applicant which must be from non-Federal sources. In 2006, the Rural Business Service began a separate solicitation for the Small Minority Producer Grant. These grants provide assistance to small, minority producers through cooperatives and associations of cooperatives.

The Appropriate Technology Transfer to Rural Areas (ATTRA) program was first authorized by the Food Security Act of 1985. The program provides information and technical assistance to agricultural producers to adopt sustainable agricultural practices that are environmentally friendly and lower production costs. No funding is requested for 2009.

Additionally, USDA provides value added marketing grants for producers of agricultural commodities. These grants can be used for planning activities and for working capital for marketing value-added agricultural products. No funding is proposed for 2009.

RURAL ECONOMIC DEVELOPMENT GRANTS

Of the funds derived from interest on the cushion of credit of payments, as authorized by section 313 of the Rural Electrification Act of 1936, \$39,000,000 is hereby permanently cancelled.

Program and Financing (in millions of dollars)

Identification code 12-3105-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Rural economic development grants	10		
10.00 Total new obligations (object class 41.0)	10		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	82	42	40
22.00 New budget authority (gross)	-30	-2	-16
23.90 Total budgetary resources available for obligation	52	40	24
23.95 Total new obligations	-10		
24.40 Unobligated balance carried forward, end of year	42	40	24
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced			-39
Mandatory:			
60.36 Unobligated balance permanently reduced	-74	-34	
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	89	26	32
69.00 Offsetting collections (cash)		7	7
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-45	-1	-16
69.90 Spending authority from offsetting collections (total mandatory)	44	32	23
70.00 Total new budget authority (gross)	-30	-2	-16
Change in obligated balances:			
72.40 Obligated balance, start of year	-57	-12	-2
73.10 Total new obligations	10		
73.20 Total outlays (gross)	-10	9	-23
74.00 Change in uncollected customer payments from Federal sources (unexpired)	45	1	16
74.40 Obligated balance, end of year	-12	-2	-9
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	-30	-2	23
86.98 Outlays from mandatory balances	40	-7	
87.00 Total outlays (gross)	10	-9	23
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-89	-33	-39
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	45	1	16
Net budget authority and outlays:			
89.00 Budget authority	-74	-34	-39
90.00 Outlays	-79	-42	-16

This grant program is authorized under section 313 of the Rural Electrification Act, as amended, and provides funds for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects and other expenses for the purpose of fostering rural development.

Funding for this program is provided from the interest differential on Rural Utilities Service borrowers' "cushion of credit" accounts. The Budget proposes a cancellation of \$39 million, or all available balances, from the "cushion of credit" account in 2009; no funding is proposed for rural economic development grants.

NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER

Program and Financing (in millions of dollars)

Identification code 12-1906-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 National sheep industry improvement center	1		
10.00 Total new obligations (object class 41.0)	1		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1		
23.95 Total new obligations	-1		
24.40 Unobligated balance carried forward, end of year			
Change in obligated balances:			
72.40 Obligated balance, start of year	5		
73.10 Total new obligations	1		
73.20 Total outlays (gross)	-6		
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	6		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	6		

The Federal Agriculture Improvement Act of 1996 established the National Sheep Industry Improvement Center to promote activities to strengthen and enhance production or marketing of sheep and goat products in the United States. This Program was privatized in September 2006, as required by statute, and is now the American Sheep and Goat Center.

RURAL STRATEGIC INVESTMENT PROGRAM GRANTS

The Rural Strategic Investment Program is authorized under 7 U.S.C. 2009dd. The Rural Strategic Investment Program provides rural communities with flexible resources to develop comprehensive, collaborative, and locally-based strategic planning processes; and implemented innovative community and economic development strategies that optimize regional competitive advantages. The program was authorized and funded in section 6030 of the Farm Security and Rural Investment Act of 2002, Public Law 107-171. The Deficit Reduction Act canceled the funding and no funding is provided in the Budget.

RURAL BUSINESS PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For the cost of [direct loans,] loan guarantees[, and grants,] for the rural business development programs authorized by [sections 306 and] section 310B and described in section [310B(f) and] 381E(d)(3) of the Consolidated Farm and Rural Development Act, [\$87,700,000] \$30,450,000, to remain available until expended: *Provided*, That of the amount appropriated under this heading, not to exceed [\$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development and \$3,000,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 1921 et seq.) for any Rural Community Advancement Program purpose as described in section 381E(d) of the Consolidated Farm and Rural Development Act, of which not more than 5 percent may be used for administrative expenses: *Provided further*, That \$4,000,000 of the amount appropriated under this heading shall be for business grants to benefit Federally Recognized Native American Tribes, including \$250,000 for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That not to exceed \$8,300,000] \$170,000 of the amount appropriated under this heading shall be available through June 30, [2008] 2009, for authorized empowerment

zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural business and cooperative development programs described in section 381E(d)(3) of the Consolidated Farm and Rural Development Act: *Provided further*, That section 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to funds made available under this heading: *Provided further*, That any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by sections 306 and 310B and described in section 310B(f) and 381E(d)(3) of such Act be transferred and merged with this account and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines is appropriate to transfer. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1902-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02		63	30
00.07		14	
00.08		9	
00.10		47	
00.11		2	
00.12		3	
10.00		138	30
Budgetary resources available for obligation:			
22.00		110	30
22.22		28	
23.90		138	30
23.95		-138	-30
New budget authority (gross), detail:			
Discretionary:			
40.00		88	30
40.33		-1	
43.00		87	30
Mandatory:			
60.00		23	
70.00		110	30
Change in obligated balances:			
72.40			141
73.10		138	30
73.20		-103	-86
73.32		106	
74.40		141	85
Outlays (gross), detail:			
86.90		22	12
86.93		58	74
86.97		23	
87.00		103	86
Net budget authority and outlays:			
89.00		110	30
90.00		103	86

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

Identification code 12-1902-0-1-452	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215003		1,463	700
215999		1,463	700
Guaranteed loan subsidy (in percent):			
232003		4.33	4.35
232999		4.33	4.35
Guaranteed loan subsidy budget authority:			
233003		63	30

233999	Total subsidy budget authority	63	30
Guaranteed loan subsidy outlays:			
234003	Business and Industry/NAD Bank Loan Guarantees	22	36
234999	Total subsidy outlays	22	36
Guaranteed loan upward reestimates:			
235003	Business and Industry/NAD Bank Loan Guarantees	22	
235999	Total upward reestimate budget authority	22	
Guaranteed loan downward reestimates:			
237003	Business and Industry/NAD Bank Loan Guarantees	-64	
237999	Total downward reestimate subsidy budget authority	-64	

This account funds direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. Since the passage of the Federal Agriculture Improvement and Reform Act of 1996 through 2007, the funding for these programs was provided as part of the Rural Community Advancement Program (RCAP). Starting in 2008, each funding stream was appropriated separately in a new account. This is the new account for the Business funding stream. Business and industry guaranteed and direct loans are authorized under section 310B(a)(1) of the Consolidated Farm and Rural Development, as amended. These loans are made to public, private or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas. For direct loans no funds were requested or provided since 2002, and no funds are requested in 2009. 2009 projections for loan guarantees are \$700 million. No funding is provided in this account for the rural business enterprise grants or the rural business opportunity grants.

RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4223-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02	Interest on Treasury borrowings	1	1
10.00	Total new obligations	1	1
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	9	17
22.00	New financing authority (gross)	10	7
22.60	Portion applied to repay debt	-3	-6
23.90	Total budgetary resources available for obligation	16	18
23.95	Total new obligations	-1	-1
24.40	Unobligated balance carried forward, end of year	16	17
New financing authority (gross), detail:			
Mandatory:			
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	10	7
Change in obligated balances:			
73.10	Total new obligations	1	1
73.20	Total financing disbursements (gross)	-1	-1
Outlays (gross), detail:			
87.00	Total financing disbursements (gross)	1	1
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25	Interest on uninvested funds	-2	-1
88.40	Repayments of principal	-5	-4
88.40	Interest received on loans	-3	-2
88.40	Non-Federal sources	-2	
88.90	Total, offsetting collections (cash)	-10	-7

RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4223-0-3-452	2007 actual	2008 est.	2009 est.
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-10	-7	-6

Status of Direct Loans (in millions of dollars)

Identification code 12-4223-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	70	51	43
1251 Repayments: Repayments and prepayments	-5	-4	-4
1263 Write-offs for default: Direct loans	-14	-4	-4
1290 Outstanding, end of year	51	43	35

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Business and Industry Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Direct business and industry loans were made to public, private, or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas. Funding for this purpose was discontinued beginning in 2002.

Balance Sheet (in millions of dollars)

Identification code 12-4223-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	9	17
Investments in US securities:		
1106 Receivables, net		5
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	70	51
1402 Interest receivable	7	1
1405 Allowance for subsidy cost (-)	-66	-38
1499 Net present value of assets related to direct loans	11	14
1999 Total assets	20	36
LIABILITIES:		
Federal liabilities:		
2104 Resources payable to Treasury	5	2
2105 Other	15	34
2999 Total liabilities	20	36
4999 Total liabilities and net position	20	36

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4227-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Default claims	21	23	26
00.02 Interest to Treasury	9	9	9
00.05 Purchase from Secondary Market	34	38	42
00.06 Other	10		
00.91 Direct Program by Activities—Subtotal (1 level)	74	70	77
08.02 Subsidy reestimates paid to receipt account	23	21	
08.04 Interest on downward reestimates	10	44	

08.91 Direct Program by Activities—Subtotal (1 level)	33	65	
10.00 Total new obligations	107	135	77

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	332	248	124
22.00 New financing authority (gross)	23	111	109
22.60 Portion applied to repay debt		-100	-100
23.90 Total budgetary resources available for obligation	355	259	133
23.95 Total new obligations	-107	-135	-77
24.40 Unobligated balance carried forward, end of year	248	124	56

New financing authority (gross), detail:

Mandatory:			
67.10 Authority to borrow	10	18	16
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	111	93	93
69.47 Portion applied to repay debt	-98		
69.90 Spending authority from offsetting collections (total mandatory)	13	93	93
70.00 Total new financing authority (gross)	23	111	109

Change in obligated balances:

73.10 Total new obligations	107	135	77
73.20 Total financing disbursements (gross)	-107	-135	-77

Outlays (gross), detail:

87.00 Total financing disbursements (gross)	107	135	77
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Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-57	-44	-36
88.25 Interest on uninvested funds	-20	-9	-11
88.40 Interest and principal on purchased loans from secondary market	-25	-30	-35
88.40 Guarantee fees	-9	-10	-11
88.90 Total, offsetting collections (cash)	-111	-93	-93

Net financing authority and financing disbursements:

89.00 Financing authority	-88	18	16
90.00 Financing disbursements	-4	42	-16

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4227-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation	834	1,463	700
2150 Total guaranteed loan commitments	834	1,463	700
2199 Guaranteed amount of guaranteed loan commitments	667	1,170	560
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	3,884	3,655	3,858
2231 Disbursements of new guaranteed loans	583	1,011	1,042
2251 Repayments and prepayments	-717	-696	-735
2263 Adjustments: Terminations for default that result in claim payments	-95	-112	-132
2290 Outstanding, end of year	3,655	3,858	4,033

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,930	3,093	3,233
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As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Business and Industry Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance

Fund Liquidating Account. The account finances loan guarantee commitments for business development in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4227-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	332	248
1106 Investments in US securities:		
1106 Receivables, net	162	175
1999 Total assets	494	423
LIABILITIES:		
Federal liabilities:		
2104 Resources payable to Treasury	150	63
2105 Other	17	75
2204 Non-Federal liabilities: Liabilities for loan guarantees	327	285
2999 Total liabilities	494	423
4999 Total liabilities and net position	494	423

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), \$33,772,000.

For the cost of direct loans, **[\$14,485,000] \$14,134,000**, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which \$1,724,000 shall be available through June 30, 2008, for Federally Recognized Native American Tribes and of which \$3,449,000 shall be available through June 30, 2008, for Mississippi Delta Region counties (as determined in accordance with Public Law 100-460): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That of the total amount appropriated, \$880,000 shall be available through June 30, **[2008] 2009**, for the cost of direct loans for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, **[\$4,774,000] \$4,574,000** shall be **[transferred to and merged with] paid to** the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-2069-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan subsidy	15	14	14
00.05 Reestimates of direct loan subsidy	1	3	
00.06 Interest on reestimates of direct loan subsidy	7		
00.09 Administrative expense	5	5	5
10.00 Total new obligations	28	22	19
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	28	22	19
23.95 Total new obligations	-28	-22	-19
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	20	19	19
Mandatory:			
60.00 Appropriation	8	3	
70.00 Total new budget authority (gross)	28	22	19
Change in obligated balances:			
72.40 Obligated balance, start of year	43	38	34
73.10 Total new obligations	28	22	19
73.20 Total outlays (gross)	-30	-26	-22
73.40 Adjustments in expired accounts (net)	-3		
74.40 Obligated balance, end of year	38	34	31
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	6	6	6

86.93 Outlays from discretionary balances	16	17	16
86.97 Outlays from new mandatory authority	8	3	
87.00 Total outlays (gross)	30	26	22

Net budget authority and outlays:

89.00 Budget authority	28	22	19
90.00 Outlays	30	26	22

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

Identification code 12-2069-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Intermediary Relending Program	34	34	34
115999 Total direct loan levels	34	34	34
Direct loan subsidy (in percent):			
132001 Intermediary Relending Program	44.07	42.89	41.85
132999 Weighted average subsidy rate	44.07	42.89	41.85
Direct loan subsidy budget authority:			
133001 Intermediary Relending Program	15	14	14
133999 Total subsidy budget authority	15	14	14
Direct loan subsidy outlays:			
134001 Intermediary Relending Program	17	18	17
134999 Total subsidy outlays	17	18	17
Direct loan upward reestimates:			
135001 Intermediary Relending Program	8	3	
135999 Total upward reestimate budget authority	8	3	
Direct loan downward reestimates:			
137001 Intermediary Relending Program	-9	-3	
137999 Total downward reestimate budget authority	-9	-3	
Administrative expense data:			
3510 Budget authority	5	5	5
3590 Outlays from new authority	5	5	5

This account finances loans to intermediary borrowers, who, in turn, re-lend the funds to small rural businesses, community development corporations, and other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need.

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

Object Classification (in millions of dollars)

Identification code 12-2069-0-1-452	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.3 Other purchases of goods and services from Government accounts	5	5	5
41.0 Grants, subsidies, and contributions	23	17	14
99.9 Total new obligations	28	22	19

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4219-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loans	34	34	34
00.02 Interest on Treasury Borrowing	17	16	16
00.91 Direct Program by Activities—Subtotal	51	50	50

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4219-0-3-452	2007 actual	2008 est.	2009 est.
08.02 Downward subsidy reestimate paid to receipt account	8	2	
08.04 Interest on downward subsidy reestimate paid to receipt account		1	
08.91 Direct Program by Activities—Subtotal	8	3	
10.00 Total new obligations	59	53	50
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1		
22.00 New financing authority (gross)	54	54	50
22.10 Resources available from recoveries of prior year obligations	8		
22.60 Portion applied to repay debt		-1	
22.70 Balance of authority to borrow withdrawn	-4		
23.90 Total budgetary resources available for obligation	59	53	50
23.95 Total new obligations	-59	-53	-50
24.40 Unobligated balance carried forward, end of year			
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	41	24	24
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	48	45	43
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-5		
69.47 Portion applied to repay debt	-30	-15	-17
69.90 Spending authority from offsetting collections (total mandatory)	13	30	26
70.00 Total new financing authority (gross)	54	54	50
Change in obligated balances:			
72.40 Obligated balance, start of year	52	46	53
73.10 Total new obligations	59	53	50
73.20 Total financing disbursements (gross)	-62	-46	-46
73.45 Recoveries of prior year obligations	-8		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	5		
74.40 Obligated balance, end of year	46	53	57
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	62	46	46
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-25	-21	-17
88.25 Interest on uninvested funds	-2	-3	-3
88.40 Non-Federal sources—repayment of principal	-17	-17	-18
88.40 Non-Federal sources—interest on loans	-4	-4	-5
88.90 Total, offsetting collections (cash)	-48	-45	-43
Against gross financing authority only:			
88.95 Change in receivables from program accounts	5		
Net financing authority and financing disbursements:			
89.00 Financing authority	11	9	7
90.00 Financing disbursements	14	1	3

Status of Direct Loans (in millions of dollars)

Identification code 12-4219-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	34	34	34
1150 Total direct loan obligations	34	34	34
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	399	419	445
1231 Disbursements: Direct loan disbursements	37	43	39

1251 Repayments: Repayments and prepayments	-17	-17	-18
1290 Outstanding, end of year	419	445	466

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

Balance Sheet (in millions of dollars)

Identification code 12-4219-0-3-452	2006 actual	2007 actual
ASSETS:		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	399	419
1402 Interest receivable	2	2
1405 Allowance for subsidy cost (-)	-154	-154
1499 Net present value of assets related to direct loans	247	267
1999 Total assets	247	267
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	247	267
2999 Total liabilities	247	267
4999 Total liabilities and net position	247	267

RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4233-0-3-452	2007 actual	2008 est.	2009 est.
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	4	4	4
69.27 Capital transfer to general fund	-4	-4	-4
69.90 Spending authority from offsetting collections (total mandatory)			
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Loan repayments	-4	-4	-4
Net budget authority and outlays:			
89.00 Budget authority	-4	-4	-4
90.00 Outlays	-4	-4	-4

Status of Direct Loans (in millions of dollars)

Identification code 12-4233-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	44	41	37
1251 Repayments: Repayments and prepayments	-3	-4	-4
1263 Write-offs for default: Direct loans			
1290 Outstanding, end of year	41	37	33

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4233-0-3-452	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury		1
1601 Direct loans, gross	44	41
1602 Interest receivable	1	
1603 Allowance for estimated uncollectible loans and interest (-)	-22	-20
1604 Direct loans and interest receivable, net	23	21

1699	Value of assets related to direct loans	23	21
1999	Total assets	23	22
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	23	22
2999	Total liabilities	23	22
4999	Total liabilities and net position	23	22

[RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT]

[(INCLUDING RESCISSION OF FUNDS)]

[For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$33,077,000.]

Of the funds derived from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936, \$34,000,000 shall not be obligated and \$34,000,000 are rescinded. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-3108-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Direct loan subsidy	6	7
00.05	Reestimates of direct loan subsidy	1	3
00.06	Interest on reestimates of direct loan subsidy	3	1
10.00	Total new obligations (object class 41.0)	10	11
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	9	11
22.10	Resources available from recoveries of prior year obligations	1	
23.90	Total budgetary resources available for obligation	10	11
23.95	Total new obligations	-10	-11
24.40	Unobligated balance carried forward, end of year		
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	5	
Mandatory:			
60.00	Appropriation	4	4
69.00	Spending authority from offsetting collections: Offsetting collections (cash)		7
70.00	Total new budget authority (gross)	9	11
Change in obligated balances:			
72.40	Obligated balance, start of year	4	6
73.10	Total new obligations	10	11
73.20	Total outlays (gross)	-7	-9
73.45	Recoveries of prior year obligations	-1	
74.40	Obligated balance, end of year	6	8
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	1	
86.93	Outlays from discretionary balances	2	3
86.97	Outlays from new mandatory authority	4	6
86.98	Outlays from mandatory balances		4
87.00	Total outlays (gross)	7	9
Offsets:			
Against gross budget authority and outlays:			
88.00	Offsetting collections (cash) from: Federal sources		-7
Net budget authority and outlays:			
89.00	Budget authority	9	4
90.00	Outlays	7	2

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

Identification code 12-3108-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001	Rural Economic Development Loans	26	33
115999	Total direct loan levels	26	33
Direct loan subsidy (in percent):			
132001	Rural Economic Development Loans	21.84	22.59
132999	Weighted average subsidy rate	21.84	22.59
Direct loan subsidy budget authority:			
133001	Rural Economic Development Loans	6	7
133999	Total subsidy budget authority	6	7
Direct loan subsidy outlays:			
134001	Rural Economic Development Loans	3	5
134999	Total subsidy outlays	3	5
Direct loan upward reestimates:			
135001	Rural Economic Development Loans	4	4
135999	Total upward reestimate budget authority	4	4
Direct loan downward reestimates:			
137001	Rural Economic Development Loans	-4	-2
137999	Total downward reestimate budget authority	-4	-2

Rural economic development loans are made for the purpose of promoting rural economic development and job creation projects. Loans are made to electric and telecommunication borrowers, who, in turn, finance rural development projects in their service areas. Program costs are derived from interest earnings on borrowers' "cushion of credit" loan prepayments. The Budget proposes no funding for this program in 2009.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond. The subsidy amounts are estimated on a present value basis.

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4176-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Direct loans	26	33
00.02	Interest expense	5	5
00.91	Direct Program by Activities—Subtotal (1 level)	31	38
08.02	Downward subsidy reestimate paid to receipt account	3	1
08.04	Interest on downward reestimates	1	1
08.91	Direct Program by Activities—Subtotal (1 level)	4	2
10.00	Total new obligations	35	40
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year		2
22.00	New financing authority (gross)	42	42
22.10	Resources available from recoveries of prior year obligations	2	
22.60	Portion applied to repay debt		-4
22.70	Balance of authority to borrow withdrawn	-7	
23.90	Total budgetary resources available for obligation	37	40
23.95	Total new obligations	-35	-40
24.40	Unobligated balance carried forward, end of year	2	
New financing authority (gross), detail:			
Mandatory:			
67.10	Authority to borrow	31	28
Spending authority from offsetting collections:			
69.00	Offsetting collections (cash)	24	31
69.10	Change in uncollected customer payments from Federal sources (unexpired)	2	
69.47	Portion applied to repay debt	-15	-17

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4176-0-3-452	2007 actual	2008 est.	2009 est.
69.90 Spending authority from offsetting collections (total mandatory)	11	14	11
70.00 Total new financing authority (gross)	42	42	39
Change in obligated balances:			
72.40 Obligated balance, start of year	15	21	21
73.10 Total new obligations	35	40	5
73.20 Total financing disbursements (gross)	-25	-40	-40
73.45 Recoveries of prior year obligations	-2		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.40 Obligated balance, end of year	21	21	-14
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	25	40	40
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal Funds: Program Account	-7	-9	-6
88.25 Interest on uninvested funds	-1	-4	-4
88.40 Non-Federal sources: Repayment of Principal	-16	-18	-19
88.90 Total, offsetting collections (cash)	-24	-31	-29
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-2		
Net financing authority and financing disbursements:			
89.00 Financing authority	16	11	10
90.00 Financing disbursements	1	9	11

Status of Direct Loans (in millions of dollars)

Identification code 12-4176-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	26	33	
1150 Total direct loan obligations	26	33	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	83	83	88
1231 Disbursements: Direct loan disbursements	16	23	25
1251 Repayments: Repayments and prepayments	-16	-18	-19
1290 Outstanding, end of year	83	88	94

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

Balance Sheet (in millions of dollars)

Identification code 12-4176-0-3-452	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	2	2
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	83	83
1405 Allowance for subsidy cost (-)	-2	-2
1499 Net present value of assets related to direct loans	81	81
1999 Total assets	83	83
LIABILITIES:		
Federal liabilities:		
2104 Resources payable to Treasury	82	82
2105 Other	1	1
2999 Total liabilities	83	83

4999 Total liabilities and net position	83	83
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RURAL BUSINESS INVESTMENT PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-1907-0-1-452	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	94		
22.00 New budget authority (gross)	-94		
23.90 Total budgetary resources available for obligation			
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
60.36 Unobligated balance permanently reduced	-94		
Change in obligated balances:			
72.40 Obligated balance, start of year	5	5	2
73.20 Total outlays (gross)		-3	
74.40 Obligated balance, end of year	5	2	2
Outlays (gross), detail:			
86.98 Outlays from mandatory balances		3	
Net budget authority and outlays:			
89.00 Budget authority	-94		
90.00 Outlays		3	

The Rural Business Investment Program was authorized and provided mandatory funding by section 6029 of the Farm Security and Rural Investment Act of 2002, Public Law 107-171. The Deficit Reduction Act rescinded the unobligated balance and no funds are requested for 2009.

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

RURAL BUSINESS INVESTMENT PROGRAM GUARANTEE FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4033-0-3-452	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2	2	2
24.40 Unobligated balance carried forward, end of year	2	2	2
New financing authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)		2	
69.10 Change in uncollected customer payments from Federal sources (unexpired)		-2	
69.90 Spending authority from offsetting collections (total mandatory)			
Change in obligated balances:			
72.40 Obligated balance, start of year	-2	-2	
74.00 Change in uncollected customer payments from Federal sources (unexpired)		2	
74.40 Obligated balance, end of year	-2		
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources		-2	
Against gross financing authority only:			

88.95	Change in receivables from program accounts	2	.....
Net financing authority and financing disbursements:			
89.00	Financing authority		
90.00	Financing disbursements	-2	.....

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4033-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation		
2150	Total guaranteed loan commitments		
2199	Guaranteed amount of guaranteed loan commitments		
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		24
2231	Disbursements of new guaranteed loans	24	.....
2251	Repayments and prepayments		-1
2290	Outstanding, end of year	24	23
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	24	23

Balance Sheet (in millions of dollars)

Identification code 12-4033-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets: Investments in US securities:		
1106	Receivables, net	2 2
LIABILITIES:		
2204	Non-Federal liabilities: Liabilities for loan guarantees	2 2

[RENEWABLE ENERGY PROGRAM]

For the cost of a program of direct loans, loan guarantees, and grants, under the same terms and conditions as authorized by section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106), \$36,000,000: *Provided*, That the cost of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1908-0-1-451	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02	Guaranteed loan subsidy	4	18
00.10	Renewable energy grants	19	18
10.00	Total new obligations (object class 41.0)	23	36
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	23	36
23.95	Total new obligations	-23	-36
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	23	36
Change in obligated balances:			
72.40	Obligated balance, start of year	67	72
73.10	Total new obligations	23	36
73.20	Total outlays (gross)	-16	-18
73.40	Adjustments in expired accounts (net)	-2	.....
74.40	Obligated balance, end of year	72	90
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	3	1
86.93	Outlays from discretionary balances	13	17
87.00	Total outlays (gross)	16	18

Net budget authority and outlays:			
89.00	Budget authority	23	36
90.00	Outlays	16	18
			36

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

Identification code 12-1908-0-1-451	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Renewable Energy Loan Guarantees	57	184
215999	Total loan guarantee levels	57	184
Guaranteed loan subsidy (in percent):			
232001	Renewable Energy Loan Guarantees	6.49	9.69
232999	Weighted average subsidy rate	6.49	9.69
Guaranteed loan subsidy budget authority:			
233001	Renewable Energy Loan Guarantees	4	18
233999	Total subsidy budget authority	4	18
Guaranteed loan subsidy outlays:			
234001	Renewable Energy Loan Guarantees	4	4
234999	Total subsidy outlays	4	4

Renewable Energy Systems and Energy Efficiency Improvements are authorized under 7 U.S.C. 8106. This program provides direct loans, loan guarantees, and grants to farmers, ranchers, and small rural businesses to purchase renewable energy systems and make energy efficiency improvements. No discretionary funding is proposed in 2009.

RENEWABLE ENERGY GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4267-0-3-451	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	2	6
22.00	New financing authority (gross)	4	4
23.90	Total budgetary resources available for obligation	6	10
24.40	Unobligated balance carried forward, end of year	6	6
New financing authority (gross), detail:			
Mandatory:			
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	4	4
Offsets:			
Against gross financing authority and financing disbursements:			
88.00	Offsetting collections (cash) from: Federal sources	-4	-4
Net financing authority and financing disbursements:			
89.00	Financing authority		
90.00	Financing disbursements	-4	-4

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4267-0-3-451	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation	57	184
2150	Total guaranteed loan commitments	57	184
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		6
2231	Disbursements of new guaranteed loans	15	37
2251	Repayments and prepayments	-9	-2
2290	Outstanding, end of year	6	41

RENEWABLE ENERGY GUARANTEED LOAN FINANCING ACCOUNT—
Continued

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

Identification code 12-4267-0-3-451	2007 actual	2008 est.	2009 est.
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	4	32	73

Balance Sheet (in millions of dollars)

Identification code 12-4267-0-3-451	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	2	2
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	1	1
1405 Allowance for subsidy cost (-)	-1	-1
1499 Net present value of assets related to direct loans		
1999 Total assets	2	2
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	2	2
2999 Total liabilities	2	2
4999 Total liabilities and net position	2	2

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 12-4144-0-3-352	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

RURAL UTILITIES SERVICE

Federal Funds

HIGH ENERGY COST GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2042-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 High energy cost grants	20	41	
10.00 Total new obligations (object class 41.0)	20	41	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	18	21	
22.00 New budget authority (gross)	24	20	
22.21 Unobligated balance transferred to other accounts	-1		
23.90 Total budgetary resources available for obligation	41	41	
23.95 Total new obligations	-20	-41	
24.40 Unobligated balance carried forward, end of year	21		
New budget authority (gross), detail:			
Discretionary:			
41.00 Transferred to other accounts	-2		
42.00 Transferred from other accounts	26	20	
43.00 Appropriation (total discretionary)	24	20	

Change in obligated balances:

72.40 Obligated balance, start of year	28	16	8
73.10 Total new obligations	20	41	
73.20 Total outlays (gross)	-32	-49	-4
74.40 Obligated balance, end of year	16	8	4

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	15	16	
86.93 Outlays from discretionary balances	17	33	4
87.00 Total outlays (gross)	32	49	4

Net budget authority and outlays:

89.00 Budget authority	24	20	
90.00 Outlays	32	49	4

Funding has been provided since 2001 to support grants for areas that have high energy costs. These grants can be made to eligible entities or the Denali Commission to construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy (as determined by the Energy Information Agency using the most recent data available). Grants are also available to establish and support a revolving fund to provide a more cost-effective means of purchasing fuel where the fuel cannot be shipped by means of surface transportation. The budget proposes no funding in 2009.

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants for the rural water, waste water, waste disposal, and solid waste management programs authorized by sections 306, 306A, 306C, 306D, and 310B and described in sections 306C(a)(2), 306D, and 381E(d)(2) of the Consolidated Farm and Rural Development Act, **[\$562,565,000] \$269,007,000**, to remain available until expended[, of which not to exceed \$500,000 shall be available for the rural utilities program described in section 306(a)(2)(B) of such Act, and of which not to exceed \$1,000,000 shall be available for the rural utilities program described in section 306E of such Act]: *Provided*, That **[\$65,000,000] \$10,000,000** of the amount appropriated under this heading shall be for *loans and grants including water and waste disposal systems grants authorized by 306C(a)(2)(B) and 306D of the Consolidated Farm and Rural Development Act and for Federally-recognized Native [Americans] American Tribes authorized by 306C(a)(1): Provided further*, That the Secretary shall allocate the funds described in the previous proviso in a manner consistent with the historical allocation for such populations under these authorities: *Provided further*, That not to exceed **[\$18,500,000] \$10,000,000** of the amount appropriated under this heading shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act[, unless the Secretary makes a determination of extreme need, of which \$5,600,000 shall be made available for a grant to a qualified non-profit multi-state regional technical assistance organization, with experience in working with small communities on water and waste water problems, the principal purpose of such grant shall be to assist rural communities with populations of 3,300 or less, in improving the planning, financing, development, operation, and management of water and waste water systems, and of which not less than \$800,000 shall be for a qualified national Native American organization to provide technical assistance for rural water systems for tribal communities]: *Provided further*, That not to exceed **[\$13,750,000] \$13,000,000** of the amount appropriated under this heading shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That not to exceed **[\$12,700,000] \$6,000,000** of the amount appropriated under this heading shall be available through June 30, **[2008] 2009**, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural utilities programs described in section 381E(d)(2) of such

Act: *Provided further*, That \$20,000,000 of the amount appropriated under this heading shall be transferred to, and merged with, the Rural Utilities Service, High Energy Cost Grants Account to provide grants authorized under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a): *Provided further*, That any prior year balances for high cost energy grants authorized by section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 901(19)) shall be transferred to and merged with the Rural Utilities Service, High Energy Costs Grants Account: *Provided further*, That section 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to the funds made available under this heading: *Provided further*, That any prior balances in the Rural Development, Rural Community Advancement Program account programs authorized by sections 306, 306A, 306C, 306D, and 310B and described in sections 306C(a)(2), 306D, and 381E(d)(2) of such Act be transferred and merged with this account and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines is appropriate to transfer. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1980-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct Loan Subsidy		70	48
00.05 Reestimate of Direct Loan Subsidy		13	
00.06 Interest on Reestimate of Direct Loan Subsidy		5	
00.10 Water and waste disposal systems grants		536	218
00.11 Water and waste disposal systems emergency supplemental grants		17	
00.12 Solid waste management grants		3	3
00.13 High Energy Cost Grants		5	
10.00 Total new obligations (object class 41.0)		649	269
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		558	269
22.22 Unobligated balance transferred from other accounts		91	
23.90 Total budgetary resources available for obligation		649	269
23.95 Total new obligations		-649	-269
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		563	269
40.33 Appropriation permanently reduced (P.L. 110-161)		-4	
41.00 Transferred to other accounts		-20	
43.00 Appropriation (total discretionary)		539	269
Mandatory:			
60.00 Appropriation		19	
70.00 Total new budget authority (gross)		558	269
Change in obligated balances:			
72.40 Obligated balance, start of year			1,925
73.10 Total new obligations		649	269
73.20 Total outlays (gross)		-794	-675
73.32 Obligated balance transferred from other accounts		2,070	
74.40 Obligated balance, end of year		1,925	1,519
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		23	11
86.93 Outlays from discretionary balances		752	664
86.97 Outlays from new mandatory authority		19	
87.00 Total outlays (gross)		794	675
Net budget authority and outlays:			
89.00 Budget authority		558	269
90.00 Outlays		794	675

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

Identification code 12-1980-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			

115001 Water and Waste Disposal Loans	1,025	1,269
115999 Total direct loan levels	1,025	1,269
Direct loan subsidy (in percent):		
132001 Water and Waste Disposal Loans	6.81	3.77
132999 Weighted average subsidy rate	6.81	3.77
Direct loan subsidy budget authority:		
133001 Water and Waste Disposal Loans	70	48
133999 Total subsidy budget authority	70	48
Direct loan subsidy outlays:		
134001 Water and Waste Disposal Loans	96	90
134999 Total subsidy outlays	96	90
Direct loan upward reestimates:		
135001 Water and Waste Disposal Loans	18	
135999 Total upward reestimate budget authority	18	
Direct loan downward reestimates:		
137001 Water and Waste Disposal Loans	-39	
137999 Total downward reestimate budget authority	-39	
Guaranteed loan levels supportable by subsidy budget authority:		
215001 Water and Waste Disposal Loan Guarantees	75	75
215999 Total loan guarantee levels	75	75
Guaranteed loan subsidy (in percent):		
232001 Water and Waste Disposal Loan Guarantees	-0.82	-0.82
232999 Weighted average subsidy rate	-0.82	-0.82
Guaranteed loan subsidy budget authority:		
233001 Water and Waste Disposal Loan Guarantees	-1	-1
233999 Total subsidy budget authority	-1	-1

This account funds the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, and solid waste management grants. Since the passage of the Federal Agriculture Improvement and Reform Act of 1996 through 2007, the funding for these programs was provided as part of the Rural Community Advancement Program (RCAP). To continue what was proposed and passed in 2008, the 2009 Budget proposes no funding in the RCAP account and instead, each funding stream is being appropriated separately in new accounts. This is the new account for the Water and Wastewater funding stream, which is the Rural Utilities Stream from the RCAP account.

Water and waste disposal loans are authorized under 7 U.S.C. 1926. The program provides direct loans to municipalities, counties, special purpose districts, certain Indian Tribes, and non-profit corporations to develop water and waste disposal systems in rural areas and towns with populations of less than 10,000. The program also guarantees water and waste disposal loans made by banks and other eligible lenders. In 2009, the projected loan level is \$1.3 billion for direct loans and \$75 million for guarantees. The 2009 direct loan subsidy rate does not include any change in treatment for the borrower's interest rate for the direct loans, lowering the subsidy rate for these loans in 2009.

Water and waste disposal grants are authorized under Section 306(a)(2) of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, municipalities, counties, public and quasi-public agencies, and certain Indian tribes. The grants can be used to finance development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas and cities or towns with populations of less than 10,000. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project. \$216 million is projected for this program in 2009.

Emergency community water assistance grants are authorized under Section 306A of the Consolidated Farm and Rural Development Act, as amended. Grants are made to public

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT—
Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

bodies and nonprofit organizations for construction or extension of water lines, repair or maintenance of existing systems, replacement of equipment, and payment of costs to correct emergency situations. These grants are funded on an as needed basis using RCAP flexibility of funds authorization.

Solid waste management grants are authorized under Section 310B(b) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to non-profit organizations to provide regional technical assistance to local and regional governments and related agencies for the purpose of reducing or eliminating pollution of water resources, and for improving the planning and management of solid waste disposal facilities. \$3.5 million is projected for this program in 2009.

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4226-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	1,097	1,025	1,269
00.02 Interest on Treasury borrowing	431	463	498
00.91 Direct Program by Activities—Subtotal	1,528	1,488	1,767
08.02 Subsidy reestimate paid to receipt account	86	27	.....
08.04 Interest on reestimate paid to receipt account	14	13	.....
08.91 Direct Program by Activities—Subtotal (1 level)	100	40	.....
10.00 Total new obligations	1,628	1,528	1,767
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	16	11	35
22.00 New financing authority (gross)	1,633	1,563	1,802
22.10 Resources available from recoveries of prior year obligations	49	.....	.....
22.60 Portion applied to repay debt	-16	-11	.....
22.70 Balance of authority to borrow withdrawn	-43	.....	.....
23.90 Total budgetary resources available for obligation	1,639	1,563	1,837
23.95 Total new obligations	-1,628	-1,528	-1,767
24.40 Unobligated balance carried forward, end of year	11	35	70
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	1,513	1,056	1,315
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	739	744	759
69.10 Change in uncollected customer payments from Federal sources (unexpired)	29	-25	-44
69.47 Portion applied to repay debt	-648	-212	-228
69.90 Spending authority from offsetting collections (total mandatory)	120	507	487
70.00 Total new financing authority (gross)	1,633	1,563	1,802
Change in obligated balances:			
72.40 Obligated balance, start of year	2,725	2,775	2,652
73.10 Total new obligations	1,628	1,528	1,767
73.20 Total financing disbursements (gross)	-1,500	-1,676	-1,620
73.45 Recoveries of prior year obligations	-49	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-29	25	44
74.40 Obligated balance, end of year	2,775	2,652	2,843
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	1,500	1,676	1,620
Offsets:			
Against gross financing authority and financing disbursements:			

Offsetting collections (cash) from:			
88.00 Federal sources	-116	-114	-90
88.25 Interest on uninvested funds	-51	-50	-53
88.40 Repayment of principal	-227	-252	-268
88.40 Interest Received on Loans	-331	-322	-342
88.40 Non-Federal sources	-14	-6	-6
88.90 Total, offsetting collections (cash)	-739	-744	-759
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-29	25	44
Net financing authority and financing disbursements:			
89.00 Financing authority	865	844	1,087
90.00 Financing disbursements	761	932	861

Status of Direct Loans (in millions of dollars)

Identification code 12-4226-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	.....	.....	.....
1131 Direct loan obligations exempt from limitation	1,097	1,025	1,269
1150 Total direct loan obligations	1,097	1,025	1,269
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	7,105	7,839	8,761
1231 Disbursements: Direct loan disbursements	969	1,174	1,122
1251 Repayments: Repayments and prepayments	-227	-252	-268
1264 Write-offs for default: Other adjustments, net (+ or -)	-8	.....	.....
1290 Outstanding, end of year	7,839	8,761	9,615

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of these loans is provided through the Rural Water and Waste Disposal Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

The water and waste disposal program makes loans and grants to finance water systems and waste disposal facilities in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4226-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	16	43
Investments in US securities:		
1106 Receivables, net	4	17
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	7,104	7,839
1402 Interest receivable	76	71
1405 Allowance for subsidy cost (-)	-663	-638
1499 Net present value of assets related to direct loans	6,517	7,272
1999 Total assets	6,537	7,332
LIABILITIES:		
Federal liabilities:		
2103 Debt	6,506	7,293
2105 Other	31	39
2999 Total liabilities	6,537	7,332
4999 Total liabilities and net position	6,537	7,332

RURAL WATER AND WASTE WATER DISPOSAL GUARANTEED LOANS
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4218-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
08.01 Negative subsidy		1	1
10.00 Total new obligations		1	1
Budgetary resources available for obligation:			
22.00 New financing authority (gross)		1	1
23.95 Total new obligations		-1	-1
24.40 Unobligated balance carried forward, end of year			
New financing authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)		1	1
Change in obligated balances:			
72.40 Obligated balance, start of year			1
73.10 Total new obligations		1	1
74.40 Obligated balance, end of year		1	2
Offsets:			
Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Non-Federal sources		-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements		-1	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4218-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation	28	75	75
2150 Total guaranteed loan commitments	28	75	75
2199 Guaranteed amount of guaranteed loan commitments	22	60	60
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	33	36	83
2231 Disbursements of new guaranteed loans	7	52	34
2251 Repayments and prepayments	-4	-5	-11
2290 Outstanding, end of year	36	83	106
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	29	67	85

This account finances loan guarantee commitments for water systems, and waste disposal facilities in rural areas.

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

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS
PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

The principal amount of direct and guaranteed loans as authorized by section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans,

\$100,000,000; loans made pursuant to section 306 of that Act, rural electric, [\$6,500,000,000; guaranteed underwriting loans pursuant to section 313A, \$500,000,000;] \$4,000,000,000; 5 percent rural telecommunications loans, \$145,000,000; cost of money rural telecommunications loans, \$250,000,000; and for loans made pursuant to section 306 of that Act, rural telecommunications loans, \$295,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by sections 305 and 306 of the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: [cost of rural electric loans, \$120,000, and] the cost of telecommunications loans, [\$3,620,000] \$525,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [\$38,623,000] \$37,819,000 which shall be [transferred to and merged with] paid to the appropriation for "Rural Development, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1230-0-1-271	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan subsidy	4	4	1
00.03 Subsidy for modifications of direct loans	5		
00.05 Reestimate of direct loan subsidy	30	48	
00.06 Interest on reestimates of direct loan subsidy	80	21	
00.09 Administrative expenses subject to limitation	39	38	38
10.00 Total new obligations	158	111	39
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	7	7
22.00 New budget authority (gross)	158	111	39
23.90 Total budgetary resources available for obligation	165	118	46
23.95 Total new obligations	-158	-111	-39
24.40 Unobligated balance carried forward, end of year	7	7	7
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	43	42	39
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	5		
Mandatory:			
60.00 Appropriation	110	69	
70.00 Total new budget authority (gross)	158	111	39
Change in obligated balances:			
72.40 Obligated balance, start of year	40	30	17
73.10 Total new obligations	158	111	39
73.20 Total outlays (gross)	-165	-124	-47
73.40 Adjustments in expired accounts (net)	-3		
74.40 Obligated balance, end of year	30	17	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	44	38	38
86.93 Outlays from discretionary balances	11	17	9
86.97 Outlays from new mandatory authority	110	69	
87.00 Total outlays (gross)	165	124	47
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-5		
Net budget authority and outlays:			
89.00 Budget authority	153	111	39
90.00 Outlays	160	124	47

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

Identification code 12-1230-0-1-271	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS
PROGRAM ACCOUNT—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

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

Identification code 12-1230-0-1-271	2007 actual	2008 est.	2009 est.
115001 Electric Hardship Loans	99	99	100
115002 Municipal Electric Loans	101		
115003 Treasury Electric Loans	990		
115004 FFB Electric Loans	2,700	6,500	4,000
115005 Telecommunication Hardship Loans	86	144	145
115006 Treasury Telecommunications Loans	252	248	250
115007 FFB Telecommunications Loans	39	293	295
115999 Total direct loan levels	4,267	7,284	4,790
Direct loan subsidy (in percent):			
132001 Electric Hardship Loans	2.14	0.12	-2.38
132002 Municipal Electric Loans	1.51	0.00	0.00
132003 Treasury Electric Loans	0.00	0.00	0.00
132004 FFB Electric Loans	-1.19	-0.70	-2.28
132005 Telecommunication Hardship Loans	0.37	0.08	-1.76
132006 Treasury Telecommunications Loans	0.03	0.67	0.21
132007 FFB Telecommunications Loans	-1.49	0.62	-0.94
132999 Weighted average subsidy rate	-0.67	-0.57	-2.05
Direct loan subsidy budget authority:			
133001 Electric Hardship Loans	2		-2
133002 Municipal Electric Loans	2		
133004 FFB Electric Loans	-32	-45	-91
133005 Telecommunication Hardship Loans			-3
133006 Treasury Telecommunications Loans		2	1
133007 FFB Telecommunications Loans	-1	2	-3
133999 Total subsidy budget authority	-29	-42	-98
Direct loan subsidy outlays:			
134001 Electric Hardship Loans	3	9	
134002 Municipal Electric Loans		1	1
134004 FFB Electric Loans	-36	-35	-41
134005 Telecommunication Hardship Loans	2	4	4
134006 Treasury Telecommunications Loans			1
134007 FFB Telecommunications Loans	-2	-2	-1
134999 Total subsidy outlays	-33	-23	-36
Direct loan upward reestimates:			
135001 Electric Hardship Loans	8	9	
135002 Municipal Electric Loans	87	18	
135003 Treasury Electric Loans	5		
135005 Telecommunication Hardship Loans	2	2	
135006 Treasury Telecommunications Loans	8	10	
135008 FFB Guaranteed Underwriting		30	
135999 Total upward reestimate budget authority	110	69	
Direct loan downward reestimates:			
137001 Electric Hardship Loans	-32	-17	
137002 Municipal Electric Loans	-17	-48	
137003 Treasury Electric Loans	-43	-22	
137005 Telecommunication Hardship Loans	-39	-11	
137006 Treasury Telecommunications Loans	-58	-28	
137008 FFB Guaranteed Underwriting		-1	
137999 Total downward reestimate budget authority	-189	-127	
Administrative expense data:			
3510 Budget authority	39	38	38
3590 Outlays from new authority	39	38	38

The Rural Utilities Service (RUS) conducts the rural electrification and the rural telecommunications loan programs. The rural electrification loan program is financed through RUS direct and guaranteed loans for the operation of generating plants, electric transmission, and distribution lines or systems. The rural telecommunications loan program is financed through RUS direct loans for construction, expansion, and operation of telecommunications lines and facilities or systems.

Since generation has been deregulated and has become a more commercial operation, the Administration supports using the commercial market for construction of new generation facilities. Due to this, no loan funds are provided for the construction of new electric generation facilities. A loan

level may be considered when Congress enacts legislation to authorize a fee on such loans and allows RUS to implement existing authority for recertification of the rural status of areas served by its borrowers.

RUS will cancel loans obligated, but not disbursed, more than ten years ago. Most electric loans obligated more than ten years ago have either been disbursed or cancelled. However, current law prohibits the cancellation of telecommunications loans in most instances. This has resulted in many outstanding obligations that are older than ten years. Since loans are issued for specific projects, and technology is changing at a very fast pace, it is doubtful that the original project will be accomplished ten years after a loan is approved. Legislation will be proposed to allow the cancellation of all electric and telecommunications loan obligations that are more than ten years old.

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

Object Classification (in millions of dollars)

Identification code 12-1230-0-1-271	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.3 Other purchases of goods and services from Government accounts	39	38	38
41.0 Grants, subsidies, and contributions	119	73	1
99.9 Total new obligations	158	111	39

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS
PROGRAM ACCOUNT

(Legislative proposal, not subject to PAYGO)

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

Identification code 12-1230-2-1-271	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115004 FFB Electric Loans			-4,000
115007 FFB Telecommunications Loans			-295
115009 Direct Electric Loans			4,000
115010 Direct Telecommunications Loans			295
Direct loan subsidy (in percent):			
132009 Direct Electric Loans			-2.28
132010 Direct Telecommunications Loans			-0.94
Direct loan subsidy budget authority:			
133004 FFB Electric Loans			91
133007 FFB Telecommunications Loans			3
133009 Direct Electric Loans			-91
133010 Direct Telecommunications Loans			-3
Direct loan subsidy outlays:			
134004 FFB Electric Loans			13
134009 Direct Electric Loans			-13

The Budget includes a proposal to replace the electric and telecommunications loans that are financed through the Federal Financing Bank (FFB) with loans made directly through the Treasury. FFB loans were predominant prior to 1992. Since then Federal Credit Reform was implemented and the need to work through the FFB has diminished. The proposed new direct loan program would improve the operations of USDA's rural utility loans by simplifying the Government's processes while providing the same benefits and flexibilities for the borrowers. Legislation creating the new loan program will be sent separately.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4208-0-3-271	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loans	4,267	7,284	4,790
00.02 Interest on Treasury borrowing	663	1,300	1,300
00.03 Direct program activity	932		
00.04 Negative subsidy for modifications of direct loans	9		
00.91 Subtotal, Operating program	5,871	8,584	6,090
08.01 Negative subsidy paid to receipt account	33	46	99
08.02 Downward subsidy amount paid to receipt account	138	84	
08.03 Adjusting payments to liquidating account	1,213	740	
08.04 Interest on downward subsidy paid to receipt account	51	43	
08.91 Direct Program by Activities—Subtotal (1 level)	1,435	913	99
10.00 Total new obligations	7,306	9,497	6,189
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	229	142	
22.00 New financing authority (gross)	7,445	9,355	6,189
22.10 Resources available from recoveries of prior year obligations	679		
22.60 Portion applied to repay debt	-229		
22.70 Balance of authority to borrow withdrawn	-676		
23.90 Total budgetary resources available for obligation	7,448	9,497	6,189
23.95 Total new obligations	-7,306	-9,497	-6,189
24.40 Unobligated balance carried forward, end of year	142		
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	6,342	7,182	4,165
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	2,884	2,863	2,827
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-10	-13	-9
69.47 Portion applied to repay debt	-1,771	-677	-794
69.90 Spending authority from offsetting collections (total mandatory)	1,103	2,173	2,024
70.00 Total new financing authority (gross)	7,445	9,355	6,189
Change in obligated balances:			
72.40 Obligated balance, start of year	12,136	11,763	15,027
73.10 Total new obligations	7,306	9,497	6,189
73.20 Total financing disbursements (gross)	-7,010	-6,246	-6,217
73.45 Recoveries of prior year obligations	-679		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	10	13	9
74.40 Obligated balance, end of year	11,763	15,027	15,008
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	7,010	6,246	6,217
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payment from program account	-126	-86	-9
88.25 Interest on uninvested funds	-97	-87	-77
88.40 Repayment of principal	-1,395	-1,421	-1,448
88.40 Interest received on loans	-1,246	-1,269	-1,293
88.40 Other	-20		
88.90 Total, offsetting collections (cash)	-2,884	-2,863	-2,827
Against gross financing authority only:			
88.95 Change in receivables from program accounts	10	13	9
Net financing authority and financing disbursements:			
89.00 Financing authority	4,571	6,505	3,371
90.00 Financing disbursements	4,126	3,383	3,390

Status of Direct Loans (in millions of dollars)

Identification code 12-4208-0-3-271	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			

1111	Limitation on direct loans			
1131	Direct loan obligations exempt from limitation	4,267	7,784	4,790
1142	Unobligated direct loan limitation (-)		-500	
1150	Total direct loan obligations	4,267	7,284	4,790
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	24,338	28,270	33,045
Disbursements:				
1231	Direct loan disbursements	4,157	4,784	4,880
1233	Purchase of loans assets from a liquidating account	1,161	740	
1251	Repayments: Repayments and prepayments	-1,395	-749	-824
1261	Adjustments: Capitalized interest	7		
Write-offs for default:				
1263	Direct loans	-1		
1264	Other adjustments, Reclassified, net	3		
1290	Outstanding, end of year	28,270	33,045	37,101

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

Balance Sheet (in millions of dollars)

Identification code 12-4208-0-3-271	2006 actual	2007 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	167	270
Investments in US securities:			
1106	Receivables, net	18	163
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	22,226	26,006
1402	Interest receivable	-22	170
1405	Allowance for subsidy cost (-)	-204	-95
1499	Net present value of assets related to direct loans	22,000	26,081
1999	Total assets	22,185	26,514
LIABILITIES:			
2103	Federal liabilities: Debt	21,932	25,908
Non-Federal liabilities:			
2202	Interest payable		189
2207	Other	253	417
2999	Total liabilities	22,185	26,514
4999	Total liabilities and net position	22,185	26,514
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	69	63
Investments in US securities:			
1106	Receivables, net	5	19
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	2,102	2,264
1402	Interest receivable	1	5
1405	Allowance for subsidy cost (-)	70	192
1499	Net present value of assets related to direct loans	2,173	2,461
1999	Total assets	2,247	2,543
LIABILITIES:			
2103	Federal liabilities: Debt	2,214	2,479
2207	Non-Federal liabilities: Other	33	64
2999	Total liabilities	2,247	2,543
4999	Total liabilities and net position	2,247	2,543

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS GUARANTEED
LOANS FINANCING ACCOUNT

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4209-0-3-271	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	218	218	214
2231 Disbursements of new guaranteed loans			
2251 Repayments and prepayments		-4	-4
2264 Adjustments: Other adjustments, net			
2290 Outstanding, end of year	218	214	210
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	218	214	210

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

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4230-0-3-999	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Interest expense on certificates of beneficial ownership	340	340	316
00.02 Interest expense, FFB direct	527	375	351
00.03 Other interest expense	5	17	17
00.05 Other: cushion of credit	33	32	32
10.00 Total new obligations	905	764	716
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,139	700	430
22.00 New budget authority (gross)	901	880	486
22.10 Resources available from recoveries of prior year obligations	27		
22.60 Portion applied to repay debt	-462	-386	
23.90 Total budgetary resources available for obligation	1,605	1,194	916
23.95 Total new obligations	-905	-764	-716
24.40 Unobligated balance carried forward, end of year	700	430	200
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	2,912	1,772	987
69.47 Portion applied to repay debt	-2,011	-892	-501
69.90 Spending authority from offsetting collections (total mandatory)	901	880	486
Change in obligated balances:			
72.40 Obligated balance, start of year	159	189	434
73.10 Total new obligations	905	764	716
73.20 Total outlays (gross)	-848	-519	-476
73.45 Recoveries of prior year obligations	-27		
74.40 Obligated balance, end of year	189	434	674
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	767	471	390
86.98 Outlays from mandatory balances	81	48	86
87.00 Total outlays (gross)	848	519	476

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-1,214	-740	
88.40 Loans repaid including Cushion of Credit of 282	-1,004	-764	-747
88.40 Interest repaid including Cushion of Credit of 308	-694	-261	-233
88.40 Fees—Electric Underwriter		-7	-7
88.90 Total, offsetting collections (cash)	-2,912	-1,772	-987
Net budget authority and outlays:			
89.00 Budget authority	-2,011	-892	-501
90.00 Outlays	-2,064	-1,253	-511

Status of Direct Loans (in millions of dollars)

Identification code 12-4230-0-3-999	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	13,204	11,092	9,326
1231 Disbursements: Direct loan disbursements	5	6	5
1251 Repayments: Repayments and prepayments	-1,378	-1,032	-987
1261 Adjustments: Capitalized interest	82		
1264 Write-offs for default: Other adjustments, net (+ or -)	-821	-740	-1
1290 Outstanding, end of year	11,092	9,326	8,343

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4230-0-3-999	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	167	149	134
2251 Repayments and prepayments	-18	-15	-12
2290 Outstanding, end of year	149	134	122
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	149	134	122

STATUS OF AGENCY DEBT

(In millions of dollars)

	2007 actual	2008 est.	2009 est.
Agency debt held by FFB:			
Outstanding FFB direct, start of year	6,928	7,366	6,902
Outstanding Certificate of Beneficial Ownership (CBO's), start of year	3,917	4,270	3,916
New agency borrowing, FFB direct	5	0	0
Repayments and prepayments, FFB Direct	-2,011	-464	-435
Repayments, CBO's	0	-354	0
Outstanding FFB direct, end of year	4,922	6,902	6,467
Outstanding CBO's, end of year	3,917	3,916	3,916

The Rural Telephone Bank has dissolved. To accomplish this, the Rural Telephone Bank liquidating account loans were used to redeem a portion of the Government's stock. The Rural Telephone Bank liquidating account loans were transferred to the Rural Electrification and Telecommunications liquidating account in 2006.

The Rural Utilities Service (RUS) will continue to service all loans in this account providing business management and technical assistance to the borrowers on a regular basis over the life of the loans.

Rural electric.—This program is financed through RUS direct loans for the construction and operation of generating plants, electric transmission, and distribution lines or systems.

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in RETRF in 1992 and beyond is recorded in corresponding program and financing accounts.

The following tables reflect statistics on loans made through the liquidating account only. Since 1992 new electric and

telephone loans have been made through a separate program account.

ELECTRIC PROGRAM STATISTICS

(dollars in millions)

	2007 actual	2008 est.	2009 est.
Cumulative RUS financed direct loans	21,832	21,851	21,851
Cumulative FFB financed direct loans	27,084	27,084	27,084
Cumulative RUS funds advanced	21,832	21,832	21,832
Unadvanced RUS funds, end of year	0	0	0
Cumulative RUS principal repaid	17,688	18,294	19,430
Cumulative RUS interest paid	12,735	12,895	13,261
Cumulative loan guarantee commitments ¹	0	0	0
Number of borrowers	673	705	705

Rural telecommunications.—This loan program is financed through RUS direct loans for the construction, expansion, and operation of telecommunications lines and facilities or systems.

TELECOMMUNICATIONS PROGRAM STATISTICS

(dollars in millions)

	2007 actual	2008 est.	2009 est.
Cumulative RUS financed direct loans	5,970	6,023	6,023
Cumulative FFB financed direct loans	562	562	562
Cumulative RUS funds advanced	5,914	5,908	5,918
Unadvanced RUS funds, end of period	58	100	90
Cumulative RUS principal repaid	4,892	4,751	4,882
Cumulative RUS interest paid	3,255	3,188	3,210
Cumulative loan guarantee commitments ¹	0	0	0
Number of borrowers	427	487	487

RURAL TELEPHONE BANK PROGRAM STATISTICS

(dollars in millions)

	2007 actual	2008 est.	2009 est.
Cumulative net loans	2,471	2,487	2,515
Cumulative loan funds, advanced	2,471	2,502	2,502
Unadvanced loan funds, end of year	0	15	15
Cumulative principal repaid	2,356	2,551	2,574
Cumulative interest paid	2,469	2,489	2,500
Number of borrowers	112	253	251

Balance Sheet (in millions of dollars)

Identification code 12-4230-0-3-999	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	927	394
1601 Direct loans, gross	11,969	10,045
1602 Interest receivable	25	89
1603 Allowance for estimated uncollectible loans and interest (-)	-1,460	-1,391
1604 Direct loans and interest receivable, net	10,534	8,743
1699 Value of assets related to direct loans	10,534	8,743
1999 Total assets	11,461	9,137
LIABILITIES:		
Federal liabilities:		
2102 Interest payable		102
2103 Debt	13,125	10,768
2104 Resources payable to Treasury	-1,729	-1,755
2105 Other	65	22
2999 Total liabilities	11,461	9,137
4999 Total liabilities and net position	11,461	9,137
ASSETS:		
1101 Federal assets: Fund balances with Treasury	371	455
1601 Direct loans, gross	1,235	1,047
1602 Interest receivable	42	2
1603 Allowance for estimated uncollectible loans and interest (-)	-79	-24
1604 Direct loans and interest receivable, net	1,198	1,025
1699 Value of assets related to direct loans	1,198	1,025
1999 Total assets	1,569	1,480
LIABILITIES:		
Federal liabilities:		
2103 Debt	1,296	1,185
2104 Resources payable to Treasury	201	282

2105 Other	5	4
2999 Total liabilities	1,502	1,471
NET POSITION:		
3300 Cumulative results of operations	67	9
3999 Total net position	67	9
4999 Total liabilities and net position	1,569	1,480

Object Classification (in millions of dollars)

Identification code 12-4230-0-3-999	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services	37	32	32
33.0 Investments and loans		17	17
43.0 Interest and dividends	868	715	667
99.9 Total new obligations	905	764	716

RURAL TELEPHONE BANK PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-1231-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.06 Interest on Reestimates of Direct Loan Subsidy		1	
10.00 Total new obligations (object class 41.0)		1	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		1	
23.95 Total new obligations		-1	

New budget authority (gross), detail:

Mandatory:			
60.00 Appropriation		1	
Change in obligated balances:			
72.40 Obligated balance, start of year	13	10	8
73.10 Total new obligations		1	
73.20 Total outlays (gross)	-1	-3	-1
73.40 Adjustments in expired accounts (net)	-2		
74.40 Obligated balance, end of year	10	8	7

Outlays (gross), detail:

86.93 Outlays from discretionary balances	1	2	1
86.97 Outlays from new mandatory authority		1	
87.00 Total outlays (gross)	1	3	1
Net budget authority and outlays:			
89.00 Budget authority		1	
90.00 Outlays	1	3	1

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

Identification code 12-1231-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan subsidy outlays:			
134001 Rural Telephone Bank	1	2	1
134999 Total subsidy outlays	1	2	1
Direct loan upward reestimates:			
135001 Rural Telephone Bank		1	
135999 Total upward reestimate budget authority		1	
Direct loan downward reestimates:			
137001 Rural Telephone Bank	-87	-40	
137999 Total downward reestimate budget authority	-87	-40	

The Rural Telephone Bank completed dissolution in 2006, therefore no federally funded RTB loans are proposed.

As required by the Federal Credit Reform Act of 1990, this account records, for the RTB, the subsidy costs associated with the direct loans obligated in 1992 and beyond as well as administrative expenses for the program. The subsidy

RURAL TELEPHONE BANK PROGRAM ACCOUNT—Continued

amounts are estimated on a present value basis; administrative expenses are estimated on a cash basis.

RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4210-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Interest on Treasury borrowing	30	31	33
08.02 Downward reestimates paid to receipt accounts	48	23	
08.04 Interest on downward reestimate paid to receipt account	39	17	
08.91 Direct Program by Activities—Subtotal	87	40	
10.00 Total new obligations	117	71	33
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3		
22.00 New financing authority (gross)	115	71	33
22.10 Resources available from recoveries of prior year obligations	133		
22.60 Portion applied to repay debt	-3		
22.70 Balance of authority to borrow withdrawn	-131		
23.90 Total budgetary resources available for obligation	117	71	33
23.95 Total new obligations	-117	-71	-33
24.40 Unobligated balance carried forward, end of year			
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	116	54	23
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	80	89	82
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-3	-2	-1
69.47 Portion applied to repay debt	-78	-70	-71
69.90 Spending authority from offsetting collections (total mandatory)	-1	17	10
70.00 Total new financing authority (gross)	115	71	33
Change in obligated balances:			
72.40 Obligated balance, start of year	895	711	592
73.10 Total new obligations	117	71	33
73.20 Total financing disbursements (gross)	-171	-192	-117
73.45 Recoveries of prior year obligations	-133		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	3	2	1
74.40 Obligated balance, end of year	711	592	509
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	171	192	117
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-1	-3	-1
88.25 Interest on uninvested funds	-5	-9	-9
88.40 Principal received on loans	-54	-56	-53
88.40 Interest received on loans	-20	-21	-19
88.90 Total, offsetting collections (cash)	-80	-89	-82
Against gross financing authority only:			
88.95 Change in receivables from program accounts	3	2	1
Net financing authority and financing disbursements:			
89.00 Financing authority	38	-16	-48
90.00 Financing disbursements	91	103	35
Status of Direct Loans (in millions of dollars)			
Identification code 12-4210-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	378	378	442

1231 Disbursements: Direct loan disbursements	54	120	83
1251 Repayments: Repayments and prepayments	-54	-56	-53
1290 Outstanding, end of year	378	442	472

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

Balance Sheet (in millions of dollars)

Identification code 12-4210-0-3-452	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	2	
Investments in US securities:		
1106 Receivables, net	2	1
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	377	377
1405 Allowance for subsidy cost (-)	6	124
1499 Net present value of assets related to direct loans	383	501
1999 Total assets	387	502
LIABILITIES:		
Federal liabilities:		
2103 Debt	374	462
2105 Other	13	40
2999 Total liabilities	387	502
4999 Total liabilities and net position	387	502

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

For the principal amount of broadband telecommunication loans, **[\$300,000,000] \$297,923,000.**

For grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq., **[\$35,000,000] \$20,000,000**, to remain available until expended: *Provided*, That \$5,000,000 shall be made available to convert analog to digital operation those noncommercial educational television broadcast stations that serve rural areas and are qualified for Community Service Grants by the Corporation for Public Broadcasting under section 396(k) of the Communications Act of 1934, including associated translators and repeaters, regardless of the location of their main transmitter, studio-to-transmitter links, and equipment to allow local control over digital content and programming through the use of high-definition broadcast, multi-casting and datacasting technologies].

For the cost of broadband loans, as authorized by 7 U.S.C. 901 et seq., **[\$6,450,000] \$11,619,000**, to remain available until expended: *Provided*, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974. *In addition, of the unobligated balances available for the cost of the broadband loans, \$6,450,000 is permanently cancelled.*

[In addition, \$13,500,000, to remain available until expended, for a grant program to finance broadband transmission in rural areas eligible for Distance Learning and Telemedicine Program benefits authorized by 7 U.S.C. 950aaa.] (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1232-0-1-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loan subsidy	5	12	12
00.05 Reestimate of direct loan subsidy	1	9	
00.06 Interest of reestimate of direct loan subsidy	1		
00.10 Grants	43	53	20
10.00 Total new obligations (object class 41.0)	50	74	32
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	51	16	6
22.00 New budget authority (gross)	13	64	26

22.10	Resources available from recoveries of prior year obligations	7		
23.90	Total budgetary resources available for obligation	71	80	32
23.95	Total new obligations	-50	-74	-32
23.98	Unobligated balance expiring or withdrawn	-5		
24.40	Unobligated balance carried forward, end of year	16	6	
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	49	55	32
40.36	Unobligated balance permanently reduced	-38		-6
43.00	Appropriation (total discretionary)	11	55	26
Mandatory:				
60.00	Appropriation	2	9	
70.00	Total new budget authority (gross)	13	64	26
Change in obligated balances:				
72.40	Obligated balance, start of year	142	132	153
73.10	Total new obligations	50	74	32
73.20	Total outlays (gross)	-46	-53	-43
73.40	Adjustments in expired accounts (net)	-7		
73.45	Recoveries of prior year obligations	-7		
74.40	Obligated balance, end of year	132	153	142
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	1	2	-4
86.93	Outlays from discretionary balances	43	42	47
86.97	Outlays from new mandatory authority	2	9	
87.00	Total outlays (gross)	46	53	43
Net budget authority and outlays:				
89.00	Budget authority	13	64	26
90.00	Outlays	46	53	43

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

Identification code 12-1232-0-1-452	2007 actual	2008 est.	2009 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Distance Learning and Telemedicine Loans	32	28	
115003 Broadband Treasury Rate Loans	251	495	298
115999 Total direct loan levels	283	523	298
Direct loan subsidy (in percent):			
132001 Distance Learning and Telemedicine Loans	0.63	2.14	0.00
132003 Broadband Treasury Rate Loans	2.15	2.15	3.90
132999 Weighted average subsidy rate	1.98	2.15	3.90
Direct loan subsidy budget authority:			
133001 Distance Learning and Telemedicine Loans		1	
133003 Broadband Treasury Rate Loans	5	11	12
133999 Total subsidy budget authority	6	11	12
Direct loan subsidy outlays:			
134003 Broadband Treasury Rate Loans	2	7	8
134999 Total subsidy outlays	2	7	8
Direct loan upward reestimates:			
135001 Distance Learning and Telemedicine Loans	2	4	
135003 Broadband Treasury Rate Loans		5	
135999 Total upward reestimate budget authority	2	9	
Direct loan downward reestimates:			
137001 Distance Learning and Telemedicine Loans	-1	-5	
137003 Broadband Treasury Rate Loans		-1	
137999 Total downward reestimate budget authority	-1	-6	

The loan and grant program provides access to advanced telecommunications services for improved education and health care in rural areas throughout the country. The loans and grants help education and health care providers bring the most modern technology, level of care, and education to rural America so its citizens can compete regionally, nationally, and globally. The Budget provides discretionary funding for loans to finance installation of broadband transmission capacity.

Since there is little demand for the DLT loans and the loans cost the Government, the Budget proposes to not provide any DLT loans in 2009.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4146-0-3-452	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Direct loans	283	523	298
00.02 Interest on Treasury borrowing	16	30	30
00.91 Direct Program by Activities—Subtotal (1 level)	299	553	328
08.02 Downward reestimates paid to receipt accounts	1	6	
10.00 Total new obligations	300	559	328
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2		
22.00 New financing authority (gross)	292	559	328
22.10 Resources available from recoveries of prior year obligations	354		
22.60 Portion applied to repay debt	-2		
22.70 Balance of authority to borrow withdrawn	-346		
23.90 Total budgetary resources available for obligation	300	559	328
23.95 Total new obligations	-300	-559	-328
24.40 Unobligated balance carried forward, end of year			
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	292	542	328
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	57	82	113
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-4	-8	11
69.47 Portion applied to repay debt	-53	-57	-124
69.90 Spending authority from offsetting collections (total mandatory)		17	
70.00 Total new financing authority (gross)	292	559	328
Change in obligated balances:			
72.40 Obligated balance, start of year	974	800	1,028
73.10 Total new obligations	300	559	328
73.20 Total financing disbursements (gross)	-124	-339	-441
73.45 Recoveries of prior year obligations	-354		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	4	8	-11
74.40 Obligated balance, end of year	800	1,028	904
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	124	339	441
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-4	-16	-8
88.25 Interest on uninvested funds	-5	-5	-4
88.40 Repayment of principal	-39	-49	-91
88.40 Interest received on loans	-9	-12	-10
88.90 Total, offsetting collections (cash)	-57	-82	-113
Against gross financing authority only:			
88.95 Change in receivables from program accounts	4	8	-11
Net financing authority and financing disbursements:			
89.00 Financing authority	239	485	204
90.00 Financing disbursements	67	257	328
Status of Direct Loans (in millions of dollars)			
Identification code 12-4146-0-3-452	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND DIRECT LOAN FINANCING ACCOUNT—Continued

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

Identification code 12-4146-0-3-452	2007 actual	2008 est.	2009 est.
1131 Direct loan obligations exempt from limitation	283	523	298
1150 Total direct loan obligations	283	523	298
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	239	295	549
1231 Disbursements: Direct loan disbursements	107	303	411
1251 Repayments: Repayments and prepayments	-39	-49	-91
1264 Write-offs for default: Charge Off—Misc and Assn Loans, net	-12		
1290 Outstanding, end of year	295	549	869

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

Balance Sheet (in millions of dollars)

Identification code 12-4146-0-3-452	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	2	2
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	239	295
1402 Interest receivable	3	1
1405 Allowance for subsidy cost (-)		13
1499 Net present value of assets related to direct loans	242	309
1999 Total assets	244	311
LIABILITIES:		
2103 Federal liabilities: Debt	244	311
2999 Total liabilities	244	311
4999 Total liabilities and net position	244	311

RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4155-0-3-452	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	22	26	
22.00 New budget authority (gross)	4		
22.40 Capital transfer to general fund		-26	
23.90 Total budgetary resources available for obligation	26		
24.40 Unobligated balance carried forward, end of year	26		
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	251	219	200
69.27 Capital transfer to general fund	-247	-219	-200
69.90 Spending authority from offsetting collections (total mandatory)	4		
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Non-Federal sources	-153	-137	-125
88.40 Repayments of guaranteed loans purchased from investors	-1		
88.40 Interest revenue	-92	-82	-75
88.40 Other	-5		
88.90 Total, offsetting collections (cash)	-251	-219	-200

Net budget authority and outlays:

89.00 Budget authority	-247	-219	-200
90.00 Outlays	-251	-219	-200

Status of Direct Loans (in millions of dollars)

Identification code 12-4155-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,767	1,608	1,470
1251 Repayments: Repayments and prepayments	-153	-137	-125
Write-offs for default:			
1263 Direct loans	-1	-1	-1
1264 Other adjustments aje #1 Allocation, net	-5		
1290 Outstanding, end of year	1,608	1,470	1,344

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4155-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	29	17	14
2251 Repayments and prepayments	-12	-3	-3
2290 Outstanding, end of year	17	14	11
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	12	9	7

The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419).

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas. Communities unable to afford low interest loans for water and waste disposal facilities are also able to obtain water and waste disposal grants.

The water and waste direct and guaranteed loan programs are administered by the Rural Utilities Service, the community facility direct and guaranteed loan programs are administered by the Rural Housing Service, and the business and industry direct and guaranteed loan programs are administered by the Rural Business-Cooperative Service.

As required by the Federal Credit Reform Act of 1990, this account records, for these loan programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in these programs is recorded in corresponding program accounts and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4155-0-3-452	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	22	26
1201 Non-Federal assets: Investments in non-Federal securities, net	34	34
1601 Direct loans, gross	1,769	1,610
1602 Interest receivable	26	15
1603 Allowance for estimated uncollectible loans and interest (-)	-240	-196
1604 Direct loans and interest receivable, net	1,555	1,429
1699 Value of assets related to direct loans	1,555	1,429
1901 Other Federal assets: Other assets	4	3
1999 Total assets	1,615	1,492
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	1,609	1,481
Non-Federal liabilities:		
2204 Liabilities for loan guarantees	1	1
2207 Other	5	10
2999 Total liabilities	1,615	1,492
4999 Total liabilities and net position	1,615	1,492

RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING ACCOUNT

Status of Direct Loans (in millions of dollars)

Identification code 12-4142-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3	3	3
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	3	3	3

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4142-0-3-452	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	4		
2251 Repayments and prepayments	-3		
2264 Adjustments: Other adjustments, net	-1		
2290 Outstanding, end of year			
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			

The Rural Communication Development Fund was established pursuant to the Secretary's Memorandum No. 1988, approved May 22, 1979. No loans have been made through this account since 1992.

Balance Sheet (in millions of dollars)

Identification code 12-4142-0-3-452	2006 actual	2007 actual
ASSETS:		
1601 Direct loans, gross	3	3
1604 Direct loans and interest receivable, net	3	3
1699 Value of assets related to direct loans	3	3
1999 Total assets	3	3
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	3	3
2999 Total liabilities	3	3
4999 Total liabilities and net position	3	3

FOREIGN AGRICULTURAL SERVICE

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$159,470,000] \$168,042,000: Provided,** That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development: *Provided further,* That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-2900-0-1-352	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.20 Deposits of Miscellaneous Contributed Funds, Foreign Agricultural Service.		1	1
04.00 Total: Balances and collections		1	1
Appropriations:			
05.00 Salaries and Expenses		-1	-1
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-2900-0-1-352	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Market Access	55	56	59
00.02 Trade Development	52	52	54
00.03 Trade Related Technical Assistance	31	31	33
00.04 SPS Issues Resolution	23	24	27
09.00 Reimbursable program	114	114	114
10.00 Total new obligations	275	277	287
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	24	27	23
22.00 New budget authority (gross)	279	273	283
22.21 Unobligated balance transferred to other accounts	-1		
23.90 Total budgetary resources available for obligation	302	300	306
23.95 Total new obligations	-275	-277	-287
24.40 Unobligated balance carried forward, end of year	27	23	19
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	156	159	168
40.33 Appropriation permanently reduced (P.L. 110-161)		-1	
42.00 Transferred from other accounts	9		
43.00 Appropriation (total discretionary)	165	158	168
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	38	114	114
58.10 Change in uncollected customer payments from Federal sources (unexpired)	76		
58.90 Spending authority from offsetting collections (total discretionary)	114	114	114
Mandatory:			
60.26 Appropriation (trust fund)		1	1
70.00 Total new budget authority (gross)	279	273	283

Change in obligated balances:

72.40 Obligated balance, start of year	30	2	7
73.10 Total new obligations	275	277	287
73.20 Total outlays (gross)	-245	-272	-283
73.40 Adjustments in expired accounts (net)	10		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-76		
74.10 Change in uncollected customer payments from Federal sources (expired)	8		
74.40 Obligated balance, end of year	2	7	11

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	238	258	268
86.93 Outlays from discretionary balances	7	13	14
86.97 Outlays from new mandatory authority		1	1
87.00 Total outlays (gross)	245	272	283

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-63	-114	-114
88.40 Non-Federal sources	5		
88.90 Total, offsetting collections (cash)	-58	-114	-114
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-76		

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

Program and Financing (in millions of dollars)—Continued

Identification code 12-2900-0-1-352	2007 actual	2008 est.	2009 est.
88.96 Portion of offsetting collections (cash) credited to expired accounts	20		
Net budget authority and outlays:			
89.00 Budget authority	165	159	169
90.00 Outlays	187	158	169

FAS' mission is to create economic opportunity for American agriculture by expanding global markets. FAS serves U.S. agriculture's interests by expanding and maintaining international export opportunities for U.S. agricultural, fish, and forest products, supporting international economic development and trade capacity building, and improving the Sanitary and Phytosanitary (SPS) system to facilitate agricultural trade. FAS' goals are three-fold: to level the playing field for U.S. agricultural producers and exporters in the global marketplace, to help developing and transitioning countries to expand their ability to sustain economic growth and trade capacity, and to make a concerted effort to reduce technical trade barriers and restrictive SPS measures. The outcomes envisioned are increased access to global markets for U.S. agricultural producers and exporters, improved ability in developing countries to sustain economic growth and benefit from international trade, and an improved global SPS system for facilitating agricultural trade. In addition to its Washington-based staff, the agency maintains a network of overseas offices that serve as first responders in cases of market disruption. The overseas offices also provide critical market and policy intelligence to support their strategic goals, and represent U.S. agriculture in consultations with foreign governments.

Market Access.—Agricultural trade is important to America's agricultural and food sector and contributes to the overall growth in the U.S. economy. As the global economy changes, expansion and creation of new foreign market opportunities is critical, as is maintaining existing market access for agricultural products. FAS monitors the enforcement of agricultural trade agreements to ensure that U.S. agriculture receives the full economic benefit of international trade agreements and trade rules. FAS also analyzes tariff and non-tariff barriers that continue to restrict trade, and works with other government agencies to open markets through the negotiation of trade agreements. FAS programs that contribute to market access include the: Market Access Program (MAP), Technical Assistance for Specialty Crops (TASC) Program, Emerging Markets Program (EMP), and the Cochran Fellowship Program (CFP).

Trade Development.—FAS supports U.S. private sector efforts to develop and expand commercial markets through trade-related programs which help U.S. producers and exporters realize the benefits that will flow from trade reform and the resulting global market expansion. FAS programs that contribute to trade development include the: MAP, TASC Program, EMP, Foreign Market Development (FMD) Program, and Quality Samples Program which are carried out chiefly in cooperation with non-profit agricultural trade associations and private firms. These programs provide matching funds to U.S. organizations to conduct a wide range of activities including market research, consumer promotion, trade servicing, capacity building, and market access support. The TASC Program provides grants to address sanitary, phytosanitary, or technical barriers that prohibit or threaten exports of U.S. specialty crops. Also, FAS administers price/credit and risk-mitigation assistance programs designed to leverage overseas market expansion for U.S. exporters. These

programs include the CCC Export Credit Guarantee Program, the Export Enhancement Program and the Dairy Export Incentive Program. These programs give U.S. exporters the ability to counter export subsidies of foreign competitors and allow U.S. exporters to compete with sales terms offered by foreign competitors.

Trade Related Technical Assistance.—U.S. agriculture benefits from growth in global trade and a trading system that adheres to international rules and norms. Two-thirds of World Trade Organization members are developing countries, many of which lack the knowledge, expertise, and regulatory and policy frameworks to participate in the global trading system. FAS provides trade-related technical assistance or trade and science capacity building focused on developing capacity within governments to implement open, market-based trade policies and to regulate trade in agricultural and food products on the basis of transparent, science-based requirements. Trade and science capacity building supports the President's 2002 National Security Strategy (NSS) by promoting free trade and open markets as a way to spread economic prosperity. Food assistance programs such as the P.L. 480 Title I Program, McGovern Dole Food for Education (FFE) and Child Nutrition Program, Section 416(b) Program, and Food for Progress (FFP) Program help developing countries with humanitarian crises, economic development, or transitioning from being food aid recipients to commercial markets. Programs that contribute to trade related technical assistance include the: MAP, TASC Program, EMP, CFP, Borlaug Fellowship Program (BFP), FFE Program, FFP Program, and the Section 416(b) Program. The CFP provides short-term training in the United States for international participants who meet with U.S. agribusiness, attend food safety seminars, and receive technical training related to short- and long-term market development and trade capacity building. The BFP helps developing countries strengthen their agricultural practices through the transfer of new science and agricultural technologies, including those related to production, processing, and marketing. The program also addresses obstacles to the adoption of technology, such as ineffectual policies and regulations.

SPS Issues Resolution.—Agricultural trade is unique with respect to the risks associated with the transfer of pests and disease. Unnecessarily restrictive regulations to address human and animal health (sanitary) and plant health (phytosanitary) risks are major impediments to U.S. market access and the expansion of global agricultural trade. As tariff barriers have been reduced, there has been a dramatic increase in non-tariff barriers to trade, particularly in the SPS area. In spite of the SPS Agreement within the WTO, countries have relied increasingly on erecting SPS barriers as a means to protect domestic industries in the face of quickly growing global trade. Given the increasingly global interdependence in the flow of food and agricultural products, the ability and willingness of foreign countries to develop and implement sound science-based regulatory systems is also vital to the long-term safety of U.S. agriculture and our food supply. U.S. agriculture benefits greatly from the development of regulatory frameworks in other countries that can address SPS issues and technical barriers to trade in a transparent and scientifically based manner. FAS works on several fronts to reduce technical barriers to trade and restrictive SPS and TBT measures. These include enforcing international SPS rules, promoting two-way trade, encouraging adoption of international standards, and strengthening the global SPS regulatory framework. Programs that contribute to SPS issues resolution include the: MAP, TASC Program, and EMP.

Object Classification (in millions of dollars)

Identification code 12-2900-0-1-352	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	66	68	71
11.3 Other than full-time permanent	4	4	4
11.5 Other personnel compensation	1	1	1
11.8 Special personal services payments	3	3	3
11.9 Total personnel compensation	74	76	79
12.1 Civilian personnel benefits	24	25	26
21.0 Travel and transportation of persons	9	8	9
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	9	9	10
23.3 Communications, utilities, and miscellaneous charges	4	4	4
24.0 Printing and reproduction	1	1	1
25.2 Other services	35	35	39
26.0 Supplies and materials	2	2	2
31.0 Equipment	1	1	1
41.0 Grants, subsidies, and contributions	1	1	1
99.0 Direct obligations	161	163	173
99.0 Reimbursable obligations	114	114	114
99.9 Total new obligations	275	277	287

Employment Summary

Identification code 12-2900-0-1-352	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	697	720	809
Reimbursable:			
2001 Civilian full-time equivalent employment	258	284	195

TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Program and Financing (in millions of dollars)

Identification code 12-1406-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Trade adjustment assistance for farmers	1	9	.....
10.00 Total new obligations (object class 25.2)	1	9	.....
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	90	9	.....
23.95 Total new obligations	-1	-9	.....
23.98 Unobligated balance expiring or withdrawn	-89	.....	.....
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	90	9	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	6	5	14
73.10 Total new obligations	1	9	.....
73.20 Total outlays (gross)	-2	.....	.....
74.40 Obligated balance, end of year	5	14	14
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	2	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	90	9	.....
90.00 Outlays	2	.....	.....

Trade Adjustment Assistance (TAA) for farmers was authorized by Title II of the Trade Act of 1974 as amended by Subtitle C of Title I of the Trade Act of 2002. The statute authorized appropriations to the Department of Agriculture not to exceed \$90 million for 2003 through 2007 to carry out the program. Section 1(c) of Public Law 110-89 temporarily extended authorization of the TAA program and appro-

riated \$9 million for the 3-month period beginning October 1, 2007.

The statute requires the Secretary of Agriculture to provide funds to eligible agricultural producers when: (a) the current year's price of an agricultural commodity is less than 80 percent of the national average price for such commodity for the five marketing years preceding the most recent market year; and (b) increases in imports contributed importantly to the decline in the price, as determined by the Secretary.

TAA provided producers of raw commodities, who had been adversely affected by import competition, free technical assistance and cash benefits of up to \$10,000 per year.

TAA covered farmers, ranchers, fish farmers, and fishermen competing with imported aquaculture products. It did not cover the forest products industry.

FOREIGN ASSISTANCE PROGRAMS

USDA has multiple food aid programs that provide U.S. commodities, technical and financial assistance to address hunger and malnutrition needs worldwide. USDA, working with USAID, delivers food aid programs to meet emergency needs and fosters economic development activities to alleviate global food insecurity.

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83rd Congress, as amended (P.L. 480): Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104 (title I); for dispositions abroad (titles II and III); and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended. Agreements may provide for commodities to be made available on a multi-year basis. During 2003, USDA began implementation of the McGovern-Dole International Food for Education and Child Nutrition Program authorized by the 2002 Farm Bill. USDA also has a commodity reserve in the Bill Emerson Humanitarian Trust for unanticipated, emergency food aid needs.

SUMMARY OF FOOD ASSISTANCE PROGRAMMING

	(In millions of dollars)		
	2007 actual	2008 est.	2009 est.
McGovern-Dole International Food for Education and Child Nutrition (budget authority)	98	99	100
Public Law 480			
Title I Credit (budget authority)	0	0	0
Title II Grants (budget authority)	1,665	1561 ¹	1,226
Food for Progress			
CCC Funded	147	277	340
P.L. 480 Title I Funded (budget authority)	17	0	0
Bill Emerson Humanitarian Trust	0	*	*

¹ FY 2008 Includes \$350 million requested in a budget amendment submitted October 22, 2007.

*Up to 500,000 metric tons are available annually for unanticipated emergency food assistance and any unused authorized amount may be made available in the following year, for a maximum of 1,000,000 metric tons available in any given year.

Miscellaneous funds are received from other Federal agencies, international organizations, and developing countries, for USDA development assistance and international research projects (22 U.S.C. 2392).

McGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o-1), \$100,000,000, to remain available until expended: *Provided*, That the Commodity Credit Corporation is authorized to provide the services, facilities, and authorities for the purpose of implementing such section, subject to reimbursement from amounts provided herein. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

McGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS—Continued

Program and Financing (in millions of dollars)

Identification code 12-2903-0-1-151	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 McGovern-Dole International Food for Education & Child Nutrition Program	98	99	100
09.00 Reimbursable program	5	5	5
10.00 Total new obligations	98	104	105
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
22.00 New budget authority (gross)	98	104	105
23.90 Total budgetary resources available for obligation	99	105	106
23.95 Total new obligations	-98	-104	-105
24.40 Unobligated balance carried forward, end of year	1	1	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	98	100	100
40.33 Appropriation permanently reduced (P.L. 110-161)	-1	-1	-1
43.00 Appropriation (total discretionary)	98	99	100
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	5	5	5
70.00 Total new budget authority (gross)	98	104	105
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	1
73.10 Total new obligations	98	104	105
73.20 Total outlays (gross)	-98	-104	-105
74.40 Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	98	99	100
86.97 Outlays from new mandatory authority	5	5	5
87.00 Total outlays (gross)	98	104	105
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-5	-5	-5
Net budget authority and outlays:			
89.00 Budget authority	98	99	100
90.00 Outlays	98	99	100

The Farm Security and Rural Investment Act of 2002 (Public Law 107-171) authorizes the McGovern-Dole International Food for Education and Child Nutrition Program. The program provides for the donation of U.S. agricultural commodities and associated technical and financial assistance to carry out preschool and school feeding programs in foreign countries in order to improve food security, reduce the incidence of hunger and malnutrition, and improve literacy and primary education. Maternal, infant, and child nutrition programs also are authorized.

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2271-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Reimbursable program	5	5	5
10.00 Total new obligations (object class 41.0)	5	5	5
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	17	20	20
22.00 New budget authority (gross)	16	16	16
22.21 Unobligated balance transferred to other accounts	-8	-20	-20

23.90 Total budgetary resources available for obligation	25	25	25
23.95 Total new obligations	-5	-5	-5
24.40 Unobligated balance carried forward, end of year	20	20	20
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	16	7	7
69.61 Transferred to other accounts	-7	-7	-7
69.90 Spending authority from offsetting collections (total mandatory)	16	16	16
Change in obligated balances:			
72.40 Obligated balance, start of year	16	8	8
73.10 Total new obligations	5	5	5
73.20 Total outlays (gross)	-13	-13	-13
74.40 Obligated balance, end of year	8	8	8
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	1	1
86.98 Outlays from mandatory balances	12	12	12
87.00 Total outlays (gross)	13	13	13
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-16	-7	-7
Net budget authority and outlays:			
89.00 Budget authority	-7	-7	-7
90.00 Outlays	-3	-7	-7

This account funds the title I ocean freight differential program. No funding is requested for 2009.

PUBLIC LAW 480 TITLE II GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, for commodities supplied in connection with dispositions abroad under title II of said Act, including up to \$6,500,000 for costs for services provided by the Farm Service Agency, which shall be available in addition to other funds available for such purpose, [\$1,219,400,000] \$1,225,900,000, to remain available until expended: Provided, That if the Administrator of the United States Agency for International Development determines it to be appropriate, up to 25 percent of the funds appropriated under this heading may be used, notwithstanding any other provision of law, for the local or regional purchase and distribution of food. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-2278-0-1-151	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Title II	1,688	1,370	1,226
09.01 Reimbursable program	82	105	132
10.00 Total new obligations	1,770	1,475	1,358
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	80	270	110
22.00 New budget authority (gross)	1,824	1,315	1,358
22.10 Resources available from recoveries of prior year obligations	136	136	136
23.90 Total budgetary resources available for obligation	2,040	1,585	1,468
23.95 Total new obligations	-1,770	-1,475	-1,358
24.40 Unobligated balance carried forward, end of year	270	110	110
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,665	1,219	1,226
40.33 Appropriation permanently reduced (P.L. 110-161)	-9	-9	-9
42.00 Transferred from other accounts	30	30	30

43.00	Appropriation (total discretionary)	1,695	1,210	1,226
	Mandatory:			
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	129	105	132
70.00	Total new budget authority (gross)	1,824	1,315	1,358
Change in obligated balances:				
72.40	Obligated balance, start of year	1,208	163	478
73.10	Total new obligations	1,770	1,475	1,358
73.20	Total outlays (gross)	-2,679	-1,160	-1,157
73.45	Recoveries of prior year obligations	-136		
74.40	Obligated balance, end of year	163	478	679
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	1,613	635	647
86.93	Outlays from discretionary balances	1,065	406	369
86.97	Outlays from new mandatory authority	1	105	132
86.98	Outlays from mandatory balances		14	9
87.00	Total outlays (gross)	2,679	1,160	1,157
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-129	-105	-132
Net budget authority and outlays:				
89.00	Budget authority	1,695	1,210	1,226
90.00	Outlays	2,550	1,055	1,025

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	1,695	1,210	1,226
Outlays	2,550	1,055	1,025
Supplemental proposal:			
Budget Authority		350	
Outlays		184	107
Total:			
Budget Authority	1,695	1,560	1,226
Outlays	2,550	1,239	1,132

This account funds the non-credit components of Public Law 480. Under Title II, agricultural commodities are furnished to meet emergency relief needs and address the underlying causes of food insecurity through non-emergency programs.

The Commodity Credit Corporation (Corporation) is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available under this title for non-emergency assistance for least-developed countries and for urgent and extraordinary relief.

The program is administered by the U.S. Agency for International Development.

In addition, the request includes language that would authorize the use of up to 25 percent of the P.L. 480 Title II funds for the local or regional purchase and distribution of food.

Object Classification (in millions of dollars)

Identification code 12-2278-0-1-151	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services			7

41.0	Grants, subsidies, and contributions	1,688	1,370	1,219
99.0	Direct obligations	1,688	1,370	1,226
99.0	Reimbursable obligations	82	105	132
99.9	Total new obligations	1,770	1,475	1,358

PUBLIC LAW 480 TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the credit program of title I, Public Law 83-480 and the Food for Progress Act of 1985, **[\$2,680,000] \$2,761,000, [to] shall be [transferred] paid to [and merged with] the appropriation for "Farm Service Agency, Salaries and Expenses" : Provided, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress. (7 U.S.C. 1691, 1701-04, 1731-36g-3, 2209b; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)**

Program and Financing (in millions of dollars)

Identification code 12-2277-0-1-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.05	Re-estimates of subsidy	8	58
00.06	Interest on re-estimates	5	44
00.09	Administrative expenses	3	3
00.10	Food for Progress grants	37	37
10.00	Total new obligations	53	142
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	39	10
22.00	New budget authority (gross)	16	112
22.22	Unobligated balance transferred from other accounts	8	20
23.90	Total budgetary resources available for obligation	63	142
23.95	Total new obligations	-53	-142
24.40	Unobligated balance carried forward, end of year	10	
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	3	3
Mandatory:			
60.00	Appropriation	13	102
69.62	Spending authority from offsetting collections: Transferred from other accounts		7
70.00	Total new budget authority (gross)	16	112
Change in obligated balances:			
72.40	Obligated balance, start of year	118	92
73.10	Total new obligations	53	142
73.20	Total outlays (gross)	-79	-141
74.40	Obligated balance, end of year	92	93
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	3	3
86.93	Outlays from discretionary balances	63	29
86.97	Outlays from new mandatory authority	13	109
87.00	Total outlays (gross)	79	141
Net budget authority and outlays:			
89.00	Budget authority	16	112
90.00	Outlays	79	141

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

Identification code 12-2277-0-1-351	2007 actual	2008 est.	2009 est.
Direct loan subsidy outlays:			
134001 P. L. 480 title I loans	14		
134999 Total subsidy outlays	14		

PUBLIC LAW 480 TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

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

Identification code 12-2277-0-1-351	2007 actual	2008 est.	2009 est.
Direct loan upward reestimates:			
135001 P. L. 480 title I loans	13	102	
135999 Total upward reestimate budget authority	13	102	
Direct loan downward reestimates:			
137001 P. L. 480 title I loans	-66	-32	
137999 Total downward reestimate budget authority	-66	-32	
Administrative expense data:			
3510 Budget authority	3	3	3
3590 Outlays from new authority	3	3	3

As required by the Federal Credit Reform Act of 1990, this account records, for the P.L. 480 Program, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligation in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses and grants are estimated on a cash basis. The current balance of Title I debt owed to USDA is \$7.2 billion. No additional funding is requested for new Title I loans in 2009. Food for Progress grants will continue to be funded from the Commodity Credit Corporation.

Object Classification (in millions of dollars)

Identification code 12-2277-0-1-351	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.3 Other purchases of goods and services from Government accounts	3	3	3
41.0 Grants, subsidies, and contributions	50	139	7
99.9 Total new obligations	53	142	10

P.L. 480 DIRECT CREDIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4049-0-3-351	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Payment of Interest to Treasury	76	64	50
00.30 Adjustment to prior year obligations	9		
00.91 Direct Program by Activities—Subtotal (1 level)	85	64	50
08.02 Payment of downward reestimate to receipt account	34	14	
08.04 Payment of interest on downward reestimate to receipt account	32	18	
08.91 Direct Program by Activities—Subtotal (1 level)	66	32	
10.00 Total new obligations	151	96	50
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	625	774	792
22.00 New financing authority (gross)	300	364	257
22.60 Portion applied to repay debt		-250	-193
23.90 Total budgetary resources available for obligation	925	888	856
23.95 Total new obligations	-151	-96	-50
24.40 Unobligated balance carried forward, end of year	774	792	806
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	18	50	50
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	278	310	203

69.10 Change in uncollected customer payments from Federal sources (unexpired)	4	4	4
69.90 Spending authority from offsetting collections (total mandatory)	282	314	207
70.00 Total new financing authority (gross)	300	364	257
Change in obligated balances:			
72.40 Obligated balance, start of year	-41	-45	-48
73.10 Total new obligations	151	96	50
73.20 Total financing disbursements (gross)	-151	-95	-50
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-4	-4	-4
74.40 Obligated balance, end of year	-45	-48	-52
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	151	95	50
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-27	-102	
88.25 Interest on uninvested funds	-3	-3	-2
88.40 Interest received on loans	-64	-53	-50
88.40 Principal received on loans	-184	-152	-151
88.90 Total, offsetting collections (cash)	-278	-310	-203
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-4	-4	-4
Net financing authority and financing disbursements:			
89.00 Financing authority	18	50	50
90.00 Financing disbursements	-127	-215	-153

Status of Direct Loans (in millions of dollars)

Identification code 12-4049-0-3-351	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1150 Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2,166	1,986	1,830
1231 Disbursements: Direct loan disbursements	9		
1251 Repayments: Repayments and prepayments	-184	-151	-150
1264 Write-offs for default: Other adjustments, net (+ or -)	-5	-5	
1290 Outstanding, end of year	1,986	1,830	1,680

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

Balance Sheet (in millions of dollars)

Identification code 12-4049-0-3-351	2006 actual	2007 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	32	177
Investments in US securities:		
1106 Receivables, net	50	63
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	2,166	1,986
1402 Interest receivable	33	65
1405 Allowance for subsidy cost (-)	-1,003	-908
1499 Net present value of assets related to direct loans	1,196	1,143
1999 Total assets	1,278	1,383
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	43	99

2102	Interest payable	43	31
2103	Debt		1,210
2104	Resources payable to Treasury	1,192	43
2999	Total liabilities	1,278	1,383
4999	Total liabilities and net position	1,278	1,383

DEBT REDUCTION—FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4143-0-3-351	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.02	Interest to Treasury	11	15	15
08.02	Payment of downward reestimate to receipt account	4		
08.03	Payments to financing and liquidating account for debt reduction	82	39	
08.04	Payment of interest on downward reestimate to receipt account	3		
08.91	Direct Program by Activities—Subtotal (1 level)	89	39	
10.00	Total new obligations	100	54	15
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	80	103	112
22.00	New financing authority (gross)	123	79	31
22.60	Portion applied to repay debt		-16	-16
23.90	Total budgetary resources available for obligation	203	166	127
23.95	Total new obligations	-100	-54	-15
24.40	Unobligated balance carried forward, end of year	103	112	112
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	72	15	15
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	51	64	16
70.00	Total new financing authority (gross)	123	79	31
Change in obligated balances:				
72.40	Obligated balance, start of year		3	4
73.10	Total new obligations	100	54	15
73.20	Total financing disbursements (gross)	-97	-53	-53
74.40	Obligated balance, end of year	3	4	-34
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)	97	53	53
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources—Subsidy from Debt account	-2	-48	
88.25	Interest on uninvested funds	-4	-2	-2
88.40	Loan Repayments—Principal	-38	-10	-10
88.40	Loan Repayments—Interest	-7	-4	-4
88.90	Total, offsetting collections (cash)	-51	-64	-16
Net financing authority and financing disbursements:				
89.00	Financing authority	72	15	15
90.00	Negative subsidy BA total [11-0091]	46	-11	37

Status of Direct Loans (in millions of dollars)

Identification code 12-4143-0-3-351	2007 actual	2008 est.	2009 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	382	428	457
1233	Disbursements: Purchase of loans assets from a liquidating account	82	39	
1251	Repayments: Repayments and prepayments	-38	-10	-10
1261	Adjustments: Capitalized interest	2		
1263	Write-offs for default: Direct loans			
1290	Outstanding, end of year	428	457	447

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

Balance Sheet (in millions of dollars)

Identification code 12-4143-0-3-351	2006 actual	2007 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	59	85
Investments in US securities:			
1106	Receivables, net	25	8
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	382	428
1402	Interest receivable	1	20
1405	Allowance for subsidy cost (-)	-246	-284
1499	Net present value of assets related to direct loans	137	164
1999	Total assets	221	257
LIABILITIES:			
Federal liabilities:			
2102	Interest payable	35	17
2104	Resources payable to Treasury	166	238
2105	Other	20	2
2999	Total liabilities	221	257
4999	Total liabilities and net position	221	257

EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS, AGRICULTURE LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-2274-0-1-151	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Expenses, Public Law 480, Foreign Assistance Programs	2	2	2
10.00	Total new obligations (object class 41.0)	2	2	2
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	52	75	
22.00	New budget authority (gross)	77	2	2
22.40	Capital transfer to general fund	-52	-75	
23.90	Total budgetary resources available for obligation	77	2	2
23.95	Total new obligations	-2	-2	-2
24.40	Unobligated balance carried forward, end of year	75		
New budget authority (gross), detail:				
Mandatory:				
Spending authority from offsetting collections:				
69.00	Offsetting collections (cash) (Principal and interest)	527	440	358
69.27	Capital transfer to general fund	-450	-438	-356
69.90	Spending authority from offsetting collections (total mandatory)	77	2	2
Change in obligated balances:				
72.40	Obligated balance, start of year	-2		
73.10	Total new obligations	2	2	2
73.20	Total outlays (gross)	-2	-2	-2
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	2	2	2
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-72		
88.40	Principal Collections	-319	-318	-264
88.40	Interest Collections	-136	-122	-94

EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS,
AGRICULTURE LIQUIDATING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-2274-0-1-151	2007 actual	2008 est.	2009 est.
88.90 Total, offsetting collections (cash)	- 527	- 440	- 358
Net budget authority and outlays:			
89.00 Budget authority	- 450	- 438	- 356
90.00 Outlays	- 525	- 438	- 356

Status of Direct Loans (in millions of dollars)

Identification code 12-2274-0-1-151	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	5,600	5,204	5,204
1231 Disbursements: Direct loan disbursements			
1251 Repayments: Repayments and prepayments	- 319		
1261 Adjustments: Capitalized interest	- 62		
Write-offs for default:			
1263 Direct loans			
1264 Other adjustments, net (+ or -)	- 15		
1290 Outstanding, end of year	5,204	5,204	5,204

Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended (title I).—Funds appropriated for P.L. 480 are used to finance all sales made pursuant to agreements concluded under the authority of Title I. No 2009 funding is requested for new direct credit under Title I; however, funding for administrative expenses associated with managing the existing loan portfolio is requested. No funding is requested for Title I ocean freight differential for 2009.

Financing sales of agricultural commodities for dollars on credit terms (title I).—Sales are made to developing countries as defined in section 402(4) of P.L. 480 and must not displace expected commercial sales (secs. 403(e) and (h)). Agreements are made with developing countries for delivery in accordance with the terms of the agreement.

Payment by developing countries or private entities may be made over a period of not more than 30 years with a deferral of principal payments for up to 5 years. Interest accrues at a concessional rate as determined appropriate.

Section 411 of P.L. 480 authorizes the President to waive payments of principal and interest under dollar credit sales agreements for countries that meet certain enumerated requirements. Such debt relief may be provided only if the President notifies Congress and may not exceed the amount approved for such purpose in an Act appropriating funds to carry out P.L. 480.

Financing sales of agricultural commodities for local currency, including for local currency on credit terms.—Payment by a recipient country may be made in local currencies for use in carrying out activities under section 104 of P.L. 480.

Foreign currency received in payment for credit extended may be used for payment of U.S. obligations abroad, subject to the appropriation process. The P.L. 480 program is reimbursed for the dollar value of currencies so used.

The financing of sales of agricultural commodities for local currencies on credit terms is subject to the same terms that are applicable to dollar credit financing.

Furnishing commodities to carry out the Food for Progress Act of 1985, as amended (title I).—Funds appropriated to carry out title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such commodities may be furnished on credit terms or on a grant basis in order to assist developing countries and countries that are emerging democracies that have made a commitment to intro-

duce and expand free enterprise elements in their agricultural economies.

Commodities supplied in connection with dispositions abroad (title II).— Under Public Law 480 Title II, agricultural commodities are furnished to meet emergency relief needs and address the underlying causes of food insecurity through non-emergency programs. The Corporation is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements. P.L. 480 funds reimburse the Corporation for all of the cost items authorized above.

Balance Sheet (in millions of dollars)

Identification code 12-2274-0-1-151	2006 actual	2007 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	52	52
1601 Direct loans, gross	5,600	5,204
1602 Interest receivable	68	62
1603 Allowance for estimated uncollectible loans and interest (-)	-2,567	-2,365
1699 Value of assets related to direct loans	3,101	2,901
1999 Total assets	3,153	2,953
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	3,146	2,938
2207 Non-Federal liabilities: Other	7	15
2999 Total liabilities	3,153	2,953
4999 Total liabilities and net position	3,153	2,953

FOOD AND NUTRITION SERVICE

Federal Funds

NUTRITION PROGRAMS ADMINISTRATION

For necessary administrative expenses of the Food and Nutrition Service for carrying out any domestic nutrition assistance program, **[\$142,727,000, of which \$2,475,000 is for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships, through the Congressional Hunger Center] \$150,251,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-3508-0-1-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Nutrition programs administration	139	140	150
00.03 Congressional hunger center fellowship		2	
09.01 Reimbursable administrative services provided to Federal agencies	1	1	1
10.00 Total new obligations	140	143	151
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	140	143	151
23.95 Total new obligations	- 140	- 143	- 151
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	140	143	150
40.33 Appropriation permanently reduced (P.L. 110-161)		- 1	

43.00	Appropriation (total discretionary)	140	142	150
58.00	Spending authority from offsetting collections: Offsetting collections (cash)		1	1
70.00	Total new budget authority (gross)	140	143	151
Change in obligated balances:				
72.40	Obligated balance, start of year	28	29	30
73.10	Total new obligations	140	143	151
73.20	Total outlays (gross)	-139	-142	-150
74.40	Obligated balance, end of year	29	30	31
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	119	121	128
86.93	Outlays from discretionary balances	20	21	22
87.00	Total outlays (gross)	139	142	150
Offsets:				
88.00	Against gross budget authority and outlays: Offsetting collections (cash) from: Federal sources		-1	-1
Net budget authority and outlays:				
89.00	Budget authority	140	142	150
90.00	Outlays	139	141	149

This account funds the majority of the Federal operating expenses of the Food and Nutrition Service and the Center for Nutrition Policy and Promotion.

Object Classification (in millions of dollars)

Identification code 12-3508-0-1-605	2007 actual	2008 est.	2009 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	88	90	97
11.3	Other than full-time permanent	1	1	1
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	90	92	99
12.1	Civilian personnel benefits	21	22	24
21.0	Travel and transportation of persons	2	2	2
23.3	Communications, utilities, and miscellaneous charges	1	1	1
25.2	Other services	19	21	22
26.0	Supplies and materials	6	2	2
41.0	Grants, subsidies, and contributions		2	
99.0	Direct obligations	139	142	150
99.0	Reimbursable obligations	1	1	1
99.9	Total new obligations	140	143	151

Employment Summary

Identification code 12-3508-0-1-605	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	1,099	1,050	1,085

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), **[\$39,782,723,000]** \$43,348,804,000, of which \$3,000,000,000 to remain available through September 30, **[2009]** 2010, shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act: *Provided further*, That notwithstanding section 5(d) of the Food Stamp Act of 1977, any additional payment received under chapter 5 of title 37, United States Code, by a member of the United States Armed Forces deployed to a designated combat zone shall be excluded from household income for the duration of the member's deployment if the additional pay

is the result of deployment to or while serving in a combat zone, and it was not received immediately prior to serving in the combat zone: *Provided further*, That funds made available under this heading may be used to enter into contracts and employ staff to conduct studies, evaluations, or to conduct activities related to food stamp program integrity provided that such activities are authorized by the Food Stamp Act] *Provided further*, That immediately upon termination of the Commodity Supplemental Food Program (CSFP), notwithstanding section 5 of the Food Stamp Act, CSFP participants who are 60 years of age or older and not already receiving food stamp benefits, shall be eligible to receive food stamp benefits equaling \$20 per month either for six months or until they are determined eligible under section 5 of the Act and begin to participate in the Food Stamp Program, whichever occurs first.

For making after May 31 of the current fiscal year, benefit payments to individuals and payment to States or other non-Federal entities for the necessary current year expenses of carrying out the Food Stamp Act above the anticipated level, such sums as may be necessary. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-3505-0-1-605	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Benefits issued	30,298	33,580	35,233
00.02	State administration	2,509	2,620	2,723
00.03	Employment and training program	311	358	367
00.04	Other program costs	59	66	78
00.05	Nutrition Assistance for Puerto Rico	1,551	1,623	1,678
00.06	Food distribution program on Indian reservations (Commodities in lieu of food stamps)	51	54	56
00.07	Food distribution program on Indian reservations (Cooperator administrative expense)	27	35	36
00.08	The emergency food assistance program (commodities)	140	140	140
00.09	Modified food stamp program in American Samoa	5	7	7
00.10	Community food project	5		
00.11	Commonwealth of the Northern Mariana Islands	9	10	10
00.13	Program access	5	5	5
00.14	Disregard special military pays for deployed	1	1	
00.15	CSFP transitional benefit			20
09.01	Reimbursable program	20	35	35
10.00	Total new obligations	34,991	38,534	40,388
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	3,033	3,037	3,020
22.00	New budget authority (gross)	38,172	39,813	43,384
22.10	Resources available from recoveries of prior year obligations	14		
23.90	Total budgetary resources available for obligation	41,219	42,850	46,404
23.95	Total new obligations	-34,991	-38,534	-40,388
23.98	Unobligated balance expiring or withdrawn	-3,191	-1,296	-3,000
24.40	Unobligated balance carried forward, end of year	3,037	3,020	3,016
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	17	24	55
40.36	Unobligated balance permanently reduced	-11		
43.00	Appropriation (total discretionary)	6	24	55
Mandatory:				
60.00	Appropriation	38,145	39,764	43,294
60.36	Unobligated balance permanently reduced		-10	
61.00	Transferred to other accounts	-90	-90	-90
62.00	Transferred from other accounts	90	90	90
62.50	Appropriation (total mandatory)	38,145	39,754	43,294
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	21	35	35
70.00	Total new budget authority (gross)	38,172	39,813	43,384
Change in obligated balances:				
72.40	Obligated balance, start of year	1,492	1,434	1,187
73.10	Total new obligations	34,991	38,534	40,388
73.20	Total outlays (gross)	-34,922	-38,781	-40,370
73.40	Adjustments in expired accounts (net)	-113		
73.45	Recoveries of prior year obligations	-14		
74.40	Obligated balance, end of year	1,434	1,187	1,205

FOOD STAMP PROGRAM—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3505-0-1-605	2007 actual	2008 est.	2009 est.
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	6	13	39
86.93 Outlays from discretionary balances	7	7	11
86.97 Outlays from new mandatory authority	33,424	35,635	39,102
86.98 Outlays from mandatory balances	1,485	3,126	1,218
87.00 Total outlays (gross)	34,922	38,781	40,370
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-16		
88.40 Non-Federal sources	-21	-35	-35
88.90 Total, offsetting collections (cash)	-37	-35	-35
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	16		
Net budget authority and outlays:			
89.00 Budget authority	38,151	39,778	43,349
90.00 Outlays	34,885	38,746	40,335

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	38,151	39,778	43,349
Outlays	34,885	38,746	40,335
Legislative proposal, subject to PAYGO:			
Budget Authority		60	66
Outlays		34	59
Total:			
Budget Authority	38,151	39,838	43,415
Outlays	34,885	38,780	40,394

The Food Stamp Program is the primary source of nutrition assistance for low-income Americans.

This account also includes funds for a grant to Puerto Rico to administer a low-income nutrition assistance program, in lieu of the Food Stamp Program; funds to carry out the Emergency Food Assistance Act of 1983; and funds for food distribution and administrative expenses for Native Americans under section 4(b) of the Food Stamp Act.

Food Stamp Program costs are not fully predictable. In the event that actual program needs exceed budget estimates, the Budget provides a \$3 billion contingency reserve. The Budget also proposes indefinite funding authority which would make funds available in the last four months of the fiscal year if program needs exceed the anticipated level.

The Budget also provides temporary transitional benefits to help elderly households transition from the Commodity Supplemental Food Program to the Food Stamp Program.

Object Classification (in millions of dollars)

Identification code 12-3505-0-1-605	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	5	8	9
12.1 Civilian personnel benefits	1	2	2
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	3	3	3
24.0 Printing and reproduction	1	1	1
25.2 Other services	43	46	57
26.0 Supplies and materials	181	185	189
31.0 Equipment	3	3	3
41.0 Grants, subsidies, and contributions	34,732	38,249	40,087
99.0 Direct obligations	34,971	38,499	40,353
99.0 Reimbursable obligations	20	35	35
99.9 Total new obligations	34,991	38,534	40,388

Employment Summary

Identification code 12-3505-0-1-605	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	64	98	98

FOOD STAMP PROGRAM
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3505-4-1-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
Direct program:			
00.01 Benefits issued		29	37
00.02 State administration		-1	-1
00.03 Employment and training program		3	
00.04 Other program costs		20	20
00.07 Food distribution program on Indian reservations (Cooperator administrative expense)		4	4
00.10 Community food project		5	5
00.14 Disregard special military pays for deployed			1
10.00 Total new obligations		60	66
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		60	66
23.95 Total new obligations		-60	-66
24.40 Unobligated balance carried forward, end of year			

New budget authority (gross), detail:

Mandatory:			
60.00 Appropriation		60	66

Change in obligated balances:

72.40 Obligated balance, start of year			26
73.10 Total new obligations		60	66
73.20 Total outlays (gross)		-34	-59
74.40 Obligated balance, end of year		26	33

Outlays (gross), detail:

86.97 Outlays from new mandatory authority		34	53
86.98 Outlays from mandatory balances			6
87.00 Total outlays (gross)		34	59

Net budget authority and outlays:

89.00 Budget authority		60	66
90.00 Outlays		34	59

This schedule shows the net effects of the Administration's Food Stamp reauthorization proposals, which helps simplify and modernize the Food Stamp Program while maintaining continued focus on program integrity. The reauthorization also includes proposals to promote healthy eating, and to improve administrative efficiency for other nutrition assistance programs.

Object Classification (in millions of dollars)

Identification code 12-3505-4-1-605	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services		20	20
41.0 Grants, subsidies, and contributions		40	46
99.9 Total new obligations		60	66

CHILD NUTRITION PROGRAMS
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; **[\$13,901,513,000] \$14,455,683,000**, to remain available through September 30, **[2009] 2010**, of which

[\$7,647,965,000] \$7,925,700,000 is hereby appropriated and [\$6,253,548,000] \$6,529,983,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That up to \$5,505,000 shall be available for independent verification of school food service claims]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-3539-0-1-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Above 185 of poverty	489	515	540
00.02 130-185 of poverty	1,016	1,068	1,119
00.03 Below 130 of poverty	6,330	6,627	6,941
00.91 Subtotal, school lunch program	7,835	8,210	8,600
01.01 Above 185 of poverty	83	88	93
01.02 130-185 of poverty	207	220	235
01.03 Below 130 of poverty	1,939	2,059	2,194
01.91 Subtotal, school breakfast program	2,229	2,367	2,522
02.01 Above 185 of poverty	196	194	202
02.02 130-185 of poverty	132	130	136
02.03 Below 130 of poverty	1,956	1,929	2,014
02.04 Audits	23	33	35
02.91 Subtotal, child and adult care feeding program	2,307	2,286	2,387
03.01 Summer food service program	298	313	329
03.02 Special milk program	14	15	14
03.03 State administrative expenses	163	171	184
03.04 Commodity procurement	537	603	638
03.91 Subtotal, Other mandatory activities	1,012	1,102	1,165
04.01 Team Nutrition	9	13	13
04.02 Coordinated review and CN pay costs	5	5	6
04.03 Computer support and processing	10	10	10
04.05 Food safety education	1	2	2
04.06 Other Program Costs		2	5
04.91 Subtotal, discretionary activities	25	32	36
05.01 Food service management institute and information clearinghouse and Reauthorization Activities	20	46	19
10.00 Total new obligations	13,428	14,043	14,729
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	83	252	257
22.00 New budget authority (gross)	13,399	13,932	14,475
22.10 Resources available from recoveries of prior year obligations	248	120	
23.90 Total budgetary resources available for obligation	13,730	14,304	14,732
23.95 Total new obligations	-13,428	-14,043	-14,729
23.98 Unobligated balance expiring or withdrawn	-50	-4	
24.40 Unobligated balance carried forward, end of year	252	257	3
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	7	14	17
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
Mandatory:			
60.00 Appropriation	7,608	7,634	7,909
60.00 Appropriation- Permanent Appropriation	20	30	19
62.00 Transferred from other accounts	5,731	6,254	6,530
62.50 Appropriation (total mandatory)	13,359	13,918	14,458
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	32		
70.00 Total new budget authority (gross)	13,399	13,932	14,475
Change in obligated balances:			
72.40 Obligated balance, start of year	1,995	2,094	1,615
73.10 Total new obligations	13,428	14,043	14,729
73.20 Total outlays (gross)	-13,082	-14,402	-14,643
73.40 Adjustments in expired accounts (net)	1		
73.45 Recoveries of prior year obligations	-248	-120	
74.40 Obligated balance, end of year	2,094	1,615	1,701
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	7	7	9
86.93 Outlays from discretionary balances	1	7	7

86.97 Outlays from new mandatory authority	11,112	12,318	12,927
86.98 Outlays from mandatory balances	1,962	2,070	1,700
87.00 Total outlays (gross)	13,082	14,402	14,643
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-31		
88.40 Non-Federal sources	-6		
88.90 Total, offsetting collections (cash)	-37		
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	4		
Net budget authority and outlays:			
89.00 Budget authority	13,366	13,932	14,475
90.00 Outlays	13,045	14,402	14,643

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	13,366	13,932	14,475
Outlays	13,045	14,402	14,643
Legislative proposal, subject to PAYGO:			
Budget Authority		50	37
Outlays		50	36
Total:			
Budget Authority	13,366	13,982	14,512
Outlays	13,045	14,452	14,679

Payments are made for cash and commodity meal subsidies through the School Lunch, School Breakfast, Special Milk, Summer Food Service, and Child and Adult Care Food programs.

Object Classification (in millions of dollars)

Identification code 12-3539-0-1-605	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	10	10	11
12.1 Civilian personnel benefits	2	2	2
21.0 Travel and transportation of persons	1	1	1
24.0 Printing and reproduction	3	7	7
25.2 Other services	194	144	121
26.0 Supplies and materials (Commodities)	551	603	638
41.0 Grants, subsidies, and contributions	12,665	13,276	13,949
99.0 Direct obligations	13,426	14,043	14,729
99.0 Reimbursable obligations	2		
99.9 Total new obligations	13,428	14,043	14,729

Employment Summary

Identification code 12-3539-0-1-605	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	154	164	164

CHILD NUTRITION PROGRAMS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3539-4-1-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.04 School lunch program		50	39
01.04 School breakfast program			-5
03.05 School food purchase study			3
10.00 Total new obligations (object class 41.0)		50	37
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		50	37
23.95 Total new obligations		-50	-37
24.40 Unobligated balance carried forward, end of year			

CHILD NUTRITION PROGRAMS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3539-4-1-605	2007 actual	2008 est.	2009 est.
New budget authority (gross), detail:			
Mandatory:			
60.00		50	37
Change in obligated balances:			
73.10		50	37
73.20		-50	-36
74.40			1
Outlays (gross), detail:			
86.97		50	36
Net budget authority and outlays:			
89.00		50	37
90.00		50	36

This schedule shows the interactive effects of the Administration's Food Stamp reauthorization proposals which limit Food Stamps categorical eligibility to households receiving Supplemental Security Income or Temporary Assistance for Needy Families cash assistance. There also are proposals to increase fresh fruit and vegetable purchases in the National School Lunch Program and to conduct a school food purchase study every five years.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), **[\$6,020,000,000] \$6,100,000,000**, to remain available through September 30, **[2009] 2010**, of which such sums as are necessary to restore the contingency reserve to \$150,000,000 shall be placed in reserve, to remain available until expended, to be allocated as the Secretary deems necessary, notwithstanding section 17(i) of such Act, to support participation should cost or participation exceed budget estimates: *Provided*, That of the total amount available, the Secretary shall obligate not less than **[\$15,000,000] \$14,850,000** for a breastfeeding support initiative in addition to the activities specified in section 17(h)(3)(A): *Provided further*, That, *notwithstanding section 17(h)(10)(A) of such Act*, only the provisions of section 17(h)(10)(B)(i) [and section 17(h)(10)(B)(ii)] shall be effective in **[2008] 2009**; including \$14,000,000 for the purposes specified in section 17(h)(10)(B)(i) [and \$30,000,000 for the purposes specified in section 17(h)(10)(B)(ii): *Provided further*, That funds made available for the purposes specified in section 17(h)(10)(B)(ii) shall only be made available upon determination by the Secretary that funds are available to meet caseload requirements without the use of the contingency reserve funds after the date of enactment of this Act]: *Provided further*, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: *Provided further*, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: *Provided further*, That *notwithstanding Section 17(h)(1)(B) of the Child Nutrition Act of 1966*, the amount of the national average per participant grant shall be not more than \$14.97: *Provided further*, That none of the funds made available under this heading may be used to provide WIC benefits to an individual who receives medical assistance under Title XIX of the Social Security Act, or is a member of a family in which a pregnant woman or an infant receives assistance unless such individual's family income is below 250 percent the applicable nonfarm income poverty limits: *Provided further*, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act]: *Provided further*, That of the amount provided under this paragraph, \$400,000,000 is designated as described in section 5 (in

the matter preceding division A of this consolidated Act)]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Identification code 12-3510-0-1-605	2007 actual	2008 est.	2009 est.
Program and Financing (in millions of dollars)			
Obligations by program activity:			
00.01	5,548	6,205	6,251
10.00	5,548	6,205	6,251
Budgetary resources available for obligation:			
21.40	163	108	
22.00	5,209	6,020	6,100
22.10			
	284	77	151
23.90	5,656	6,205	6,251
23.95	-5,548	-6,205	-6,251
24.40	108		
New budget authority (gross), detail:			
Discretionary:			
40.00	5,204	6,020	6,100
58.00			
	5		
70.00	5,209	6,020	6,100
Change in obligated balances:			
72.40	623	568	722
73.10	5,548	6,205	6,251
73.20	-5,316	-5,974	-5,955
73.40	-3		
73.45	-284	-77	-151
74.40	568	722	867
Outlays (gross), detail:			
86.90	4,882	5,539	5,474
86.93	434	435	481
87.00	5,316	5,974	5,955
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	1		
88.40	-8		
88.90	-7		
Against gross budget authority only:			
88.96	2		
Net budget authority and outlays:			
89.00	5,204	6,020	6,100
90.00	5,309	5,974	5,955

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides low-income at-risk pregnant and post-partum women, infants, and children with vouchers for nutritious supplemental food packages, nutrition education and counseling, and health and immunization referrals. This request limits growth in funding for nutrition services and administration and caps adjunctive eligibility at 250 percent of the Federal poverty level.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out disaster assistance [and the Commodity Supplemental Food Program] as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the Emergency Food Assistance Act of 1983; special assistance for the nuclear affected islands, as authorized by section 103(f)(2) of the Compact of Free Association Amendments Act of 2003 (Public Law 108-188); and the Farmers' Market Nutrition Program, as authorized by section 17(m) of the Child Nutrition Act of 1966,

[\$211,770,000] \$70,370,000, to remain available through September 30, [2009] 2010: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: *Provided further*, That notwithstanding any other provision of law, effective with funds made available in fiscal year [2008] 2009 to support the Seniors Farmers' Market Nutrition Program (SFMNP), as authorized by section 4402 of Public Law 107-171, such funds shall remain available through September 30, [2009] 2010: *Provided further*, That no funds available for SFMNP shall be used to pay State or local sales taxes on food purchased with SFMNP coupons or checks: *Provided further*, That the value of assistance provided by the SFMNP shall not be considered income or resources for any purposes under any Federal, State or local laws related to taxation, welfare and public assistance programs: *Provided further*, That of the funds made available under section 27(a) of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the Secretary may use up to \$10,000,000 for costs associated with the distribution of commodities. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-3507-0-1-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Commodity procurement	78	109	.....
00.02 Administrative costs	30	30	.....
00.91 Subtotal, commodity supplemental food program	108	139	.....
02.01 TEFAP Administrative	50	50	50
03.01 Senior farmers' market	16	16	.....
04.01 Farmers' market nutrition program	22	23	24
05.01 Pacific island and disaster assistance	1	2	1
09.01 Reimbursable program (NSIP)	2	3	.....
10.00 Total new obligations	199	233	75
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2	2	1
22.00 New budget authority (gross)	195	228	70
22.10 Resources available from recoveries of prior year obligations	4	4	4
23.90 Total budgetary resources available for obligation	201	234	75
23.95 Total new obligations	-199	-233	-75
24.40 Unobligated balance carried forward, end of year	2	1	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	178	211	70
40.33 Appropriation permanently reduced (P.L. 110-161) .....	.....	-1	.....
42.00 Transferred from other accounts .....	.....	3	.....
43.00 Appropriation (total discretionary)	178	213	70
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	3	.....	.....
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-1	.....	.....
58.90 Spending authority from offsetting collections (total discretionary)	2	.....	.....
Mandatory:			
62.00 Transferred from other accounts	15	15	.....
70.00 Total new budget authority (gross)	195	228	70
Change in obligated balances:			
72.40 Obligated balance, start of year	36	37	38
73.10 Total new obligations	199	233	75
73.20 Total outlays (gross)	-195	-228	-86
73.45 Recoveries of prior year obligations	-4	-4	-4
74.00 Change in uncollected customer payments from Federal sources (unexpired)	1	.....	.....
74.40 Obligated balance, end of year	37	38	23
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	148	182	47
86.93 Outlays from discretionary balances	32	31	32
86.97 Outlays from new mandatory authority	8	8	.....
86.98 Outlays from mandatory balances	7	7	7
87.00 Total outlays (gross)	195	228	86

Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	Federal sources	-1	.....
88.40	Non-Federal sources	-3	.....
88.90	Total, offsetting collections (cash)	-4	.....
Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources (unexpired)	1	.....
88.96	Portion of offsetting collections (cash) credited to expired accounts	1	.....
Net budget authority and outlays:			
89.00	Budget authority	193	228 70
90.00	Outlays	191	228 86

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	193	228	70
Outlays	191	228	86
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	15
Outlays .....	.....	.....	8
Total:			
Budget Authority	193	228	85
Outlays	191	228	94

This account funds the Commodity Supplemental Food Program (CSFP), the Emergency Food Assistance Program (TEFAP), farmers' market nutrition programs, assistance for the nuclear affected islands, and disaster relief.

TEFAP provides cash to support State administrative activities and to maintain the storage and distribution pipeline for USDA and privately-donated commodities. The account also funds two programs which provide low-income participants vouchers to purchase produce at farmers' markets. The Senior Farmers' Market Nutrition Program (SFMNP) is funded by transfer from the Commodity Credit Corporation. The WIC Farmers' Market Program is funded by discretionary appropriation.

The Budget eliminates funding for CSFP which is duplicative of the Food Stamp and WIC Programs. Resources are provided, within the Food Stamp account to help transition CSFP participants to those programs.

The Budget also proposes to prohibit farmers from charging sales tax on food purchased with SFMNP benefits and to ensure that SFMNP benefits are not considered as income for tax purposes or for determining eligibility for any public assistance benefit. These proposals are consistent with the treatment of benefits in other Federal nutrition programs.

Object Classification (in millions of dollars)

Identification code 12-3507-0-1-605	2007 actual	2008 est.	2009 est.
Direct obligations:			
26.0	Supplies and materials (commodities)	78	112
41.0	Grants, subsidies, and contributions	119	121 75
99.0	Direct obligations	197	233 75
99.0	Reimbursable obligations	2	.....
99.9	Total new obligations	199	233 75

COMMODITY ASSISTANCE PROGRAM
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3507-4-1-605	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
03.01	Senior farmers' market .....	.....	16
10.00	Total new obligations (object class 41.0) .....	.....	16

COMMODITY ASSISTANCE PROGRAM—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3507-4-1-605	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			15
22.10 Resources available from recoveries of prior year obligations			1
23.90 Total budgetary resources available for obligation			16
23.95 Total new obligations			-16
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			15
Change in obligated balances:			
73.10 Total new obligations			16
73.20 Total outlays (gross)			-8
73.45 Recoveries of prior year obligations			-1
74.40 Obligated balance, end of year			7
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			8
Net budget authority and outlays:			
89.00 Budget authority			15
90.00 Outlays			8

This schedule shows the effect of the Administration's Farm Bill reauthorization proposal, which continues the Senior Farmers Market Nutrition Program (SFMNP).

FOREST SERVICE

Federal Funds

NATIONAL FOREST SYSTEM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, **[\$1,492,868,000] \$1,349,537,000**, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601-6a(i)): *Provided*, That unobligated balances under this heading available at the start of fiscal year 2008 shall be displayed by budget line item in the fiscal year 2009 budget justification: *Provided further*, That of the funds provided under this heading for Forest Products, \$4,000,000 shall be allocated to the Alaska Region, in addition to its normal allocation for the purposes of preparing additional timber for sale, to establish a 3-year timber supply and such funds may be transferred to other appropriations accounts as necessary to maximize accomplishment. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1106-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 National forest system	1,435	1,574	1,444
09.01 Reimbursable program	102	73	73
10.00 Total new obligations	1,537	1,647	1,517
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	169	167	99
22.00 New budget authority (gross)	1,522	1,579	1,418
22.10 Resources available from recoveries of prior year obligations	9		
22.21 Unobligated balance transferred to other accounts	-13		
22.22 Unobligated balance transferred from other accounts	17		
23.90 Total budgetary resources available for obligation	1,704	1,746	1,517

23.95 Total new obligations	-1,537	-1,647	-1,517
24.40 Unobligated balance carried forward, end of year	167	99	

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	1,465	1,493	1,350
40.33 Appropriation permanently reduced (P.L. 110-161)		-23	
40.36 Unobligated balance permanently reduced			-5
41.00 Transferred to other accounts	-25		
42.00 Transferred from other accounts	7	36	
43.00 Appropriation (total discretionary)	1,447	1,506	1,345
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	73	73	73
58.10 Change in uncollected customer payments from Federal sources (unexpired)	2		
58.90 Spending authority from offsetting collections (total discretionary)	75	73	73
70.00 Total new budget authority (gross)	1,522	1,579	1,418
Change in obligated balances:			
72.40 Obligated balance, start of year	169	224	322
73.10 Total new obligations	1,537	1,647	1,517
73.20 Total outlays (gross)	-1,471	-1,549	-1,542
73.45 Recoveries of prior year obligations	-9		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.40 Obligated balance, end of year	224	322	297

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	1,232	1,342	1,205
86.93 Outlays from discretionary balances	239	207	337
87.00 Total outlays (gross)	1,471	1,549	1,542

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-49	-49	-49
88.40 Non-Federal sources	-24	-24	-24
88.90 Total, offsetting collections (cash)	-73	-73	-73
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-2		

Net budget authority and outlays:

89.00 Budget authority	1,447	1,506	1,345
90.00 Outlays	1,398	1,476	1,469

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	1,447	1,506	1,345
Outlays	1,398	1,476	1,469
Legislative proposal, not subject to PAYGO:			
Budget Authority			
Outlays			-1
Total:			
Budget Authority	1,447	1,506	1,345
Outlays	1,398	1,476	1,468

The 155 National Forests, 20 National Grasslands, and 6 land utilization projects located in 44 States, Puerto Rico, and the Virgin Islands are managed under multiple-use and sustained-yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are used in a planned combination that will best meet the needs of the Nation without impairing productivity of the land or damaging the environment. These management and utilization principles are recognized in the Multiple-Use, Sustained-Yield Act of 1960 (16 U.S.C. 528-531) and use an ecological approach to managing the National Forest System.

National Forest System (NFS) operations and maintenance provide for the planning, assessment, and conservation of ecosystems while delivering multiple public services and uses.

These are delivered through the principal NFS programs of land management planning; inventory and monitoring; recreation, heritage, and wilderness; wildlife and fisheries habitat management; grazing management; forest products; vegetation and watershed management; minerals and geology management; landownership management; the Valles Caldera National Preserve; and law enforcement operations. These programs maintain the capability to manage natural resources in a manner consistent with ecological principles and responsibilities.

The Budget provides full funding for the Forest Service to meet the settlement agreement for the Northwest Forest Plan to ensure scientifically sound, ecologically credible, and legally responsible strategies and implementation that produces a predictable and sustainable level of timber sales and non-timber resources, including 800 million board feet of timber offered for sale. The Budget also reflects continued use of streamlined forest planning with authorities included in the President's Healthy Forests Initiative and the Healthy Forests Restoration Act, particularly stewardship contracting. The Budget provides for the use of an Environmental Management System, a new process that improves forest plan implementation by institutionalizing the principles of adaptive management in Forest Service operations.

The Budget reflects the continuing emphasis on Forest Service program performance and accountability agency-wide.

The Budget also continues a significant reform of the Forest Service that streamlines its organization, improves accountability, and focuses on measurable results in the management of our national forests. The Budget continues to reduce overhead, business management, and other indirect costs by one-third to improve efficiency and program delivery. Results will improve in two ways. First, national forest operations will continue transformation by making additional "on-the-ground" resources available for resource management projects that meet the objectives of the President's Healthy Forests Initiative by reducing indirect costs to \$461 million, improving procurement practices, and use of competitive sourcing opportunities. Secondly, program administration and execution will continue to be enhanced through improvements in management accountability, reporting relationships, and oversight.

Object Classification (in millions of dollars)

Identification code 12-1106-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	605	614	553
11.3 Other than full-time permanent	33	33	30
11.5 Other personnel compensation	36	37	33
11.9 Total personnel compensation	674	684	616
12.1 Civilian personnel benefits	211	214	193
13.0 Benefits for former personnel	9	9	9
21.0 Travel and transportation of persons	42	42	38
22.0 Transportation of things	11	11	10
23.1 Rental payments to GSA	15	16	14
23.2 Rental payments to others	34	34	31
23.3 Communications, utilities, and miscellaneous charges	27	28	25
24.0 Printing and reproduction	2	2	2
25.1 Advisory and assistance services	1	2	1
25.2 Other services	188	300	283
25.3 Other purchases of goods and services from Government accounts	84	87	85
25.4 Operation and maintenance of facilities	1	1	1
25.5 Research and development contracts	2	2	2
25.7 Operation and maintenance of equipment	7	8	7
26.0 Supplies and materials	45	48	45
31.0 Equipment	37	38	37
41.0 Grants, subsidies, and contributions	42	45	42
42.0 Insurance claims and indemnities	3	3	3
99.0 Direct obligations	1,435	1,574	1,444
99.0 Reimbursable obligations	102	73	73

99.9 Total new obligations	1,537	1,647	1,517
Employment Summary			
Identification code 12-1106-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	11,286	11,156	9,973
Reimbursable:			
2001 Civilian full-time equivalent employment	478	475	475
Allocation account:			
3001 Civilian full-time equivalent employment	1,247	1,250	1,250

NATIONAL FOREST SYSTEM

(Legislative proposal, not subject to PAYGO)

ECOSYSTEM SERVICES DEMONSTRATION PROJECTS.

(a) *IN GENERAL.* The Secretary of Agriculture (referred to in this section as "Secretary") may prepare and implement up to 5 ecosystem services demonstration projects that—

(1) restore, enhance, or protect ecosystem function on National Forest System lands (including projects to rehabilitate watersheds damaged by fire or other natural catastrophic events);

(2) that mutually benefit the Secretary and a partnering entity (that for purposes of this section shall be limited to a State, political subdivision of a State, an Indian tribe or organization recognized under section 104 of the Federally recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a-1), or a nonprofit organization described in section 501(c)(3), and exempt from tax under section 501(a), of the Internal Revenue Code of 1986); and

(3) include a research component to analyze and quantify the flow and value of ecosystem services from each project.

(b) *PREPARATION AND IMPLEMENTATION.*—In developing and implementing an ecosystem services demonstration project, the Secretary may enter into an agreement with partnering entity—

(1) for the partnering entity to carry out the project for the Secretary in accordance with subsections (c) through (f);

(2) to receive funds from a partnering entity for the Secretary to carry out the project in accordance with subsection (g); or

(3) for any combination of paragraphs (1) and (2).

(c) *PROJECT REQUIREMENTS.*—Any ecosystem services demonstration project covered under subsection (b)(1) shall be consistent with the applicable land and resource management plan developed under section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) for National Forest System lands; and be approved by the Secretary in the Secretary's sole discretion.

(d) *PREPARATION OF ANALYSIS.*—For any ecosystem service demonstration project for which a contract or agreement is authorized under subsection (b)(1), the Secretary may authorize a partnering entity to prepare—

(1) any analysis required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) any biological assessment or biological evaluation prepared pursuant to the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(3) any document or study required by the National Historic Preservation Act (16 U.S.C. 470 et seq.); or

(4) any analysis, survey, or other documentation required by any other environmental law.

(e) *CONSIDERATION OF NEPA ALTERNATIVES.*—If an environmental assessment or environmental impact statement is prepared under section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)) for an ecosystem services demonstration project under this section, such environmental assessment or environmental impact statement may describe and analyze only (A) the proposed agency action; and (B) the alternative of no action.

(f) *ADMINISTRATIVE PROVISIONS.*

(1) *NATIONAL FOREST MANAGEMENT ACT OF 1976.*—Subsections (d) and (g) of section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a) shall not apply to an agreement under subsection (b)(1).

(2) *ASSUMPTION OF LIABILITY.*—A partnering entity shall assume liability, to the extent allowed by Federal, State and local fiscal law, for the actions or omissions of its employees or subcontractors in preparing or implementing an agreement under subsection (b)(1).

(3) *SUBCONTRACTING BY A PARTNERING ENTITY.*—A partnering entity may subcontract to the extent allowed by State

NATIONAL FOREST SYSTEM—Continued

and local law to prepare or implement an agreement under subsection (b)(1).

(4) **BONDING.**—Except as otherwise determined by the Secretary, a bond shall be required by the Secretary of any party to an agreement under subsection (b)(1).

(g) **FUNDS FROM PARTNERING ENTITY.**—Subject to subsection (h), the Secretary shall deposit funds received from the partnering entity for an ecosystem services demonstration project covered under subsection (b)(2) into the National Forest System account, to remain available without further appropriation and until expended, for carrying out this section.

(h) **LIMITATION.**—The Secretary may not accept a total amount, in the aggregate, of more than \$10 million from partnering entities for ecosystem services demonstration projects to be carried out under subsection (b)(2).

(i) **PROPERTY RIGHTS.**—No property right shall accrue to a partnering entity because of funds provided by the partnering entity for a project under this section.

(j) **RELATION TO OTHER AUTHORITIES.**—Nothing in this section shall prohibit the Secretary from applying an authority otherwise available to carry out an ecosystem services demonstration project.

Program and Financing (in millions of dollars)

Identification code 12-1106-2-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.00 Reimbursable—Ecosystem Services Demo Projects			9
10.00 Total new obligations			9
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			10
23.95 Total new obligations			-9
24.40 Unobligated balance carried forward, end of year			1
New budget authority (gross), detail:			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash)			10
Change in obligated balances:			
73.10 Total new obligations			9
73.20 Total outlays (gross)			-9
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			9
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			-10
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			-1

Ecosystem Services.—The Budget reflects the President’s commitment to cooperative conservation and includes Ecosystem Services Demonstration Projects that bring new partners together with the Forest Service in a broad effort to advance market-based conservation. Forest restoration projects on national forests will demonstrate the value of clean water, carbon sequestration, and other critical services that forests provide. The Budget provides the Secretary of Agriculture with the authority to implement up to five projects that restore, enhance, and protect ecosystem function on National Forest System lands, including projects that rehabilitate watersheds damaged by fire or other natural catastrophic events. Examples of management activities include protecting water quality, restoring long-leaf pine forests, or reducing the risk of catastrophic wildfires. Each demonstration project will be consistent with applicable land and resource management plans, comply with environmental laws

and regulations, and involve the measurement and monitoring of ecosystem services to understand how they can be quantified and valued in potential or emerging markets. These projects will benefit the Secretary and a partner, defined as either a State, political subdivision of a State, Indian tribe, or non-profit organization, and be expanded or accelerated using the funds or services provided by a partner. Partnering entities could carry out the project for the Secretary, provide funds for project implementation up to a total of \$10 million for all projects, or provide a combination of funds and services.

Employment Summary

Identification code 12-1106-2-1-302	2007 actual	2008 est.	2009 est.
Reimbursable:			
2001 Civilian full-time equivalent employment			40

CAPITAL IMPROVEMENT AND MAINTENANCE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Forest Service, not otherwise provided for, **[\$456,895,000] \$405,788,000**, to remain available until expended, for construction, capital improvement, maintenance and acquisition of buildings and other facilities[,] and infrastructure; and for construction, capital improvement, decommissioning, and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205[; and in addition \$25,000,000 to be transferred from the timber roads purchaser election fund and merged with this account, to remain available until expended]: *Provided*, [That \$40,000,000 shall be designated for urgently needed road decommissioning, road and trail repair and maintenance and associated activities, and removal of fish passage barriers, especially in areas where Forest Service roads may be contributing to water quality problems in streams and water bodies which support threatened, endangered or sensitive species or community water sources and for urgently needed road repairs required due to recent storm events: *Provided further*,] That up to **[\$40,000,000] \$15,000,000** of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed[: *Provided further*, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project: *Provided further*, That the decommissioning of unauthorized roads not part of the official transportation system shall be expedited in response to threats to public safety, water quality, or natural resources: *Provided further*, That funds becoming available in fiscal year 2008 under the Act of March 4, 1913 (16 U.S.C. 501) shall be transferred to the General Fund of the Treasury and shall not be available for transfer or obligation for any other purpose unless the funds are appropriated: *Provided further*, That notwithstanding any other provision of law, the Forest Service shall provide \$1,197,000 appropriated in Public Law 110-5 within the Capital Improvement and Maintenance appropriation as an advance direct lump sum payment to West Virginia University for the planning and construction of a research greenhouse facility as the Federal share in the construction of the new facility]. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1103-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Capital improvement and maintenance	444	529	472
09.01 Reimbursable program	17	19	19
10.00 Total new obligations	461	548	491
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	101	105	75
22.00 New budget authority (gross)	465	518	425
22.10 Resources available from recoveries of prior year obligations	7		
22.21 Unobligated balance transferred to other accounts	-7		

23.90	Total budgetary resources available for obligation	566	623	500
23.95	Total new obligations	-461	-548	-491
24.40	Unobligated balance carried forward, end of year	105	75	9
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	436	457	406
40.33	Appropriation permanently reduced (P.L. 110-161)	-7	-7	
41.00	Transferred to other accounts	-17		
42.00	Transferred from other accounts	7	49	
43.00	Appropriation (total discretionary)	426	499	406
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash)	19	19	19
58.10	Change in uncollected customer payments from Federal sources (unexpired)	-2		
58.90	Spending authority from offsetting collections (total discretionary)	17	19	19
Mandatory:				
62.00	Transferred from other accounts	22		
70.00	Total new budget authority (gross)	465	518	425
Change in obligated balances:				
72.40	Obligated balance, start of year	194	189	186
73.10	Total new obligations	461	548	491
73.20	Total outlays (gross)	-461	-551	-469
73.45	Recoveries of prior year obligations	-7		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	2		
74.40	Obligated balance, end of year	189	186	208
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	293	388	319
86.93	Outlays from discretionary balances	168	155	143
86.98	Outlays from mandatory balances		8	7
87.00	Total outlays (gross)	461	551	469
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-7	-7	-7
88.40	Non-Federal sources	-12	-12	-12
88.90	Total, offsetting collections (cash)	-19	-19	-19
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	2		
Net budget authority and outlays:				
89.00	Budget authority	448	499	406
90.00	Outlays	442	532	450

Funding provides for capital improvement and maintenance of Forest Service assets including facilities, roads, and trails. The program emphasizes an efficient and effective infrastructure that supports public and administrative uses; and quality recreation experiences with minimal impact to ecosystem stability and conditions.

Capital improvement of facilities, roads and trails includes new construction, alteration of existing assets to change the function, and expansion of an asset to change the capacity or to serve needs that are different from what was originally intended. Maintenance is divided into three primary areas: annual maintenance, deferred maintenance, and decommissioning. Deferred maintenance includes the repair, rehabilitation or replacement of the asset or components of the asset.

Facilities.—Provides for capital improvement and maintenance of recreation developed sites, fire, administrative, and other (FA&O) facilities, including visitor centers, research facilities, telecommunication sites and towers, and dams. The program also includes the acquisition of buildings and other facilities necessary to carry out the mission of the Forest Service. Maintenance for FA&O projects costing less than \$250,000 is financed separately through a multi-program assessment to Research, State and Private Forestry, National Forest System, Wildland Fire Management, Land Acquisition

and the Capital Improvement and Maintenance appropriations, along with eligible Permanent and Trust Funds. The Budget reflects a base rate for buildings plus a graduated rate that recognizes different facility types, which together, are limited to 4 percent of the facility replacement value and not to exceed \$7 per square foot.

Roads.—Provides for capital improvement and maintenance of the national forest road system, including bridges and terminal facilities such as parking lots, trailhead parking, camping spurs and truck turnarounds. The program also focuses on decommissioning unneeded roads, unauthorized roads and/or roads that are degrading the ecosystem. The agency will continue to address the growing road system maintenance backlog. Funding priorities are health and safety, resource protection, and mission critical needs.

Trails.—Provides for capital improvement and maintenance of National Forest System trails. Funding is used to protect capital investments by keeping trails open for access and protecting vegetation, soil, and water quality. Work includes clearing the pathway of encroaching vegetation and fallen trees, and repairing or improving trail signs, treadways, drainage facilities, and bridges.

Infrastructure Improvement.— Provides for capital improvement and maintenance directed toward reducing the backlog in deferred maintenance on National Forest System roads and trails, as well as recreation developed sites and FA&O facilities. Funding priorities are to ensure the safety of the public, agency employees, volunteers and contractors.

The Budget reflects Forest Service continued use of authorities that permit the agency to apply proceeds from the sale of excess facilities to replace other deficient facilities or perform needed rehabilitation work on existing facilities. It also implements Program Assessment and Rating Tool (PART) recommendations and includes incentives to optimize utilization and reduce costs. The Forest Service will develop long-term outcome-based performance measures for roads, facilities and trails that cover the full scope of the program, including safety, condition sustainability and environmental suitability, utilization, and mission dependency; improve overall facilities, roads and trails data quality and ensure that condition assessment surveys are accurate and drive management decisions regarding the construction, use, maintenance or decommissioning, and disposal of these assets; and develop and implement a strategy to prioritize road, facility and trail improvements that reflect the Federal Real Property Council tree for investment strategies as a common criteria for setting asset priorities in addressing the deferred maintenance backlog. Through the efforts, the Budget enables the Forest Service to improve road and trail conditions and meet its goal of reducing facility deferred maintenance by 25 percent by 2010.

Object Classification (in millions of dollars)

Identification code 12-1103-0-1-302	2007 actual	2008 est.	2009 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	125	122	114
11.3	Other than full-time permanent	11	11	10
11.5	Other personnel compensation	8	8	7
11.9	Total personnel compensation	144	141	131
12.1	Civilian personnel benefits	44	43	40
13.0	Benefits for former personnel	4	4	4
21.0	Travel and transportation of persons	9	9	8
22.0	Transportation of things	3	2	2
23.1	Rental payments to GSA	3	3	3
23.2	Rental payments to others	8	8	7
23.3	Communications, utilities, and miscellaneous charges	7	7	6
25.2	Other services	133	197	165
25.3	Other purchases of goods and services from Government accounts	49	65	65
25.4	Operation and maintenance of facilities	2	2	2

CAPITAL IMPROVEMENT AND MAINTENANCE—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Object Classification (in millions of dollars)—Continued

Identification code 12-1103-0-1-302	2007 actual	2008 est.	2009 est.
25.7 Operation and maintenance of equipment	3	3	3
26.0 Supplies and materials	8	10	8
31.0 Equipment	10	12	10
32.0 Land and structures	8	7	7
41.0 Grants, subsidies, and contributions	9	16	11
99.0 Direct obligations	444	529	472
99.0 Reimbursable obligations	17	19	19
99.9 Total new obligations	461	548	491

Employment Summary

Identification code 12-1103-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	2,511	2,386	2,104
Reimbursable:			
2001 Civilian full-time equivalent employment	106	100	100
Allocation account:			
3001 Civilian full-time equivalent employment	65	65	65

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, **[\$290,457,000]** \$263,000,000, to remain available until expended: *Provided*, That of the funds provided, \$61,329,000 is for the forest inventory and analysis program].

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), **[\$56,000]** \$50,000, to remain available until expended, to be derived from the fund established pursuant to the above Act. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1104-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.06 Forest and rangeland research	320	327	307
09.01 Reimbursable program	33	40	40
10.00 Total new obligations	353	367	347
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	36	25	14
22.00 New budget authority (gross)	341	356	333
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	378	381	347
23.95 Total new obligations	-353	-367	-347
24.40 Unobligated balance carried forward, end of year	25	14	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	280	290	263
40.33 Appropriation permanently reduced (P.L. 110-161)		-5	
42.00 Transferred from other accounts	23	31	30
43.00 Appropriation (total discretionary)	303	316	293
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	40	40	40
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-2		
58.90 Spending authority from offsetting collections (total discretionary)	38	40	40
70.00 Total new budget authority (gross)	341	356	333
Change in obligated balances:			
72.40 Obligated balance, start of year	83	102	131

73.10 Total new obligations	353	367	347
73.20 Total outlays (gross)	-335	-338	-340
73.45 Recoveries of prior year obligations	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	2		
74.40 Obligated balance, end of year	102	131	138

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	259	249	233
86.93 Outlays from discretionary balances	76	89	107
87.00 Total outlays (gross)	335	338	340

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-36	-36	-36
88.40 Non-Federal sources	-4	-4	-4
88.90 Total, offsetting collections (cash)	-40	-40	-40
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	2		

Net budget authority and outlays:

89.00 Budget authority	303	316	293
90.00 Outlays	295	298	300

Forest Service Research & Development (FS R&D) is one of the world's leading forestry research organizations. It conducts ecological and social science research to understand ecosystems, how humans influence those ecosystems, and how forests can be managed sustainably to enable both environmental conservation and economic expansion. Research is conducted at five Research Stations, the Forest Products Laboratory, and the International Institute of Tropical Forestry located in Puerto Rico.

In 2009, FS R&D will continue to improve forest and rangeland managers' abilities to reintroduce fire to its natural role and mitigate losses from native insects and pathogens. FS R&D researchers answer land managers' scientific questions about fire behavior, risk assessment and mitigation for multiple hazards, and utilization opportunities for the biomass that contributes to overcrowded, unhealthy forests. Priority will also be placed on making improvements in woody biomass utilization for energy, alternative fuels, and value-added products to help stimulate removal of hazardous fuels from forests at risk of wildfire. Tools and technologies will be modified, adapted or developed to serve the priorities of land managers dealing with wildland fire, invasive species, and other management challenges.

The Forest Inventory and Analysis program will continue to provide up-to-date information on status and trends in America's forest resources including the distribution and type of forest; growth, harvest, and mortality; forest structure and composition; soils; vegetative diversity; and fuel loads. The momentum to achieve the annualized inventory in all 50 States will be maintained.

Efficient delivery of science is essential to successful implementation of the President's Healthy Forests Initiative. The Budget continues efforts that optimize the delivery of research findings by improving Forest Service management of investments in research, development, and applications. Funds will be targeted to leading-edge technical assistance on a competitive basis with innovative partnerships and science and technology applications. FS R&D will continue to strive to reach the target of having 20 percent of the budget in extramural funding by the year 2011.

Object Classification (in millions of dollars)

Identification code 12-1104-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			

11.1	Full-time permanent	143	147	144
11.3	Other than full-time permanent	7	6	6
11.5	Other personnel compensation	4	4	4
11.9	Total personnel compensation	154	157	154
12.1	Civilian personnel benefits	43	44	44
13.0	Benefits for former personnel	2	2	2
21.0	Travel and transportation of persons	12	12	10
22.0	Transportation of things	2	3	2
23.1	Rental payments to GSA	4	4	4
23.2	Rental payments to others	6	6	6
23.3	Communications, utilities, and miscellaneous charges	6	7	6
24.0	Printing and reproduction	1	1	1
25.2	Other services	5	5	4
25.3	Other purchases of goods and services from Government accounts	12	13	9
25.5	Research and development contracts	25	26	27
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials	28	28	19
31.0	Equipment	6	4	4
41.0	Grants, subsidies, and contributions	13	14	14
99.0	Direct obligations	320	327	307
99.0	Reimbursable obligations	33	40	40
99.9	Total new obligations	353	367	347

Employment Summary

Identification code 12-1104-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	2,283	2,283	2,173
Reimbursable:			
2001 Civilian full-time equivalent employment	117	117	117

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, including treatments of pests, pathogens, and invasive or noxious plants and for restoring and rehabilitating forests damaged by pests or invasive plants, cooperative forestry, and education and land conservation activities and conducting an international program as authorized, **[\$266,974,000]** \$109,500,000, to remain available until expended, as authorized by law; [of which \$7,500,000 is for the International Program;] and of which **[\$53,146,000]** \$12,500,000 is to be derived from the Land and Water Conservation Fund. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 12-1105-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 State and private forestry	313	325	181
00.02 Forest Legacy	58	54	13
09.01 Reimbursable program	21	21	21
10.00 Total new obligations	392	400	215
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	60	51	17
22.00 New budget authority (gross)	373	366	198
22.10 Resources available from recoveries of prior year obligations	13		
22.21 Unobligated balance transferred to other accounts	-2		
23.90 Total budgetary resources available for obligation	444	417	215
23.95 Total new obligations	-392	-400	-215
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	51	17	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	223	214	97
40.20 Appropriation (LWCF)	57	53	13
40.33 Appropriation permanently reduced (P.L. 110-161)		-4	
42.00 Transferred from other accounts	79	82	67
43.00 Appropriation (total discretionary)	359	345	177

58.00	Spending authority from offsetting collections:			
58.10	Offsetting collections (cash)	21	21	21
	Change in uncollected customer payments from Federal sources (unexpired)	-7		
58.90	Spending authority from offsetting collections (total discretionary)	14	21	21
70.00	Total new budget authority (gross)	373	366	198
Change in obligated balances:				
72.40	Obligated balance, start of year	556	518	410
73.10	Total new obligations	392	400	215
73.20	Total outlays (gross)	-424	-508	-241
73.45	Recoveries of prior year obligations	-13		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	7		
74.40	Obligated balance, end of year	518	410	384
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	140	275	149
86.93	Outlays from discretionary balances	284	233	92
87.00	Total outlays (gross)	424	508	241
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-19	-19	-19
88.40	Non-Federal sources	-2	-2	-2
88.90	Total, offsetting collections (cash)	-21	-21	-21
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	7		
Net budget authority and outlays:				
89.00	Budget authority	359	345	177
90.00	Outlays	403	487	220

State and private forestry programs provide assistance to manage, use, and protect forest resources on State and private lands, in both rural and urban areas, to meet domestic and international demands for goods and services. Assistance is provided to a wide range of customers including all 50 States, Puerto Rico, U.S. Virgin Islands, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific.

Forest Health Management.—Includes funding for Federal and cooperative lands to maintain healthy, productive ecosystems by preventing, detecting and suppressing damaging native and invasive forest and tree insects and diseases across all land ownerships and invasive plants on cooperative lands. Through the use of a newly updated science-based forest health risk map, the Budget reflects Forest Service allocations of program funding that address national priorities and reduce risk in the most effective and efficient manner.

Cooperative Fire Protection.—Includes funding to enhance the capacity of States to provide coordinated fire suppression response, reduce hazardous fuels in and adjacent to communities, and to promote safe and effective initial fire attack in wildland/urban interface areas by volunteer fire departments. The Forest Service will continue the method of funding allocation to include community-based hazard mitigation practices that are included in community wildfire protection plans or equivalent as a condition of eligibility for grants.

Cooperative Forestry.—Includes the forest stewardship, forest legacy, and urban and community forestry programs. This suite of complementary programs helps maintain the integrity of our nation's valuable forested landscapes and supports the Federal interest in obtaining social, economic, and environmental benefits from these landscapes. The forest legacy program is a Federal program that partners with States to protect environmentally sensitive forest lands. The forest stewardship program provides professional forestry assistance to non-industrial private forest (NIPF) landowners to encourage sound environmental management of NIPF lands. The urban and community forestry program provides technical, financial,

STATE AND PRIVATE FORESTRY—Continued

and educational assistance to cities, suburbs, and towns nationwide so they can improve the condition and extent of their trees and forests to achieve the full range of benefits and services from these resources. The Forest Service will deploy methods that promote cooperative conservation through peer-to-peer, citizen-centric forestry assistance.

International Programs.—The programs will emphasize priority habitat protection for migratory birds along the length of flyways, preventing the introduction of new invasive species, and sustainable forestry techniques development for other timber exporting nations. The Forest Service will implement and refine performance measures for this program.

Object Classification (in millions of dollars)

Identification code 12-1105-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	50	51	37
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	2	2	1
11.9 Total personnel compensation	54	55	40
12.1 Civilian personnel benefits	15	16	11
21.0 Travel and transportation of persons	7	8	5
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	2	2	1
23.2 Rental payments to others	2	2	2
23.3 Communications, utilities, and miscellaneous charges	2	2	1
24.0 Printing and reproduction	1	1	1
25.2 Other services	19	22	14
25.3 Other purchases of goods and services from Government accounts	5	6	5
25.4 Operation and maintenance of facilities	1	1	1
25.5 Research and development contracts	1	1	1
26.0 Supplies and materials	8	9	8
31.0 Equipment	2	3	3
41.0 Grants, subsidies, and contributions	252	250	101
99.0 Direct obligations	371	379	194
99.0 Reimbursable obligations	21	21	21
99.9 Total new obligations	392	400	215

Employment Summary

Identification code 12-1105-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	743	739	523
Reimbursable:			
2001 Civilian full-time equivalent employment	43	45	45

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES

For necessary expenses of the Forest Service to manage Federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96-487), \$5,053,000, to remain available until expended. (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 12-1119-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Management of national forest lands for subsistence uses	6	5	.....
10.00 Total new obligations	6	5	.....
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	.....	.....
22.00 New budget authority (gross)	5	5	.....
23.90 Total budgetary resources available for obligation	6	5	.....

23.95 Total new obligations	—6	—5	.....
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	5	5	.....

Change in obligated balances:

72.40 Obligated balance, start of year	2	3	2
73.10 Total new obligations	6	5	.....
73.20 Total outlays (gross)	—5	—6	—2
74.40 Obligated balance, end of year	3	2	.....

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	4	5	.....
86.93 Outlays from discretionary balances	1	1	2
87.00 Total outlays (gross)	5	6	2

Net budget authority and outlays:

89.00 Budget authority	5	5	.....
90.00 Outlays	5	6	2

Funding under this program primarily supports fisheries and wildlife habitat management activities in the areas of population assessment, forecasting, harvest regulations, and law enforcement to ensure that the subsistence needs of qualified rural Alaskans are met under the Alaska National Interest Lands Conservation Act (Public Law 96-487).

Object Classification (in millions of dollars)

Identification code 12-1119-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	2	.....
12.1 Civilian personnel benefits	1	1	.....
25.2 Other services	3	2	.....
25.3 Other purchases of goods and services from Government accounts	1	.....	.....
99.9 Total new obligations	6	5	.....

Employment Summary

Identification code 12-1119-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	25	24	.....

WILDLAND FIRE MANAGEMENT
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, hazardous fuels reduction on or adjacent to such lands, and for emergency rehabilitation of burned-over National Forest System lands and water, [\$1,974,276,000] \$1,976,592,000, to remain available until expended: *Provided*, That such funds including unobligated balances under this heading, are available for repayment of advances from other appropriations accounts previously transferred for such purposes: *Provided further*, That such funds shall be available to reimburse State and other cooperating entities for services provided in response to wildfire and other emergencies or disasters to the extent such reimbursements by the Forest Service for non-fire emergencies are fully repaid by the responsible emergency management agency: *Provided further*, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 2007 shall be transferred to the fund established pursuant to section 3 of Public Law 71-319 (16 U.S.C. 576 et seq.) if necessary to reimburse the fund for unpaid past advances: *Provided further*, That, notwithstanding any other provision of law, \$8,000,000 of funds appropriated under this appropriation shall be used for Fire Science Research in support of the Joint Fire Science Program: *Provided further*, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agree-

ments, available to execute the Forest and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research: *Provided further*, That funds provided shall be available for emergency rehabilitation and restoration, hazardous fuels reduction activities in the urban-wildland interface, support to Federal emergency response, and wildfire suppression activities of the Forest Service: *Provided further*, That of the funds provided, \$315,000,000 is for hazardous fuels reduction activities, \$11,000,000 is for rehabilitation and restoration, \$23,892,000 is for research activities and to make competitive research grants pursuant to the Forest and Rangeland Renewable Resources Research Act, as amended (16 U.S.C. 1641 et seq.), \$48,727,000 is for State fire assistance, \$8,000,000 is for volunteer fire assistance, \$14,252,000 is for forest health activities on Federal lands and \$10,014,000 is for forest health activities on State and private lands: *Provided further*, That amounts in this paragraph may be transferred to the “State and Private Forestry”, “National Forest System”, and “Forest and Rangeland Research” accounts to fund State fire assistance, volunteer fire assistance, forest health management, forest and rangeland research, the Joint Fire Science Program, vegetation and watershed management, heritage site rehabilitation, and wildlife and fish habitat management and restoration: *Provided further*, That transfers of any amounts in excess of those authorized in this paragraph, shall require approval of the House and Senate Committees on Appropriations in compliance with reprogramming procedures contained in the explanatory statement accompanying this Act: *Provided further*, That up to \$10,000,000 of the funds provided under this heading for hazardous fuels treatments may be transferred to and made a part of the “National Forest System” account at the sole discretion of the Chief of the Forest Service thirty days after notifying the House and the Senate Committees on Appropriations: *Provided further*, That the costs of implementing any cooperative agreement between the Federal Government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: *Provided further*, That in addition to funds provided for State Fire Assistance programs, and subject to all authorities available to the Forest Service under the State and Private Forestry Appropriation, up to \$15,000,000 may be used on adjacent non-Federal lands for the purpose of protecting communities when hazard reduction activities are planned on national forest lands that have the potential to place such communities at risk: *Provided further*, That funds made available to implement the Community Forest Restoration Act, Public Law 106-393, title VI, shall be available for use on non-Federal lands in accordance with authorities available to the Forest Service under the State and Private Forestry Appropriation: *Provided further*, That the Secretary of the Interior and the Secretary of Agriculture may authorize the transfer of funds appropriated for wildland fire management, in an aggregate amount not to exceed **[\$10,000,000] \$9,000,000**, between the Departments when such transfers would facilitate and expedite jointly funded wildland fire management programs and projects: *Provided further*, That of the funds provided for hazardous fuels reduction, not to exceed **[\$7,000,000] \$5,000,000**, may be used to make grants, using any authorities available to the Forest Service under the State and Private Forestry appropriation, for the purpose of creating incentives for increased use of biomass from national forest lands: *Provided further*, That **[funds designated for wildfire suppression shall be assessed for cost pools on the same basis as such assessments are calculated against other agency programs] of the funds provided under this heading, the Forest Service shall employ not less than 10,480 wildland firefighters. (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.)**

“Sec. 157.(a) Notwithstanding any other provision of this joint resolution, and in addition to amounts otherwise available by this joint resolution, there is appropriated \$329,000,000 for ‘Department of Agriculture—Forest Service—Wildland Fire Management’, to remain available until expended. Of such funds—“(1) \$110,000,000 shall be available for emergency wildfire suppression;“(2) \$100,000,000 shall be used within 15 days of the enactment of this section for repayment to other accounts from which such funds were transferred in fiscal year 2007 for wildfire suppression so that all such transfers for fiscal year 2007 are fully repaid;“(3) \$80,000,000 shall be available for hazardous fuels reduction and hazard mitigation activities, of which \$30,000,000 is available for work on State and private lands using all the authorities available to the Forest Service;“(4) \$25,000,000 shall be available for rehabilitation and restoration of Federal lands; and“(5) \$14,000,000 shall be available for reconstruction and construction of Federal facilities and may be transferred

to and merged with ‘Forest Service—Capital Improvement and Maintenance.’“(c) Each amount provided by this section is designated as an emergency requirement and necessary to meet emergency needs pursuant to subsections (a) and (b) of section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.” (P.L. 110-116.)

Program and Financing (in millions of dollars)

Identification code 12-1115-0-1-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Wildland fire management	2,351	2,288	1,940
09.01 Reimbursable program	116	175	175
10.00 Total new obligations	2,467	2,463	2,115
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	211	90	60
22.00 New budget authority (gross)	2,229	2,433	2,055
22.10 Resources available from recoveries of prior year obligations	71		
22.21 Unobligated balance transferred to other accounts	-16		
22.22 Unobligated balance transferred from other accounts	62		
23.90 Total budgetary resources available for obligation	2,557	2,523	2,115
23.95 Total new obligations	-2,467	-2,463	-2,115
24.40 Unobligated balance carried forward, end of year	90	60	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,194	2,525	1,977
40.33 Appropriation permanently reduced (P.L. 110-161)		-31	
41.00 Transferred to other accounts	-118	-236	-97
42.00 Transferred from other accounts	52		
43.00 Appropriation (total discretionary)	2,128	2,258	1,880
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	139	175	175
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-38		
58.90 Spending authority from offsetting collections (total discretionary)	101	175	175
70.00 Total new budget authority (gross)	2,229	2,433	2,055
Change in obligated balances:			
72.40 Obligated balance, start of year	757	614	451
73.10 Total new obligations	2,467	2,463	2,115
73.20 Total outlays (gross)	-2,577	-2,626	-2,091
73.45 Recoveries of prior year obligations	-71		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	38		
74.40 Obligated balance, end of year	614	451	475
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1,851	2,191	1,850
86.93 Outlays from discretionary balances	726	435	241
87.00 Total outlays (gross)	2,577	2,626	2,091
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-16	-33	-35
88.40 Non-Federal sources	-123	-142	-140
88.90 Total, offsetting collections (cash)	-139	-175	-175
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	38		
Net budget authority and outlays:			
89.00 Budget authority	2,128	2,258	1,880
90.00 Outlays	2,438	2,451	1,916

Wildland Fire Management.—This appropriation provides funding for Forest Service fire management, presuppression, and suppression on National Forest System lands, adjacent State and private lands, and other lands under fire protection agreement.

WILDLAND FIRE MANAGEMENT—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

Preparedness.—To protect National Forest System (NFS) lands from damage by wildfires commensurate with the threat to life, values at risk, public values, and management objectives.

Preparedness provides the basic fire organization and capability to prevent forest fires and to take prompt, effective initial attack suppression operations action on wildfires. This funding covers expenses associated with planning, prevention, detection, information, and education; pre-incident training; equipment and supply purchase and replacement; and other preparedness activities, including the base salary and travel of the regular Forest Service firefighting organization. Through this program the Forest Service also assists other Federal agencies and States with training programs, planning assistance, sharing joint equipment use contracts, and inter-agency fire coordination centers. The Budget includes funding for not less than 10,480 wildland firefighters.

Readiness levels reflect improvements in efficiencies and management controls, including those gained through a centralized aviation services office, as well as management of national shared resources such as large airtankers, helitankers, hotshot crews and smokejumpers. The Budget improves the transparency, accountability, and alignment of Forest Service budget execution with priorities, and it also reflects the deployment of a system that allocates fire preparedness resources (e.g., firefighters and equipment) effectively across geographic areas.

Fire Operations.—Risk-informed suppression of wildland fires on or threatening NFS lands, Department of the Interior lands, or other lands under fire protection agreement. The Budget provides full funding of the ten-year average of suppression costs, adjusted for inflation. The Administration again urges Congress to recede from language that requires the Forest Service to assess indirect charges against suppression since it increases the likelihood of fire transfers. To improve the management of wildland fire resources, the Forest Service will:

—Utilize a Comptroller and support group to provide executive level oversight monitoring of Suppression expenditures.

—Implement key findings from 2007 and prior year large fire cost reviews and the 2007 management efficiency analysis.

—Continue implementation of Program Assessment Rating Tool (PART) performance measures including monitoring and analyzing large fire suppression expenditures with the stratified cost index and reducing the number of human caused ignitions.

—Utilize a risk-informed management response strategy for unplanned ignitions to manage risk, maximize resource utilization, manage loss and contain costs.

—Implement, as appropriate, a process to account for wildfires that contribute to attainment of desired ecological and natural resource conditions.

—Accurately share firefighting costs in the wildland-urban interface, or WUI, between responding agencies.

—Expand the use of the Wildland Fire Decision Support System (WFDSS) to support managers in analyzing risk relative to strategic suppression decisions which affect suppression costs, firefighter and public safety, and impacts to property and resources.

—Develop a coordinated system for line officers to request and release assets during an incident based on the need, cost and use of firefighting assets.

—Establish an integrated system to procure and allocate firefighting assets that improves their systems for determining the appropriate type and quantity of firefighting as-

sets needed for the fire season or for effectively and efficiently procuring them.

—Expand use of the suppression allocation model for initial response based on the analysis of a “mock up” allocation model and process under development in 2008.

—Place priority on those projects associated with a community wildfire protection plan, or equivalent.

These actions highlight important refinements within the Forest Services wildland fire management program that strengthen oversight of suppression spending and use risk management principles to guide decision-making at the strategic, program, and operational levels. By identifying and analyzing risk in a systematic fashion, the Forest Service is better equipped to assess wildfire intensity and associated threats posed to lives, improved property, or the environment. This risk-informed fire protection system allows agency administrators the ability to choose from a full spectrum of wildfire management actions and appropriately scale their responses to the risks posed. For example, many backcountry wildfires pose less risk than those that occur near communities and do not always require full-scale suppression efforts.

Object Classification (in millions of dollars)

Identification code 12-1115-0-1-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	418	434	423
11.3 Other than full-time permanent	64	67	65
11.5 Other personnel compensation	243	253	246
11.8 Special personal services payments	42	44	43
11.9 Total personnel compensation	767	798	777
12.1 Civilian personnel benefits	203	211	206
13.0 Benefits for former personnel	25	25	25
21.0 Travel and transportation of persons	75	78	75
22.0 Transportation of things	8	8	8
23.1 Rental payments to GSA	11	12	11
23.2 Rental payments to others	34	35	34
23.3 Communications, utilities, and miscellaneous charges	27	28	27
24.0 Printing and reproduction	1	1	1
25.2 Other services	697	655	383
25.3 Other purchases of goods and services from Government accounts	135	120	90
25.4 Operation and maintenance of facilities		1	1
25.5 Research and development contracts	2	2	2
25.7 Operation and maintenance of equipment	8	8	8
26.0 Supplies and materials	136	120	115
31.0 Equipment	33	33	30
41.0 Grants, subsidies, and contributions	186	150	145
42.0 Insurance claims and indemnities	3	3	2
99.0 Direct obligations	2,351	2,288	1,940
99.0 Reimbursable obligations	116	175	175
99.9 Total new obligations	2,467	2,463	2,115

Employment Summary

Identification code 12-1115-0-1-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	11,146	11,236	10,645
Reimbursable:			
2001 Civilian full-time equivalent employment	32	30	30

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-5207-0-2-302	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	6	6	6
01.99 Balance, start of year	6	6	6
Receipts:			
02.20 Receipts, Cooperative Range Improvements	3	3	3
04.00 Total: Balances and collections	9	9	9
Appropriations:			
05.00 Range Betterment Fund	-3	-3	-4
07.99 Balance, end of year	6	6	5

Program and Financing (in millions of dollars)

Identification code 12-5207-0-2-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Range betterment fund	3	4	4
10.00 Total new obligations	3	4	4
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	
22.00 New budget authority (gross)	3	3	4
23.90 Total budgetary resources available for obligation	4	4	4
23.95 Total new obligations	-3	-4	-4
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund)	3	3	4
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	2
73.10 Total new obligations	3	4	4
73.20 Total outlays (gross)	-3	-3	-4
74.40 Obligated balance, end of year	1	2	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	2	3
86.93 Outlays from discretionary balances	1	1	1
87.00 Total outlays (gross)	3	3	4
Net budget authority and outlays:			
89.00 Budget authority	3	3	4
90.00 Outlays	3	3	4

Fifty percent of grazing fees from National Forests in the 16 western States, once appropriated, are used to protect and improve rangeland productivity primarily through revegetation, construction and reconstruction, and maintenance of improvements under authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

Object Classification (in millions of dollars)

Identification code 12-5207-0-2-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	1
26.0 Supplies and materials	2	3	3
99.9 Total new obligations	3	4	4

Employment Summary

Identification code 12-5207-0-2-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	12	15	14

STEWARDSHIP CONTRACTING PRODUCT SALES

Program and Financing (in millions of dollars)

Identification code 12-5540-0-2-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Stewardship contracting	1	5	6
10.00 Total new obligations (object class 25.2)	1	5	6
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	3	2
22.00 New budget authority (gross)	1	4	5
23.90 Total budgetary resources available for obligation	4	7	7
23.95 Total new obligations	-1	-5	-6
24.40 Unobligated balance carried forward, end of year	3	2	1
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	1	4	5
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	2
73.10 Total new obligations	1	5	6
73.20 Total outlays (gross)	-1	-4	-5
74.40 Obligated balance, end of year	1	2	3
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		3	4
86.98 Outlays from mandatory balances	1	1	1
87.00 Total outlays (gross)	1	4	5
Net budget authority and outlays:			
89.00 Budget authority	1	4	5
90.00 Outlays	1	4	5

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, **[\$42,490,000]** \$5,000,000, to be derived from the Land and Water Conservation Fund and to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, **[\$1,053,000]** \$1,050,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities, and for authorized expenditures from funds deposited by non-Federal parties pursuant to Land Sale and Exchange Acts, pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended. (16 U.S.C. 4601-516-617a, 555a; Public Law 96-586; Public Law 76-589, 76-591; and 78-310). (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9923-0-2-302	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	5	5	8
01.99 Balance, start of year	5	5	8
Receipts:			
02.20 Deposits, Acquisitions of Lands for National Forests, Special Acts	1	1	1
02.21 Land Acquisition Proceeds for Exchanges, Acquisition of Lands to Complete Land Exchanges	23	46	46

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES—Continued

Special and Trust Fund Receipts (in millions of dollars)—Continued

Identification code 12-9923-0-2-302	2007 actual	2008 est.	2009 est.
02.22 Facility Realignment and Enhancement Receipts, Acquisition of Lands to Complete Land Exchanges	4	4	1
02.99 Total receipts and collections	28	51	48
04.00 Total: Balances and collections	33	56	56
Appropriations:			
05.00 Land Acquisition	-5	-2	
05.01 Land Acquisition	-23	-46	-46
05.99 Total appropriations	-28	-48	-46
07.99 Balance, end of year	5	8	10

Program and Financing (in millions of dollars)

Identification code 12-9923-0-2-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Land acquisitions	61	61	8
00.02 Land and Facilities Enhancement Fund		58	50
10.00 Total new obligations	61	119	58

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	49	48	29
22.00 New budget authority (gross)	59	100	52
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	109	148	81
23.95 Total new obligations	-61	-119	-58
24.40 Unobligated balance carried forward, end of year	48	29	23

New budget authority (gross), detail:

Discretionary:			
40.20 Appropriation (LWCF)	42	43	6
40.20 Appropriation (special act)	5	2	
40.34 Appropriation temporarily reduced (P.L. 110-161)		-1	
41.00 Transferred to other accounts	-10		
42.00 Transferred from other accounts		10	
43.00 Appropriation (total discretionary)	37	54	6
Spending authority from offsetting collections:			
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-1		
Mandatory:			
60.20 Appropriation (special fund)	23	46	46
70.00 Total new budget authority (gross)	59	100	52

Change in obligated balances:

72.40 Obligated balance, start of year	29	20	43
73.10 Total new obligations	61	119	58
73.20 Total outlays (gross)	-70	-96	-83
73.45 Recoveries of prior year obligations	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	1		
74.40 Obligated balance, end of year	20	43	18

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	12	36	4
86.93 Outlays from discretionary balances	45	20	28
86.97 Outlays from new mandatory authority	4	30	30
86.98 Outlays from mandatory balances	9	10	21
87.00 Total outlays (gross)	70	96	83

Offsets:

Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	1		

Net budget authority and outlays:

89.00 Budget authority	60	100	52
90.00 Outlays	70	96	83

This appropriation consolidates land acquisition authorities for acquisition of lands, waters, or interest therein, as authorized by law.

Land and Water Conservation Fund.—Lands and other interests are acquired within areas of the National Forest System for public access for outdoor recreation, wilderness management, wildlife and fisheries habitat management areas, conservation of endangered species, and other purposes.

Acquisition of Lands of National Forests, Special Acts.—To acquire lands within critical watersheds to provide soil stabilization and restoration of vegetation. Public Laws 76-589, 76-591 and 78-310 (54 Stat. 297, 298, 299, and 402; and 58 Stat. 227-228) authorize appropriations for the purchase of lands to minimize erosion and flood damage to critical watersheds within the following National Forests: the Cache, Uinta, and Wasatch, Utah; the Toiyabe, Nevada; and the Angeles, Cleveland, San Bernardino, and Sequoia, California. Appropriations are made from receipts on these national forests.

Acquisition of Lands to Complete Land Exchanges.—Deposits are made by State, county, or municipal governments, public school authorities, or non-Federal parties and are used to acquire lands for National Forest System purposes or for other authorized purposes.

Object Classification (in millions of dollars)

Identification code 12-9923-0-2-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	7	6	5
11.5 Other personnel compensation		1	
11.9 Total personnel compensation	7	7	5
21.0 Travel and transportation of persons	2	2	2
25.2 Other services	7	9	7
25.3 Other purchases of goods and services from Government accounts	1	1	1
32.0 Land and structures	41	98	41
41.0 Grants, subsidies, and contributions	2	2	2
99.0 Direct obligations	60	119	58
99.0 Reimbursable obligations	1		
99.9 Total new obligations	61	119	58

Employment Summary

Identification code 12-9923-0-2-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	95	81	57
Allocation account:			
3001 Civilian full-time equivalent employment	100	100	100

FOREST SERVICE PERMANENT APPROPRIATIONS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9921-0-2-999	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	221	147	146
01.99 Balance, start of year	221	147	146
Receipts:			
02.20 National Forests Fund	30		
02.21 National Forests Fund, Payments to States	-18	102	76
02.22 Timber Roads, Purchaser Elections	7	4	4
02.23 National Forests Fund, Roads and Trails for States	16		13
02.24 Timber Salvage Sales	44	45	45
02.25 Deposits, Brush Disposal	11	10	10
02.26 Rents and Charges for Quarters, Forest Service	8	7	7
02.27 Timber Sales Pipeline Restoration Fund	7	7	7
02.28 Recreational Fee Demonstration Program, Forest Service	61	62	65
02.29 Midewin National Tallgrass Prairie Rental Fees	1	1	1
02.30 Charges, User Fees, and Natural Resource Utilization, Land between the Lakes, Forest Service	4	4	4

02.31	Administration of Rights-of-way and Other Land Uses	1	2	2
02.32	Miscellaneous Collections, Valles Caldera Fund	2	1	1
02.33	Funds Retained, Stewardship Contracting Product Sales	1	4	5
02.34	National Grasslands	10	11	12
02.35	Miscellaneous Special Funds, Forest Service	21	2	3
02.36	National Forest Fund	9	23	24
02.99	Total receipts and collections	215	285	279
04.00	Total: Balances and collections	436	432	425
Appropriations:				
05.00	Stewardship Contracting Product Sales	-1	-4	-5
05.01	Forest Service Permanent Appropriations	-1	-25	-25
05.02	Forest Service Permanent Appropriations	-288	-257	-250
05.99	Total appropriations	-289	-286	-255
07.99	Balance, end of year	147	146	170

Program and Financing (in millions of dollars)

Identification code 12-9921-0-2-999	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Brush disposal	15	17	18
00.02	Restoration of forest lands and improvements	4	8	3
00.03	Recreation fee demonstration / enhancement programs	60	92	125
00.04	Timber roads—purchaser election program	2	17	2
00.05	Timber salvage sale program	68	61	52
00.06	Timber pipeline restoration fund (includes forest botanical products)	5	9	8
00.07	Roads and trails (10 % Fund)	17		13
00.08	Midewin Tallgrass Prairie funds		1	1
00.09	Operation and maintenance of quarters	10	8	8
00.10	Land between the lakes management fund	4	4	4
00.11	Valles Caldera fund		1	1
00.12	Administration of rights-of-way and other land uses		1	2
00.13	Payment to states—national forest fund	164	100	74
00.14	Payment to states—transfers from Treasury	262	315	
00.15	Payments to Minnesota	2	2	2
00.16	Payments to counties—national grasslands	12	11	12
09.01	Admin rights of way—Reimbursable program	1	1	2
10.00	Total new obligations	626	648	327
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	594	798	462
22.00	New budget authority (gross)	866	312	253
22.10	Resources available from recoveries of prior year obligations	3		
22.21	Unobligated balance transferred to other accounts	-53		
22.22	Unobligated balance transferred from other accounts	14		
23.90	Total budgetary resources available for obligation	1,424	1,110	715
23.95	Total new obligations	-626	-648	-327
24.40	Unobligated balance carried forward, end of year	798	462	388
New budget authority (gross), detail:				
<i>Discretionary:</i>				
40.00	Appropriation	315		
40.20	Appropriation (special fund) PL 110-161		25	
41.00	Transferred to other accounts		-25	
42.00	Transferred from other accounts		53	
43.00	Appropriation (total discretionary)	315	53	
<i>Mandatory:</i>				
60.00	Appropriation	262		
60.20	Appropriation (special fund)	288	257	250
62.50	Appropriation (total mandatory)	550	257	250
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	1	2	3
70.00	Total new budget authority (gross)	866	312	253
Change in obligated balances:				
72.40	Obligated balance, start of year	58	75	1
73.10	Total new obligations	626	648	327
73.20	Total outlays (gross)	-606	-722	-259
73.45	Recoveries of prior year obligations	-3		
74.40	Obligated balance, end of year	75	1	69
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority		42	

86.93	Outlays from discretionary balances	315	11
86.97	Outlays from new mandatory authority	403	231
86.98	Outlays from mandatory balances	203	134
87.00	Total outlays (gross)	606	259
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources	-1	-2
Net budget authority and outlays:			
89.00	Budget authority	865	250
90.00	Outlays	605	256

Operation and Maintenance of Quarters.—Quarters rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are available for the maintenance and operation of employee-occupied quarters. (5 U.S.C. 5911)

Resource Management, Timber Receipts.—Funds in this special account are available for trail maintenance, reconstruction, and construction; wildlife and fisheries habitat management; soil, water, and air management; cultural/heritage resource management; wilderness management; reforestation; and timber sale administration and management.

Recreation Fee Program.—Pursuant to Sec. 8 of Division J—Consolidated Appropriations Act, 2005, Title VII—Federal Lands Recreation Enhancement Act, 2005, Public Law 108-447 of December 8, 2004, the Secretary may establish, modify, charge, and collect recreation fees at Federal recreational lands and waters, including specific recreation sites or areas, for expanded recreation amenities, and special recreation permits. Amounts collected shall be used for repair, maintenance, interpretation, visitor information, limited habitat restoration, and direct operating or capital costs and other identified appropriate expenses.

Midewin National Tallgrass Prairie Rental Fees.—Monies received under a special use authorization (issued under subsection (b) of Public Law 104-106, Title XXIX, Subtitle A, Section 2915, after distribution to the State of Illinois and affected counties pursuant to the Act of May 23, 1908) are available to cover the cost to the United States of prairie improvement work at the Midewin National Tallgrass Prairie.

Midewin National Tallgrass Prairie Restoration Fund.—Monies received from user fees and the salvage value proceeds from sale of any facilities and improvements pursuant to Section 2915(d) and (e) of Public Law 104-106, as amended by Public Law 105-83, are available to cover the costs of restoration and administrative activities.

Payment to Minnesota.—At the close of each fiscal year, the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook Lake and St. Louis for distribution to these counties (16 U.S.C. 577g).

Payments to Counties, National Grasslands.—This program provides an annual payment to counties in which Title III—Bankhead-Jones Acquired Lands are located for funding public schools and roads. Of the net revenues for use of Title III—Bankhead-Jones Farm Tenant Act lands, 25 percent is paid to the counties in which such lands are located for public school and road purposes (7 U.S.C. 1012).

Payments to States.—Since 1908, 25 percent of Forest Service revenues, such as those from timber sales, mineral resources and grazing fees, have been returned to states in which national forest lands are located.

The Secure Rural Schools and Community Self-Determination Act of 2000 (P.L. 106-393 dated October 30, 2000) provided temporary payments to counties impacted by the reduction of shared receipts associated with lower levels of timber harvesting on Federal lands. The Act expired in 2006, but Congress provided for an additional year of payments under Public Law 110-28. The Budget includes a legislative proposal

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

to temporarily extend, but phase out and fully offset, payments previously provided P.L. 106–393.

Expenses, Brush Disposal.—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

Licensee programs, Forest Service.—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

Smokey Bear.—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

Woodsy Owl.—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

Restoration of forestlands and improvements.—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

Timber Purchaser Roads Constructed by Forest Service.—Funds from timber receipts for Government constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)).

Tongass Timber Supply Fund.—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

Timber Salvage Sales.—Funds are used for salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

Timber Sales Pipeline Restoration Fund.—As authorized under Section 327 of the Omnibus Consolidated Recissions and Appropriations Act of 1996, funds from revenues received from timber sales released under Section 2001(k) of the 1995 Supplemental Appropriations for Disaster Assistance and Recissions Act for the purpose of restoring the timber pipeline and funding the backlog of recreation projects on National Forest System lands.

Valles Caldera Fund.—Funds authorized under the Valles Caldera Preservation Act (Public Law 106–248) are available without further appropriation for any purpose consistent with the purposes of the Act. Notwithstanding sections 1341 and 3302 of title 31 of the United States Code, all monies received from donations under subsection (g) or from the management of the Preserve shall be retained and shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair, and related expenses incurred with respect to properties under its management jurisdiction.

Forest Botanical Products.—This pilot program established by Section 339 of the Consolidated Appropriations Act of FY 2000 (P.L. 106–113) provides for the recovery of fair market value for the sale of forest botanical products; the collection of fees to cover the costs of analyzing, granting, modifying, and monitoring the harvest of these products; the determination of sustainable harvest levels; and the establishment of personal use levels for which fees would not be collected.

Administration of Rights-of-Way and Other Land Uses.—Fees collected from applicants and holders of special use authorizations are available to recover costs for processing applications and monitoring compliance with special use authorizations (31 U.S.C. 9701; 43 U.S.C. 1764(g); 30 U.S.C. 815(1)).

Object Classification (in millions of dollars)

Identification code 12–9921–0–2–999	2007 actual	2008 est.	2009 est.
Direct obligations:			

11.1	Personnel compensation:	60	53	49
11.3	Full-time permanent	12	11	10
11.5	Other than full-time permanent			
	Other personnel compensation	6	5	4
11.9	Total personnel compensation	78	69	63
12.1	Civilian personnel benefits	22	19	18
13.0	Benefits for former personnel	2	2	2
21.0	Travel and transportation of persons	3	3	3
22.0	Transportation of things	1	1	1
23.1	Rental payments to GSA	1	1	1
23.2	Rental payments to others	4	3	3
23.3	Communications, utilities, and miscellaneous charges	4	4	4
24.0	Printing and reproduction	1	1	1
25.2	Other services	66	78	63
25.3	Other purchases of goods and services from Government accounts	9	11	4
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials	15	15	5
31.0	Equipment	3	4	2
32.0	Land and structures	1	1	1
41.0	Grants, subsidies, and contributions	414	434	153
99.0	Direct obligations	625	647	325
99.0	Reimbursable obligations	1	1	2
99.9	Total new obligations	626	648	327

Employment Summary

Identification code 12–9921–0–2–999	2007 actual	2008 est.	2009 est.	
Direct:				
1001	Civilian full-time equivalent employment	1,583	1,348	1,215
Reimbursable:				
2001	Civilian full-time equivalent employment	6	7	7

FOREST SERVICE PERMANENT APPROPRIATIONS
(Legislative proposal, subject to PAYGO)

The Secure Rural Schools and Community Self-Determination Act of 2000 (P.L. 106–393) provided temporary payments to counties impacted by the reduction of shared receipts associated with lower levels of timber harvesting on Federal lands. The Act expired in 2006, but Congress provided for an additional year of payments under Public Law 110–28. The Budget includes a legislative proposal that provides \$200 million above the current baseline for a four-year extension of USDA and Department of the Interior forest county safety net payments, which will be targeted to the most affected areas, capped, adjusted downward each year, and phased out. For administrative convenience, USDA will make the payments on behalf of both agencies. Offsets for the Administration’s proposal are provided within the topline of the President’s Budget throughout the Department of Agriculture and elsewhere. For the 2008 payment (to be made in 2009), the Administration continues to be prepared to work with Congress to identify mutually agreeable offsets.

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12–4605–0–4–302	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
09.01	Working capital fund	208	196	196
10.00	Total new obligations	208	196	196
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	94	97	97
22.00	New budget authority (gross)	206	196	196
22.10	Resources available from recoveries of prior year obligations	5		
23.90	Total budgetary resources available for obligation	305	293	293
23.95	Total new obligations	–208	–196	–196
24.40	Unobligated balance carried forward, end of year	97	97	97

New budget authority (gross), detail:				
Mandatory:				
Spending authority from offsetting collections:				
69.00	Offsetting collections (cash)	207	196	196
69.10	Change in uncollected customer payments from Federal sources (unexpired)	-1		
69.90	Spending authority from offsetting collections (total mandatory)	206	196	196
Change in obligated balances:				
72.40	Obligated balance, start of year	29	39	33
73.10	Total new obligations	208	196	196
73.20	Total outlays (gross)	-194	-202	-206
73.45	Recoveries of prior year obligations	-5		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	1		
74.40	Obligated balance, end of year	39	33	23
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	170	176	176
86.98	Outlays from mandatory balances	24	26	30
87.00	Total outlays (gross)	194	202	206
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-198	-183	-183
88.40	Non-Federal sources	-9	-13	-13
88.90	Total, offsetting collections (cash)	-207	-196	-196
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	1		
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-13	6	10

The Working Capital Fund is a self-sustaining revolving fund that provides services to national forests, to research experiment stations, to other Federal agencies when necessary, to State and private agencies as provided by law, and to persons who cooperate with the Forest Service in fire control and other authorized programs.

Forestry-related supply and support services include: *Equipment Services.*—The fund owns, operates, maintains, replaces, and repairs common-use, motor-driven, and similar equipment. This equipment is rented to administrative units, that is, national forests, research experiment stations, and other units, and, in some cases, to other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment.

Aircraft Services.—The fund operates, maintains, and repairs Forest Service owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to national forests, research experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

Supply Services.—The fund operates the following common services, and provides for cost-recovery of Working Capital Fund Program Management:

Photo reproduction laboratories that store, reproduce, and supply aerial photographs, aerial maps, and other photographs of National Forest lands. Photographic reproductions are sold to National Forests, Experiment Stations, and others at cost.

Sign shops that manufacture and supply special signs for the National Forests for use in regulating traffic and as infor-

mation to the public and other users of the National Forests. Signs are sold to National Forests and Experiment Stations at cost.

Nurseries.—Seed supply services that provide tree seed for direct seeding or sowing in nurseries for the production of trees. Includes purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. Operates in conjunction with tree nurseries; that is, forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to national forests, State foresters, and other cooperators at cost.

The Budget includes Forest Service implementation, in conjunction with the General Services Administration, of a vehicle allocation methodology that analyzes fleet vehicle effectiveness, cost-to-serve, life cycle costs, vehicle pooling, procurement practices and reduction of operating costs.

Object Classification (in millions of dollars)

Identification code 12-4605-0-4-302	2007 actual	2008 est.	2009 est.	
Reimbursable obligations:				
Personnel compensation:				
11.1	Full-time permanent	29	29	27
11.3	Other than full-time permanent	2	2	2
11.5	Other personnel compensation	2	2	2
11.9	Total personnel compensation	33	33	31
12.1	Civilian personnel benefits	9	10	9
13.0	Benefits for former personnel		1	
21.0	Travel and transportation of persons	4	4	3
22.0	Transportation of things	1	1	1
23.2	Rental payments to others	1	1	
23.3	Communications, utilities, and miscellaneous charges	1	1	1
24.0	Printing and reproduction	1	1	1
25.2	Other services	4	1	1
25.3	Other purchases of goods and services from Government accounts	3	2	2
25.7	Operation and maintenance of equipment	23	23	24
26.0	Supplies and materials	66	60	61
31.0	Equipment	61	58	61
41.0	Grants, subsidies, and contributions	1		1
99.9	Total new obligations	208	196	196

Employment Summary

Identification code 12-4605-0-4-302	2007 actual	2008 est.	2009 est.	
Reimbursable:				
2001	Civilian full-time equivalent employment	557	557	550

Trust Funds

FOREST SERVICE TRUST FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9974-0-7-302	2007 actual	2008 est.	2009 est.	
01.00	Balance, start of year	156		
Adjustments:				
01.90	Adjustment for appropriation of fire repayment	-156		
01.99	Balance, start of year			
Receipts:				
02.20	Forest Service Cooperative Fund	70	71	73
02.60	Transfers from General Fund of Amounts Equal to Certain Customs Duties, Reforestation Trust Fund	30	30	30
02.99	Total receipts and collections	100	101	103
04.00	Total: Balances and collections	100	101	103
Appropriations:				
05.00	Forest Service Trust Funds	-100	-101	-103
07.99	Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9974-0-7-302	2007 actual	2008 est.	2009 est.
Obligations by program activity:			

FOREST SERVICE TRUST FUNDS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-9974-0-7-302	2007 actual	2008 est.	2009 est.
00.01 Cooperative work trust fund	135	98	81
00.02 Cooperative work advance payments	11	22	19
00.03 Reforestation trust fund	44	30	30
00.04 Land Between the Lakes Trust Fund	1	1	1
09.01 Reimbursable program-coop work other	30	33	30
10.00 Total new obligations	220	184	161
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	374	287	234
22.00 New budget authority (gross)	131	131	135
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	507	418	369
23.95 Total new obligations	-220	-184	-161
24.40 Unobligated balance carried forward, end of year	287	234	208
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	100	101	103
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	31	30	32
70.00 Total new budget authority (gross)	131	131	135
Change in obligated balances:			
72.40 Obligated balance, start of year	69	71	89
73.10 Total new obligations	220	184	161
73.20 Total outlays (gross)	-216	-166	-134
73.45 Recoveries of prior year obligations	-2		
74.40 Obligated balance, end of year	71	89	116
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	70	105	108
86.98 Outlays from mandatory balances	146	61	26
87.00 Total outlays (gross)	216	166	134
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-31	-30	-32
Net budget authority and outlays:			
89.00 Budget authority	100	101	103
90.00 Outlays	185	136	102
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value	5	6	6
92.02 Total investments, end of year: Federal securities: Par value	6	6	6

Reforestation trust fund.—Amounts from this account are used for reforestation and timber stand improvement as authorized by 16 U.S.C. 1606a (d) and (e).

Cooperative work trust fund.—Funds, including deposits from purchasers of timber, are received and used for specified work in forest investigations, protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 565a, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

Object Classification (in millions of dollars)

Identification code 12-9974-0-7-302	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	62	48	40
11.3 Other than full-time permanent	6	4	4
11.5 Other personnel compensation	4	6	3

11.9 Total personnel compensation	72	58	47
12.1 Civilian personnel benefits	22	22	16
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1	1	
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	3	3	2
23.3 Communications, utilities, and miscellaneous charges	2	2	1
25.2 Other services	42	37	31
25.3 Other purchases of goods and services from Government accounts	8	5	5
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	29	15	21
31.0 Equipment	4	2	2
41.0 Grants, subsidies, and contributions	2	1	1
99.0 Direct obligations	190	151	131
99.0 Reimbursable obligations	30	33	30
99.9 Total new obligations	220	184	161

Employment Summary

Identification code 12-9974-0-7-302	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	1,234	926	750
Reimbursable:			
2001 Civilian full-time equivalent employment	243	240	240

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of passenger motor vehicles; acquisition of passenger motor vehicles from excess sources, and hire of such vehicles; purchase, lease, operation, maintenance, and acquisition of aircraft from excess sources to maintain the operable fleet for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901-5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions upon notification of the House and Senate Committees on Appropriations [and if and only if all previously appropriated emergency contingent funds under the heading "Wildland Fire Management" have been released by the President and apportioned and all wildfire suppression funds under the heading "Wildland Fire Management" are obligated].

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

[None of the funds made available to the Forest Service in this Act or any other Act with respect to any fiscal year shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257), section 442 of Public Law 106-224 (7 U.S.C. 7772), or section 10417(b) of Public Law 107-107 (7 U.S.C. 8316(b)).

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the reprogramming procedures contained in the explanatory statement accompanying this Act.

Not more than \$73,285,000 of funds available to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture and not more than \$24,021,000 of funds available to the Forest Service shall be transferred to the Department of Agriculture for Department Reimbursable Programs, commonly referred to as Greenbook charges. Nothing in this paragraph shall prohibit or limit the use of reimbursable agreements requested by the Forest Service in order to obtain services from the Department of Agriculture's National Information Technology Center.】

Funds available to the Forest Service shall be available to conduct a program of up to \$5,000,000 for priority projects within the scope of the approved budget, of which \$2,500,000 shall be carried out by the Youth Conservation Corps and \$2,500,000 shall be carried out under the authority of the Public Lands Corps Healthy Forests Restoration Act of 2005, Public Law 109-154.

Of the funds available to the Forest Service, \$4,000 is available to the Chief of the Forest Service for official reception and representation expenses.

Pursuant to sections 405(b) and 410(b) of Public Law 101-593, of the funds available to the Forest Service, 【\$3,000,000】 up to \$2,000,000 may be advanced in a lump sum to the National Forest Foundation to aid conservation partnership projects in support of the Forest Service mission, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefiting National Forest System lands or related to Forest Service programs: *Provided, That of the Federal funds made available to the Foundation, no more than \$200,000 shall be available for administrative expenses: Provided further, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: Provided further, That the Foundation may transfer Federal funds to Federal or a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: Provided further, That authorized investments of Federal funds held by the Foundation may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.*

Pursuant to section 2(b)(2) of Public Law 98-244, up to \$2,650,000 of the funds available to the Forest Service shall be advanced to the National Fish and Wildlife Foundation in a lump sum to aid cost-share conservation projects, without regard to when expenses are incurred, on or benefitting National Forest System lands or related to Forest Service programs: *Provided, That such funds shall be matched on at least a one-for-one basis by the Foundation or its sub-recipients: Provided further, That the Foundation may transfer Federal funds to a Federal or non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.*

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities and natural resource-based businesses for sustainable rural development purposes: *Provided, That no more than 2 percent of any unit's budget may be used for such purposes: Provided further, That no more than 5 percent of the funds in any budget line item may be used for such purposes.*

【Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to section 14(c)(1) and (2), and section 16(a)(2) of Public Law 99-663.

An eligible individual who is employed in any project funded under title V of the Older American Act of 1965 (42 U.S.C. 3056 et seq.) and administered by the Forest Service shall be considered to be a Federal employee for purposes of chapter 171 of title 28, United States Code.

Any funds appropriated to the Forest Service may be used to meet the non-Federal share requirement in section 502(c) of the Older American Act of 1965 (42 U.S.C. 3056(c)(2)).】

Funds available to the Forest Service, not to exceed 【\$45,000,000】 \$50,000,000, shall be assessed for the purpose of performing fire, administrative and other facilities maintenance【.】 as authorized by 7 U.S.C. 2250. Such assessments shall occur using a square foot rate charged on the same basis the agency uses to assess programs for payment of rent, utilities, and other support services.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed \$500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest

Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters. 【Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.】 (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008.*)

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Offsetting receipts from the public:			
12-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified	2	1	1
12-181100 National Grasslands	125	32	35
12-222100 National Forest Fund	32	30	27
12-270110 Agriculture Credit Insurance, Negative Subsidies	1		
12-270130 Agriculture Credit Insurance, Downward Reestimates of Subsidies	88	580	
12-270210 Rural Electrification and Telephone Loans, Negative Subsidies	50	40	45
12-270230 Rural Electrification and Telephone Loans, Downward Reestimates of Subsidies	189	127	
12-270330 Rural Water and Waste Disposal, Downward Reestimates of Subsidies	100	39	
12-270510 Rural Community Facility, Negative Subsidies	1		
12-270530 Rural Community Facility, Downward Reestimates of Subsidies	12	21	
12-270630 Rural Housing Insurance, Downward Reestimates of Subsidies		54	
12-270730 Rural Business and Industry, Downward Reestimates of Subsidies	33	65	
12-270830 P.L. 480 Loan Program, Downward Reestimates of Subsidies	66	32	
12-271030 Rural Development Loans, Downward Reestimates of Subsidies	9	3	
12-271130 Rural Telephone Bank Loans, Downward Reestimates of Subsidies	87	40	
12-271330 Economic Development Loans, Downward Reestimates of Subsidies	4	2	
12-274630 Downward Reestimates, Distance Learning, Telemedicine, and Broadband Program	1	6	
12-275630 Farm Storage Facility Loans, Downward Reestimate of Subsidies		1	
12-275730 Commodity Credit Corporation Export Guarantee Financing, Downward Reestimate of Subsidies	391	321	
12-278710 Commodity Credit Corporation Export Guarantee Financing, Negative Subsidies		89	
12-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	-2	7	7
General Fund Offsetting receipts from the public	1,189	1,490	115
Intragovernmental payments:			
12-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	76	1	1
General Fund Intragovernmental payments	76	1	1

GENERAL PROVISIONS

(INCLUDING 【RESCISSIONS】 CANCELLATIONS AND TRANSFERS OF FUNDS)

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 【182】 327 passenger motor vehicles, of which 【142】 315 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund

(INCLUDING [RESCISSIONS] CANCELLATIONS AND TRANSFERS OF FUNDS)—Continued

to meet emergency conditions, information technology infrastructure, fruit fly program, emerging plant pests, cotton pests program, [avian influenza programs,] grasshopper, and mormon cricket program, up to [\$9,750,000] \$24,144,000 in animal health monitoring and surveillance for the animal identification system, up to \$1,500,000 in the scrapie program for indemnities, up to [\$3,000,000] \$8,166,000 [in the emergency management systems program] for the [vaccine bank] National Veterinary Stockpile, up to \$1,000,000 for wildlife services methods development, up to \$1,000,000 of the wildlife services operations program for aviation safety, and up to 25 percent of the screwworm program; Food Safety and Inspection Service, [Public Health Data Communication Infrastructure System] field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)), [funds for the Research, Education, and Economics Information System,] and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program, and up to \$2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 703. The Secretary of Agriculture may transfer unobligated balances of discretionary funds appropriated by this Act or other available unobligated discretionary balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the [financial management modernization initiative and the delivery of] financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: *Provided*, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior [approval] notification of the agency administrator: *Provided further*, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior [approval] notification of the Committees on Appropriations of both Houses of Congress: *Provided further*, That none of the funds appropriated by this Act or made available to the Department's Working Capital Fund shall be available for obligation or expenditure to make any changes to the Department's National Finance Center without prior approval of the Committees on Appropriations of both Houses of Congress as required by section 713 of this Act].

SEC. 704. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 705. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

[SEC. 706. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 20 percent of total Federal funds provided under each award: *Provided*, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).]

SEC. [707] 706. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to disburse obligations made in the current fiscal year for the following accounts: the Rural Development Loan Fund program account, the Rural Electrification and Telecommunication Loans program account, and the Rural Housing Insurance Fund program account.

[SEC. 708. Of the funds made available by this Act, not more than \$1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.]

SEC. [709] 707. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

[SEC. 710. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.]

[SEC. 711. None of the funds appropriated or otherwise made available to the Department of Agriculture or the Food and Drug Administration shall be used to transmit or otherwise make available to any non-Department of Agriculture or non-Department of Health and Human Services employee questions or responses to questions that are a result of information requested for the appropriations hearing process.]

SEC. [712] 708. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer [without the] unless prior [approval of] notification has been transmitted to the Committees on Appropriations of both Houses of Congress: *Provided further*, That none of the funds available to the Department of Agriculture for information technology shall be obligated for projects over \$25,000 prior to receipt of written approval by the Chief Information Officer.

[SEC. 713. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which—

- (1) creates new programs;
- (2) eliminates a program, project, or activity;
- (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted;
- (4) relocates an office or employees;
- (5) reorganizes offices, programs, or activities; or
- (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(c) The Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission shall notify the Committees on Appropriations of both Houses of Congress before implementing a program or activity not carried out during the previous fiscal year unless the program or activity is funded by this Act or specifically funded by any other Act.]

【SEC. 714. None of the funds appropriated by this or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2009 appropriations Act.】

【SEC. 715. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance—

(1) from funds available for the Watershed and Flood Prevention Operations program for the Pocasset River Floodplain Management Project in the State of Rhode Island;

(2) through the Watershed and Flood Prevention Operations program to carry out the East Locust Creek Watershed Plan Revision in Missouri, including up to 100 percent of the engineering assistance and 75 percent cost share for construction cost of site RW1;

(3) through the Watershed Flood Prevention Operations program to carry out the Little Otter Creek Watershed project. The sponsoring local organization may obtain land rights by perpetual easements; and

(4) through the Watershed and Flood Prevention Operations program to the McDowell Grove Dam Flood Plain/Wetlands Restoration Project in DuPage County, Illinois.】

【SEC. 716. None of the funds made available by this or any other Act may be used to close or relocate a Rural Development office unless or until the Secretary of Agriculture determines the cost effectiveness and/or enhancement of program delivery: *Provided*, That not later than 60 days before the date of the proposed closure or relocation, the Secretary notifies the Committees on Appropriation of the House and Senate, and the members of Congress from the State in which the office is located of the proposed closure or relocation and provides a report that describes the justifications for such closures and relocations.】

【SEC. 717. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Pharmaceutical Analysis in St. Louis, Missouri, outside the city or county limits of St. Louis, Missouri.】

SEC. 【718】 709. Notwithstanding any other provision of law, of the funds made available in this Act for competitive research grants (7 U.S.C. 450i(b)), the Secretary may use up to 【26】 30 percent of the amount provided to carry out a competitive grants program under the same terms and conditions as those provided in section 401 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621).

SEC. 【719】 710. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the following: (a) an [environmental quality incentives program] *Environmental Quality Incentives Program* authorized by [chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa, et seq.)], in excess of 【\$1,000,000,000】 \$1,050,000,000. *Funds exceeding this amount for fiscal year 2009 are hereby permanently cancelled;* (b) a *Conservation Security Program* authorized by 16 U.S.C. 3838, et seq., in excess of \$360,000,000. *Funds exceeding this amount for fiscal year 2009 are hereby permanently cancelled. In addition, notwithstanding any other provision of law, section 1241 (a)(3)(B) of the Food Security Act of 1985 (16 U.S.C. 3841 (a)(3)(B)) is amended by striking "\$5,650,000,000" and inserting the following: "\$5,570,000,000";* (c) an *Agricultural Management Assistance Program* as authorized by section 524 of the Federal Crop Insurance Act (7 USC 1524). *\$10,000,000 of the funds available for this program for fiscal year 2009 are hereby permanently cancelled.*

【SEC. 720. None of the funds made available in fiscal year 2008 or preceding fiscal years for programs authorized under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) in excess of \$20,000,000 shall be used to reimburse the Commodity Credit Corporation for the release of eligible commodities under section 302(f)(2)(A) of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f-1): *Provided*, That any such funds made available to reimburse the Commodity Credit Corporation shall only be used

pursuant to section 302(b)(2)(B)(i) of the Bill Emerson Humanitarian Trust Act.】

【SEC. 721. No funds shall be used to pay salaries and expenses of the Department of Agriculture to carry out or administer the program authorized by section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)).】

【SEC. 722. Notwithstanding subsections (c) and (e)(2) of section 313A of the Rural Electrification Act (7 U.S.C. 940c(c) and (e)(2)) in implementing section 313A of that Act, the Secretary shall, with the consent of the lender, structure the schedule for payment of the annual fee, not to exceed an average of 30 basis points per year for the term of the loan, to ensure that sufficient funds are available to pay the subsidy costs for note guarantees under that section.】

【SEC. 723. None of the funds made available by this Act may be used to issue a final rule in furtherance of, or otherwise implement, the proposed rule on cost-sharing for animal and plant health emergency programs of the Animal and Plant Health Inspection Service published on July 8, 2003 (Docket No. 02-062-1; 68 Fed. Reg. 40541).】

【SEC. 724. There is hereby appropriated \$437,000, to remain available until expended, for the Denali Commission to address deficiencies in solid waste disposal sites which threaten to contaminate rural drinking water supplies.】

SEC. 【725】 711. Funds made available under section 1240I and section 1241(a) of the Food Security Act of 1985 in the current fiscal year shall remain available until expended to disburse obligations made in the current fiscal year. 【Funds made available under section 524(b) of the Federal Crop Insurance Act, 7 U.S.C. 1524(b), in fiscal years 2004, 2005, 2006, 2007, and 2008 shall remain available until expended to disburse obligations made in fiscal years 2004, 2005, 2006, 2007, and 2008 respectively, and except for fiscal year 2008 funds, are not available for new obligations.】

SEC. 712. *Of the unobligated balances available under the Buildings and Facilities Account of the Agricultural Research Service, \$67,179,658 are hereby permanently cancelled.*

SEC. 713. *Of the unobligated balances available under section 32 of the Act of August 24, 1935, \$293,000,000 are hereby permanently cancelled.*

【SEC. 726. None of the funds provided in this Act may be used for salaries and expenses to draft or implement any regulation or rule insofar as it would require recertification of rural status for each electric and telecommunications borrower for the Rural Electrification and Telecommunication Loans program.】

【SEC. 727. Unless otherwise authorized by existing law, none of the funds provided in this Act, may be used by an executive branch agency to produce any prepackaged news story intended for broadcast or distribution in the United States unless the story includes a clear notification within the text or audio of the prepackaged news story that the prepackaged news story was prepared or funded by that executive branch agency.】

【SEC. 728. Notwithstanding any other provision of law, any former RUS borrower that has repaid or prepaid an insured, direct or guaranteed loan under the Rural Electrification Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act, shall be eligible for assistance under Section 313(b)(2)(B) of such Act in the same manner as a borrower under such Act.】

【SEC. 729. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to make funding and other assistance available through the emergency watershed protection program under section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203) to repair and prevent damage to non-Federal land in watersheds that have been impaired by fires initiated by the Federal Government and shall waive cost sharing requirements for the funding and assistance.】

【SEC. 730. None of the funds made available in this Act may be used to study, complete a study of, or enter into a contract with a private party to carry out, without specific authorization in a subsequent Act of Congress, a competitive sourcing activity of the Secretary of Agriculture, including support personnel of the Department of Agriculture, relating to rural development or farm loan programs.】

【SEC. 731. Of the amount available for Estimated Future Needs under section 32 of the Act of August 24, 1935, \$184,000,000 are hereby rescinded: *Provided*, That in addition, of the unobligated balances under section 32 of the Act of August 24, 1935, \$500,000,000 are hereby rescinded.】

SEC. 【732】 714. Of the appropriations available for payments for the nutrition and family education program for low-income areas

(INCLUDING [RESCISSIONS] CANCELLATIONS AND TRANSFERS OF FUNDS)—Continued

under section 3(d) of the Smith-Lever Act (7 U.S.C. 343(d)), if the payment allocation pursuant to section 1425(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175(c)) would be less than \$100,000 for any institution eligible under section 3(d)(2) of the Smith-Lever Act, the Secretary shall adjust payment allocations under section 1425(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 to ensure that each institution receives a payment of not less than \$100,000.

[SEC. 733. None of the funds made available in this Act may be used to establish or implement a rule allowing poultry products to be imported into the United States from the People's Republic of China.]

[SEC. 734. There is hereby appropriated \$3,750,000, to remain available until expended, for a grant to the National Center for Natural Products Research for construction or renovation to carry out the research objectives of the natural products research grant issued by the Food and Drug Administration.]

[SEC. 735. There is hereby appropriated \$150,000, to remain available until expended, for the planning and design of construction of an agriculture pest facility in the State of Hawaii.]

[SEC. 736. None of the funds made available to the Department of Agriculture in this Act may be used to implement the risk-based inspection program in the 30 prototype locations announced on February 22, 2007, by the Under Secretary for Food Safety, or at any other locations, until the USDA Office of Inspector General has provided its findings to the Food Safety and Inspection Service and the Committees on Appropriations of the House of Representatives and the Senate on the data used in support of the development and design of the risk-based inspection program and FSIS has addressed and resolved issues identified by OIG.]

[SEC. 737. The Secretary of Agriculture shall continue the Water and Waste Systems Direct Loan Program under the authority and conditions (including the fees, borrower interest rate, and the President's economic assumptions for the 2008 Fiscal Year, as of June 1, 2007) provided by the "Continuing Appropriations Resolution, 2007".]

[SEC. 738. (a) Section 13(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(b)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (A);

(B) by redesignating subparagraphs (B) through (D) as subparagraphs (A) through (C), respectively;

(C) in subparagraph (A) (as redesignated by subparagraph (B)), striking "(B)" and all that follows through "shall not exceed" and inserting the following:

"(A) IN GENERAL.—Subject to subparagraph (B) and in addition to amounts made available under paragraph (3), payments to service institutions shall be";

(D) in subparagraph (B) (as redesignated by subparagraph (B)), by striking "subparagraph (B)" and inserting "subparagraph (A)"; and

(E) in subparagraph (C) (as redesignated by subparagraph (B)), by striking "(A), (B), and (C)" and inserting "(A) and (B)"; and (2) in the second sentence of paragraph (3), by striking "full amount of State approved" and all that follows through "maximum allowable".

(b) CONFORMING AMENDMENT.—Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsections (g) through (k) as subsections (f) through (j), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on January 1 of the first full calendar year following the date of enactment of this Act.]

[SEC. 739. There is hereby appropriated \$9,900,000, to remain available until September 30, 2009, which, in conjunction with all unobligated balances available to the Secretary under section 18(g) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(g)) shall be used to continue the Fresh Fruit and Vegetable Program (42 U.S.C. 1769(g)) in all currently participating States and expand the program to all the contiguous States and, Alaska, Hawaii and the District of Columbia not currently served by the authorized program: *Provided*, That of funds available under this section, not

to exceed 5 percent may be available for Federal administrative costs, as determined by the Secretary of Agriculture: *Provided further*, That for the purposes of this section, "currently participating States" shall be defined as those authorized to participate under section 18(g) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(g)) as well as those authorized to participate under section 779 of Public Law 109–97: *Provided further*, That implementation of the program in new States shall begin with school year 2008/2009.]

[SEC. 740. Section 704 of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2258) is amended by striking the first proviso.]

[SEC. 741. None of the funds made available in this Act may be used to pay the salaries or expenses of personnel to—

(1) inspect horses under section 3 of the Federal Meat Inspection Act (21 U.S.C. 603);

(2) inspect horses under section 903 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 1901 note; Public Law 104–127); or

(3) implement or enforce section 352.19 of title 9, Code of Federal Regulations.]

[SEC. 742. There is hereby appropriated \$800,000 to the Farm Service Agency to carry out a pilot program to demonstrate the use of new technologies that increase the rate of growth of re-forested hardwood trees on private non-industrial forests lands, enrolling lands on the coast of the Gulf of Mexico that were damaged by Hurricane Katrina in 2005.]

[SEC. 743. (a) Sections 9001(a) and 9002 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28; 121 Stat. 211, 214) are amended by striking "February 28, 2007" each place it occurs and inserting "December 31, 2007".

(b) There is hereby appropriated \$20,000,000 for the "Farm Service Agency, Salaries and Expenses".

(c) Each amount provided by this section is designated as described in section 5 (in the matter preceding division A of this consolidated Act).]

[SEC. 744. Section 17(r)(5) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(r)(5)) is amended—

(1) by striking "seven" and inserting "eight";

(2) by striking "five" and inserting "six"; and

(3) by inserting "West Virginia," after the first instance of "States shall be".]

[SEC. 745. Hereafter, notwithstanding any other provision of law, of the funds made available for the Commodity Assistance Program under division B of Public Law 109–148, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006, all unexpended funds shall be made available to support normal program operations of the Commodity Supplemental Food Program under the Agriculture and Consumer Protection Act of 1973 and of the Emergency Food Assistance Program under the Emergency Food Assistance Act of 1983: *Provided*, That any commodities purchased with funds made available under Public Law 109–148 and remaining undistributed shall be used to support normal program operations under the authorities cited in this section.]

[SEC. 746. Notwithstanding any other provision of law, and until receipt of the decennial Census for the year 2010, the Secretary of Agriculture shall consider—

(1) the City of Alamo, Texas; the City of Mercedes, Texas; the City of Weslaco, Texas; the City of Donna, Texas; the City of La Feria, Texas; and the City of Northampton, Massachusetts, (including individuals and entities with projects within the cities) eligible for loans and grants funded through the Rural Business Program account;

(2) the City of Bainbridge Island, Washington; the City of Keene, New Hampshire; and the City of Havelock, North Carolina, (including individuals and entities with projects within the cities) eligible for loans and grants funded through the Rural Community Facilities Program account;

(3) the City of Freeport, Illinois; Kitsap County (except the City of Bremerton), Washington; the City of Atascadero, California; and the City of Paso Robles, California, (including individuals and entities with projects within the cities) eligible for loans and grants funded through the Rural Housing Insurance Fund Program account and the Rural Housing Assistance Grants account;

(4) the City of Canton, Mississippi, (including individuals and entities with projects within the cities) eligible for loans and grants funded through the Rural Water and Waste Disposal Program account;

(5) the City of Parsons, Kansas; the Town of Boone, North Carolina; the City of Henderson, North Carolina; and the City of Lenoir, North Carolina, to be rural areas for the purposes of eligibility for loans and grants funded through the Rural Water and Waste Disposal Program account;

(6) the City of Lansing, Kansas, a rural area for purposes of eligibility for Rural Housing Service programs, and the City of Leavenworth, Kansas, and the City of Lansing, Kansas, as separate geographic entities for purposes of Rural Development grants and loans;

(7) the City of Binghamton, New York, for the purpose of upgrading a trunk line for waste transport to the Town of Conklin, New York, (including individuals and entities with projects within the cities) eligible for loans and grants funded through the Rural Water and Waste Disposal Program account;

(8) the County of Lexington, South Carolina, shall be considered to be a rural area for the purposes of financing a farmers' market under the Business and Industry Loan Guarantee Program in a local area that has rural characteristics as determined by the Secretary; and

(9) the service areas being acquired by Mid-Kansas Electric Cooperative, except for the City of Dodge City, Kansas, shall be considered eligible for financing under the Rural Electrification Act of 1936, as amended.】

【SEC. 747. None of the funds made available in this Act may be used—

(1) to terminate any of the 13 field laboratories that are operated by the Food and Drug Administration as of January 1, 2007, or 20 District Offices, or any of the inspection or compliance functions of any of the 20 District Offices, of the Food and Drug Administration functioning as of January 1, 2007; or

(2) to consolidate any such laboratory with any other laboratory, or any such District Office, or any of the inspection or compliance functions of any District Office, with any other District Office.】

【SEC. 748. Hereafter, the Secretary may use funds made available in chapter 1 of division B of Public Law 109–148 for direct and guaranteed loans under title V of the Housing Act of 1949, to make or guarantee loans, as authorized under such Act, to finance housing and repairs to housing in rural areas affected by hurricanes that occurred during the 2005 calendar year.】

【SEC. 749. Of the unobligated balances provided pursuant to section 16(h)(1)(A) of the Food Stamp Act of 1977, \$10,500,000 is hereby rescinded.】

【SEC. 750. Of the unobligated balances available in the Child and Adult Care Food Program for the purpose of conducting audits of participating institutions as provided for under section 796 of Public Law 109–97, \$3,500,000 is hereby rescinded.】

【SEC. 751. EXTENSION OF AGRICULTURAL PROGRAMS.

(a) EXTENSION.—Except as otherwise provided in this Act and notwithstanding any other provision of law, the authorities provided under the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 7 U.S.C. 7901 et seq.) and each amendment made by that Act (and for mandatory programs at such funding levels), as in effect on September 30, 2007, shall continue, and the Secretary of Agriculture shall carry out the authorities, until March 15, 2008.

(b) CONSERVATION PROGRAMS.—

(1) FARMLAND PROTECTION PROGRAM.—Notwithstanding any other provision of law, the Secretary of Agriculture (referred to in this subsection as the “Secretary”) shall continue the farmland protection program established under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) at a funding level of \$97,000,000 per year.

(2) GROUND AND SURFACE WATER CONSERVATION.—Notwithstanding any other provision of law, the Secretary shall continue the ground and surface water conservation program established under section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) at a funding level of \$60,000,000 per year.

(3) WILDLIFE HABITAT INCENTIVES PROGRAM.—Notwithstanding any other provision of law, the Secretary shall continue the wildlife habitat incentive program established under section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1) at a funding level of \$85,000,000 per year.

(c) EXCEPTIONS.—This section does not apply with respect to—

(1) section 1307(a)(6) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7957(a)(6));

(2) section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b));

(3) section 25 of the Food Stamp Act of 1977 (7 U.S.C. 2034);

(4) title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.);

(5) section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note; Public Law 106–224);

(6) section 9002 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102);

(7) section 9004 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104);

(8) section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106); and

(9) subtitles A through C of title I of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911 et seq.), with respect to the 2008 crops (other than the 2008 crop of a loan commodity described in paragraph (11), (12), or (13) of section 1202(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7932(b))).】

【SEC. 752. (a) Except as provided in subsection (c), there is hereby rescinded an amount equal to 0.7 percent of the budget authority provided for fiscal year 2008 for any discretionary account in division A of this Act.

(b) Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account and each item of budget authority described in subsection (a); and

(2) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act, accompanying reports, or explanatory statement for the relevant fiscal year covering such account or item).

(c) The rescission in subsection (a) shall not apply to budget authority appropriated or otherwise made available by this Act in the following amounts in the following activities or accounts:

(1) \$6,020,000,000 provided for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in the Department of Agriculture in division A.

(2) \$930,120,000 provided for the Food Safety and Inspection Service in the Department of Agriculture in division A.

(3) Any amount designated as described in section 5 (in the matter preceding division A of this consolidated Act).

(d) Not later than 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report that specifies the account and amount of each rescission made pursuant to this section.】

SEC. 715. Section 442 of Public Law 106–224 is amended by adding the following new subsections at the end: “(c) PRECONDITIONS FOR A TRANSFER AVAILABILITY.—Funds may be transferred to combat emergencies.” (d) DEFINITIONS.—For purposes of this subsection, an ‘emergency’ is an unanticipated event that requires a necessary expenditure that is sudden, urgent and unforeseen.”

SEC. 716. Section 10417 of Public Law 107–171 is amended by adding the following new subsections at the end: “(d) PRECONDITIONS FOR A TRANSFER AVAILABILITY.—Funds may be transferred to combat emergencies.” (e) DEFINITIONS.—For purposes of this subsection, an ‘emergency’ is an unanticipated event that requires a necessary expenditure that is sudden, urgent and unforeseen.”

SEC. 717. Section 502(h)(2) of the Housing Act of 1949 is amended to add the following sentence to the end of the paragraph: “In addition the lender shall certify that—“(A) the lender would not otherwise provide a loan to the borrower absent the guarantee, and “(B) the lender either—“(i) does not provide loans under any other federal housing program, or “(ii) has determined that the borrower does not qualify for any other federal housing program that the lender offers that would serve the borrowers housing needs.” (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008.)