

ADVANCE APPROPRIATIONS, ADVANCE FUNDING, AND FORWARD FUNDING

I. An *advance appropriation* is one made to become available one fiscal year or more beyond the fiscal year for which the appropriation act is passed. Advance appropriations in fiscal year 2001 appropriations acts will become available for programs in 2002 or beyond. Since these appropriations are not available until after fiscal year 2001, the amounts will not be included in fiscal year 2001 budget totals, but will be reflected in the budget totals for the fiscal year for which they are requested.

The Congressional Budget Act of 1974 (31 U.S.C. 1105(a)(17)) requires inclusion in the budget of "information on estimates of appropriations for the fiscal year following the fiscal year for which the budget is submitted for grants, contracts, and other payments under each program for which there is an authorization of appropriations for that following fiscal year when the appropriations are authorized to be included in an appropriation law for the fiscal year before the fiscal year in which the appropriation is to be available for obligation." In fulfillment of this requirement, the table below lists those accounts authorized to receive, in fiscal year 2001, advance appropriations for fiscal year 2002 and beyond and cites the authorizing statute. The listing is in two parts: Part A shows the amounts of advance appropriations included in the 2001 budget. Part B is a listing of accounts for which advance appropriations are authorized but not requested in the 2001 budget.

The Administration proposes to work with the Congress to replace certain advance appropriations with up-front budget authority for the full amount of the program. This proposal is discussed further in Chapter 13, "Preview Report," of the *Analytical Perspectives* volume of the budget.

A. Accounts for which advance appropriations are included in the 2001 budget:

Department of Agriculture:

National forest system (16 U.S.C. 4601-6a(i)): \$15 million for 2002.

Department of Commerce:

National Oceanic and Atmospheric Administration; Procurement, acquisition and construction: \$732 million for 2002; \$705 million for 2003; \$706 million for 2004; \$657 million for 2005.

Public telecommunications facilities, planning, and construction (47 U.S.C. 305, 91, 392, 606, 721): \$110 million for 2002; \$88 million for 2003.

Department of Defense:

Military construction, Army: \$210 million for 2002; \$83 million for 2003; \$11 million for 2004.

Military construction, Navy: \$69 million for 2002.

Military construction, Defense-wide: \$231 million for 2002; \$147 million for 2003; \$50 million for 2004; \$19 million for 2005.

Department of Education:

Special education (20 U.S.C. 1411): \$3,742 million for 2002.¹

Vocational and adult education (20 U.S.C. 2301): \$791 million for 2002.¹

Department of Energy:

Other nuclear security activities: \$40 million for 2003; \$49 million for 2004.

Science: \$300 million for 2002; \$232 million for 2003; \$150 million for 2004; \$115 million for 2005.

Clean coal technology: \$236 million for 2002.

Elk Hills school land funds: \$36 million for 2002; \$36 million for 2003; \$36 million for 2004; \$60 million for 2005; \$60 million for 2006.

Department of Health and Human Services:

Food and Drug Administration, Salaries and expenses (21 U.S.C. 393, P.L. 100-607): \$23 million for 2002.

Indian health facilities (25 U.S.C. 13, P.L. 83-568, the Snyder Act; Section 301 of P.L. 94-437, the Indian Health Care Improvement Act): \$18 million for 2002.

Disease control, research and training (Section 321(a) of the Public Health Service Act): \$21 million for 2002; \$21 million for 2003.

National Institutes of Health: \$26 million for 2002.

Grants to States for Medicaid (42 U.S.C. 1396): \$36,208 million for 2002.

Payments to states for child support enforcement and family support programs (24 U.S.C. Ch. 9): \$1,000 million for 2002.

Low income home energy assistance (P.L. 97-35): \$1,100 million for 2002.

Payments to States for the child care and development block grant (42 U.S.C. 9858): \$2,000 million for 2002.

Children and families services programs (42 U.S.C. 9834): \$1,400 million for 2002.¹

Payments to states for foster care and adoption assistance (P.L. 96-272): \$1,736 million for 2002.

Department of Housing and Urban Development:

Housing certificate fund: \$4,200 million for 2002.¹

Department of the Interior:

National Park Service, Construction and major maintenance (16 U.S.C. 1-1c, 7a-7e, 461-467): \$21 million for 2002; \$17 million for 2003; \$11 million for 2004.

Assistance to territories (P.L. 94-241, 90 Stat. 272): \$10 million for 2002.

Department of Justice:

Federal Prison System, Buildings and facilities (18 U.S.C. 4003, 4009, 4010, 4013(a)(4), 4042, 4125; Department of Justice Appropriations Act, 2000): \$791 million for 2002; \$535 million for 2003.

Department of Labor:

Training and employment services (29 U.S.C. 2801 et seq.): \$2,463 million for 2002.¹

Department of State:

Embassy security, construction, and maintenance: \$650 million for 2002; \$800 million for 2003; \$950 million for 2004; \$950 million for 2005.

Department of Transportation:

Federal Aviation Administration, Facilities and equipment (49 U.S.C. 48101): \$638 million for 2002; \$590 million for 2003; \$565 million for 2004; \$537 million for 2005; \$325 million for 2006; \$169 million for 2007; \$120 million for 2008.

Department of the Treasury:

Internal Revenue Service, Information technology investments (5 U.S.C. 3109): \$375 million for 2002.

Other Defense Civil Programs:

Armed forces retirement home (P.L. 101-510, 1991 Defense Authorization Act): \$6 million for 2002.

General Services Administration:

Federal buildings fund (40 U.S.C. 490(f)): \$219 million for 2002; \$163 million for 2003; \$96 million for 2004.

International Assistance Programs:

Debt restructuring: \$240 million for 2002; \$135 million for 2003.

National Aeronautics and Space Administration:

Human space flight (42 U.S.C. 2451, et seq.): \$1,858 million for 2002; \$1,452 million for 2003; \$1,327 million for 2004; \$1,275 million for 2005.

National Science Foundation:

Major research equipment (42 U.S.C. 1862(a)(1)): \$144 million for 2002; \$58 million for 2003; \$50 million for 2004; \$14 million for 2005.

Social Security Administration:

Special benefits for disabled coal miners (30 U.S.C. 921): \$114 million for 2002.

- Supplemental security income program (42 U.S.C. 1381): \$10,470 million for 2002.
- Corporation for Public Broadcasting:
Corporation for public broadcasting (47 U.S.C. 396): \$35 million for 2002; \$395 million for 2003.
- Postal Service:
Payment to the Postal Service fund (39 U.S.C. 2401): \$67 million for 2002.¹
- Smithsonian Institution:
Repair, restoration, and alteration of facilities (20 U.S.C. 53a): \$17 million for 2002; \$18 million for 2003.
Construction (20 U.S.C. 53a): \$2 million for 2002.
- B. Accounts authorized to receive advance appropriations but for which none are requested in the 2001 budget:
- Department of Agriculture:
Food program administration (42 U.S.C. 1752).
Child nutrition programs (42 U.S.C. 1752).
- Department of Education (20 U.S.C. 1223 and 29 U.S.C. 703):²
- Education reform.
 - Education for the disadvantaged.
 - Impact aid.
 - School improvement programs.
 - Reading excellence.
 - Indian education.
 - Bilingual and immigrant education.
 - American Printing House for the Blind.
 - National Technical Institute for the Deaf.
 - Gallaudet University.
 - Rehabilitation services and disability research.
 - Student financial assistance.
 - Federal family education loans.
 - Federal direct student loan program.
 - Higher education.
 - Higher education facilities loans.
 - College housing and academic facilities loans.
 - Howard University.
 - Historically black college and university capital financing program.
 - Education research, statistics, and improvement.
 - Libraries.
- Department of Justice:
Working capital fund (28 U.S.C. 527 note).

¹Potential candidate for replacement with up-front budget authority for the full amount of the program. See Chapter 13, "Preview Report," of the *Analytical Perspectives* volume of the Budget.

²These statutes erroneously refer to "advance funding". Since these statutes describe and clearly intend to provide advance appropriations, the affected accounts are listed here.

II. Advance funding is budget authority that is to be charged to the appropriation in the succeeding year but which authorizes obligations to be incurred in the last quarter of the fiscal year if necessary to meet higher than anticipated benefit payments in excess of the specific amount appropriated for the year. When such budget authority is used, an adjustment is made to increase the budget authority for the fiscal year in which it is used and to reduce the budget authority of the succeeding fiscal year. Essentially, this is a device for avoiding supplemental requests late in the fiscal year for certain programs, should the appropriations for the current year prove to be low. The table below lists those accounts for which advance funding authority is requested in the 2001 budget.

- Department of Labor:
Special benefits.
Federal unemployment benefits and allowances.
- Department of Veterans Affairs:
Veterans insurance and indemnities.
Burial benefits and miscellaneous assistance.
Readjustment benefits.

III. Forward funding is budget authority that is made available for obligation beginning in the last quarter of the fiscal year for the financing of ongoing grant programs during the next succeeding fiscal year. The budget authority for such programs is included in the budget totals for the year in which it is appropriated. This device is often used for education programs, so that grants can be made on a school year basis. The language providing forward funding for education programs will specify that amounts appropriated, in most but not all cases, will not be available until some time into the year of the appropriation (e.g., July 1, 2001) and in most cases will specify that such amounts will remain available until the end of the succeeding fiscal year. In other cases (e.g., Federal Pell grants), the funds become available on October 1st but are not normally obligated until July 1st or later and are available for obligation for an additional year. The table below lists those accounts for which forward funding exists or is requested in whole or in part in the 2001 budget.

- Department of Education:
Education reform.
Education for the disadvantaged.
School improvement programs.
Education reform.
Reading excellence.
Special education.
Vocational and adult education.
Student financial assistance.
Educational research, statistics, and improvement.
- Department of the Interior:
Operation of Indian programs.

In the training and employment area, forward funding for youth training grant programs provides appropriations for a program year that starts on April 1st of the fiscal year of the appropriation. Financing extends through June 30th of the following fiscal year. For most other training and employment programs, forward funding provides appropriations for a program year that starts on July 1st of the fiscal year of the appropriation. Financing extends through June 30th of the following fiscal year. Program years are authorized for training programs under the Workforce Investment Act and operation of the State Employment Service under section 6 of the Wagner-Peyser Act. The table below lists accounts for which forward funding is requested in the 2001 budget.

- Department of Labor:
Training and employment services.
State unemployment insurance and employment service operations.