

## SMALL BUSINESS ADMINISTRATION

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

### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

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

(RESCISSION)

Of the unobligated balances available under this heading, **[\$3,000,000] \$6,100,000** are rescinded.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

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

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

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

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

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

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

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

**(RESCISSION)—Continued**

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

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

**Personnel Summary**

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

**OFFICE OF INSPECTOR GENERAL**

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

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

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

| Identification code 73-0200-0-1-376   | 2005 actual | 2006 est. | 2007 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 00.01 Audit .....   | 5           | 7         | 6         |
| 00.02 Investigations .....  | 6           | 8         | 7         |
| 00.03 Management Policy .....   | 1           | 1         | 1         |
| 00.04 General Office/Legal Counsel .....  | 1           | 1         | 1         |
| 10.00 Total new obligations .....   | 13          | 17        | 15        |
| <b>Budgetary resources available for obligation:</b>                                      |             |           |           |
| 21.40 Unobligated balance carried forward, start of year .....                            |             |           | 4         |
| 22.00 New budget authority (gross) .....  | 14          | 21        | 15        |
| 23.90 Total budgetary resources available for obligation .....                            | 14          | 21        | 19        |
| 23.95 Total new obligations .....   | -13         | -17       | -15       |
| 24.40 Unobligated balance carried forward, end of year .....                              |             | 4         | 4         |
| <b>New budget authority (gross), detail:</b>  |             |           |           |
| Discretionary:  |             |           |           |
| 40.00 Appropriation .....   | 13          | 14        | 14        |
| 40.30 Appropriations adjusted pursuant to PL 109-148 (+) .....                            |             | 5         |           |
| 43.00 Appropriation (total discretionary) .....   | 13          | 19        | 14        |
| 68.00 Spending authority from offsetting collections: Offsetting collections (cash) ..... | 1           | 2         | 1         |
| 70.00 Total new budget authority (gross) .....  | 14          | 21        | 15        |
| <b>Change in obligated balances:</b>  |             |           |           |
| 72.40 Obligated balance, start of year .....  | 2           | 2         | 2         |
| 73.10 Total new obligations .....   | 13          | 17        | 15        |
| 73.20 Total outlays (gross) .....   | -14         | -17       | -16       |
| 74.40 Obligated balance, end of year .....  | 2           | 2         | 1         |

|                                 |  |    |    |    |
|---------------------------------|--|----|----|----|
| <b>Outlays (gross), detail:</b> |  |    |    |    |
| 86.90                           | Outlays from new discretionary authority ..... | 13 | 16 | 14 |
| 86.93                           | Outlays from discretionary balances .....      | 1  | 1  | 2  |
| 87.00                           | Total outlays (gross) .....                    | 14 | 17 | 16 |

|   |   |    |    |    |
|---|---|----|----|----|
| <b>Offsets:</b>                             |   |    |    |    |
| Against gross budget authority and outlays: |   |    |    |    |
| 88.00                                       | Offsetting collections (cash) from: Payments from disaster loan program account ..... | -1 | -2 | -1 |

|  |                        |    |    |    |
|--|------------------------|----|----|----|
| <b>Net budget authority and outlays:</b> |                        |    |    |    |
| 89.00                                    | Budget authority ..... | 13 | 19 | 14 |
| 90.00                                    | Outlays .....          | 13 | 15 | 15 |

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

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

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

**Personnel Summary**

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

**Public enterprise funds:**

**SURETY BOND GUARANTEES REVOLVING FUND**

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

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

| Identification code 73-4156-0-3-376   | 2005 actual | 2006 est. | 2007 est. |
|---|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 09.01 Reimbursable obligations .....  | 8           | 10        | 10        |
| 10.00 Total new obligations (object class 42.0) .....                                     | 8           | 10        | 10        |
| <b>Budgetary resources available for obligation:</b>                                      |             |           |           |
| 21.40 Unobligated balance carried forward, start of year .....                            | 22          | 23        | 21        |
| 22.00 New budget authority (gross) .....  | 9           | 8         | 9         |
| 23.90 Total budgetary resources available for obligation .....                            | 31          | 31        | 30        |
| 23.95 Total new obligations .....   | -8          | -10       | -10       |
| 24.40 Unobligated balance carried forward, end of year .....                              | 23          | 21        | 20        |
| <b>New budget authority (gross), detail:</b>  |             |           |           |
| Discretionary:  |             |           |           |
| 40.00 Appropriation .....   | 3           | 3         | 3         |
| 68.00 Spending authority from offsetting collections: Offsetting collections (cash) ..... | 6           | 5         | 6         |
| 70.00 Total new budget authority (gross) .....  | 9           | 8         | 9         |

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

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

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

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

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

**Credit accounts:**

**BUSINESS LOANS PROGRAM ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

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

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

(RESCISSION)

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

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

|  |   |             |           |           |
|--|---|-------------|-----------|-----------|
| Identification code 73-1154-0-1-376                  |   | 2005 actual | 2006 est. | 2007 est. |
| <b>Obligations by program activity:</b>              |   |             |           |           |
| 00.01  | Direct loan subsidy .....   | 2           | 1         |           |
| 00.02  | Guaranteed loan subsidy .....   | 3           |           |           |
| 00.05  | Reestimate of direct loan .....   |             | 12        |           |
| 00.06  | Interest on direct loan reestimation .....  |             | 14        |           |
| 00.07  | Reestimate of loan guarantee subsidy .....  | 1,357       | 329       |           |
| 00.08  | Interest on reestimates of loan guarantee subsidy .....                             | 549         | 50        |           |
| 00.09  | Administrative expenses .....   | 125         | 124       | 126       |
| 10.00  | Total new obligations .....   | 2,036       | 530       | 126       |
| <b>Budgetary resources available for obligation:</b> |   |             |           |           |
| 21.40  | Unobligated balance carried forward, start of year .....                            | 101         | 13        | 9         |
| 22.00  | New budget authority (gross) .....  | 2,034       | 526       | 121       |
| 22.10  | Resources available from recoveries of prior year obligations .....                 | 6           |           |           |
| 23.90  | Total budgetary resources available for obligation .....                            | 2,141       | 539       | 130       |
| 23.95  | Total new obligations .....   | -2,036      | -530      | -126      |
| 23.98  | Unobligated balance expiring or withdrawn .....                                     | -92         |           |           |
| 24.40  | Unobligated balance carried forward, end of year .....                              | 13          | 9         | 4         |
| <b>New budget authority (gross), detail:</b>         |   |             |           |           |
| Discretionary:                                       |   |             |           |           |
| 40.00  | Appropriation .....   | 128         | 127       | 126       |
| 40.33  | Appropriation permanently reduced (P.L. 109-148) .....                              |             | -1        |           |
| 40.35  | Appropriation permanently reduced .....   | -2          | -1        |           |
| 40.36  | Unobligated balance permanently reduced .....                                       |             | -4        | -5        |
| 43.00  | Appropriation (total discretionary) .....   | 126         | 121       | 121       |
| Mandatory:   |   |             |           |           |
| 60.00  | Appropriation .....   | 1,906       | 405       |           |
| Discretionary:                                       |   |             |           |           |
| 68.00  | Spending authority from offsetting collections: Offsetting collections (cash) ..... | 2           |           |           |
| 70.00  | Total new budget authority (gross) .....  | 2,034       | 526       | 121       |
| <b>Change in obligated balances:</b>                 |   |             |           |           |
| 72.40  | Obligated balance, start of year .....  | 63          | 19        | 18        |
| 73.10  | Total new obligations .....   | 2,036       | 530       | 126       |
| 73.20  | Total outlays (gross) .....   | -2,071      | -531      | -121      |
| 73.40  | Adjustments in expired accounts (net) .....   | -3          |           |           |
| 73.45  | Recoveries of prior year obligations .....  | -6          |           |           |
| 74.40  | Obligated balance, end of year .....  | 19          | 18        | 23        |
| <b>Outlays (gross), detail:</b>                      |   |             |           |           |
| 86.90  | Outlays from new discretionary authority .....                                      | 128         | 121       | 121       |
| 86.93  | Outlays from discretionary balances .....   | 37          | 5         |           |
| 86.97  | Outlays from new mandatory authority .....  | 1,906       | 405       |           |
| 87.00  | Total outlays (gross) .....   | 2,071       | 531       | 121       |
| <b>Offsets:</b>                                      |   |             |           |           |
| Against gross budget authority and outlays:          |   |             |           |           |
| 88.40  | Offsetting collections (cash) from: Non-Federal sources .....                       | -3          |           |           |
| Against gross budget authority only:                 |   |             |           |           |
| 88.96  | Portion of offsetting collections (cash) credited to expired accounts .....         | 1           |           |           |
| <b>Net budget authority and outlays:</b>             |   |             |           |           |
| 89.00  | Budget authority .....  | 2,032       | 526       | 121       |
| 90.00  | Outlays .....   | 2,069       | 531       | 121       |

Credit accounts—Continued

BUSINESS LOANS PROGRAM ACCOUNT—Continued

(RESCISSION)—Continued

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

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

Guaranteed loan downward reestimate subsidy budget authority:

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

Administrative expense data:

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

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

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

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

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

Object Classification (in millions of dollars)

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

BUSINESS DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

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

|  |   |     |       |       |
|--|---|-----|-------|-------|
| 10.00  | Total new obligations .....   | 28  | 69    | ..... |
| <b>Budgetary resources available for obligation:</b> |   |     |       |       |
| 21.40  | Unobligated balance carried forward, start of year .....            | 73  | 41    | ..... |
| 22.00  | New financing authority (gross) .....                               | 46  | 74    | 12    |
| 22.10  | Resources available from recoveries of prior year obligations ..... | 7   | ..... | ..... |
| 22.60  | Portion applied to repay debt .....                                 | -57 | -46   | -12   |
| 23.90  | Total budgetary resources available for obligation .....            | 69  | 69    | ..... |
| 23.95  | Total new obligations .....   | -28 | -69   | ..... |
| 24.40  | Unobligated balance carried forward, end of year .....              | 41  | ..... | ..... |

|   |  |    |       |       |
|---|--|----|-------|-------|
| <b>New financing authority (gross), detail:</b> |  |    |       |       |
| Mandatory:                                      |  |    |       |       |
| 67.10   | Authority to borrow .....  | 19 | 21    | ..... |
| Spending authority from offsetting collections: |  |    |       |       |
| Discretionary:                                  |  |    |       |       |
| 68.00   | Offsetting collections (cash) .....  | 28 | 53    | 12    |
| 68.10   | Change in uncollected customer payments from Federal sources (unexpired) ..... | -1 | ..... | ..... |
| 68.90   | Spending authority from offsetting collections (total discretionary) .....     | 27 | 53    | 12    |
| 70.00   | Total new financing authority (gross) .....                                    | 46 | 74    | 12    |

|                                      |  |     |       |       |
|--------------------------------------|--|-----|-------|-------|
| <b>Change in obligated balances:</b> |  |     |       |       |
| 72.40                                | Obligated balance, start of year .....   | 29  | 23    | 70    |
| 73.10                                | Total new obligations .....  | 28  | 69    | ..... |
| 73.20                                | Total financing disbursements (gross) .....                                    | -28 | -22   | -10   |
| 73.45                                | Recoveries of prior year obligations .....                                     | -7  | ..... | ..... |
| 74.00                                | Change in uncollected customer payments from Federal sources (unexpired) ..... | 1   | ..... | ..... |
| 74.40                                | Obligated balance, end of year .....   | 23  | 70    | 60    |
| 87.00                                | Total financing disbursements (gross) .....                                    | 28  | 22    | 10    |

|  |   |       |       |       |
|--|---|-------|-------|-------|
| <b>Offsets:</b>  |   |       |       |       |
| Against gross financing authority and financing disbursements: |   |       |       |       |
| Offsetting collections (cash) from:                            |   |       |       |       |
| 88.00  | Federal sources: Payments from program account .....                        | -2    | -2    | ..... |
| 88.00  | Upward reestimate .....   | ..... | -12   | ..... |
| 88.00  | Interest on reestimate .....  | ..... | -14   | ..... |
| 88.25  | Interest on uninvested funds .....  | -5    | -6    | ..... |
| 88.40  | Repayments of principal, net .....  | -21   | -20   | -11   |
| 88.40  | Other income .....  | ..... | ..... | -1    |
| 88.90  | Total, offsetting collections (cash) .....                                  | -28   | -54   | -12   |
| Against gross financing authority only:                        |   |       |       |       |
| 88.95  | Change in receivables from program accounts .....                           | 1     | ..... | ..... |
| 88.96  | Portion of offsetting collections (cash) credited to expired accounts ..... | ..... | 1     | ..... |

|   |                               |       |     |       |
|---|-------------------------------|-------|-----|-------|
| <b>Net financing authority and financing disbursements:</b> |                               |       |     |       |
| 89.00   | Financing authority .....     | 19    | 21  | ..... |
| 90.00   | Financing disbursements ..... | ..... | -32 | -2    |

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

|  |  |           |           |       |
|--|--|-----------|-----------|-------|
| Identification code 73-4148-0-3-376                                    | 2005 actual                                    | 2006 est. | 2007 est. |       |
| Position with respect to appropriations act limitation on obligations: |  |           |           |       |
| 1111   | Limitation on direct loans .....               | 18        | 20        | ..... |
| 1150   | Total direct loan obligations .....            | 18        | 20        | ..... |
| Cumulative balance of direct loans outstanding:                        |  |           |           |       |
| 1210   | Outstanding, start of year .....               | 132       | 134       | 134   |
| 1231   | Disbursements: Direct loan disbursements ..... | 19        | 18        | 5     |
| 1251   | Repayments: Repayments and prepayments .....   | -17       | -15       | -12   |
| 1263   | Write-offs for default: Direct loans .....     | .....     | -3        | -2    |
| 1290   | Outstanding, end of year .....                 | 134       | 134       | 125   |

As required by the Federal Credit Reform Act of 1990, as amended, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The

amounts in this account are a means of financing and are not included in the budget totals.

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

|   |  |             |     |
|---|--|-------------|-----|
| Identification code 73-4148-0-3-376                               | 2004 actual  | 2005 actual |     |
| <b>ASSETS:</b>  |  |             |     |
| Federal assets:   |  |             |     |
| 1101  | Fund balances with Treasury .....                      | 102         | 64  |
| Investments in US securities:                                     |  |             |     |
| 1106  | Receivables, net .....                                 | .....       | 24  |
| 1206  | Non-Federal assets: Receivables, net .....             | 2           | 1   |
| Net value of assets related to post-1991 direct loans receivable: |  |             |     |
| 1401  | Direct loans receivable, gross .....                   | 132         | 134 |
| 1405  | Allowance for subsidy cost (-) .....                   | -42         | -24 |
| 1499  | Net present value of assets related to direct loans .. | 90          | 110 |
| 1999  | Total assets .....                                     | 194         | 199 |
| <b>LIABILITIES:</b>   |  |             |     |
| Federal liabilities:  |  |             |     |
| 2103  | Debt .....   | 191         | 154 |
| 2105  | Other .....  | .....       | 43  |
| 2207  | Non-Federal liabilities: Other .....                   | 3           | 2   |
| 2999  | Total liabilities .....                                | 194         | 199 |
| 4999  | Total liabilities and net position .....               | 194         | 199 |

**BUSINESS GUARANTEED LOAN FINANCING ACCOUNT**

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

|   |   |           |           |       |
|---|---|-----------|-----------|-------|
| Identification code 73-4149-0-3-376     | 2005 actual   | 2006 est. | 2007 est. |       |
| <b>Obligations by program activity:</b> |   |           |           |       |
| 00.01                                   | Default claims .....  | 1,547     | 1,660     | 1,650 |
| 00.02                                   | Interest on Treasury borrowing .....                                | 127       | 275       | 250   |
| 00.05                                   | Other Expenses .....  | 131       | 120       | 15    |
| 00.91                                   | Direct obligations—Subtotal .....                                   | 1,805     | 2,055     | 1,915 |
| 08.02                                   | Payment of downward reestimate to receipt account .....             | 323       | 719       | ..... |
| 08.04                                   | Payment of interest on downward reestimate to receipt account ..... | 147       | 231       | ..... |
| 08.91                                   | Direct obligations—Subtotal .....                                   | 470       | 950       | ..... |
| 10.00                                   | Total new obligations .....   | 2,275     | 3,005     | 1,915 |

|  |   |        |        |        |
|--|---|--------|--------|--------|
| <b>Budgetary resources available for obligation:</b> |   |        |        |        |
| 21.40  | Unobligated balance carried forward, start of year .....            | 3,072  | 2,514  | 2,343  |
| 22.00  | New financing authority (gross) .....                               | 3,713  | 2,834  | 1,925  |
| 22.10  | Resources available from recoveries of prior year obligations ..... | 10     | .....  | .....  |
| 22.60  | Portion applied to repay debt .....                                 | -2,006 | .....  | .....  |
| 23.90  | Total budgetary resources available for obligation .....            | 4,789  | 5,348  | 4,268  |
| 23.95  | Total new obligations .....   | -2,275 | -3,005 | -1,915 |
| 24.40  | Unobligated balance carried forward, end of year .....              | 2,514  | 2,343  | 2,353  |

|   |  |       |       |       |
|---|--|-------|-------|-------|
| <b>New financing authority (gross), detail:</b> |  |       |       |       |
| Mandatory:                                      |  |       |       |       |
| 67.10   | Authority to borrow .....  | 470   | 950   | 300   |
| Spending authority from offsetting collections: |  |       |       |       |
| Discretionary:                                  |  |       |       |       |
| 68.00   | Offsetting collections (cash) .....  | 3,288 | 1,884 | 1,625 |
| 68.10   | Change in uncollected customer payments from Federal sources (unexpired) ..... | -45   | ..... | ..... |
| 68.90   | Spending authority from offsetting collections (total discretionary) .....     | 3,243 | 1,884 | 1,625 |
| 70.00   | Total new financing authority (gross) .....                                    | 3,713 | 2,834 | 1,925 |

|                                      |  |        |        |        |
|--------------------------------------|--|--------|--------|--------|
| <b>Change in obligated balances:</b> |  |        |        |        |
| 72.40                                | Obligated balance, start of year .....   | -39    | 16     | 271    |
| 73.10                                | Total new obligations .....  | 2,275  | 3,005  | 1,915  |
| 73.20                                | Total financing disbursements (gross) .....                                    | -2,255 | -2,750 | -2,100 |
| 73.45                                | Recoveries of prior year obligations .....                                     | -10    | .....  | .....  |
| 74.00                                | Change in uncollected customer payments from Federal sources (unexpired) ..... | 45     | .....  | .....  |

**Credit accounts—Continued**

**BUSINESS GUARANTEED LOAN FINANCING ACCOUNT—Continued**

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

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

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

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

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

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

| Identification code 73-4149-0-3-376    | 2004 actual | 2005 actual |
|--|-------------|-------------|
| <b>ASSETS:</b>                         |             |             |
| Federal assets:                        |             |             |
| 1101 Fund balances with Treasury ..... | 3,032       | 2,529       |

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

**BUSINESS LOAN FUND LIQUIDATING ACCOUNT**

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

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

|  |                        |     |     |     |
|--|------------------------|-----|-----|-----|
| <b>Net budget authority and outlays:</b> |                        |     |     |     |
| 89.00                                    | Budget authority ..... | 50  | 30  | 20  |
| 90.00                                    | Outlays .....          | -40 | -30 | -23 |

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

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

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

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

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

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

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

|      |  |     |     |
|------|--|-----|-----|
| 4999 | Total liabilities and net position ..... | 284 | 229 |
|------|--|-----|-----|

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

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

**DISASTER LOANS PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)**

【From unobligated balances under this heading, in fiscal year 2006, not to exceed \$9,000,000 may be transferred to and merged with appropriations for Salaries and Expenses for indirect administrative expenses, of which \$1,500,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General.】 *For the cost of direct loans authorized by section 7(b) of the Small Business Act, \$85,140,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses to carry out the direct loan program authorized by section 7(b), of the Small Business Act, \$113,850,000, of which \$495,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General; of which \$104,445,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program, to remain available until expended, and which may be transferred and merged with appropriations for Salaries and Expenses; and of which \$8,910,000 is for indirect administrative expenses, which may be transferred and merged with appropriations for Salaries and Expenses.*

**(RESCISSION)**

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

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

【For an additional amount for the “Disaster Loans Program Account” authorized by section 7(b) of the Small Business Act, for necessary expenses related to hurricanes in the Gulf of Mexico in calendar year 2005 and other natural disasters, \$264,500,000, to remain available until expended: *Provided, That such costs, including the cost of modifying such loans shall be as defined in section 502 of the Congressional Budget Act of 1974.*

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

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

| Identification code 73-1152-0-1-453     | 2005 actual  | 2006 est. | 2007 est. |     |
|---|--|-----------|-----------|-----|
| <b>Obligations by program activity:</b> |  |           |           |     |
| 00.01                                   | Direct loan subsidy .....                            | 163       | 671       | 118 |
| 00.05                                   | Upward reestimate of direct loans .....              | 223       | 70        |     |
| 00.06                                   | Interest on upward reestimates of direct loans ..... | 114       | 10        |     |
| 00.09                                   | Administrative expense .....                         | 540       | 187       | 114 |
| 10.00                                   | Total new obligations .....                          | 1,040     | 938       | 232 |

**Budgetary resources available for obligation:**

|       |  |    |     |   |
|-------|--|----|-----|---|
| 21.40 | Unobligated balance carried forward, start of year | 29 | 386 | 4 |
|-------|--|----|-----|---|

**Credit accounts—Continued**

**DISASTER LOANS PROGRAM ACCOUNT—Continued  
[(INCLUDING TRANSFER OF FUNDS)]—Continued**

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

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

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

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

|   |     |     |    |
|---|-----|-----|----|
| 359001 Outlays from new authority ..... | 463 | 170 | 81 |
|---|-----|-----|----|

As required by the Federal Credit Reform Act of 1990, as amended, this account records, for loans made pursuant to Section 7(b) of the Small Business Act, as amended, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

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

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

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

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

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

**DISASTER DIRECT LOAN FINANCING ACCOUNT**

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

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



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

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

|  |   |        |        |      |
|--|---|--------|--------|------|
| <b>Offsets:</b>  |   |        |        |      |
| Against gross financing authority and financing disbursements: |   |        |        |      |
| Offsetting collections (cash) from:                            |   |        |        |      |
| 88.00  | Payments from program account               | -127   | -671   | -69  |
| 88.00  | Upward reestimate                           | -223   | -70    |      |
| 88.00  | Interest on upward reestimate               | -114   | -10    |      |
| 88.25  | Interest income from Treasury               | -269   | -500   | -275 |
| 88.40  | Repayments of principal, net                | -478   | -554   | -350 |
| 88.40  | Collection of misc. receivables             |        |        | -15  |
| 88.90  | Total, offsetting collections (cash)        | -1,211 | -1,805 | -709 |
| Against gross financing authority only:                        |   |        |        |      |
| 88.95  | Change in receivables from program accounts | -16    |        |      |

|   |                         |       |       |     |
|---|-------------------------|-------|-------|-----|
| <b>Net financing authority and financing disbursements:</b> |                         |       |       |     |
| 89.00   | Financing authority     | 3,713 | 3,915 | 782 |
| 90.00   | Financing disbursements | 265   | 3,195 | 284 |

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

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

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

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

|                                     |                               |             |
|-------------------------------------|-------------------------------|-------------|
| Identification code 73-4150-0-3-453 | 2004 actual                   | 2005 actual |
| <b>ASSETS:</b>                      |                               |             |
| Federal assets:                     |                               |             |
| 1101                                | Fund balances with Treasury   | 3,137       |
| Investments in US securities:       |                               |             |
| 1106                                | Interest/Accounts Receivables | 375         |

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

**DISASTER LOAN FUND LIQUIDATING ACCOUNT**

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

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

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

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

|                                 |                                      |   |   |
|---------------------------------|--------------------------------------|---|---|
| <b>Outlays (gross), detail:</b> |                                      |   |   |
| 86.97                           | Outlays from new mandatory authority | 3 | 3 |

|   |                                      |     |     |
|---|--------------------------------------|-----|-----|
| <b>Offsets:</b>                             |                                      |     |     |
| Against gross budget authority and outlays: |                                      |     |     |
| Offsetting collections (cash) from:         |                                      |     |     |
| 88.40                                       | Loan repayments                      | -8  | -9  |
| 88.40                                       | Other collection                     | -6  | -2  |
| 88.90                                       | Total, offsetting collections (cash) | -14 | -11 |

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

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

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

**Credit accounts—Continued**

**DISASTER LOAN FUND LIQUIDATING ACCOUNT—Continued**

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

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

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

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

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

**POLLUTION CONTROL EQUIPMENT FUND LIQUIDATING ACCOUNT**

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

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

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

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

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

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

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

**ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION**

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

**GENERAL FUND RECEIPT ACCOUNTS**

(in millions of dollars)

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