

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Federal Funds

General and special funds:

OFFICE OF THE SECRETARY (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed \$75,000 for employment under 5 U.S.C. 3109, **[\$2,836,000] \$2,942,000**. *Provided*, That not to exceed \$11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104-127: *Provided further*, That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104-127.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, **[\$613,000] \$636,000**.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS (INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, **[\$3,668,000] \$3,805,000**. *Provided*, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: *Provided further*, That not less than **[\$2,241,000] \$2,325,000** shall be transferred to agencies funded by this Act to maintain personnel at the agency level.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, **[\$540,000] \$2,061,000**.

OFFICE OF THE [ASSISTANT] UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the [Assistant] Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, **[\$618,000] \$641,000**.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, **[\$446,000] \$469,000**.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, **[\$572,000] \$595,000**.

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, **[\$693,000] \$721,000**.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, **[\$588,000] \$612,000**.

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

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, **[\$554,000] \$576,000**. (7 U.S.C. 2201-2202; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-9913-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Office of the Secretary	3	3	3
00.02 Under/Assistant Secretaries	8	8	10
10.00 Total new obligations	11	10	13
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
22.00 New budget authority (gross)	11	11	13
23.90 Total budgetary resources available for obligation	12	12	14
23.95 Total new obligations	-11	-10	-13
24.40 Unobligated balance available, end of year	1	1	1
New budget authority (gross), detail:			
40.00 Appropriation	11	11	13
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	6	5	1
73.10 Total new obligations	11	10	13
73.20 Total outlays (gross)	-12	-15	-12
74.40 Unpaid obligations, end of year: Obligated balance, end of year	5	1	.....
Outlays (gross), detail:			
86.90 Outlays from new current authority	8	10	12
86.93 Outlays from current balances	4	5	2
87.00 Total outlays (gross)	12	15	12
Net budget authority and outlays:			
89.00 Budget authority	11	11	13
90.00 Outlays	12	15	12

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

General and special funds—ContinuedOFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND
CONSUMER SERVICES—Continued**Object Classification** (in millions of dollars)

Identification code 12-9913-0-1-352	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	2	2
25.2 Other services	1	1	3
99.0 Subtotal, direct obligations	8	9	11
99.5 Below reporting threshold	3	1	2
99.9 Total new obligations	11	10	13

Personnel Summary

Identification code 12-9913-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	64	82	82

FUND FOR RURAL AMERICA**Program and Financing** (in millions of dollars)

Identification code 12-0012-0-1-999	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Rural development activities			30
00.02 Research, extension and education grants	34		30
10.00 Total new obligations (object class 41.0)	34		60
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	34		60
22.00 New budget authority (gross)		60	
23.90 Total budgetary resources available for obligation	34	60	60
23.95 Total new obligations	-34		-60
24.40 Unobligated balance available, end of year		60	
New budget authority (gross), detail:			
60.00 Appropriation		60	60
60.35 Appropriation rescinded (unobligated balances)			-60
63.00 Appropriation (total)		60	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	4	29	17
73.10 Total new obligations	34		60
73.20 Total outlays (gross)	-9	-12	-39
74.40 Unpaid obligations, end of year: Obligated balance, end of year	29	17	38
Outlays (gross), detail:			
86.98 Outlays from permanent balances	9	12	39
Net budget authority and outlays:			
89.00 Budget authority		60	
90.00 Outlays	9	12	39

The Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) established the Fund for Rural America to provide support to rural communities across the United States. The 1996 Act provided that \$100 million be made available on January 1, 1997 for use by the Fund. The 1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters (P.L. 105-18) limited the available funding for the Fund to \$80 million. As authorized by the 1996 Act, the Secretary of Agriculture allocated the available funding between rural development and research activities. The Act specifies that at least one-third of the funds be allocated to rural development activities and one-third to research activities. No more than two-thirds of the available funds may be made available for rural development activities.

In 1997, the Secretary allocated \$44 million of the available funding to support ongoing rural development activities. Another \$36 million was provided for research, extension, and education grants.

The 1996 Farm Bill authorized \$100 million for the Fund in each of 1997, 1999, and 2000. The Department's 1998 budget included a proposal to shift the \$100 million available in 2000 to 1998 in order to facilitate more consistent and efficient program delivery. Since this proposal was not accepted, no funding was authorized for the Fund in 1998.

The Agricultural Research, Extension, and Education Reform Act of 1998, P.L. 105-185 extended authorization for the Fund for Rural America through October 1, 2002, but reduced the amount to be available annually for the Fund to \$60 million beginning in 1999. These funds are available for two years. The 1999 appropriations language blocked the use of the available funds in 1999. The 2000 budget blocks the second year's availability of the 1999 funds, but allows the authorized \$60 million for 2000 to be expended. These funds will be restored beginning in 2001 through a legislative proposal to maintain the originally authorized amounts.

Trust Funds**GIFTS AND BEQUESTS****Unavailable Collections** (in millions of dollars)

Identification code 12-8203-0-7-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	1		
Receipts:			
02.01 Gifts and bequests	1	1	1
04.00 Total: Balances and collections	2	1	1
Appropriation:			
05.01 Gifts and bequests	-1	-1	-1
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8203-0-7-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 99.5)		1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	2	2
22.00 New budget authority (gross)	1	1	1
23.90 Total budgetary resources available for obligation	2	3	3
23.95 Total new obligations		-1	-1
24.40 Unobligated balance available, end of year	2	2	2
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	1	1	1
Change in unpaid obligations:			
73.10 Total new obligations		1	1
73.20 Total outlays (gross)	-1	-1	-1
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

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

EXECUTIVE OPERATIONS

Federal Funds

General and special funds:

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, *energy and new uses*, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, **[\$5,620,000]** \$6,622,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$25,000 is for employment under 5 U.S.C. 3109, **[\$11,718,000]** \$12,699,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, **[\$6,120,000]** \$6,583,000. (7 U.S.C. 2201, 2202; 42 U.S.C. 2000d; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-0705-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Chief Economist	5	6	7
00.03 National Appeals Division	12	12	13
00.04 Budget and Program Analysis	6	6	6
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	24	25	27
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	24	25	27
23.95 Total new obligations	-24	-25	-27
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	23	23	26
42.00 Transferred from other accounts		1	
43.00 Appropriation (total)	23	24	26
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	24	25	27
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	4	5
73.10 Total new obligations	24	25	27
73.20 Total outlays (gross)	-22	-24	-27
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	5	5
Outlays (gross), detail:			
86.90 Outlays from new current authority	20	21	23
86.93 Outlays from current balances	1	2	3
86.97 Outlays from new permanent authority	1	1	1
87.00 Total outlays (gross)	22	24	27
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	23	24	26

90.00 Outlays	21	23	26
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Executive Operations provides support for USDA policy officials and selected Departmentwide services.

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

WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
World Agricultural Supply and Demand Estimates Reports issued	12	12	12
Weekly Weather and Crop Bulletin issued	52	52	52
Significant and economically significant regulations reviewed	64	50	50

The Federal Agriculture Improvement and Reform (FAIR) Act of 1996 authorized the Commission on the 21st Century Production Agriculture to (1) conduct comprehensive review and assessment of the success of production flexibility contracts in supporting the viability of U.S. farming, and (2) review the future of production agriculture and the appropriate role of the Federal government in it.

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

WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
Regional or National Training	6	3	1
Percent of Hearing Officer determinations upheld on review	67.9	76.3	78.3

The Office of Budget and Program Analysis provides overall direction and administration of the Department's budgetary functions including: development, presentation, and execution of the budget; review of program and legislative proposals for programs and budget implications; and analysis of program issues and alternatives and preparation of summaries of pertinent data to aid Departmental policy officials and agency program managers in the decisionmaking process.

Object Classification (in millions of dollars)

Identification code 12-0705-0-1-352	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	14	15	16
12.1 Civilian personnel benefits	3	3	3
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	2
25.2 Other services	3	3	3
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	23	24	26
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	24	25	26

Personnel Summary

Identification code 12-0705-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	238	259	260

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section

General and special funds—Continued

OFFICE OF THE CHIEF FINANCIAL OFFICER—Continued

706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, [S4,283,000] \$6,288,000: *Provided*, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-0014-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	4	4	6
09.01 Reimbursable program	1	2	2
10.00 Total new obligations	5	6	8
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	6	8
23.95 Total new obligations	-5	-6	-8
23.98 Unobligated balance expiring	-1		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	4	4	6
Permanent:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	1	2	2
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	1		
68.90 Spending authority from offsetting collections (total)	2	2	2
70.00 Total new budget authority (gross)	6	6	8
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	1		
72.95 From Federal sources: Receivables and unpaid, unfilled orders		1	1
72.99 Total unpaid obligations, start of year	1	1	1
73.10 Total new obligations	5	6	8
73.20 Total outlays (gross)	-6	-6	-8
74.95 Unpaid obligations, end of year: From Federal sources: Receivables and unpaid, unfilled orders	1	1	1
Outlays (gross), detail:			
86.90 Outlays from new current authority	4	4	6
86.93 Outlays from current balances	1		
86.97 Outlays from new permanent authority	1	2	2
87.00 Total outlays (gross)	6	6	8
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-2	-2
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	-1		
Net budget authority and outlays:			
89.00 Budget authority	4	4	6
90.00 Outlays	4	4	6

The Office of the Chief Financial Officer (OCFO) supports the Chief Financial Officer in carrying out the dual roles of chief financial management policy officer and chief financial management advisor to the Secretary and mission area heads. OCFO provides leadership for all financial management, accounting, travel, Federal assistance, and performance measurement activities within the Department. It is responsible for the management and operation of the National Finance Center and the Departmental Working Capital Fund, and provides budget, accounting, and fiscal services to the Office of the Secretary, Departmental Staff Offices, Office of Communications, Office of the Chief Information Officer and Executive Operations.

PERFORMANCE MEASURES

	1998 actual	1999 est.	2000 est.
Percent of audit recommendations which are completed timely	54%	60%	70%
Percent of material FMFIA internal control deficiencies which are corrected timely	38%	70%	90%
Decrease the percentage of collectible delinquencies in relation to the receivables ¹	2%	1.5%	1%
Issue management accountability report by March 31, 2000	(Form and content)	(Project planning)	Report on time

¹ Based on 1998 figures, USDA's total receivables are \$104,000 million, of which \$1.9 billion (2 percent) qualifies as collectible delinquent debt. Using these figures, OCFO projects that the Department will reduce the amount of collectible delinquent debt to \$783 million (.75 percent of total receivables).

Object Classification (in millions of dollars)

Identification code 12-0014-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	3	3	5
12.1 Civilian personnel benefits	1	1	1
99.0 Subtotal, direct obligations	4	4	6
99.0 Reimbursable obligations	1	2	2
99.9 Total new obligations	5	6	8

Personnel Summary

Identification code 12-0014-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	53	53	67
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	13	19	19

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, [S5,551,000] \$7,998,000. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-0013-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Office of the Chief Information Officer	6	6	8
00.02 Year 2000 remediation		29	
09.01 Reimbursable program	7	2	2
10.00 Total new obligations	13	37	10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	13	37	10
23.95 Total new obligations	-13	-37	-10
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	5	6	8
42.00 Transferred from other accounts	1	29	
43.00 Appropriation (total)	6	35	8
Permanent:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	1	2	2
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	6	-4	
68.15 From Federal sources: Adjustments to receivables and unpaid, unfilled orders		4	
68.90 Spending authority from offsetting collections (total)	7	2	2
70.00 Total new budget authority (gross)	13	37	10

Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40	Obligated balance, start of year	1	6
72.95	From Federal sources: Receivables and unpaid, unfilled orders	6	2
72.99	Total unpaid obligations, start of year	7	8
73.10	Total new obligations	13	10
73.20	Total outlays (gross)	-5	-13
Unpaid obligations, end of year:			
74.40	Obligated balance, end of year	1	3
74.95	From Federal sources: Receivables and unpaid, unfilled orders	6	2
74.99	Total unpaid obligations, end of year	7	5
Outlays (gross), detail:			
86.90	Outlays from new current authority	4	8
86.93	Outlays from current balances		3
86.97	Outlays from new permanent authority	1	2
87.00	Total outlays (gross)	5	13
Offsets:			
Against gross budget authority and outlays:			
88.00	Offsetting collections (cash) from: Federal sources	-1	-2
88.95	From Federal sources: Change in receivables and unpaid, unfilled orders	-6	4
88.96	From Federal sources: Adjustment to receivables and unpaid, unfilled orders		-4
Net budget authority and outlays:			
89.00	Budget authority	6	8
90.00	Outlays	4	13

The Clinger-Cohen Act of 1996 required the establishment of a Chief Information Officer (CIO) for major Federal agencies. To meet the intent of the law and to provide a Departmental focus for information resources management issues, Secretary's Memorandum 1030-30, dated August 8, 1996, established the Office of the Chief Information Officer (OCIO). OCIO provides Departmentwide policy guidance, leadership, coordination and direction to the Department's information management and information technology investment activities in support of USDA program delivery. The Office provides long-range planning guidance, implements measures to ensure that technology investments are economical and effective, coordinates interagency Information Resources Management (IRM) projects, and implements standards to promote information exchange and technical interoperability.

This office also provides telecommunications and ADP services to USDA agencies throughout the National Information Technology Center with locations in Ft. Collins, Colorado, and Kansas City, Missouri. Direct ADP operational services are also provided to the Office of the Secretary, Office of the General Counsel, Office of Communications, the Office of Chief Financial Officer, and Executive Operations.

Public Law 105-277 appropriated funds to be available beginning in fiscal year 1999 through 2001, for Year 2000 work planned by the Department for 1999. These multi-year funds support an aggressive program of remediation activities to address Year 2000 computer and embedded chip problems and ensure the uninterrupted delivery of USDA programs and services. 1999 reflects a transfer of \$29 million of these funds to USDA.

Performance Measures for 1998-2000

	1998 actual	1999 est.	2000 est.
Establish USDA policy on IT management using the Capital Planning and Investment Control (CPIC) methodology:	complete		
Number of USDA agencies using CPIC in the selection, evaluation, and control of their IT investment portfolio	5	10	20
Number of agency IT management reviews performed	2	4	6
Number of Service Center Oversight Implementation Independent Validations and Verifications conducted	4	4	6
Ensure all USDA agency critical information systems are Year 2000 compliant and operational (%)	68	100	100

Object Classification (in millions of dollars)			
Identification code 12-0013-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1	Personnel compensation: Full-time permanent	4	4
12.1	Civilian personnel benefits	1	1
25.2	Other services		6
25.3	Purchases of goods and services from Government accounts		1
31.0	Equipment		22
99.0	Subtotal, direct obligations	5	34
99.0	Reimbursable obligations	7	1
99.5	Below reporting threshold	1	2
99.9	Total new obligations	13	37

Personnel Summary			
Identification code 12-0013-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001	Total compensable workyears: Full-time equivalent employment	49	69
Reimbursable:			
2001	Total compensable workyears: Full-time equivalent employment	9	4

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12-4609-0-4-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating expenses:			
09.01	Administration	24	21
09.02	Communications	4	4
09.03	Finance and management	140	153
09.04	Information technology	49	48
09.05	Executive secretariat	2	1
09.09	Subtotal, operating expenses	219	227
Purchase of equipment:			
09.11	Administration	1	1
09.12	Finance and management	9	9
09.13	Information technology	6	12
09.19	Subtotal, purchase of equipment	16	22
10.00	Total new obligations	235	249
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	19	25
22.00	New budget authority (gross)	244	249
22.10	Resources available from recoveries of prior year obligations	-1	
23.90	Total budgetary resources available for obligation	262	274
23.95	Total new obligations	-235	-249
24.40	Unobligated balance available, end of year	25	25

New budget authority (gross), detail:			
68.00	Spending authority from offsetting collections (gross): Offsetting collections (cash)	244	249

Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance, start of year	15	9
73.10	Total new obligations	235	249
73.20	Total outlays (gross)	-242	-249
73.45	Adjustments in unexpired accounts	1	
74.40	Unpaid obligations, end of year: Obligated balance, end of year	9	9

Outlays (gross), detail:			
86.97	Outlays from new permanent authority	242	249

Offsets:			
Against gross budget authority and outlays:			
88.00	Offsetting collections (cash) from: Federal sources	-244	-249

Intragovernmental funds—Continued**WORKING CAPITAL FUND—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 12-4609-0-4-352	1998 actual	1999 est.	2000 est.
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-3		

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating and other visual information services, art and graphics, video services, supply, centralized accounting systems, centralized automated data processing systems for payroll, personnel, and related services, voucher payments services, and ADP systems. The National Finance Center's expenses are also funded through this fund. The capital consists of \$400 thousand appropriated (7 U.S.C. 2235), and subsequent appropriations of \$32 million as of September 30, 1998. Earnings are kept at a low level through adjustments in rates charged for services to maintain as nearly as possible the nonprofit nature of the fund.

Object Classification (in millions of dollars)

Identification code 12-4609-0-4-352	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1 Full-time permanent	84	94	100
11.3 Other than full-time permanent	2	3	3
11.5 Other personnel compensation	2	1	1
11.9 Total personnel compensation	88	98	104
12.1 Civilian personnel benefits	16	18	19
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	5	3	3
23.2 Rental payments to others	2	2	2
23.3 Communications, utilities, and miscellaneous charges	20	21	22
24.0 Printing and reproduction	1	2	2
25.2 Other services	73	70	79
26.0 Supplies and materials	6	7	7
31.0 Equipment	21	25	22
99.9 Total new obligations	235	249	263

Personnel Summary

Identification code 12-4609-0-4-352	1998 actual	1999 est.	2000 est.
2001 Total compensable workyears: Full-time equivalent employment	2,039	2,078	2,089

DEPARTMENTAL ADMINISTRATION**Federal Funds****General and special funds:**DEPARTMENTAL ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, **[\$32,168,000]** \$36,117,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-0120-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.08 Direct program	26	32	36
09.01 Reimbursable program	19	15	14
10.00 Total new obligations	45	47	50
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	47	47	50
23.95 Total new obligations	-45	-47	-50
23.98 Unobligated balance expiring	-1		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	29	32	36
41.00 Transferred to other accounts	-1		
43.00 Appropriation (total)	28	32	36
Permanent:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	13	15	14
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	20	-40	
68.15 From Federal sources: Adjustments to receivables and unpaid, unfilled orders	-13	40	
68.90 Spending authority from offsetting collections (total)	20	15	14
70.00 Total new budget authority (gross)	48	47	50
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	-9	-28	14
72.95 From Federal sources: Receivables and unpaid, unfilled orders	20	40	
72.99 Total unpaid obligations, start of year	11	12	14
73.10 Total new obligations	45	47	50
73.20 Total outlays (gross)	-44	-45	-48
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	-28	14	16
74.95 From Federal sources: Receivables and unpaid, unfilled orders	40		
74.99 Total unpaid obligations, end of year	12	14	16
Outlays (gross), detail:			
86.90 Outlays from new current authority	27	30	32
86.93 Outlays from current balances	3		2
86.97 Outlays from new permanent authority	5	15	14
86.98 Outlays from permanent balances	8		
87.00 Total outlays (gross)	44	45	48
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-13	-15	-14
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	-20	40	
88.96 From Federal sources: Adjustment to receivables and unpaid, unfilled orders	13	-40	
Net budget authority and outlays:			
89.00 Budget authority	27	32	36
90.00 Outlays	31	31	34

Departmental Administration is comprised of activities that provide staff support to top policy officials and overall direction and coordination of the Department. These activities include Department-wide programs for human resource management, ethics, management improvement, occupational safety and health management, real and personal property management, procurement, contracting, motor vehicle and aircraft management, supply management, civil rights and equal opportunity, participation of small and disadvantaged businesses, and socially disadvantaged farmers and ranchers in the Department's program activities, emergency preparedness, and the regulatory hearing and administrative proceedings

conducted by the Administrative Law Judges, Judicial Officer, and Board of Contract Appeals.

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

The budget request includes funds needed to process program civil rights complaints submitted under the change to the statute of limitations enacted in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999.

DEPARTMENTAL ADMINISTRATION WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
Subcontracting plans reviewed	29	40	40
Small businesses counseled	5,800	6,000	6,000
Small business procurement conferences conducted or sponsored by USDA/OSDBU	16	17	14
Number of outreach conferences attended by OSDBU staff	3	4	4
Procurement assistance reviews conducted		2	2
Training conferences conducted	3	3	3

Object Classification (in millions of dollars)

Identification code 12-0120-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	17	22	25
12.1 Civilian personnel benefits	3	4	5
21.0 Travel and transportation of persons		1	1
23.3 Communications, utilities, and miscellaneous charges		1	1
25.3 Purchases of goods and services from Government accounts	3	3	3
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	24	32	36
99.0 Reimbursable obligations	18	14	14
99.5 Below reporting threshold	3	1	
99.9 Total new obligations	45	47	50

Personnel Summary

Identification code 12-0120-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	318	345	374
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	67	78	78

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961, [\$15,700,000] \$22,700,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands. (42 U.S.C. 6961, et seq., 42 U.S.C. 9601, et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-0500-0-1-304	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	20	17	23
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	1	
22.00 New budget authority (gross)	16	16	23
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	21	17	23
23.95 Total new obligations	-20	-17	-23
24.40 Unobligated balance available, end of year	1		
New budget authority (gross), detail:			
40.00 Appropriation	16	16	23
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	16	21	17
73.10 Total new obligations	20	17	23
73.20 Total outlays (gross)	-15	-21	-22
73.45 Adjustments in unexpired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	21	17	17
Outlays (gross), detail:			
86.90 Outlays from new current authority	15	11	16
86.93 Outlays from current balances		10	6
87.00 Total outlays (gross)	15	21	22
Net budget authority and outlays:			
89.00 Budget authority	16	16	23
90.00 Outlays	15	21	22

Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act, the Department has the responsibility to meet the same standards for storage and disposition of hazardous wastes as private businesses. Since the Department has substantial commitments under these Acts, a central fund has been established so that resources may be allocated to the Department's agencies. Allocations are made according to objective criteria.

PERFORMANCE INDICATORS

	1998 actual	1999 est.	2000 est.
Number of USDA properties screened to identify potential contaminated sites ^{1,2}	98	50	completed
Number of sites assessed/characterized on need for cleanup	43	54	55
Number of removal and remediation plans completed ^{2,3}	included above	13	12
Number of removal and remedial actions completed ^{2,3}	25	17	24
Number of cleanup/restoration agreements with potentially responsible parties (PRP's) ^{3,4}	8	20	20
Estimated value of cleanup/restoration work performed by PRP's (\$ millions) ⁴	20	30	35
Number of UST cleanups completed	5	3	2

¹ The number of properties screened is declining due to the scheduled completion of Forest Service screening efforts and the EPA Lender Liability rule that changed the requirement for screening of properties that are foreclosed upon but not managed.

² Indicates the performance measure reports only funded by this account accomplishments for 1998 and 1999. Additional accomplishments are funded with Forest Service funds and are reported in the Forest Service budget.

³ Prior to 1997, potentially responsible party and USDA cleanups were combined and are now shown separately.

⁴ Indicates total accomplishments using HWMA funds and Agency funding sources for oversight.

Object Classification (in millions of dollars)

Identification code 12-0500-0-1-304	1998 actual	1999 est.	2000 est.
25.2 Direct obligations: Other services	16	17	23
99.5 Below reporting threshold	4		
99.9 Total new obligations	20	17	23

General and special funds—Continued

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

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, and repair of Agriculture buildings, **[\$132,184,000] \$140,364,000. Provided,** That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, **[\$5,000,000] \$26,000,000,** to remain available until expended; making a total appropriation of **[\$137,184,000] \$166,364,000.** (7 U.S.C. 2201, 2202, 2208; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-0117-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Rental payments to GSA: Non-recurring repairs	98	108	115
00.02 Building operations and maintenance	24	33	25
00.04 Strategic space plan	23	7	26
00.05 Relocation expenses	3		
09.02 Reimbursable program	4	5	5
10.00 Total new obligations	152	153	171
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	29	11	
22.00 New budget authority (gross)	135	142	171
23.90 Total budgetary resources available for obligation	164	153	171
23.95 Total new obligations	-152	-153	-171
24.40 Unobligated balance available, end of year	11		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	131	137	166
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	4	5	5
70.00 Total new budget authority (gross)	135	142	171
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	25	33	40
73.10 Total new obligations	152	153	171
73.20 Total outlays (gross)	-144	-146	-167
74.40 Unpaid obligations, end of year: Obligated balance, end of year	33	40	44
Outlays (gross), detail:			
86.90 Outlays from new current authority	112	108	132
86.93 Outlays from current balances	28	33	30
86.97 Outlays from new permanent authority	4	5	5
87.00 Total outlays (gross)	144	146	167
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-4	-5	-5
Net budget authority and outlays:			
89.00 Budget authority	131	137	166
90.00 Outlays	140	141	162

This account finances the General Services Administration's fees for rental of space and related services. The appropriation

covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service. This account also finances the operation and maintenance of four buildings in the Headquarters area.

Beginning in 1995, the account included funds for USDA's strategic space plan. Since then, funds were made available for the construction and occupancy of an office facility at the Beltsville Agricultural Research Center and the design and implementation of a long-term program to renovate and modernize the South Building.

WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
Maintenance and Repairs:			
Minor repairs (number)	300	300	300
Maintenance (thousands of hours)	19	19	19
Service calls (thousands)	11	11	11

Object Classification (in millions of dollars)

Identification code 12-0117-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	4	5	5
12.1 Civilian personnel benefits	1	1	1
23.1 Rental payments to GSA	98	108	115
23.3 Communications, utilities, and miscellaneous charges	8	5	5
25.2 Other services	35	29	40
31.0 Equipment	2		
99.0 Subtotal, direct obligations	148	148	166
99.0 Reimbursable obligations	4	5	5
99.9 Total new obligations	152	153	171

Personnel Summary

Identification code 12-0117-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	77	86	86

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), **[\$3,000,000] \$10,000,000,** to remain available until expended. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-0601-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	3	3	10
09.00 Reimbursable program	5	5	
10.00 Total new obligations	8	8	10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	8	8	10
23.95 Total new obligations	-8	-8	-10
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	3	3	10
Permanent:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	3	5	
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	3	-3	
68.15 From Federal sources: Adjustments to receivables and unpaid, unfilled orders	-1	3	
68.90 Spending authority from offsetting collections (total)	5	5	
70.00 Total new budget authority (gross)	8	8	10

Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40	Obligated balance, start of year	2	3
72.95	From Federal sources: Receivables and unpaid, unfilled orders		3
72.99	Total unpaid obligations, start of year	2	6
73.10	Total new obligations	8	8
73.20	Total outlays (gross)	-4	-14
Unpaid obligations, end of year:			
74.40	Obligated balance, end of year	3	
74.95	From Federal sources: Receivables and unpaid, unfilled orders	3	
74.99	Total unpaid obligations, end of year	6	
Outlays (gross), detail:			
86.90	Outlays from new current authority	3	10
86.93	Outlays from current balances	1	4
86.97	Outlays from new permanent authority	3	5
86.98	Outlays from permanent balances		2
87.00	Total outlays (gross)	4	14
Offsets:			
Against gross budget authority and outlays:			
88.00	Offsetting collections (cash) from: Federal sources	-3	-5
88.95	From Federal sources: Change in receivables and unpaid, unfilled orders	-3	3
88.96	From Federal sources: Adjustment to receivables and unpaid, unfilled orders	1	-3
Net budget authority and outlays:			
89.00	Budget authority	3	10
90.00	Outlays	1	7

Farm Outreach and Assistance Grants.—This program is authorized under section 2501 of Title XXV of the Food, Agriculture, Conservation, and Trade Act of 1990. Section 2501 requires the Secretary of Agriculture to provide outreach and technical assistance to encourage and assist socially disadvantaged farmers and ranchers to own and operate farms and ranches and to participate in agricultural programs.

The Secretary may make grants to and enter into contracts and other agreements with eligible community-based organizations, 1890/1862/1994 Land-Grant Institutions, Tuskegee University, Native American Community Colleges and Hispanic Servicing Institutions with demonstrated experience in providing education or other agriculture-related services to socially disadvantaged farmers and ranchers.

In 2000, the increased funding will support twenty-seven entities. The USDA through partnership agreements will provide outreach, training, technical assistance, and sound farm management and production to small farmers and ranchers by providing assistance in custom farm plans, production, crop diversification, marketing practices, farm accounting, and recordkeeping. The overall objective of the program is to enhance the ability of small and minority producers to operate a farming or ranching enterprise independently and produce income to service an adequate standard of living. Services are provided by non-federal employees who are employed by the entities.

GRANT OBLIGATIONS

	1998 actual	1999 est.	2000 est.
Number of grants	22	26	26
Amount of grants (in millions of dollars)	3	3	10

Object Classification (in millions of dollars)

Identification code 12-0601-0-1-351	1998 actual	1999 est.	2000 est.
41.0 Direct obligations: Grants, subsidies, and contributions	3	3	10
99.0 Reimbursable obligations: Subtotal, reimbursable obligations	5	5	
99.9 Total new obligations	8	8	10

OFFICE OF COMMUNICATIONS

Federal Funds

General and special funds:

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, **[\$8,138,000] \$9,300,000**, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-0150-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program: Public affairs	8	8	9
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	9	9	10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	9	9	10
23.95 Total new obligations	-9	-9	-10
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	8	8	9
Permanent:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)		1	1
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	1		
68.90 Spending authority from offsetting collections (total)	1	1	1
70.00 Total new budget authority (gross)	9	9	10
Change in unpaid obligations:			
72.95 Unpaid obligations, start of year: From Federal sources: Receivables and unpaid, unfilled orders	1	2	2
73.10 Total new obligations	9	9	10
73.20 Total outlays (gross)	-8	-9	-10
74.95 Unpaid obligations, end of year: From Federal sources: Receivables and unpaid, unfilled orders	2	2	2
Outlays (gross), detail:			
86.90 Outlays from new current authority	7	7	8
86.93 Outlays from current balances	1	1	1
86.97 Outlays from new permanent authority		1	1
87.00 Total outlays (gross)	8	9	10
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources		-1	-1
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	-1		
Net budget authority and outlays:			
89.00 Budget authority	8	8	9
90.00 Outlays	8	8	9

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

General and special funds—Continued

OFFICE OF COMMUNICATIONS—Continued

PERFORMANCE MEASURES

	1998 actual	1999 est.	2000 est.
Percent of USDA policy/program decisions, with communication plans prior to the announcement of mission or program priorities and initiatives	50%	60%	75%
Random Surveys of selected communications initiatives reveal that intended audience received the material or information distributed	NA	90%	95%

Object Classification (in millions of dollars)

Identification code 12-0150-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	1	1	2
99.0 Subtotal, direct obligations	8	8	9
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	9	9	10

Personnel Summary

Identification code 12-0150-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	92	95	95

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

General and special funds:

**OFFICE OF THE INSPECTOR GENERAL
(INCLUDING TRANSFERS OF FUNDS)**

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, **[\$65,128,000]** *\$68,246,000*, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including **[a sum]** not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including **[a sum]** not to exceed **[\$100,000]** *\$125,000* for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98: *Provided*, That for fiscal year **[1999]** *2000* and thereafter, funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of the Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, to remain available until expended. (7 U.S.C. 450b, 2201, 2202, 2220, 2270; Public Law 100-504; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-0900-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	63	65	68
09.01 Reimbursable program	3	3	3
10.00 Total new obligations	66	68	71
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	66	68	71
23.95 Total new obligations	-66	-68	-71

New budget authority (gross), detail:

40.00 Current:			
Appropriation	63	65	68
68.00 Permanent:			
Spending authority from offsetting collections: Offsetting collections (cash)	3	3	3
70.00 Total new budget authority (gross)	66	68	71

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	6	7	9
73.10 Total new obligations	66	68	71
73.20 Total outlays (gross)	-66	-68	-71
74.40 Unpaid obligations, end of year: Obligated balance, end of year	7	9	9

Outlays (gross), detail:

86.90 Outlays from new current authority	59	59	62
86.93 Outlays from current balances	4	6	6
86.97 Outlays from new permanent authority	3	3	3
87.00 Total outlays (gross)	66	68	71

Offsets:

88.00 Against gross budget authority and outlays: Offsetting collections (cash) from: Federal sources	-3	-3	-3
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Net budget authority and outlays:

89.00 Budget authority	63	65	68
90.00 Outlays	61	65	68

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

Object Classification (in millions of dollars)

Identification code 12-0900-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	39	41	43
11.5 Other personnel compensation	4	4	4
11.9 Total personnel compensation	43	45	47
12.1 Civilian personnel benefits	11	11	12
21.0 Travel and transportation of persons	5	5	5
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	3	3	3
99.0 Subtotal, direct obligations	63	65	68
99.0 Reimbursable obligations	3	3	3
99.9 Total new obligations	66	68	71

Personnel Summary

Identification code 12-0900-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	737	753	753

OFFICE OF THE GENERAL COUNSEL

Federal Funds

General and special funds:

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, **[\$29,194,000]** \$32,675,000. (7 U.S.C. 2201; 2202, 2214a; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-2300-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	29	29	33
09.00 Reimbursable program	1	1	1
10.00 Total new obligations	30	30	34
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	30	30	33
23.95 Total new obligations	-30	-30	-34
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	29	29	33
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	30	30	34
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	2
73.10 Total new obligations	30	30	34
73.20 Total outlays (gross)	-30	-30	-34
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	2	2
Outlays (gross), detail:			
86.90 Outlays from new current authority	28	27	31
86.93 Outlays from current balances			2
86.97 Outlays from new permanent authority	1	1	1
87.00 Total outlays (gross)	30	30	34
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	29	29	33
90.00 Outlays	28	29	33

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

Object Classification (in millions of dollars)

Identification code 12-2300-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	22	23	25
12.1 Civilian personnel benefits	5	5	6
23.3 Communications, utilities, and miscellaneous charges	1		1

25.2 Other services	1	1	1
99.0 Subtotal, direct obligations	29	29	33
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	30	30	34

Personnel Summary

Identification code 12-2300-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	332	366	371
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	8	8	8

ECONOMIC RESEARCH SERVICE

Federal Funds

General and special funds:

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$65,757,000]** \$55,628,000: *Provided*, [That \$2,000,000 shall be transferred to and merged with the appropriation for "Food and Nutrition Service, Food Program Administration" for studies and evaluations: *Provided further*,] That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (7 U.S.C. 292, 411, 427, 1441a, 1704, 1761-68, 2201, 2202, 3103, 3291, 3311, 3504; 22 U.S.C. 3101; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1701-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	72	63	56
09.00 Reimbursable program	6	6	6
10.00 Total new obligations	78	69	62
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	78	69	62
23.95 Total new obligations	-78	-69	-62
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	72	66	56
41.00 Transferred to other accounts		-3	
43.00 Appropriation (total)	72	63	56
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	6	6	6
70.00 Total new budget authority (gross)	78	69	62
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	14	31	39
73.10 Total new obligations	78	69	62
73.20 Total outlays (gross)	-61	-61	-63
74.40 Unpaid obligations, end of year: Obligated balance, end of year	31	39	38
Outlays (gross), detail:			
86.90 Outlays from new current authority	45	55	49
86.93 Outlays from current balances	10		8
86.97 Outlays from new permanent authority	6	6	6
87.00 Total outlays (gross)	61	61	63

General and special funds—Continued

ECONOMIC RESEARCH SERVICE—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1701-0-1-352	1998 actual	1999 est.	2000 est.
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-6	-6	-6
Net budget authority and outlays:			
89.00 Budget authority	72	63	56
90.00 Outlays	55	55	57

The Economic Research Service provides economic and other social science research and analysis for public and private decisions on agriculture, food, natural resources, and rural America.

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

The 2000 request includes funding for six new initiatives: to enhance the agency's commodity market analysis, concerning the economic incentives for carbon sequestration and trace gas emissions control in agriculture, to support U.S. global climate research program national assessment activities, to provide economic analysis in food-safety risk assessment, concerning the information needs of small farmers, and concerning electric utility deregulation. The 1999 appropriation included funds for certain evaluation activities of the USDA Food and Nutrition Service, which are proposed to be funded through that account in 2000.

Object Classification (in millions of dollars)

Identification code 12-1701-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	30	30	30
11.3 Other than full-time permanent	3	3	3
11.9 Total personnel compensation	33	33	33
12.1 Civilian personnel benefits	6	6	6
13.0 Benefits for former personnel	1		
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	9	5	2
25.3 Purchases of goods and services from Government accounts	11	7	6
25.5 Research and development contracts	5	6	5
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
41.0 Grants, subsidies, and contributions	3	2	
99.0 Subtotal, direct obligations	72	63	56
99.0 Reimbursable obligations	6	6	6
99.9 Total new obligations	78	69	62

Personnel Summary

Identification code 12-1701-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	504	506	506
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	27	27	27

NATIONAL AGRICULTURAL STATISTICS SERVICE

Federal Funds

General and special funds:

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by the Agricultural Marketing Act of 1946 [(7 U.S.C. 1621-1627)], the Census of Agriculture Act of 1997 [(Public Law 105-113)], and other laws, [\$103,964,000] \$100,559,000, of which up to [\$23,599,000] \$16,490,000 shall be available until expended for the Census of Agriculture: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 [(7 U.S.C. 2225)], and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 411, 411a, 411b, 427, 471, 475, 476, 501, 951, 953, 955-57, 1621-27, 2201, 2202, 2204, 2225, 2248, 3103, 3311, 3504; 18 U.S.C. 1902, 1905, 2072; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1801-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Agricultural estimates	78	77	81
00.02 Statistical research and service	3	3	3
00.03 Census of Agriculture	36	24	16
09.01 Reimbursable program	9	10	10
10.00 Total new obligations	127	114	110
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	127	114	110
23.95 Total new obligations	-127	-114	-110
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	118	104	101
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	9	10	10
70.00 Total new budget authority (gross)	127	114	110
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	24	9	12
73.10 Total new obligations	127	114	110
73.20 Total outlays (gross)	-133	-112	-111
73.40 Adjustments in expired accounts	-9		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	9	12	11
Outlays (gross), detail:			
86.90 Outlays from new current authority	116	93	90
86.93 Outlays from current balances	8	9	11
86.97 Outlays from new permanent authority	9	10	10
87.00 Total outlays (gross)	133	112	111
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-7	-8	-8
88.40 Non-Federal sources	-2	-2	-2
88.90 Total, offsetting collections (cash)	-9	-10	-10
Net budget authority and outlays:			
89.00 Budget authority	118	104	101
90.00 Outlays	124	102	101

Agricultural estimates.—The Service provides the official National and State estimates of acreage, yield, and production of crops, stocks, and value of farm commodities, and numbers of inventory values of livestock items. Data on approximately 120 crops and 45 livestock products are covered in nearly 400 reports issued each year. Detailed data are also collected on agricultural chemical use, labor, and expenditures. Data collected and published on prices paid and received by farmers are basic to computation of farm program payments.

The work under this activity is conducted through 45 State offices serving the 50 States; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. The 2000 program includes an increase of \$2 million for a Fruit and Vegetable Food Safety Survey, and \$2 million for implementation of a pesticide use survey of the horticulture and greenhouse industry.

Statistical research and service.—This activity is designed to improve agricultural estimating techniques by improving sample survey designs and procedures and by testing new forecasting and estimating techniques, such as the use of satellite data.

Census of Agriculture.—In 1997, the Census of Agriculture, formerly funded by the Department of Commerce, was funded by the Department of Agriculture. The Census was taken and processed during 1998 and released in 1999. An increase of \$2 million is requested for implementation of an Agricultural Economic Land Ownership survey. The 2000 request reflects a decrease of \$8 million due to the cyclical nature of the census.

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

Reimbursable:			
2001	Total compensable workyears: Full-time equivalent employment	90	96
		96	

AGRICULTURAL RESEARCH SERVICE

Federal Funds

General and special funds:

AGRICULTURAL RESEARCH SERVICE
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, [S\$785,518,000] \$836,868,000. *Provided*, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be available for employment under 5 U.S.C. 3109; *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only; *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$250,000, except for headhouses or greenhouses which shall each be limited to \$1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed \$500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$250,000, whichever is greater; *Provided further*, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland; *Provided further*, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift; *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a); *Provided further*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In fiscal year [1999] 2000, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account and shall remain available until expended for authorized purposes. (7 U.S.C. 328, 427, 427i, 1281 note, 1621, 2201, 2204, 2225, 2250, 3101 note; 10 U.S.C. 2306; 16 U.S.C. 590(a)-590(b), 590(k); 18 U.S.C. 1114; 19 U.S.C. 1306(a), 1306(c); 20 U.S.C. 191-194; 21 U.S.C. 113a, 114c, 114e-131; 42 U.S.C. 1476(e), 1483; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

["Agriculture Research Service", Department of Agriculture, \$23,000,000, for additional counterdrug research and development activities; *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; *Provided further*, That such amounts shall be available only to the extent an official budget request for a specific dollar amount that includes designation of the entire amount of the

PERFORMANCE MEASURES AND INDICATORS

Performance Measures	Indicators		
	1998 actual	1999 est.	2000 est.
Percentage of total national agricultural production included in the NASS program	93	98	98
Percentage of reports issued that meet scheduled release date and contain no data errors	98	99	99

Object Classification (in millions of dollars)

Identification code 12-1801-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	49	50	52
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	50	51	53
12.1 Civilian personnel benefits	12	12	13
21.0 Travel and transportation of persons	2	1	1
23.3 Communications, utilities, and miscellaneous charges	6	3	3
24.0 Printing and reproduction		1	1
25.2 Other services	26	22	19
25.3 Purchases of goods and services from Government accounts	14	8	6
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	2	1	1
31.0 Equipment	3	2	2
99.0 Subtotal, direct obligations	118	102	100
99.0 Reimbursable obligations	9	8	10
99.5 Below reporting threshold	4	4	2
99.9 Total new obligations	127	114	110

Personnel Summary

Identification code 12-1801-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	1,057	1,044	1,050

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

request as an emergency requirement as defined in such Act is transmitted by the President to the Congress.] (*Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, Division B, Title V, chapter 1.*)

Program and Financing (in millions of dollars)

Identification code 12-1400-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01	84	86	108
00.02	253	302	278
00.03	120	127	131
00.04	148	162	160
00.05	70	68	89
00.06	28	30	31
00.07	18	18	18
00.08	1	1	1
00.11	20	19	21
09.00	38	50	50
10.00	780	863	887
Budgetary resources available for obligation:			
21.40		1	
22.00	783	864	887
23.90	783	865	887
23.95	-780	-863	-887
23.98	-3		
24.40	1		
New budget authority (gross), detail:			
Current:			
40.00	744	809	837
42.00	1	5	
43.00	745	814	837
Permanent:			
68.00	38	50	50
70.00	783	864	887
Change in unpaid obligations:			
72.40	179	205	220
73.10	780	863	887
73.20	-750	-849	-882
73.40	-4		
74.40	205	220	225
Outlays (gross), detail:			
86.90	578	651	670
86.93	134	148	163
86.97	38	50	50
87.00	750	849	882
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	-34	-43	-43
88.40	-4	-7	-7
88.90	-38	-50	-50
Net budget authority and outlays:			
89.00	745	814	837
90.00	712	799	832

Funding for the Agricultural Research Service is proposed as part of the Research Fund for America. This proposal highlights the Administration's priority to providing needed and sustained investments in important Federal research programs on a deficit neutral basis. A discussion of the Research Fund for America, and two other funds for the environment

and transportation, can be found in Section II of the *Budget* volume.

The Agricultural Research Service conducts research to provide the means for a safer, more economical supply of agricultural products for the Nation and to provide producers with technologies to competitively supply these products. Technology needs of regulatory, technical assistance and education agencies of USDA and other Federal agencies are supported through ARS research. The Service uses coordinated, interdisciplinary approaches to perform basic and applied research on soil and water conservation, plant and animal sciences, commodity conversion and delivery, human nutrition, and integrated agricultural systems. In 2000, the Service proposes increased emphases for critical research needs in agriculture, such as: Emerging Infectious Diseases and Exotic Pests, the President's Food Safety Initiative, Human Nutrition, Agricultural Genomics, Pest Management requirements of the Food Quality Protection Act, Sustainable Ecosystems, Air Quality, and Global Climate Change. The Service expects to submit 70 new patent applications, participate in 90 new Cooperative Research and Development Agreements (CRADAs), license 30 new products, and develop 70 new plant varieties to release to industry for further development and marketing in 2000.

Research on soil and water conservation.—Research is conducted to improve soil and water management, irrigation, and conservation practices; to protect natural resources from harmful effects of soil, air, and water pollutants and to minimize certain agricultural pollution problems; and to determine the relation of soil types and water to plant, animal, and human nutrition.

Research on plant science.—Research is conducted to increase plant productivity by improving plant varieties, developing new crop resources, and improving crop production practices, including methods to control plant diseases, nematodes, insects, and weeds.

Research on animal science.—Research is conducted to increase livestock productivity (including poultry) through improved breeding, feeding, and management practices, and to develop methods for controlling diseases, parasites, and insect pests affecting these animals.

Research on commodity conversion and delivery.—Research is conducted to develop new and improved foods, feeds, products, and processes for agricultural commodities and to improve the processing, transportation, storage, wholesaling, and retailing of products. Research is also conducted on means to ensure the safety of food and feed supplies, control insect pests of man and his belongings, and reduce the hazards to human life resulting from pesticide residues and other causes.

Human nutrition research.—Research is conducted on subjects such as human nutritional requirements and the composition and nutritive value of foods, to promote optimum human health through improved nutrition.

Integration of agricultural systems.—Research is conducted to develop integrated systems for efficiently producing, processing, and marketing agricultural products, and to develop alternative agricultural systems that are less dependent upon nonrenewable resources and that are productive, efficient, and sustainable in the long term.

Agricultural information and library services.—The National Agricultural Library provides a variety of information products and services through: (1) the administration of a unique collection of books, journals, and other information materials about food and agriculture to ensure accessibility to their contents; (2) the development and maintenance of cooperative efforts in the library and related information areas, with other Federal agencies and with educational institutions in each State; and (3) an active program of information dissemination.

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

Contingencies.—Funds available to meet urgent needs that develop unexpectedly during the year when such needs cannot be met by redirection of resources from other projects.

Collaborative Research Program.—Funds from the U.S. Agency for International Development (AID), allows USDA to provide short-term scientific exchanges to the New Independent States of the former Soviet Union (NIS), in developing a market-based agricultural system necessary to meet the food needs of their populations and to develop and strengthen trade linkages between their countries and related agribusiness and agricultural enterprise in the U.S.

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

Object Classification (in millions of dollars)

Identification code 12-1400-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	301	327	344
11.3 Other than full-time permanent	21	26	24
11.5 Other personnel compensation	13	13	13
11.9 Total personnel compensation	335	366	381
12.1 Civilian personnel benefits	76	86	89
21.0 Travel and transportation of persons	14	16	17
22.0 Transportation of things	2	2	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	31	32	34
24.0 Printing and reproduction	1	1	1
25.2 Other services	13	16	17
25.3 Purchases of goods and services from Government accounts	4	4	5
25.4 Operation and maintenance of facilities	26	26	27
25.5 Research and development contracts	108	120	120
25.7 Operation and maintenance of equipment	8	8	9
25.8 Subsistence and support of persons	1	1	1
26.0 Supplies and materials	64	74	71
31.0 Equipment	39	40	42
32.0 Land and structures	3	4	3
41.0 Grants, subsidies, and contributions	16	16	17
99.0 Subtotal, direct obligations	742	813	837
99.0 Reimbursable obligations	38	50	50
99.9 Total new obligations	780	863	887

Personnel Summary

Identification code 12-1400-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	7,224	7,555	7,555
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	120	120	120

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, **[\$56,437,000]** \$44,500,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1401-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations	47	75	65
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	69	102	84
22.00 New budget authority (gross)	81	56	45
23.90 Total budgetary resources available for obligation	150	158	128
23.95 Total new obligations	-47	-75	-65
24.40 Unobligated balance available, end of year	102	84	63
New budget authority (gross), detail:			
40.00 Appropriation	81	56	44
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	76	68	68
73.10 Total new obligations	47	75	65
73.20 Total outlays (gross)	-56	-75	-70
74.40 Unpaid obligations, end of year: Obligated balance, end of year	68	68	64
Outlays (gross), detail:			
86.90 Outlays from new current authority	4	7	5
86.93 Outlays from current balances	52	68	65
87.00 Total outlays (gross)	56	75	70
Net budget authority and outlays:			
89.00 Budget authority	81	56	45
90.00 Outlays	56	75	70

This account provides funds for acquisition of land, construction, repair, improvement, extension, alterations, and purchases of fixed equipment or facilities of or used by the Agricultural Research Service. The 2000 request provides the continuing modernization of the Beltsville Agricultural Research Center, Beltsville, MD; Regional Research Centers at Peoria, IL; New Orleans, LA; Wyndmoor, PA; Albany, CA; the Western Human Nutrition Research Center at Davis, CA; and the Plum Island Animal Disease Center at Greenport, NY.

Object Classification (in millions of dollars)

Identification code 12-1401-0-1-352	1998 actual	1999 est.	2000 est.
25.2 Other services	27	30	25
32.0 Land and structures	13	45	40
41.0 Grants, subsidies, and contributions	7		
99.9 Total new obligations	47	75	65

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-8214-0-7-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Science and Education Administration contributed funds	20	20	20
Appropriation:			
05.01 Miscellaneous contributed funds	-20	-20	-20
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8214-0-7-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	16	19	19

General and special funds—Continued

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-8214-0-7-352	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	9	12	13
22.00 New budget authority (gross)	20	20	20
23.90 Total budgetary resources available for obligation	29	32	33
23.95 Total new obligations	-16	-19	-19
24.40 Unobligated balance available, end of year	12	13	13
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	20	20	20
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	5	7
73.10 Total new obligations	16	19	19
73.20 Total outlays (gross)	-14	-17	-20
74.40 Unpaid obligations, end of year: Obligated balance, end of year	5	7	6
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	6	7	7
86.98 Outlays from permanent balances	8	10	13
87.00 Total outlays (gross)	14	17	20
Net budget authority and outlays:			
89.00 Budget authority	20	20	20
90.00 Outlays	14	17	20

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

Object Classification (in millions of dollars)

Identification code 12-8214-0-7-352	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	4	5	5
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	7	9	9
26.0 Supplies and materials	3	3	3
31.0 Equipment	1	1	1
99.9 Total new obligations	16	19	19

Personnel Summary

Identification code 12-8214-0-7-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	87	87	87

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

Federal Funds

General and special funds:

INTEGRATED ACTIVITIES

For the integrated research, education, and extension competitive grants programs, including necessary administrative expenses, \$72,844,000, as follows: for payments for the small farms initiative \$4,000,000; payments for the water quality program, \$16,204,000; payments for the food safety program, \$15,000,000; payments for the national agriculture pesticide impact assessment program, \$4,640,000; payments for the Food Quality Protection Act risk mitigation program for major food crop systems, \$10,000,000; payments for the crops affected by FQPA implementation, \$3,000,000; payments for the methyl bromide transition program, \$5,000,000, as authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626); \$15,000,000 for gleaning and food recovery activities, of which \$2,850,000 shall be for payment to states and

territories under section 3(d) of the Smith-Lever Act, \$2,150,000 shall be for grants under 406 of the Agricultural, Research, Extension, and Education Reform Act of 1998, and \$10,000,000 shall be for grants under the same terms and conditions as those found in subsections (c), (d), (f), and (g) of section 25 of the Food Stamp Act of 1977.

Program and Financing (in millions of dollars)

Identification code 12-1502-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.10 Small farms initiative			4
00.20 Water quality			16
00.30 Food safety			15
00.40 Pesticide impact assessment			5
00.50 Crops at risk			3
00.60 Food Quality Protection Act risk mitigation program			10
00.70 Methyl bromide transition program			5
00.80 Gleaning and food recovery			15
10.00 Total new obligations (object class 41.0)			73
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			73
23.95 Total new obligations			-73
New budget authority (gross), detail:			
40.00 Appropriation			73
Change in unpaid obligations:			
73.10 Total new obligations			73
73.20 Total outlays (gross)			-7
74.40 Unpaid obligations, end of year: Obligated balance, end of year			66
Outlays (gross), detail:			
86.90 Outlays from new current authority			7
Net budget authority and outlays:			
89.00 Budget authority			73
90.00 Outlays			7

Note.—2000 estimate includes water quality grants, food safety and pesticide impact assessments, activities previously financed from the USDA Cooperative State Research, Education, and Extension Service Research and Education Activities and Extension Activities accounts.

In accordance with section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 an integrated research, education, and extension competitive grants program to provide funding for integrated, multifunctional agricultural research, extension, and education activities is proposed. A 100% non-Federal match would be required for commodity or location-specific activities. Programs proposed for funding under this account are:

Small farms initiative.—In 2000, a small farms initiative, to be implemented through the Department's Land-Grant partners, is proposed in support of the Secretary's Civil Rights Initiative to strengthen USDA's research and educational assistance to the socially disadvantaged.

Water quality.—This funding will enable CSREES and the State Agricultural Experiment Stations and the Cooperative Extension system to become viable partners with other state and federal agencies in addressing water quality issues of national importance. Funds will be awarded based upon peer review of competitive proposals for projects that have components for research and extension.

Food safety.—Funding will support research, education and extension programs to improve safety of food products and create a more informed public about food safety issues.

National agricultural pesticide impact assessment.—Funding will provide management and coordination for USDA and State activities that support informed regulatory decisions concerning pesticides that significantly benefit U.S. food production without causing adverse effects on the environment.

Crops at risk from FQPA implementation.—Funding will support the development of new multi-tactic IPM strategies. Grant opportunities will be available to state Land-Grant and

federal scientists, non-Land-Grant institutions, and grower commodity group partnerships with these groups.

FQPA Risk mitigation program for major food crop systems.—Funds are proposed to support a new approach to risk mitigation that will have a food production system focus, integrating food safety and water quality considerations as impacted by FQPA. Emphasis will be placed on development and implementation of new innovative pest management systems designed to maintain crop productivity and profitability while meeting or exceeding environmental quality and human health standards.

Methyl bromide transition program.—This is a new competitive grants program designed to support the discovery and implementation of practical pest management alternatives for commodities affected by the methyl bromide phase-out in 2005.

Gleaning and food recovery.—Funds are proposed to establish a three-pronged gleaning and food recovery program which will support competitively-awarded projects. Funds will be used to support infrastructure projects for the acquisition of facilities and equipment to improve food transportation, storage, and distribution; to establish a technical assistance and education network; and to establish a grants program to develop and extend technical issues in food recovery.

Personnel Summary

Identification code 12-1502-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment			8

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including **[\$180,545,000] \$153,672,000** to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a-i); **[\$21,932,000] \$19,882,000** for grants for cooperative forestry research (16 U.S.C. 582a-a7); **[\$29,676,000] \$27,735,000** for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); **[\$63,116,000] \$5,094,000** for special grants for agricultural research (7 U.S.C. 450i(c)); **[\$15,048,000] \$18,369,000** for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); **[\$119,300,000] \$200,000,000** for competitive research grants (7 U.S.C. 450i(b)); **[\$5,109,000] \$4,775,000** for the support of animal health and disease programs (7 U.S.C. 3195); **[\$750,000]** for supplemental and alternative crops and products (7 U.S.C. 3319d); **\$600,000** for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended] **\$667,000** for the 1994 research program (7 U.S.C. 301 note); **\$3,000,000** for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); **\$4,350,000** for higher education challenge grants (7 U.S.C. 3152(b)(1)); **\$1,000,000** for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); **[\$2,850,000] \$3,183,000** for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); **[\$500,000]** for a secondary agriculture education program and two-year post-secondary education (7 U.S.C. 3152(h)); **\$4,000,000** for aquaculture grants (7 U.S.C. 3322); **[\$8,000,000] \$8,500,000** for sustainable agriculture research and education (7 U.S.C. 5811); **\$9,200,000** for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); **[\$1,552,000] \$1,500,000** for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382; and **[\$10,688,000] \$4,038,000** for necessary expenses of Research and Education Activities, of which not to exceed \$100,000 shall be for employment under 5 U.S.C. 3109; in all, **[\$481,216,000] \$468,965,000**.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 103-382 (7 U.S.C. 301 note), **\$4,600,000**. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Unavailable Collections (in millions of dollars)

Identification code 12-1500-0-1-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Federal payment, Native American Institutions Endowment Fund	5	5	5
02.02 Earnings on investments		1	1
02.99 Total receipts	5	6	6
Appropriation:			
05.01 Cooperative state research activities	-5	-6	-6
05.99 Subtotal appropriation	-5	-6	-6
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-1500-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Payments under the Hatch Act	169	181	154
00.02 Cooperative forestry research	20	22	20
00.03 Payments to 1890 colleges and Tuskegee University	28	30	28
00.04 Special research grants	80	91	36
00.05 National research initiative competitive grants	69	163	200
00.06 Animal health and disease research	5	5	5
00.07 Federal administration	11	11	4
00.08 Higher education	24	22	22
00.09 Native American Institutions Endowment Fund	5	6	6
00.10 Initiative for Future Agriculture and Food Systems			120
09.00 Reimbursable program	15	16	16
10.00 Total new obligations	426	547	611

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	19	44	120
22.00 New budget authority (gross)	451	623	491
23.90 Total budgetary resources available for obligation	470	667	611
23.95 Total new obligations	-426	-547	-611
24.40 Unobligated balance available, end of year	44	120	

New budget authority (gross), detail:

Current:			
40.00 Appropriation	431	481	469
40.20 Appropriation (special fund, definite)	5	5	5
40.25 Appropriation (special fund, indefinite)		1	1
43.00 Appropriation (total)	436	487	475
Permanent:			
60.00 Appropriation		120	120
60.35 Unobligated Balances Rescission Proposal			-120
63.00 Appropriation (total)		120	
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	15	16	16
70.00 Total new budget authority (gross)	451	623	491

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	348	328	401
73.10 Total new obligations	426	547	611
73.20 Total outlays (gross)	-446	-474	-476
74.40 Unpaid obligations, end of year: Obligated balance, end of year	328	401	536

Outlays (gross), detail:

86.90 Outlays from new current authority	206	237	214
86.93 Outlays from current balances	224	221	234
86.97 Outlays from new permanent authority	15	16	16

General and special funds—Continued

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1500-0-1-352	1998 actual	1999 est.	2000 est.
86.98 Outlays from permanent balances			12
87.00 Total outlays (gross)	446	474	476
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-15	-16	-16
Net budget authority and outlays:			
89.00 Budget authority	436	607	475
90.00 Outlays	430	458	460
Memorandum (non-add) entries:			
92.01 Total investments, start of year: U.S. securities: Par value	9	14	
92.02 Total investments, end of year: U.S. securities: Par value	14		

Note.—In 2000 funding for water quality grants, food safety and pesticide impact assessments is included in the account for integrated activities.

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

Payments under the Hatch Act.—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands.

Cooperative forestry research.—These funds are allocated by formula to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, the Virgin Islands, and other State-supported colleges and universities having a forestry school and offering graduate training in forestry sciences.

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

Special research grants.—This program addresses research areas of national interest. Increased funding is proposed for grant programs in IR-4 minor crop pest management, pest management alternatives, and sustainable agriculture. Funding is also proposed for integrated pest management. Advances in these areas will provide producers with safe, alternative pest control methods resulting in more farmers increasing the number of acres on which Integrated Pest Management (IPM) methods are used. The program goal is the implementation of IPM methods on 75 percent of crop acreage by the year 2000, with an outcome of creating an agricultural system that is highly competitive in the global economy. Funding proposed for IR-4 minor crop pest management and minor use animal drugs will address the growing need for registration of safe pesticides and drugs for minor crops and animals and lead to reduced levels of chemical and drug residues in food products by half. In 2000 IR-4 will complete 525 pesticide clearances. These will include 200 clearances for "safer" and reduced risk alternatives on food crops together with biologically-based and IPM-compatible pest control products; 325 new registrations on horticultural crops, such as nursery and floral crops. In addition, resources for

these pest management programs will be coordinated to address Food Quality and Protection Act issues. A \$2 million grant program for global change is proposed for research at universities as part of a coordinated Federal initiative. Funding is also proposed for the National Biological Impact Assessment Program, rural development centers, and aquaculture centers.

National research initiative competitive grants.—Increased funding is being proposed for the National Research Initiative (NRI). Research scientists throughout the U.S. scientific community compete for funding under this program. The performance goal has been to attract the widest possible involvement of U.S. scientists in agricultural research to increase the knowledge base related to U.S. agriculture, food, and the environment and maintain world leadership in agricultural science and engineering. NRI funding has resulted in increased participation by universities which are not traditionally considered agricultural schools and of highly skilled researchers in projects addressing agricultural issues. The outcomes include the efficient communication of research results to scientific, engineering, and community user groups. These grants support research in plants and animals; natural resources and the environment; nutrition, food safety, and health; markets, trade, and rural development; and processing for adding value or developing new products. This initiative includes funding for a plant genome mapping program for which the Agricultural Research Service serves as the lead agency. Global change research being carried out through the NRI is part of a government-wide program. In 2000 the proposed increase to \$200 million will provide resources needed for the program to enhance and develop scientific areas that are critical such as: agricultural genomics, food safety, environment and natural resource management and competitiveness and profitability of agriculture.

Animal health and disease research.—Funds, distributed by formula, support livestock and poultry disease research in sixty-seven colleges of veterinary medicine and in eligible agricultural experiment stations.

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

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

Higher education.—Funding is proposed for graduate fellowships grants, competitive challenge grants, Hispanic-serving institutions education grants program, a multicultural scholars program and a Native American institutions program. Proposed funding for these higher education programs would support approximately 94 grants. These programs will enable universities to broaden their curricula; increase faculty development; student research projects; and the number of new scholars recruited in the food and agricultural sciences. In addition, an increased number of graduate students, including minority graduate students, will be enrolled in the agricultural sciences. Funding is also proposed for a capacity building program at the 1890 institutions as part of the USDA initiative to strengthen these institutions through a broadening of curricula, increased faculty development and student research projects. Proposed funding would support approximately 49 teaching and research grants.

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

Native American Institutions Endowment Fund.—This program provides for an endowment for the 1994 land-grant institutions (30 Tribally controlled colleges) to strengthen the infrastructure of these institutions and develop Indian expertise for the food and agricultural sciences and businesses and their own communities. At the termination of each fiscal year, the Secretary shall withdraw the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the fund, distribute the adjusted income on a formula basis to the 1994 land-grant institutions.

1998 Research Act.—The Agricultural Research, Extension, and Education Reform Act of 1998 authorized the annual appropriation of \$120 million for high priority research extension and education. These funds are available for two years. The 1999 appropriations language blocked the use of the available funds in 1999. The 2000 budget blocks the second year's availability of the 1999 funds, but allows the authorized \$120 million for 2000 to be expended. These funds will be restored beginning in 2001 through a legislative proposal to maintain the originally authorized amounts.

Object Classification (in millions of dollars)				
Identification code 12-1500-0-1-352				
		1998 actual	1999 est.	2000 est.
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	10	11	12
12.1	Civilian personnel benefits	2	2	3
21.0	Travel and transportation of persons	1	1	1
23.3	Communications, utilities, and miscellaneous charges		1	
24.0	Printing and reproduction	1	1	1
25.2	Other services		3	3
25.3	Purchases of goods and services from Government accounts	1	3	3
26.0	Supplies and materials		1	
41.0	Grants, subsidies, and contributions	396	508	572
99.0	Subtotal, direct obligations	411	531	595
99.0	Reimbursable obligations	15	16	16
99.9	Total new obligations	426	547	611

Personnel Summary				
Identification code 12-1500-0-1-352				
		1998 actual	1999 est.	2000 est.
Direct:				
1001	Total compensable workyears: Full-time equivalent employment	192	193	218
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment	9	9	9

BUILDINGS AND FACILITIES

Program and Financing (in millions of dollars)				
Identification code 12-1501-0-1-352				
		1998 actual	1999 est.	2000 est.
Obligations by program activity:				
10.00	Total new obligations (object class 41.0)	1	4	
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	5	4	
23.95	Total new obligations	-1	-4	
24.40	Unobligated balance available, end of year	4		
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	199	139	103
73.10	Total new obligations	1	4	
73.20	Total outlays (gross)	-61	-40	-25
74.40	Unpaid obligations, end of year: Obligated balance, end of year	139	103	78

Outlays (gross), detail:				
86.93	Outlays from current balances	61	40	25
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	61	40	25

Funds provide grants to States and other eligible recipients for the acquisition of land, construction, repair, improvement, extension, alteration and purchase of fixed equipment or facilities to carry out agricultural research, extension, and teaching programs. No funding is proposed in 2000.

Personnel Summary

Identification code 12-1501-0-1-352				
		1998 actual	1999 est.	2000 est.
1001	Total compensable workyears: Full-time equivalent employment	3	1	

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, [\$276,548,000] \$257,753,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), [\$2,060,000] \$3,500,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, [\$58,695,000] \$61,043,000; payments for the pest management program under section 3(d) of the Act, [\$10,783,000]; payments for the farm safety program under section 3(d) of the Act, \$3,000,000; payments for the pesticide impact assessment program under section 3(d) of the Act, \$3,214,000] \$12,269,000; payments for pesticide applicator training under section 3(d) of the Act, \$1,500,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University, as authorized by section 1447 of Public Law 95-113 (7 U.S.C. 3222b), [\$8,426,000] \$12,000,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, \$908,000; [payments for a groundwater quality program under section 3(d) of the Act, \$9,561,000;] payments for youth-at-risk programs under section 3(d) of the Act, [\$9,000,000]; payments for a food safety program under section 3(d) of the Act, \$7,365,000] \$10,000,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, \$3,192,000; payments for Indian reservation agents under section 3(d) of the Act, [\$1,714,000] \$5,000,000; payments for sustainable agriculture programs under section 3(d) of the Act, \$3,309,000; [payments for rural health and safety education as authorized by section 2390 of Public Law 101-624 (7 U.S.C. 2661 note, 2662), \$2,628,000;] payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326 and 328) and Tuskegee University, [\$25,843,000] \$25,090,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341-349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, [\$11,741,000] \$6,039,000; in all, [\$437,987,000] \$401,603,000. Provided, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

General and special funds—Continued**EXTENSION ACTIVITIES—Continued****Program and Financing (in millions of dollars)**

Identification code 12-0502-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Smith-Lever Act, 3(b) and 3(c)	268	276	258
00.02 Youth at Risk	10	10	10
00.03 Water quality	9	9	.....
00.04 Expanded food and nutrition education program (EFNEP)	59	59	61
00.05 Pest management	11	11	12
00.06 Farm safety	3	3	.....
00.07 Pesticide impact assessment	3	3	.....
00.08 Pesticide applicator training .....	.....	.....	2
00.09 Indian reservation extension agents	2	2	5
00.10 Agricultural telecommunications	1	.....	.....
00.11 Food safety	2	7	.....
00.12 Rural development	1	1	1
00.13 Payments to 1890 colleges and Tuskegee University	25	26	25
00.15 Renewable resources extension act	3	3	3
00.16 Federal administration	11	12	6
00.18 Rural health and safety education	3	3	.....
00.19 1890 facilities (section 1447)	7	12	12
00.21 Sustainable agriculture	3	3	3
00.22 1994 Institutions activities	2	2	4
09.00 Reimbursable program	23	25	25
10.00 Total new obligations	446	467	427
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	4	.....
22.00 New budget authority (gross)	446	463	427
23.90 Total budgetary resources available for obligation	450	467	427
23.95 Total new obligations	-446	-467	-427
24.40 Unobligated balance available, end of year	4	.....	.....
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	423	438	402
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	23	25	25
70.00 Total new budget authority (gross)	446	463	427
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	213	223	235
73.10 Total new obligations	446	467	427
73.20 Total outlays (gross)	-436	-455	-449
74.40 Unpaid obligations, end of year: Obligated balance, end of year	223	235	215
Outlays (gross), detail:			
86.90 Outlays from new current authority	265	281	258
86.93 Outlays from current balances	148	149	166
86.97 Outlays from new permanent authority	23	25	25
87.00 Total outlays (gross)	436	455	449
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-23	-25	-25
Net budget authority and outlays:			
89.00 Budget authority	423	438	402
90.00 Outlays	413	430	424

Note.—In 2000 funding for water quality grants, food safety and pesticide impact assessments is included in the account for integrated activities.

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

The nonformal educational network combines the expertise and resources of federal, state, and local partners. The part-

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

Base programs, funded by the Smith-Lever 3(b) and (c) legislated formula funds, are the major educational efforts central to the mission of the System and common to most Extension units. They are the ongoing priority efforts of the System, involving many discipline-based and multi-disciplinary programs. The System's base programs are the foundation of the Extension organization and partnership that are intended to increase the number of community-based projects, families, and individuals reached to disseminate research findings as widely and quickly as possible. The use of electronic mail, satellite transmission of courses, and computer-assisted instruction are encouraged to communicate ideas.

Extension resources are provided to the States by these formula funds and competitively-awarded programs such as sustainable agriculture. Smith-Lever 3(b) and (c) funds and payments to the 1890 colleges and Tuskegee University provide funds to support the Extension infrastructure.

Funds for designated programs, funded by Smith-Lever 3(d) such as youth-at-risk and expanded food and nutrition education program (EFNEP), provide support for the Cooperative Extension System to address identified priority issues.

National initiatives funded by legislative formulas, administratively determined distribution, Congressional and Executive intent, and competitively-awarded projects, are the System's commitment to respond to important problems of broad national concern with additional resources and significantly increased effort to achieve a major impact on national priorities. They are the most current significant and complex issues on which the Extension System has the potential to make a difference—usually in cooperation with other agencies, groups, and units of government. The goal is to inform and educate these extension agriculture professionals and volunteers who, in turn, educate the professional farmers and end-users regarding these critical initiatives and concerns.

In 2000 increases have been requested for: the Expanded Food and Nutrition Education Program, pest management, children, youth and families at risk, extension services on Indian reservations, pesticide applicator training, 1890's facilities, and 1994 (Native American) institutions.

Object Classification (in millions of dollars)

Identification code 12-0502-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	10	10	11
12.1 Civilian personnel benefits	3	3	3
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	15	1	1
25.2 Other services	4	1	1
25.3 Purchases of goods and services from Government accounts .....	.....	1	1
41.0 Grants, subsidies, and contributions	390	425	384
99.0 Subtotal, direct obligations	423	442	402
99.0 Reimbursable obligations	23	25	25
99.9 Total new obligations	446	467	427

Personnel Summary

Identification code 12-0502-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	200	202	205

Unavailable Collections (in millions of dollars)

Identification code 12-1600-0-1-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	91	105	118
Receipts:			
02.01 Agricultural quarantine inspection fees	152	160	219
04.00 Total: Balances and collections	243	265	337
Appropriation:			
05.01 Salaries and expenses	-138	-147	-214
05.99 Subtotal appropriation	-138	-147	-214
07.99 Total balance, end of year	105	118	123

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, [S425,803,000] \$435,445,000, of which \$4,105,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year [1999] 2000, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year [1999, \$88,000,000] 2000, \$95,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account. (10 U.S.C. 2306; 15 U.S.C. 69e, 1821-31; 16 U.S.C. 1531-43; 18 U.S.C. 1114; 19 U.S.C. 1306, 21 U.S.C. 101-105, 111-114, 114a-114c; 114d-1, 114e-131, 134-135b, 151-158; 26 U.S.C. 4491-94; 45 U.S.C. 71-74; 46 U.S.C. 466a-466(b); 49 U.S.C. 1471(a)-1509(d), 1741; 46 Stat. 67; 78 Stat. 939-940; 99 Stat. 1645-1650, 1654-1656, 1658-1659; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1600-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Pest and disease exclusion	242	254	311
00.02 Plant and animal health monitoring	73	76	82
00.03 Pest and disease management programs	97	90	75
00.04 Animal care	10	10	10
00.05 Scientific and technical services	55	52	55
00.06 Contingencies	4	4	4
00.07 Emergency program funding	30	95	.....
01.00 Total direct program	511	581	537
09.01 Reimbursable program	58	55	55
10.00 Total new obligations	569	636	592
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	37	30	29
22.00 New budget authority (gross)	531	539	609
22.22 Unobligated balance transferred from other accounts	31	95	.....
23.90 Total budgetary resources available for obligation	599	664	638
23.95 Total new obligations	-569	-636	-592
24.40 Unobligated balance available, end of year	30	29	46
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	338	338	340
40.20 Appropriation (special fund, definite)	88	88	95
41.00 Transferred to other accounts .....	.....	-1	.....
42.00 Transferred from other accounts	1	.....	.....
43.00 Appropriation (total)	427	425	435
Permanent:			
60.25 Appropriation (special fund, indefinite)	50	59	119
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	54	55	55
70.00 Total new budget authority (gross)	531	539	609
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	68	78	153
73.10 Total new obligations	569	636	592
73.20 Total outlays (gross)	-559	-561	-608
74.40 Unpaid obligations, end of year: Obligated balance, end of year	78	153	137
Outlays (gross), detail:			
86.90 Outlays from new current authority	417	404	413
86.93 Outlays from current balances	27	14	21
86.97 Outlays from new permanent authority	91	102	174
86.98 Outlays from permanent balances	24	43	.....
87.00 Total outlays (gross)	559	561	608
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-29	-24	-7
88.40 Non-Federal sources	-25	-31	-48
88.90 Total, offsetting collections (cash)	-54	-55	-55
Net budget authority and outlays:			
89.00 Budget authority	477	484	554
90.00 Outlays	505	506	553

General and special funds—Continued

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

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	477	484	554
Outlays	505	508	553
Legislative proposal, not subject to PAYGO:			
Budget Authority			-9
Outlays			-9
Total:			
Budget Authority	477	484	545
Outlays	505	508	544

The major objectives of the Animal and Plant Health Inspection Service (APHIS) are to protect the animal and plant resources of the Nation from destructive pests and diseases. This mission is carried out under the five major areas of activity, as follows:

Pest and disease exclusion.—The agency conducts inspection and quarantine activities at U.S. ports-of-entry to prevent the introduction of exotic animal and plant diseases and pests. APHIS develops and conducts preclearance programs to ensure that agricultural products destined for U.S. ports-of-entry do not present a risk to U.S. agriculture. APHIS engages in cooperative programs in foreign countries to control pests of imminent concern to the United States. APHIS also certifies plants and plant products for export and regulates imports and exports of designated endangered plant species. User fees have been implemented to recover the cost of certain agricultural quarantine inspection services.

Plant and animal health monitoring.—The Agency conducts programs to assess animal and plant health and to detect endemic and exotic diseases and pests. The plant and animal health monitoring programs are primarily cooperative efforts of the Federal and State governments, and industry. The Agency also carries out surveys in cooperation with the States to detect harmful plant and animal pests and diseases and to determine if there is a need for pest eradication programs.

Pest and disease management programs.—The Agency carries out programs to control and eradicate infestations and animal diseases that threaten the United States; to reduce agricultural losses caused by predatory animals, birds, and rodents; to provide technical assistance to States, counties, farmer or rancher groups, and foundations; and to ensure compliance with interstate movement and disease control regulations. Interstate shipments of plants, livestock, and related materials are monitored and regulated to prevent the spread of disease. APHIS protects agriculture from detrimental animal predators through identification, demonstration, and application of the most appropriate methods of control.

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

Scientific and technical services.—APHIS develops methods to control animals and pests that are detrimental to agriculture, other wildlife, and public safety. The agency regulates genetic research to guard against the release of potentially harmful organisms into the environment. APHIS also conducts veterinary diagnostic laboratory activities and biologic regulatory enforcement to ensure that the products developed for combatting disease are potent, safe, and pure. It also provides and directs technology development in coordination with other groups in APHIS and Plant Protection and Quarantine (PPQ) officials to support PPQ programs of the Agency

and its cooperators at the State, national, and international levels.

Object Classification (in millions of dollars)

Identification code 12-1600-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	209	217	243
11.3 Other than full-time permanent	15	15	17
11.5 Other personnel compensation	18	32	34
11.9 Total personnel compensation	242	264	294
12.1 Civilian personnel benefits	60	62	73
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	21	23	18
22.0 Transportation of things	4	4	4
23.2 Rental payments to others	4	6	6
23.3 Communications, utilities, and miscellaneous charges	15	11	11
24.0 Printing and reproduction	1	1	1
25.2 Other services	94	84	70
26.0 Supplies and materials	21	22	20
31.0 Equipment	20	15	14
Grants, subsidies, and contributions:			
41.0 United States-Colombia Commission to Prevent Foot-and-Mouth Disease	2	2	2
41.0 Joint Screwworm eradication programs	16	16	16
41.0 Joint Commission on the Mediterranean fruit fly	3	3	3
41.0 Other grants, subsidies, and contributions	3	2	2
Insurance claims and indemnities:			
42.0 Brucellosis	1	1	
42.0 Other insurance claims and indemnities	2	64	2
44.0 Refunds	1		
99.0 Subtotal, direct obligations	511	581	537
99.0 Reimbursable obligations	58	55	55
99.9 Total new obligations	569	636	592

Personnel Summary

Identification code 12-1600-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	3,611	3,563	5,682
1011 Exempt Full-time equivalent employment	2,000	2,128	
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	629	660	668

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1600-2-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Animal welfare			-4
00.02 Biotechnology			-5
01.00 Total direct program			-9
09.01 Reimbursable program			9
10.00 Total new obligations			
New budget authority (gross), detail:			
Current:			
40.00 Appropriation			-9
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			9
Outlays (gross), detail:			
86.90 Outlays from new current authority			-9
86.97 Outlays from new permanent authority			9
87.00 Total outlays (gross)			

Offsets:	
Against gross budget authority and outlays:	
88.40	Offsetting collections (cash) from: Non-Federal sources -9
Net budget authority and outlays:	
89.00	Budget authority -9
90.00	Outlays -9

Legislation will be proposed to establish user fees for APHIS' costs for animal welfare inspections, such as for animal research centers, humane societies, and kennels, and for activities associated with the issuance of biotechnology certificates.

This is one of several proposals in the budget to charge fees to users directly availing themselves of, or subject to, a government service, program, or activity, in order to cover the government's costs. Legislation will be proposed to authorize the fees.

Object Classification (in millions of dollars)

Identification code 12-1600-2-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1	Personnel compensation: Full-time permanent		-5
12.1	Civilian personnel benefits		-2
26.0	Supplies and materials		-1
31.0	Equipment		-1
99.0	Subtotal, direct obligations		-9
99.0	Reimbursable obligations		9
99.9	Total new obligations		

Personnel Summary

Identification code 12-1600-2-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001	Total compensable workyears: Full-time equivalent employment		-110
Reimbursable:			
2001	Total compensable workyears: Full-time equivalent employment		110

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, **[\$7,700,000]** \$7,200,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1601-0-1-352	1998 actual	1999 est.	2000 est.	
Obligations by program activity:				
10.00	Total new obligations	20	11	7
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	28	10	8
22.00	New budget authority (gross)	4	8	7
23.90	Total budgetary resources available for obligation	32	18	15
23.95	Total new obligations	-20	-11	-7
24.40	Unobligated balance available, end of year	10	8	7
New budget authority (gross), detail:				
40.00	Appropriation	4	8	7
Change in unpaid obligations:				
74.40	Unpaid obligations, start of year: Obligated balance, start of year	6	21	13
73.10	Total new obligations	20	11	7
73.20	Total outlays (gross)	-7	-17	-14

74.40	Unpaid obligations, end of year: Obligated balance, end of year	21	13	6
Outlays (gross), detail:				
86.90	Outlays from new current authority	1	2	2
86.93	Outlays from current balances	6	13	13
87.00	Total outlays (gross)	7	17	14
Net budget authority and outlays:				
89.00	Budget authority	4	8	7
90.00	Outlays	7	17	14

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

The 2000 budget proposes \$7 million for this program, which consists of \$4 million for repairs, alterations, preventive maintenance, and renovations for currently owned APHIS facilities, and \$3 million for the modernization of the Plum Island, New York, Animal Disease Center.

Object Classification (in millions of dollars)

Identification code 12-1601-0-1-352	1998 actual	1999 est.	2000 est.	
25.2	Other services	4	4	4
32.0	Land and structures	16	7	3
99.9	Total new obligations	20	11	7

Trust Funds

MISCELLANEOUS TRUST FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-9971-0-7-352	1998 actual	1999 est.	2000 est.	
Balance, start of year:				
01.99	Balance, start of year	1	1	8
Receipts:				
02.02	Miscellaneous contributed funds	14	14	14
04.00	Total: Balances and collections	15	15	22
Appropriation:				
05.01	Miscellaneous trust funds	-14	-7	-7
07.99	Total balance, end of year	1	8	15

Program and Financing (in millions of dollars)

Identification code 12-9971-0-7-352	1998 actual	1999 est.	2000 est.	
Obligations by program activity:				
00.03	Miscellaneous contributed funds	12	7	7
10.00	Total new obligations	12	7	7
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	4	5	6
22.00	New budget authority (gross)	14	7	7
23.90	Total budgetary resources available for obligation	18	12	13
23.95	Total new obligations	-12	-7	-7
24.40	Unobligated balance available, end of year	5	6	6
New budget authority (gross), detail:				
60.27	Appropriation (trust fund, indefinite)	14	7	7
Change in unpaid obligations:				
73.10	Total new obligations	12	7	7
73.20	Total outlays (gross)	-14	-7	-7
Outlays (gross), detail:				
86.97	Outlays from new permanent authority	12	6	6
86.98	Outlays from permanent balances	2	1	1

MISCELLANEOUS TRUST FUNDS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-9971-0-7-352	1998 actual	1999 est.	2000 est.
87.00 Total outlays (gross)	14	7	7
Net budget authority and outlays:			
89.00 Budget authority	14	7	7
90.00 Outlays	14	7	7

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

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

Object Classification (in millions of dollars)

Identification code 12-9971-0-7-352	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1 Full-time permanent	2	1	1
11.3 Other than full-time permanent	2	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	5	3	3
12.1 Civilian personnel benefits	1	1	1
21.0 Travel and transportation of persons	2	1	1
25.2 Other services	2	2	2
31.0 Equipment	1		
44.0 Refunds	1		
99.9 Total new obligations	12	7	7

Personnel Summary

Identification code 12-9971-0-7-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	102	110	111

FOOD SAFETY AND INSPECTION SERVICE

The following table depicts the total funding for the Food Safety and Inspection Service, which includes appropriated funds and proceeds from proposed user fees:

(In millions of dollars)

	1998 actual	1999 est.	2000 est.
Appropriations:			
Enacted/requested:			
Budget authority	589	617	653
Outlays	592	617	651
User Fee:			
Budget authority			504
Outlays			504
Total:			
Budget authority	589	617	149
Outlays	592	617	147

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, [S616,986,000] \$652,955,000, and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102-237: *Provided*, That this appro-

priation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (7 U.S.C. 450, 1901-06; 10 U.S.C. 2306; 18 U.S.C. 1114; 21 U.S.C. 451-470, 601-624, 641-645, 661, 671-680, 691-692; 694-695; Public Law 99-641; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-3700-0-1-554	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	589	617	653
09.01 Reimbursable program	85	85	85
10.00 Total new obligations	674	702	738
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	
22.00 New budget authority (gross)	674	702	738
23.90 Total budgetary resources available for obligation	675	703	738
23.95 Total new obligations	-674	-702	-738
24.40 Unobligated balance available, end of year	1		

New budget authority (gross), detail:

Current:			
40.00 Appropriation	590	617	653
40.36 Unobligated balance rescinded	-1		
43.00 Appropriation (total)	589	617	653
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	85	85	85
70.00 Total new budget authority (gross)	674	702	738

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	37	33	33
73.10 Total new obligations	674	702	738
73.20 Total outlays (gross)	-677	-702	-738
73.40 Adjustments in expired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	33	33	33

Outlays (gross), detail:

86.90 Outlays from new current authority	562	586	620
86.93 Outlays from current balances	30	31	31
86.97 Outlays from new permanent authority	85	85	85
87.00 Total outlays (gross)	677	702	738

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-85	-85	-85

Net budget authority and outlays:

89.00 Budget authority	589	617	653
90.00 Outlays	592	617	653

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	589	617	653
Outlays	592	617	651
Legislative proposal, not subject to PAYGO:			
Budget Authority			-504
Outlays			-504
Total:			
Budget Authority	589	617	149
Outlays	592	617	147

The primary objectives of the Food Safety and Inspection Service are to ensure that meat, poultry, and egg products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act. Providing adequate resources for Federal food safety agencies continues to be a priority of the Administration, and the 2000 budget proposes a \$36 million increase for inspection of meat, poultry, and egg products. This increase will cover pay cost increases for Federal and State inspection programs, and initiatives for: redeployment of inspection workforce; validation of State HACCP requirements; improved emergency response coordination with States; and civil rights training and program improvements.

The meat, poultry, and egg products inspection program of the Food Safety and Inspection Service provides in-plant inspection of all domestic plants preparing meat, poultry, or egg products for sale or distribution; reviews foreign inspection systems and establishments that prepare meat, poultry, or egg products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs.

In 2000, the Administration is proposing a new user fee to offset the cost of Federal meat, poultry, and egg products inspection. The proposal would require industry to reimburse the government for all Federal services. This proposal would ensure that sufficient resources are available to provide the level of in-plant inspection necessary to meet the demands of the industry.

On January 25, 1997, the President announced the 1998 President's National Food Safety Initiative. The initiatives for 1998 and 1999 have laid the foundation for building a strong, scientific base for a farm-to-table food safety system that protects public health by monitoring and addressing a broad range of food safety hazards. The 2000 Food Safety Initiative builds on this foundation and will increase department-wide by \$32 million over the 1999 level of \$119 million. Resources are targeted to: (1) further develop a nationally integrated food safety system by expanding and strengthening the partnership between Federal, State, and local agencies; (2) continue enhancing surveillance of foodborne diseases and increasing the speed and efficiency of responses to outbreaks of foodborne illness; and (3) put greater emphasis on the control of foodborne hazards in the pre-harvest phase of the farm-to-table continuum. Continued investment is required to realize the President's goal of establishing a seamless, science-based food safety system.

In 1998 the President's Council on Food Safety was established to develop a comprehensive strategy for food safety activities, including coordinating research efforts and budget submissions among the food safety agencies.

FEDERALLY FUNDED INSPECTION ACTIVITIES

	1998 actual	1999 est.	2000 est.
Federally inspected establishments:			
Slaughter plants	254	245	235
Processing plants	4,297	4,270	4,255
Combination slaughter and processing plants	985	970	960
Talmadge-Aiken plants	256	250	245
Import establishments	135	130	120
Egg plants	78	78	76
Federally inspected and passed production (millions of pounds):			
Meat slaughter	41,400	42,000	42,000
Poultry slaughter	43,200	44,000	44,000
Egg products	3,310	3,400	3,400
Product inspected and passed under HACCP system: ^a	64,996	72,900	80,700
Import/export activity (millions of pounds):			
Meat and poultry imported	2,861	2,918	2,977
Meat and poultry exported	9,306	9,400	9,400
States and territories with cooperative programs: ^b			
Intrastate inspection	25	26	26
Talmadge-Aiken inspection	9	9	9
Number of slaughter and/or processing plants (excludes exempt plants)	2,542	2,585	2,585
Pounds inspected slaughter (millions)	906	906	906

Compliance activities:			
Marketplace reviews		20,000	< 100,000
Corrective action reviews	26,178	50,000	50,000
Corrective actions completed	589	600	700
Product Testing (samples analyzed):			
Food chemistry	16,241	10,000	10,000
Food microbiology	92,132	94,000	94,000
Chemical residues	43,802	40,000	40,000
Antibiotic residues	181,249	181,000	181,000
Pathology samples	4,987	5,000	5,000
Egg Products:			
Food chemistry	0	200	200
Food microbiology	2,033	2,000	2,000
Chemical residues	743	900	900
Consumer Education and public outreach:			
Meat and Poultry Hotline Calls received	^d 164,575	115,000	115,000
Epidemiological Investigations:			
Cooperative efforts with State and public health offices	24	30	30
Illnesses reported and treated ^e	8,051	8,100	8,100
Field Automation and Information Management Project (cumulative):			
Number of computers to be provided to federal field inspection staff	2,779	3,539	4,249
Number of computers to be provided to state field inspection staff		916	1,832

^aProduction data on meat and poultry slaughter operations reflect estimated output of establishments required to produce under HACCP systems.

^bStates with cooperative agreements which are operating programs.

^cIncludes marketplace sampling, testing, reviewing and evaluation.

^dVolume increased due to contractor support in November 1997.

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

Object Classification (in millions of dollars)

Identification code 12-3700-0-1-554	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	338	349	365
11.3 Other than full-time permanent	16	17	17
11.5 Other personnel compensation	18	18	19
11.9 Total personnel compensation	372	384	401
12.1 Civilian personnel benefits	99	104	113
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	25	25	26
22.0 Transportation of things	3	4	6
23.2 Rental payments to others	2	2	1
23.3 Communications, utilities, and miscellaneous charges	6	5	6
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	5	6	6
25.2 Other services	11	17	19
25.3 Purchases of goods and services from Government accounts	6	6	6
25.4 Operation and maintenance of facilities	2	2	2
26.0 Supplies and materials	8	8	9
31.0 Equipment	6	6	7
41.0 Grants, subsidies, and contributions	41	46	47
99.0 Subtotal, direct obligations	588	617	651
99.0 Reimbursable obligations	85	85	85
99.5 Below reporting threshold	1		2
99.9 Total new obligations	674	702	738

Personnel Summary

Identification code 12-3700-0-1-554	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	9,403	9,407	9,407
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	250	250	250

General and special funds—Continued

SALARIES AND EXPENSES
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3700-2-1-554	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program			- 504
09.01 Reimbursable program			504
10.00 Total new obligations			
New budget authority (gross), detail:			
Current:			
40.00 Appropriation			- 504
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			504
Outlays (gross), detail:			
86.90 Outlays from new current authority			- 504
86.97 Outlays from new permanent authority			504
87.00 Total outlays (gross)			
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			- 504
Net budget authority and outlays:			
89.00 Budget authority			- 504
90.00 Outlays			- 504

Legislation will be proposed to charge fees for the cost of all Federal inspection of meat, poultry, and egg products at all establishments inspected by the Food Safety and Inspection Service (FSIS). Currently, fees to reimburse the cost of overtime inspection are required at some FSIS-inspected establishments, but not at others. Requiring the payment of user fees for inspection services would not only result in savings to the taxpayer, but would also ensure that sufficient resources are available to provide the mandatory inspection services needed to meet increasing industry demand. These fees would result in a cost of less than one cent per pound of product to consumers, but would allow the government to maintain its level of inspection effort to ensure a safe supply of meat, poultry and egg products. The implementation of the user fee authority would be designed to be fair and equitable; promote accountability and efficiency; and minimize any impact on the competitive balance among affected industries.

This is one of several proposals in the budget to charge fees to users directly availing themselves of, or subject to, a government service, program, or activity, in order to cover the government's costs.

Object Classification (in millions of dollars)

Identification code 12-3700-2-1-554	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent			- 304
11.3 Other than full-time permanent			- 14
11.5 Other personnel compensation			- 16
11.9 Total personnel compensation			- 334
12.1 Civilian personnel benefits			- 94
13.0 Benefits for former personnel			- 1
21.0 Travel and transportation of persons			- 22
22.0 Transportation of things			- 5
23.2 Rental payments to others			- 1
23.3 Communications, utilities, and miscellaneous charges			- 5
24.0 Printing and reproduction			- 1

25.1 Advisory and assistance services			- 5
25.2 Other services			- 16
25.3 Purchases of goods and services from Government accounts			- 5
25.4 Operation and maintenance of facilities			- 1
26.0 Supplies and materials			- 8
31.0 Equipment			- 6
99.0 Subtotal, direct obligations			- 504
99.0 Reimbursable obligations			504
99.9 Total new obligations			

Personnel Summary

Identification code 12-3700-2-1-554	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment			- 7,262
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment			7,262

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Unavailable Collections (in millions of dollars)

Identification code 12-8137-0-7-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Fees for inspection and grading of farm products	4	4	4
Appropriation:			
05.01 Expenses and refunds, inspection and grading of farm products	- 4	- 4	- 4
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8137-0-7-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	4	4	4
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	4	4	4
23.95 Total new obligations	- 4	- 4	- 4
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	4	4	4
Change in unpaid obligations:			
73.10 Total new obligations	4	4	4
73.20 Total outlays (gross)	- 4	- 4	- 4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	- 1		
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	4	4	4
Net budget authority and outlays:			
89.00 Budget authority	4	4	4
90.00 Outlays	5	4	4

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

Object Classification (in millions of dollars)

Identification code 12-8137-0-7-352	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1 Full-time permanent	2	2	2
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	3	3	3
12.1 Civilian personnel benefits	1	1	1
99.9 Total new obligations	4	4	4

Personnel Summary

Identification code 12-8137-0-7-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	45	45	45

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109, **[\$26,787,000] \$26,448,000: Provided**, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (7 U.S.C. 71, 74-79, 84-87, 181-229, 1621-27; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-2400-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Standardization	3	4	4
00.02 Compliance	5	4	5
00.03 Methods development	3	3	3
00.04 Packers and stockyards program	13	16	15
10.00 Total new obligations	24	27	27
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	24	27	26
23.95 Total new obligations	-24	-27	-27
New budget authority (gross), detail:			
40.00 Appropriation	24	27	26
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	4	4	4
73.10 Total new obligations	24	27	27
73.20 Total outlays (gross)	-24	-27	-27
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	4	4
Outlays (gross), detail:			
86.90 Outlays from new current authority	21	24	23
86.93 Outlays from current balances	3	3	3
87.00 Total outlays (gross)	24	27	27
Net budget authority and outlays:			
89.00 Budget authority	24	27	26
90.00 Outlays	24	27	27

Summary of Budget Authority and Outlays

	(in millions of dollars)		
	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	24	27	26
Outlays	24	27	26
Legislative proposal, not subject to PAYGO:			
Budget Authority			-15
Outlays			-15
Total:			
Budget Authority	24	27	11
Outlays	24	27	11

The Grain Inspection, Packers and Stockyards Administration (GIPSA) establishes official United States standards for grain, promotes the uniform application thereof by official inspection personnel, provides for an official inspection system for grain, and regulates the weighing and certification of the weight of grain shipped in interstate or foreign commerce as authorized by the U.S. Grain Standards Act (USGSA), as amended, and the regulations thereof, and the Agricultural Marketing Act of 1946 (AMA).

Standardization activities include establishing and updating U.S. grain standards, research, and developing and improving methods to ensure the accurate and uniform application of the standards.

The compliance activities ensure the accurate and uniform application of the USGSA and applicable provisions of the AMA. The compliance program functions include: (1) evaluating alleged violations and initiating preliminary investigations; (2) initiating the implementation of corrective actions; (3) conducting management and technical reviews; (4) administering the designations and delegations of State and private agencies to perform official functions and monitoring the performance of the agencies; (5) identifying and, where appropriate, waiving and monitoring conflicts of interest; (6) licensing personnel of delegated States and designated agencies; (7) registering persons/firms engaged in the business of buying grain for sale in foreign commerce, and in the business of handling, weighing, or transporting of grain for sale in foreign commerce; (8) responding to audits of Grain Inspection programs; and (9) reviewing and, when appropriate, approving official agencies' fee schedules.

The International Monitoring Staff briefs foreign buyers, assesses foreign inspection and weighing techniques, and responds to foreign quality and quantity complaints.

An advisory committee consisting of members from the grain industry exists to advise the Agency regarding efficient and economical implementation of the USGSA.

The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain.

For 2000, authorizing legislation will be submitted to permit, subject to appropriations, the collection and use of fees to cover the cost of standardization activities.

The goal of the Packers and Stockyards program is to ensure the integrity of the livestock, meat, and poultry markets and the marketplace in order to protect producers against unfair, deceptive, or discriminatory practices as well as those that are predatory or monopolistic in nature. Consumers and members of the livestock, poultry, and meat industries are also protected against unfair business practices in the marketing of livestock, meat and poultry, and from restrictions on competition which could unduly affect prices. The Agency also carries out the Secretary's responsibilities under Section 1324 of the Food Security Act of 1985 covering "central filing systems" established by States for pre-notification of security interests against farm products.

Authorizing legislation will be submitted that would establish a license fee that, subject to appropriations, would allow

General and special funds—Continued

SALARIES AND EXPENSES—Continued

the collection and expenditure of funds for all costs associated with administering the Packers and Stockyards Act.

MAIN WORKLOAD FACTORS

	1998 actual	1999 est.	2000 est.
U.S. standards in effect at end of year	19	19	19
Standards reviews in progress	3	3	3
Standards reviews completed	3	3	3
Inspection techniques developed	2	2	2
On-site investigations	5	7	8
Designations renewed	21	21	21
Registration certificates issued	80	81	79
Investigations	1,684	1,600	1,700
Market agencies/dealers registered	6,391	6,350	6,350
Stockyards posted	1,298	1,290	1,285
Slaughtering and processing packers subject to the Act (estimated)	6,000	6,000	6,000
Distributors, brokers, and dealers subject to the Act (estimated)	6,800	6,800	6,800
Poultry operations subject to the Act	210	210	210

Object Classification (in millions of dollars)

Identification code 12-2400-0-1-352	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	15	15	8
12.1 Civilian personnel benefits	4	5	2
21.0 Travel and transportation of persons	1	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	2	3	12
26.0 Supplies and materials			1
31.0 Equipment	1	1	1
99.9 Total new obligations	24	27	27

Personnel Summary

Identification code 12-2400-0-1-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	304	322	322

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-2400-2-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Standardization			-4
00.04 Packers and stockyards program			-15
00.05 Start-up costs			4
09.01 Reimbursable program			29
10.00 Total new obligations			14

Budgetary resources available for obligation:

22.00 New budget authority (gross)			4
23.95 Total new obligations			-14
24.40 Unobligated balance available, end of year			-12

New budget authority (gross), detail:

Current:			
40.00 Appropriation			-15
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			19
70.00 Total new budget authority (gross)			4

Change in unpaid obligations:

73.10 Total new obligations			14
73.20 Total outlays (gross)			-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year			12

Outlays (gross), detail:

86.90 Outlays from new current authority			-15
86.97 Outlays from new permanent authority			19
87.00 Total outlays (gross)			4

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			-19

Net budget authority and outlays:

89.00 Budget authority			-15
90.00 Outlays			-15

Legislation will be proposed to establish a fee for the standardization activities of the Grain Inspection, Packers and Stockyards Administration, and a licensing fee to cover the costs of administering meat packing and stockyard activities.

This is one of several proposals in the budget to charge fees to users directly availing themselves of, or subject to, a government service, program, or activity, in order to cover the government's costs. Legislation will be proposed to authorize the fees.

Object Classification (in millions of dollars)

Identification code 12-2400-2-1-352	1998 actual	1999 est.	2000 est.
99.0 Reimbursable obligations: Subtotal, reimbursable obligations			10
99.5 Below reporting threshold			4
99.9 Total new obligations			14

Personnel Summary

Identification code 12-2400-2-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment			-222
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment			222

Public enterprise funds:

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

Not to exceed \$42,557,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees. (7 U.S.C. 71, 74-79, 84-87, 1621-27; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-4050-0-3-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	32	43	43
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	3	4	4
22.00 New budget authority (gross)	33	43	43
23.90 Total budgetary resources available for obligation	36	47	47
23.95 Total new obligations	-32	-43	-43
24.40 Unobligated balance available, end of year	4	4	4

New budget authority (gross), detail:

68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	32	43	43
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Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance, start of year	2	2
73.10	Total new obligations	32	43
73.20	Total outlays (gross)	-32	-43
74.40	Unpaid obligations, end of year: Obligated balance, end of year	2	2
Outlays (gross), detail:			
86.97	Outlays from new permanent authority	32	43
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources	-32	-43
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays	2	

The Grain Inspection, Packers and Stockyards Administration (GIPSA) provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee supported revolving fund. This authority has been extended through September 2000.

Fee supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by GIPSA employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. The Agency supervises the inspection and weighing activities performed by its own employees. The agency also oversees the inspection and weighing of grain performed by employees of 8 delegated States and 54 designated State and private agencies. The Agency provides an appeal service of original grain inspections and a registration system for grain exporting firms. Through support from the Association of American Railroads and user fees, GIPSA conducts a railroad track scale testing program. In addition, the agency provides grading services, on request, for rice and grain related products under the authority of the Agricultural Marketing Act of 1946 (AMA).

	1998 actual	1999 est.	2000 est.
Export grain inspected and/or weighed (million metric tons):			
By Federal personnel	71.3	78.1	95.6
By delegated States	21.5	24.7	30.2
Quantity of grain inspected (all official inspections) domestically million metric tons	121.6	121.0	121.0
Number of inspections and reinspections:			
By Federal personnel	122,325	122,000	122,000
By delegated state/official agency licenses	1,830,992	1,800,000	1,800,000
Number of appeals	3,443	3,400	3,400
Number of appeals carried to the Board of Appeals and Review	351	300	300
Quantity of rice inspected (million metric tons)	3.9	4.0	4.2
Quantity of rice exports (million metric tons)	3.3	3.0	2.8

Object Classification (in millions of dollars)

Identification code 12-4050-0-3-352	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1	Full-time permanent	17	22
11.3	Other than full-time permanent	1	1
11.5	Other personnel compensation	4	4
11.9	Total personnel compensation	22	27
12.1	Civilian personnel benefits	4	5
21.0	Travel and transportation of persons	1	1
23.1	Rental payments to GSA	1	1
23.3	Communications, utilities, and miscellaneous charges	1	1
25.2	Other services	3	7
26.0	Supplies and materials	1	1
99.9	Total new obligations	32	43

Personnel Summary

Identification code 12-4050-0-3-352	1998 actual	1999 est.	2000 est.
2001 Total compensable workyears: Full-time equivalent employment	453	453	453

AGRICULTURAL MARKETING SERVICE

Federal Funds

General and special funds:

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$90,000 for employment under 5 U.S.C. 3109, [\$48,831,000] \$60,182,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701). (7 U.S.C. 1291, 1621-27; 15 U.S.C. 714-714p; 21 U.S.C. 1031-56; 26 U.S.C. 6804, 7233, 7263, 7492-93, 7701; 49 U.S.C. 1653.)

LIMITATION ON ADMINISTRATIVE [EXPENSES] LEVEL

Not to exceed \$60,730,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-2500-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01	Market news service	22	22
00.02	Inspection and standardization	6	6
00.03	Market protection and promotion	14	16
00.04	Wholesale market development	2	2
00.05	Transportation services	2	3
09.01	Reimbursable program	50	64
10.00	Total new obligations	96	113
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	35	42
22.00	New budget authority (gross)	104	113
23.90	Total budgetary resources available for obligation	139	155
23.95	Total new obligations	-96	-113
23.98	Unobligated balance expiring	1	
24.40	Unobligated balance available, end of year	42	42
New budget authority (gross), detail:			
Current:			
40.00	Appropriation	47	49
Permanent:			
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	58	64
70.00	Total new budget authority (gross)	105	113
Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance, start of year	24	21
73.10	Total new obligations	96	113
73.20	Total outlays (gross)	-99	-107

General and special funds—Continued

MARKETING SERVICES—Continued

LIMITATION ON ADMINISTRATIVE [EXPENSES] LEVEL—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-2500-0-1-352	1998 actual	1999 est.	2000 est.
74.40 Unpaid obligations, end of year: Obligated balance, end of year	21	28	29
Outlays (gross), detail:			
86.90 Outlays from new current authority	41	43	53
86.93 Outlays from current balances	3	.....	6
86.97 Outlays from new permanent authority	55	64	64
87.00 Total outlays (gross)	99	107	122
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-58	-64	-64
Net budget authority and outlays:			
89.00 Budget authority	46	49	60
90.00 Outlays	42	43	58

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

In 2000, \$6 million has been included as part of the Administration's Food Safety Initiative. This represents an increase of \$3 million from the \$3 million provided in 1999. These funds will be used to monitor microbiological pathogens and establish a baseline for the level of these on fruits and vegetables.

The individual Marketing Services activities include:

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

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

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

MARKET NEWS PROGRAM

	1998 actual	1999 est.	2000 est.
Percentage of reports released on time	94	94	95

COTTON AND TOBACCO USER FEE PROGRAM

	1998 actual	1999 est.	2000 est.
Cotton classed (samples in millions)	19.0	12.9	15.3
Tobacco graded at auction markets (million pounds)	2,052	1,848	1,848
Imported tobacco inspected at markets and ports of entry (million pounds)	207	186	186

FEDERALLY FUNDED INSPECTION AND PROCUREMENT ACTIVITIES

	1998 actual	1999 est.	2000 est.
States and Commonwealths with cooperative agreements	46	45	46
Percentage of noncomplying shell egg lots that are reprocessed or diverted	100	100	100

STANDARDIZATION ACTIVITIES

	1998 actual	1999 est.	2000 est.
International and U.S. standards in effect, end of fiscal year	577	561	555
Number of commodities covered	224	211	211
Standards revised	14	15	19

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

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

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

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

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

The national organic program is being established to certify that organically produced food products meet national standards.

MARKET PROTECTION AND PROMOTION ACTIVITIES

	1998 actual	1999 est.	2000 est.
Pesticide Data Program:			
Number of analyses performed	¹ 59,200	² 50,000	55,000
Percentage of sampling and analysis goal	100	100	100
Pesticide Recordkeeping:			
Number of State/Federal Inspections	4,993	4,800	4,800
Percentage of sampling goal attained	107	98	98
Seed Act:			
Interstate investigations:			
Completed	563	600	600
Pending	525	550	500
Seed samples tested	2,355	2,350	2,350
Percentage of cases submitted that are completed	96	92	92
Plant Variety Protection Act:			
Percentage of application processing goal completed	81	89	89
Number of applications received	390	350	350
Certificates of protection issued	116	275	275
Research and promotion collections (dollars in millions):			
Beef	45.2	43.0	43.0
Cotton	58.0	55.0	58.0
Dairy—National	79.2	78.0	78.5
Honey	3.4	3.4	3.4
Pork	49.5	50.0	55.0
Egg	16.0	17.0	17.0
Potato	8.6	8.6	8.6
Watermelon	1.3	1.3	1.3
Mushroom	2.4	2.7	2.7
Popcorn	0.5	0.5	0.5
Soybean	40.8	40.0	40.0
Kiwi Fruit	0.0	0.0	2.0
Fluid Milk	105.6	105.8	106.2
Peanuts	0.0	0.0	10.0
Percentage of board budgets and marketing plans approved within time frame goal	67	91	91
Sales of certified organic products (dollars in billions)	4.8	5.8	7.0

¹ Partially funded by EPA.

² Decrease in number of samples due to change in type of chemical analysis and type of product (fresh vs. processed).

Wholesale market development.—This program is designed to enhance the marketing of agricultural commodities in the

United States by conducting research into more efficient marketing methods for agricultural commodities and by providing technical assistance to urban areas interested in improving their food distribution facilities.

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

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	1998 actual	1999 est.	2000 est.
Weighted average of customer survey results for various market projects and information products	100	105	110
Market studies initiated	9	9	12
Studies and projects completed	10	10	13

TRANSPORTATION SERVICES ACTIVITIES

	1998 actual	1999 est.	2000 est.
Weighted average of customer survey results for various market projects and information products	100	105	110
Number of reports produced	5	8	8
Number of workshops sponsored	2	2	2

Object Classification (in millions of dollars)

Identification code 12-2500-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	20	21	23
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	21	22	24
12.1 Civilian personnel benefits	5	5	6
21.0 Travel and transportation of persons	1	1	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services	11	12	19
25.3 Purchases of goods and services from Government accounts	2	3	3
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	46	49	60
99.0 Reimbursable obligations	50	64	64
99.9 Total new obligations	96	113	124

Personnel Summary

Identification code 12-2500-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	482	489	528
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	732	722	722

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,200,000. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-2501-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	1	1	1
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1	1	1
23.95 Total new obligations	-1	-1	-1

New budget authority (gross), detail:			
40.00 Appropriation	1	1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	1
73.10 Total new obligations	1	1	1
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.93 Outlays from current balances	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

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

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Unavailable Collections (in millions of dollars)

Identification code 12-5070-0-2-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Deposits of Perishable Agricultural Commodities Act fees	8	7	7
Appropriation:			
05.01 Perishable Agricultural Commodities Act fund	-8	-7	-7
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-5070-0-2-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	8	9	9
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	6	6	5
22.00 New budget authority (gross)	8	7	7
23.90 Total budgetary resources available for obligation	14	13	12
23.95 Total new obligations	-8	-9	-9
24.40 Unobligated balance available, end of year	6	5	3

New budget authority (gross), detail:			
60.25 Appropriation (special fund, indefinite)	8	7	7
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	6	5	5
73.10 Total new obligations	8	9	9
73.20 Total outlays (gross)	-8	-9	-9
74.40 Unpaid obligations, end of year: Obligated balance, end of year	5	5	5
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	8	7	7
86.98 Outlays from permanent balances	1	1	1
87.00 Total outlays (gross)	8	9	9
Net budget authority and outlays:			
89.00 Budget authority	8	7	7
90.00 Outlays	8	9	9

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

General and special funds—Continued

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND—Continued

The Acts are intended to ensure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation awards, and/or (c) suspension or revocation of license and/or publication of the facts. Beginning October 1, 1994, an additional fee was instituted for the filing of formal and informal complaints of violations of the Act. The November 1995 amendments to the Perishable Agricultural Commodities Act: (1) increase the license fee and phase out fees for wholesale grocers and retailers by 1999; (2) provide permanent authority to the Secretary of Agriculture to set license and reparation complaint filing fees; and repeal the 25 percent maximum funding reserve cap.

A 1984 amendment to the Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due.

PERISHABLE AGRICULTURAL COMMODITIES ACT ACTIVITIES

	1998 actual	1999 est.	2000 est.
Percentage of informal reparation complaints completed within time frame goal	85	85	85

Object Classification (in millions of dollars)

Identification code 12-5070-0-2-352	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	4	5	5
12.1 Civilian personnel benefits	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.3 Purchases of goods and services from Government accounts	2	2	2
99.9 Total new obligations	8	9	9

Personnel Summary

Identification code 12-5070-0-2-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	95	97	97

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

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than **[\$10,998,000]** \$12,443,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Unavailable Collections (in millions of dollars)

Identification code 12-5209-0-2-605	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	395	372	
Receipts:			
02.01 30% of customs duties, funds for strengthening markets, income and supply (section 32)	5,707	5,330	5,891

04.00 Total: Balances and collections	6,102	5,702	5,891
Appropriation:			
05.01 Funds for strengthening markets, income, and supply (section 32)	-5,730	-5,702	-5,664
07.99 Total balance, end of year	372		227

Program and Financing (in millions of dollars)

Identification code 12-5209-0-2-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
Commodity program payments:			
00.01 Child nutrition program purchases	400	400	400
00.02 Emergency surplus removal	195	134	115
00.03 Disaster relief	15		
00.91 Subtotal, Commodity program payments	610	534	515
01.01 Administrative expenses	16	18	21
01.92 Total direct program	626	552	536
09.11 Reimbursable program	1	1	1
10.00 Total new obligations	627	553	537
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	234	132	167
22.00 New budget authority (gross)	514	589	670
22.10 Resources available from recoveries of prior year obligations	11		
23.90 Total budgetary resources available for obligation	759	721	837
23.95 Total new obligations	-627	-553	-537
24.40 Unobligated balance available, end of year	132	167	300

New budget authority (gross), detail:

60.25 Appropriation (special fund, indefinite)	5,730	5,702	5,664
61.00 Transferred to other accounts	-5,217	-5,114	-4,995
63.00 Appropriation (total)	513	587	669
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	514	589	670

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	105	105
73.10 Total new obligations	627	553	537
73.20 Total outlays (gross)	-513	-552	-536
73.45 Adjustments in unexpired accounts	-11		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	105	105	105

Outlays (gross), detail:

86.97 Outlays from new permanent authority	276	315	299
86.98 Outlays from permanent balances	237	237	237
87.00 Total outlays (gross)	513	552	536

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1

Net budget authority and outlays:

89.00 Budget authority	513	588	669
90.00 Outlays	513	551	535

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each calendar year is automatically appropriated for expanding outlets for nonbasic commodities. An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of Commerce. Most of the funds are transferred to the Food and Nutrition Service and are used to purchase commodities under section 6 of the National School Lunch Act and other authorities specified in the child nutrition appropriation. If unforeseen commodity surpluses should develop, unobligated reserve balances are available for surplus removal.

WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
Administrative costs in constant dollars as a percentage of commodity purchases	1.0	1.2	1.9

Object Classification (in millions of dollars)

Identification code 12-5209-0-2-605	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	9	10	10
12.1 Civilian personnel benefits	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	1	1	1
25.3 Purchases of goods and services from Government accounts	2	2	4
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials: Grants of commodities to States	610	534	515
31.0 Equipment	1	1	2
99.0 Subtotal, direct obligations	626	552	536
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	627	553	537

Personnel Summary

Identification code 12-5209-0-2-605	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	157	165	173
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	13	13	13

Trust Funds

MISCELLANEOUS TRUST FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-9972-0-7-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Deposits of fees from inspection and grading of farm products	100	106	106
Appropriation:			
05.01 Miscellaneous trust funds	-100	-106	-106
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9972-0-7-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Dairy products	5	5	5
00.02 Fruits and vegetables	52	52	52
00.03 Meat grading	22	21	21
00.04 Poultry products	22	21	21
00.05 Miscellaneous agricultural commodities	9	7	7
10.00 Total new obligations	110	106	106

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	30	20	20
22.00 New budget authority (gross)	100	106	106
23.90 Total budgetary resources available for obligation	130	126	126
23.95 Total new obligations	-110	-106	-106
24.40 Unobligated balance available, end of year	20	20	20

New budget authority (gross), detail:

60.27 Appropriation (trust fund, indefinite)	100	106	106
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Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	-24	-16	-16
73.10 Total new obligations	110	106	106
73.20 Total outlays (gross)	-102	-106	-106
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-16	-16	-16

Outlays (gross), detail:

86.97 Outlays from new permanent authority	96	102	103
86.98 Outlays from permanent balances	6	4	3
87.00 Total outlays (gross)	102	106	106

Net budget authority and outlays:

89.00 Budget authority	100	106	106
90.00 Outlays	102	106	106

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

WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
Weighted average cost per cwt. (1990 index)	\$0.07	\$0.08	\$0.08

Object Classification (in millions of dollars)

Identification code 12-9972-0-7-352	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1 Full-time permanent	55	54	54
11.3 Other than full-time permanent	4	7	7
11.5 Other personnel compensation	8	6	6
11.9 Total personnel compensation	67	67	67
12.1 Civilian personnel benefits	16	16	16
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	7	6	6
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	3	3
25.2 Other services	8	6	6
25.3 Purchases of goods and services from Government accounts	3	3	3
26.0 Supplies and materials	2	1	1
31.0 Equipment	2	1	1
99.9 Total new obligations	110	106	106

Personnel Summary

Identification code 12-9972-0-7-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	1,598	1,581	1,542

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing (in millions of dollars)

Identification code 12-8412-0-8-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
09.01 Administration	32	34	36
09.02 Marketing service	5	5	6
10.00 Total new obligations	37	39	42

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	27	28	28
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MILK MARKET ORDERS ASSESSMENT FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-8412-0-8-351	1998 actual	1999 est.	2000 est.
22.00 New budget authority (gross)	37	39	42
23.90 Total budgetary resources available for obligation	64	67	70
23.95 Total new obligations	-37	-39	-42
24.40 Unobligated balance available, end of year	28	28	28
New budget authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	37	39	42
Change in unpaid obligations:			
73.10 Total new obligations	37	39	42
73.20 Total outlays (gross)	-37	-39	-42
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	36	38	14
86.98 Outlays from permanent balances	1	1	28
87.00 Total outlays (gross)	37	39	42
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal			
sources	-37	-39	-42
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-1		
Memorandum (non-add) entries:			
92.01 Total investments, start of year: U.S. securities: Par			
value	7	7	7
92.02 Total investments, end of year: U.S. securities: Par			
value	7	7	7

Note.—The administration fund totals are comprised of 31 separate independent order accounts in 1998.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported in these schedules. These funds are collected locally, deposited in local banks, and disbursed directly by the market administrator.

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

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

WORKLOAD INDICATORS

	1998 actual	1999 est.	2000 est.
Percentage of formal and informal rulemaking completed within internal timeframes	94	85	85

Object Classification (in millions of dollars)

Identification code 12-8412-0-8-351	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	23	25	27
12.1 Civilian personnel benefits	5	5	5
21.0 Travel and transportation of persons	2	3	3
23.2 Rental payments to others	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	1	1	1
26.0 Supplies and materials	1	1	2
31.0 Equipment	2	1	1
99.9 Total new obligations	37	39	42

Personnel Summary

Identification code 12-8412-0-8-351	1998 actual	1999 est.	2000 est.
2001 Total compensable workyears: Full-time equivalent employment	440	457	449

RISK MANAGEMENT AGENCY

Federal Funds

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), [S64,000,000] \$70,716,000: Provided, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-2707-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Salaries and expenses	63	64	71
00.02 Administrative expense reimbursements	189		
10.00 Total new obligations	252	64	71
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	253	64	71
23.95 Total new obligations	-252	-64	-71
23.98 Unobligated balance expiring	-1		
New budget authority (gross), detail:			
40.00 Appropriation	253	64	71
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	13	21	16
73.10 Total new obligations	252	64	71
73.20 Total outlays (gross)	-243	-70	-70
74.40 Unpaid obligations, end of year: Obligated balance, end of year	21	16	17
Outlays (gross), detail:			
86.90 Outlays from new current authority	240	58	64
86.93 Outlays from current balances	3	12	6
87.00 Total outlays (gross)	243	70	70
Net budget authority and outlays:			
89.00 Budget authority	253	64	71
90.00 Outlays	243	70	70

This appropriation finances the administrative and operating expenses of the Risk Management Agency (RMA), which provides crop insurance to farmers.

The Federal government reimburses private insurance companies for certain administrative expenses incurred while delivering the crop insurance program. In 1998, discretionary funding was provided for the reimbursement of agents' sales

commissions in accordance with the Federal Crop Insurance Reform Act of 1994. The Agricultural Research, Extension and Education Reform Act of 1998, (P.L. 105-185) provides mandatory funding for the reimbursement of administrative expenses to private insurance companies for delivering crop insurance for the 1999 and subsequent crop years.

Object Classification (in millions of dollars)

Identification code 12-2707-0-1-351	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1 Full-time permanent	25	25	26
11.3 Other than full-time permanent	3	3	3
11.9 Total personnel compensation	28	28	29
12.1 Civilian personnel benefits	6	7	7
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services	211	21	27
26.0 Supplies and materials	1	1	1
31.0 Equipment	2	3	3
99.9 Total new obligations	252	64	71

Personnel Summary

Identification code 12-2707-0-1-351	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	530	545	550

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-4085-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.02 Delivery and other expenses	248	405	429
01.01 Indemnities	867	1,145	1,207
01.02 Dairy options pilot program	1		
01.91 Subtotal, direct program	868	1,145	1,207
09.01 Offsetting collections—insurance premiums	527	835	876
10.00 Total new obligations	1,643	2,385	2,512
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1,855	1,449	1,440
22.00 New budget authority (gross)	1,227	2,385	1,873
22.21 Unobligated balance transferred to other accounts		-9	
22.22 Unobligated balance transferred from other accounts	10		
23.90 Total budgetary resources available for obligation	3,092	3,825	3,313
23.95 Total new obligations	-1,643	-2,385	-2,512
24.40 Unobligated balance available, end of year	1,449	1,440	800

New budget authority (gross), detail:

Current:			
40.00 Appropriation	700	1,550	997
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	527	835	876
70.00 Total new budget authority (gross)	1,227	2,385	1,873

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	864	949	1,196
73.10 Total new obligations	1,643	2,385	2,512
73.20 Total outlays (gross)	-1,557	-2,138	-2,477
74.40 Unpaid obligations, end of year: Obligated balance, end of year	949	1,196	1,231

Outlays (gross), detail:

86.90 Outlays from new current authority	553	742	479
86.93 Outlays from current balances	477	560	1,123
86.97 Outlays from new permanent authority	527	835	876
87.00 Total outlays (gross)	1,557	2,138	2,477

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-527	-835	-876

Net budget authority and outlays:

89.00 Budget authority	700	1,550	997
90.00 Outlays	1,031	1,303	1,601

The Federal Crop Insurance Corporation (FCIC), a wholly-owned government corporation, provides multi-peril and catastrophic crop insurance protection against losses from unavoidable natural events. The Federal Crop Insurance Reform Act of 1994 (Reform Act) and the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) brought many changes to the program. With the reduced price support activities promulgated by the 1996 Act, the crop insurance program is an integral part of the broad-based safety net and includes programs involving revenue insurance, and education in the use of futures markets to manage risks.

Under the 1996 Act, farmers are no longer required to obtain Catastrophic Crop insurance (CAT), as previously mandated by the Reform Act. Producers can instead agree in writing to waive eligibility for emergency crop loss assistance in connection with the crop. (However, the 1999 Appropriation Act required uninsured producers who elected to receive the emergency crop loss payments provided by the Act to enroll in crop insurance for the subsequent two crop years.) For producers who continue to obtain CAT, which compensates the farmer for losses up to 50 percent of the individual's average yield at 55 percent of the expected market price, premium is entirely subsidized. The cost to the producer for this type of coverage is an annual administrative fee of \$50 per crop per county. Commercial insurance companies deliver the product to the producer for all states.

Additional coverage is available to producers who wish to insure crops above the 50 percent coverage level/55 percent price level. Policyholders can elect to be paid up to 100 percent of the market price established by FCIC for each unit of production their actual yield is less than the individual yield guarantee. Premium rates for additional coverage depend on the level of coverage of protection selected and vary from crop to crop and county to county. Producers are assessed a fee of \$20 per crop (may be \$60 in some cases of limited coverage), in addition to a share of premium. The additional levels of insurance coverage are more attractive to farmers due to availability of optional units, other policy provisions not available with CAT coverage, and the ability to obtain a level of protection that permits them to use crop insurance as loan collateral and to achieve greater financial security.

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

As mandated by the 1996 Act, revenue insurance programs are available under which producers of wheat, certain feed grains, soybeans, rice, and cotton are protected against loss of revenue stemming from low prices, poor yields, or a combination of both. Two of the revenue insurance plans were privately developed and submitted to FCIC: Crop Revenue Coverage (CRC) and Revenue Assurance (RA). The Income Protection (IP) plan was developed by FCIC. These three plans have many similar features and some very distinctive features. All provide a guaranteed revenue by combining yield and price variability. CRC and RA also provide protection against price increases at the time of harvest from an initial price guarantee established near the time of planting. Indemnities are due when any combination of yield and price result in revenue that is less than the revenue guarantee. Revenue protection for all products is provided by extending traditional multi-peril crop insurance protection, based on actual production history, to include price variability. The price component common to CRC, RA, and IP uses the commodity futures market for price discovery. These programs all seek to help ensure a certain level of annual income and are offered through private insurance companies. For 1999, a Group Risk Income Protection plan was developed by the private sector to provide protection against decline in county revenue, based on futures market prices and NASS county average yields, as adjusted by FCIC. FCIC is also piloting an Adjusted Gross Revenue program, which is designed to insure a portion of a producers gross revenue based on their Schedule F Farm and Income Tax reports.

The Risk Management Education (RME) program has expanded its influence significantly since its launch at the September 1997 National Risk Management Education Summit meeting. National, regional, and state partnerships between the public and private sectors have been established to develop and promote effective risk management educational activities. These activities focus on the tools and strategies needed to deal with five major risk areas: production, marketing, financial, legal, and human resources. Fifteen regional and state "train-the-trainer" conferences or workshops were held during 1998. Activities will extend broadly to the local level during 1999. RME conferences and workshops have been supplemented with national publications and a \$3 million program of grants for projects dealing with risk management educational delivery, a curriculum, and research, including the development of new decision aids. The Dairy Options Pilot Program (DOPP) will provide dairy producers with the educational opportunity to directly experience the use of "put" options in managing the risks inherent in fluctuating dairy prices. It will be in operation beginning in early 1999.

RMA also continues to improve and update the terms and conditions of all crop insurance policies, which better clarifies and defines the insurance protection provided by the insurance policies and the duties and responsibilities of the policyholder and insurance provider.

In crop year 1998, 186.3 million acres were insured, with an estimated \$1,814 million in total premium income, including \$914 million in premium subsidy.

The Corporation's budget is presented in accordance with generally accepted accounting principles, the Financial Accounting Standards Board (FASB) Statement No. 60, "Accounting and Reporting by Insurance Enterprises," and Statement No. 5, "Accounting for Contingencies."

The following table compares the scope of the insurance operations planned for 2000. Amounts in the 1998 column are as of September 30, 1998, and pertain to the 1998 crop year.

	1998 crop year actual	1999 crop year estimate	2000 crop year estimate
Number of States	50	50	50
Number of counties	3,022	3,022	3,022
Insurance in force (millions)	25,449	24,613	26,109
Insured acreage (millions)	186	186	186
Producer premium (millions) ¹	931	905	962
Premium subsidy (millions) ¹	946	902	958
Total premium (millions) ¹	1,877	1,807	1,920
Indemnities (million) ¹	1,143	1,943	2,064
Loss ratio .....	.61	1.075	1.075

¹Includes amounts that will appear on the books of the reinsured companies. The Corporation records will only reflect the net reinsurance income and net reinsurance loss.

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

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

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

PREMIUM AND SUBSIDY

(In millions of dollars)

	1998 fiscal year actual	1999 fiscal year estimate	2000 fiscal year estimate
Premiums:			
Producer premium	929	905	954
Amount of subsidies	940	903	949
Additional coverage	577	575	608
Catastrophic coverage—FSA	13		
Catastrophic coverage—Reinsurance	350	328	341
Total premiums	1,869	1,808	1,903
Indemnities	1,394	1,944	2,047
Additional coverage	1,414	1,592	1,680
Catastrophic coverage—FSA	-10		
Catastrophic coverage—Reinsurance	17	352	367
Noninsured Assistance Program	-27		

For crop years 1948 through 1997, indemnities (\$16,756 million) exceeded premium income (\$14,404 million) by \$2,352 million; the loss ratio for the period was 1.16.

The following table summarizes the insurance operations for 1998, 1999 and 2000:

NET INCOME OR LOSS (-) ON INSURANCE OPERATIONS

(In millions of dollars)

	1998 actual	1999 est.	2000 est.
Premium less indemnities	-465	-1,039	-1,093
Interest expense, net	1		
Delivery expenses ¹	-240	-390	-414
Other income or expense, net	8	57	57
Crop insurance purchase requirements costs		-48	-48
Dairy options pilot program	-1	-10	-11
Research and development expenses	-7	-4	-4
Reinsurance underwriting gain (+) or loss (-)	-412	-126	-134
Net income or loss (-)	-1,116	-1,560	-1,647

¹ Figures reflect delivery expenses borne by the Fund. In 1998, an additional \$188 million in delivery expenses was appropriated, for total expenses of \$463 million. For 1999 and 2000, all expenses are paid by the Fund in accordance with the Agricultural Research, Extension and Education Reform Act of 1998, P.L. 105-185.

Statement of Operations (in millions of dollars)

Identification code 12-4085-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
0101 Revenue	502	527	835	876
0102 Expense	-1,525	-1,643	-2,385	-2,513
0109 Net income or loss (-)	-1,023	-1,116	-1,550	-1,637
0199 Net income or loss	-1,023	-1,116	-1,550	-1,637

Balance Sheet (in millions of dollars)

Identification code 12-4085-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	2,815	2,544	2,576	2,567
1206 Non-Federal assets: Receivables, net	740	760	750	750
1803 Other Federal assets: Property, plant and equipment, net	2	1	1	1
1999 Total assets	3,557	3,305	3,327	3,318
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable		9	10	1
2105 Other	222	175	175	175
Non-Federal liabilities:				
2201 Accounts payable	188	70	70	70
2207 Other	1,485	1,749	1,750	1,750
2999 Total liabilities	1,895	2,003	2,005	1,996
NET POSITION:				
3100 Appropriated capital	1,120	680	700	700
3200 Invested capital	1	1	1	1
3300 Cumulative results of operations	-3,949	-3,868	-3,868	-3,868
3500 Future funding requirements	-6	-7	-7	-7
3600 Other	4,496	4,496	4,496	4,496
3999 Total net position	1,662	1,302	1,322	1,322
4999 Total liabilities and net position	3,557	3,305	3,327	3,318

Object Classification (in millions of dollars)

Identification code 12-4085-0-3-351	1998 actual	1999 est.	2000 est.
Direct obligations:			
25.2 Other services	249	405	429
Insurance claims and indemnities:			
42.0 Insurance claims and indemnities (FSA catastrophic)	-10		
42.0 Insurance claims and indemnities (reinsured CAT)	17		
42.0 Insurance claims and indemnities (reinsured buyup)	887	1,145	1,207
42.0 Insurance claims and indemnities (NAP Operations)	-27		
99.0 Subtotal, direct obligations	1,116	1,550	1,636
42.0 Reimbursable obligations: Insurance claims and indemnities	527	835	876
99.9 Total new obligations	1,643	2,385	2,512

Support Services Bureau

ADMINISTRATIVE SALARIES AND EXPENSES

From any Department of Agriculture account, the Secretary of Agriculture is authorized to transfer to and merge with this account such sums as are necessary to provide consolidated administrative and information technology support functions for the Farm and Foreign Agricultural Services and Rural Development Mission Areas, and the Natural Resources Conservation Service. In addition, \$74,050,000 is appropriated to support the Service Center Modernization initiative, including the Common Computing Environment: Provided, That such amounts shall remain available until expended, but that the total amount of the transfers in fiscal year 2000 may not exceed the total amount obligated by these agencies for these support functions during fiscal year 1998: Provided further, That obligation of these funds shall be subject to the approval of the Support Services Bureau Executive Director, and for information technology, the concurrence of the Department's Chief Information Officer: Provided further, That funds under this heading are available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 225) and not to exceed \$250,000 shall be available for employment under 5 U.S.C. 3109.

Program and Financing (in millions of dollars)

Identification code 12-3900-0-4-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 31.0)			90
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			74
22.22 Unobligated balance transferred from other accounts			16
23.90 Total budgetary resources available for obligation			90
23.95 Total new obligations			-90
New budget authority (gross), detail:			
40.00 Appropriation			74
Change in unpaid obligations:			
73.10 Total new obligations			90
73.20 Total outlays (gross)			-14
74.40 Unpaid obligations, end of year: Obligated balance, end of year			76
Outlays (gross), detail:			
86.90 Outlays from new current authority			11
86.93 Outlays from current balances			3
87.00 Total outlays (gross)			14
Net budget authority and outlays:			
89.00 Budget authority			74
90.00 Outlays			14

This new account reflects implementation of the Secretary's administrative convergence initiative to provide efficient administrative services to the Department's county-based agencies. A new consolidated organization, the USDA Support Services Bureau, will provide these services. The salaries and expenses of the new Bureau will be financed on a reimbursable basis by the serviced agencies. The transferred amounts in 2000 will not exceed the 1998 level of administrative and technology support function spending by the separate agencies. Except for the common computing information technology funding, estimates for these expenses were not yet available at the time the budget was published.

The requested appropriation will continue financing of a common computing system, and business process reengineering necessary to implement the Administration's goal of providing one stop service to farm and rural customers at the county level. This appropriation will replace the individual agency appropriations previously provided to the county-based agencies.

FARM SERVICE AGENCY

SALARIES AND EXPENSES
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, [\$714,499,000] \$794,839,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 225), and not to exceed \$1,000,000 shall be available for employment under 5 U.S.C. 3109.

[For an additional amount for "Salaries and Expenses", \$40,000,000, to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.] (Agriculture, Rural Development, Food and Drug Administration, and Re-

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

lated Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).

Program and Financing (in millions of dollars)

Identification code 12-0600-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Farm programs	490	548	582
00.02 Conservation and environment	190	185	189
00.03 Commodity operations	20	22	24
03.00 Subtotal, direct program	700	755	795
Reimbursable program:			
09.01 Farm loans	210	210	210
09.02 Other programs	84	78	84
09.99 Subtotal, reimbursable program	294	288	294
10.00 Total new obligations	994	1,043	1,089
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	994	1,043	1,089
23.95 Total new obligations	-994	-1,043	-1,089
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	701	755	795
40.35 Appropriation rescinded	-1		
43.00 Appropriation (total)	700	755	795
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	294	288	294
70.00 Total new budget authority (gross)	994	1,043	1,089
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	127	108	185
73.10 Total new obligations	994	1,043	1,089
73.20 Total outlays (gross)	-1,008	-966	-1,085
73.40 Adjustments in expired accounts	-5		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	108	185	189
Outlays (gross), detail:			
86.90 Outlays from new current authority	628	678	713
86.93 Outlays from current balances	86		77
86.97 Outlays from new permanent authority	294	288	294
87.00 Total outlays (gross)	1,008	966	1,085
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-276	-271	-277
88.40 Non-Federal sources	-18	-17	-17
88.90 Total, offsetting collections (cash)	-294	-288	-294
Net budget authority and outlays:			
89.00 Budget authority	700	755	795
90.00 Outlays	714	678	791

The Farm Service Agency (FSA) was established October 3, 1994, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354. The Department of Agriculture Reorganization Act of 1994 was amended on April 4, 1996, by the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127. The FSA administers a variety of activities, such as farm income support programs through various loans and payments; the Conservation Reserve Program (CRP); the Emergency Conservation Program; the Hazardous Waste Management Program; the Commodity Operation Programs including the warehouse examination function; farm ownership, farm operating, emergency disaster, and other loan pro-

grams; price support and production control programs for tobacco and peanuts; and the Noninsured Crop Disaster Assistance Program (NAP), which provides crop loss protection for growers of many crops for which crop insurance is not available. The Agency also assists in the administration of several conservation cost-share programs financed by the Commodity Credit Corporation (CCC), including the Environmental Quality Incentives Program (EQIP). In addition, FSA currently provides certain administrative support services to the Foreign Agricultural Service (FAS) and to the Risk Management Agency (RMA).

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

Farm Programs.—These programs provide an economic safety net through farm income support to eligible producers, cooperatives, and associations to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber. Objectives of the Agency include maintaining a high Agricultural Market Transition Act (AMTA) participation rate for eligible acreage, providing marketing assistance loans and loan deficiency payments enabling recipients to continue farming operations without marketing their product immediately after harvest, stabilizing the price and production of tobacco and peanuts, and providing a financial assistance safety net to eligible producers when natural disasters result in a catastrophic loss of production or prevents planting of noninsured crops, and timely designating eligible Noninsured Crop Disaster Assistance Program (NAP) areas and approving crop prices, average yields, and payment factors.

Farm program activities include the following functions dealing with the administration of programs carried out through the farmer committee system of the FSA: (a) developing program regulations and procedures; (b) collecting and compiling basic data for individual farms; (c) establishing individual farm allotments for tobacco and peanuts and farm planting history; (d) notifying producers of established allotments and farm planting histories; (e) determining farm marketing quotas for tobacco and peanuts; (f) conducting referendums and certifying results; (g) accepting farmer certifications and checking compliance for specific purposes; (h) issuing marketing cards so that production from the allotted acreage can be marketed without penalty; (i) processing commodity loan documents and issuing checks; (j) processing production flexibility contract payments and issuing checks; and (k) certifying payment eligibility and monitoring payment limitations.

Conservation and Environment.—These programs assist agricultural producers and landowners in achieving a high level of stewardship of soil, water, air, and wildlife resources on America's farmland and ranches while protecting the human and natural environment. Objectives of the Agency include improving environmental quality, protecting natural resources, and enhancing habitat for fish and wildlife, including threatened and endangered species, providing Emergency Conservation Program funding for farmers and ranchers to rehabilitate damaged farmland and for carrying out emergency conservation measures during periods of severe drought, protecting the public health of communities through implementation of the Hazardous Waste Management Program, assisting NRCS with EQIP program policy and procedure development, and implementing administrative processes and procedures for contracting, financial reporting, and other

financial operations. This activity includes: (a) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; and (b) issuing checks for other conservation programs.

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

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

Other Reimbursable Activities.—FSA collects a fee or is reimbursed for performing a variety of services for other Federal agencies, CCC, industry, and others, including certain administrative support services for the Risk Management Agency and the Foreign Agricultural Service, and for county office services provided to Federal and non-Federal entities, including a variety of services to producers.

Administrative Convergence.—This is a Departmental initiative to coordinate the functions and personnel of the different field agencies to provide a more seamless and efficient delivery system. The initiative creates a Support Services Bureau by consolidating the agencies' administrative units, both at the National level and in each State. The activities of the new entity will include human resources, management services, information technology, and accounting services. To begin this process, the information technology expenses of the consolidated service units of the Farm Service Agency, Natural Resources Conservation Service, and Rural Development activities will be pooled into a single account and these expenditures will be subject to approval by the Chief Information Officer.

Object Classification (in millions of dollars)				
Identification code 12-0600-0-1-351		1998 actual	1999 est.	2000 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	109	122	122
11.3	Other than full-time permanent	8	9	9
11.5	Other personnel compensation	3	3	3
11.9	Total personnel compensation	120	134	134
12.1	Civilian personnel benefits	28	32	31
13.0	Benefits for former personnel	4	1	2
21.0	Travel and transportation of persons	8	10	13
22.0	Transportation of things	2	2	2
23.2	Rental payments to others	10	10	10
23.3	Communications, utilities, and miscellaneous charges	8	10	11
24.0	Printing and reproduction	1	1	1

25.2	Other services	28	31	34
26.0	Supplies and materials	5	5	6
31.0	Equipment	2	3	1
41.0	Grants, subsidies, and contributions	483	515	549
42.0	Insurance claims and indemnities	1	1	1
99.0	Subtotal, direct obligations	700	755	795
99.0	Reimbursable obligations	294	288	294
99.9	Total new obligations	994	1,043	1,089

Personnel Summary

Identification code 12-0600-0-1-351		1998 actual	1999 est.	2000 est.
Direct:				
1001	Total compensable workyears: Full-time equivalent employment	2,176	2,406	2,365
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment	3,490	3,439	3,380

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101-5106), **[\$2,000,000] \$4,000,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-0170-0-1-351		1998 actual	1999 est.	2000 est.
Obligations by program activity:				
10.00	Total obligations (object class 41.0)	2	2	4
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	2	2	4
23.95	Total new obligations	-2	-2	-4
New budget authority (gross), detail:				
40.00	Appropriation	2	2	4
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	1	1	1
73.10	Total new obligations	2	2	4
73.20	Total outlays (gross)	-2	-2	-3
74.40	Unpaid obligations, end of year: Obligated balance, end of year	1	1	2
Outlays (gross), detail:				
86.90	Outlays from new current authority	1	1	2
86.93	Outlays from current balances	1	1	1
87.00	Total outlays (gross)	2	2	3
Net budget authority and outlays:				
89.00	Budget authority	2	2	4
90.00	Outlays	2	2	3

This grant program is authorized by Title V of the Agricultural Credit Act of 1987, P.L. 100-233, as amended. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354) to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticide use. Grants are made to States whose agricultural mediation programs have been certified by the Farm Service Agency. A grant will not exceed 70 percent of the total fiscal year funds that a qualifying State requires to operate and administer its agricultural loan mediation program. In no case will the total amount of a grant exceed \$500,000 annually.

STATE MEDIATION GRANTS—Continued

GRANT OBLIGATIONS

	1998 actual	1999 est.	2000 est.
Number of grants	21	22	24
Amount of grants (in millions of dollars)	\$2	\$2	\$4

TREE ASSISTANCE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2701-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	11	3	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	14	3	
23.95 Total new obligations	-11	-3	
23.98 Unobligated balance expiring	-3		
New budget authority (gross), detail:			
40.00 Appropriation	14		
50.05 Reappropriation (indefinite)		3	
70.00 Total new budget authority (gross)	14	3	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	6	13	8
73.10 Total new obligations	11	3	
73.20 Total outlays (gross)	-3	-8	-8
74.40 Unpaid obligations, end of year: Obligated balance, end of year	13	8	
Outlays (gross), detail:			
86.90 Outlays from new current authority		1	
86.93 Outlays from current balances	3	7	8
87.00 Total outlays (gross)	3	8	8
Net budget authority and outlays:			
89.00 Budget authority	14	3	
90.00 Outlays	3	8	8

Funding for the Tree Assistance Program (TAP) was provided by the 1998 Emergency Supplemental Appropriations Act, P.L. 105-174, enacted May 1, 1998. The \$14 million appropriation was made available for obligation through September 30, 1998, with any unobligated funding expiring. However, the 1999 Appropriations Act, P.L. 105-277, Section 757 of the General Provisions, authorizes the use of unobligated 1998 TAP funds for losses due to disasters that occurred between May 1 and August 1, 1998. Eligibility for these funds is also extended to producers whose trees are lost or destroyed by May 31, 1999, as a direct result of fire blight infestation (a destructive disease caused by bacteria) that was caused by a natural disaster.

TAP provides cost-share payments of up to 100 percent to orchard and vineyard growers who replant or rehabilitate orchard trees and vineyards lost to damaging weather, including freezes, excessive rainfalls, floods, droughts, tornadoes, and earthquakes in fiscal year 1998. Eligible owners may not receive more than \$25,000 per person.

During 1998, 24 State, participated in the program, obligating a total of \$11 million. The remaining \$3 million is available for obligation during 1999.

CONSERVATION RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3319-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Technical assistance	67	21	

10.00	Total obligations (object class 25.2)	67	21	
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	86	21	
22.10	Resources available from recoveries of prior year obligations	2		
23.90	Total budgetary resources available for obligation	88	21	
23.95	Total new obligations	-67	-21	
24.40	Unobligated balance available, end of year	21		
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	25	52	
73.10	Total new obligations	67	21	
73.20	Total outlays (gross)	-38	-73	
73.45	Adjustments in unexpired accounts	-2		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	52		
Outlays (gross), detail:				
86.93	Outlays from current balances	38	73	
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	38	73	

The Conservation Reserve Program (CRP) was originally mandated by the Food Security Act of 1985. The Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act), enacted April 4, 1996, retains the CRP as part of the Environmental Conservation Acreage Reserve Program (ECARP) but changed the funding source from direct appropriation to the Commodity Credit Corporation. Only very minimal CCC funds were used for program operations in 1996 since annual rental payments had been made very early in the fiscal year using CRP appropriated funds.

In 1997 and 1998, annual rental and cost-share payments for acres enrolled in the program were paid through the Commodity Credit Corporation. Remaining unobligated funds from the fiscal year 1996 appropriated account are currently used for CRP technical assistance and are expected to be exhausted by the end of 1999. In providing technical assistance, the Natural Resources Conservation Service (NRCS) determines eligibility, develops conservation plans, and helps install approved practices. The Forest Service (FS) and cooperating State forestry agencies develop plans for tree planting and assist in carrying them out. The Cooperative State Research, Education, and Extension Service provides information and educational assistance to inform landowners and operators about the program. Local soil and water conservation districts approve conservation plans. To ensure maximum program benefits, USDA consults with land grant universities, State soil and water agencies, State fish and wildlife agencies, the U.S. Fish and Wildlife Services, and others. In fiscal year 1998, \$67 million was obligated for the technical assistance services of NRCS and FS and \$44 million in CRP appropriated funds was paid to NRCS and FS.

CRP program payments are included under the Commodity Credit Corporation account.

AGRICULTURAL CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3315-0-1-302	1998 actual	1999 est.	2000 est.	
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	23	33	33
22.10	Resources available from recoveries of prior year obligations	10		
23.90	Total budgetary resources available for obligation	33	33	33
24.40	Unobligated balance available, end of year	33	33	33

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	76	43	27
73.20	Total outlays (gross)	-23	-16	-15
73.45	Adjustments in unexpired accounts	-10		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	43	27	12
Outlays (gross), detail:				
86.93	Outlays from current balances	23	16	15
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	23	16	15

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

The primary objectives of the program were to conserve soil and water resources. Along with annual agreements, cost sharing was authorized for long-term agreements of 3-10 years. At the end of 1998, there were \$43 million in unliquidated obligations for ACP agreements.

EMERGENCY CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3316-0-1-453	1998 actual	1999 est.	2000 est.	
Obligations by program activity:				
10.00	Total obligations (object class 41.0)	29	84	
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	79	84	
22.00	New budget authority (gross)	34		
23.90	Total budgetary resources available for obligation	113	84	
23.95	Total new obligations	-29	-84	
24.40	Unobligated balance available, end of year	84		
Net budget authority (gross), detail:				
40.00	Appropriation	34		
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	24	26	56
73.10	Total new obligations	29	84	
73.20	Total outlays (gross)	-26	-55	-28
74.40	Unpaid obligations, end of year: Obligated balance, end of year	26	56	29
Outlays (gross), detail:				
86.93	Outlays from current balances	26	55	28
Net budget authority and outlays:				
89.00	Budget authority	34		
90.00	Outlays	26	55	28

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

For 1998, pursuant to P.L. 105-174, enacted May 1, 1998, \$34 million in supplemental funding was provided to the Emergency Conservation Programs, to remain available until expended. Of this amount, \$4 million was set aside to provide costs-share assistance to maple producers to replace taps and tubing that were damaged by ice storms in northeastern States in 1998.

Under the 1998 program, cost-sharing and technical assistance were provided in 41 States as well as the Virgin Islands

to treat farmlands damaged by floods, hurricanes, drought, ice storms, tornadoes, and other natural disasters. The 1998 program rehabilitated approximately 2,190,045 acres of farmland damaged by these natural disasters.

No funding was provided in the 1999 Agriculture Appropriations Act for this program. The 2000 budget proposes no funding.

FARM SERVICE AGENCY

Credit accounts:

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, [\$510,682,000] \$559,422,000, of which [\$425,031,000] \$431,373,000 shall be for guaranteed loans; operating loans, [\$1,648,276,000] \$2,295,284,000, of which [\$948,276,000] \$1,697,842,000 shall be for unsubsidized guaranteed loans and [\$200,000,000] \$97,442,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, [\$1,000,000] \$1,028,000; for emergency insured loans, [\$25,000,000] \$53,000,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, [\$19,580,000] \$7,243,000, of which [\$6,758,000] \$2,416,000, shall be for guaranteed loans; operating loans, [62,630,000] \$61,825,000, of which [\$11,000,000] \$23,940,000 shall be for unsubsidized guaranteed loans and [\$17,480,000] \$8,585,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, [\$153,000] \$21,000; and for emergency insured loans, [\$5,900,000] \$8,231,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$1,440,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [\$219,861,000] \$214,161,000, of which \$209,861,000 shall be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

[For an additional gross obligation for the principal amount of direct and guaranteed farm operating loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, \$540,510,000, of which \$150,000,000 shall be for unsubsidized guaranteed loans and \$156,704,000 shall be for subsidized guaranteed loans.]

[For the additional cost of direct and guaranteed farm operating loans, including the cost of modifying such loans as defined in section 502 of the Congressional Budget Act of 1974, farm operating loans, \$31,405,000, of which \$15,969,000 shall be for direct loans, \$13,696,000 for guaranteed subsidized loans, and \$1,740,000 for unsubsidized guaranteed loans: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.]

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time

Credit accounts—Continued

**DAIRY INDEMNITY PROGRAM—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued**

of use and the contamination is not due to the fault of the farmer, \$450,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmer's willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1140-0-1-351	1998 actual	1999 est.	2000 est.
0101 Agriculture credit insurance, downward reestimates of subsidies	172		

Program and Financing (in millions of dollars)

Identification code 12-1140-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loan subsidy	76	83	42
00.02 Guaranteed loan subsidy	50	51	35
00.05 Reestimates of direct loan subsidy	97		
00.06 Interest on reestimates of direct loan subsidy	26		
00.07 Reestimates of guaranteed loan subsidy	125		
00.08 Interest on reestimates of guaranteed loan subsidy	42		
Administrative expenses:			
00.09 Administrative expenses—salaries and expenses ...	210	210	210
00.10 Administrative expenses—non-recoverable costs	10	10	4
10.00 Total new obligations	636	354	291
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	13	15	
22.00 New budget authority (gross)	638	341	291
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	656	356	291
23.95 Total new obligations	-636	-354	-291
23.98 Unobligated balance expiring	-4	-2	
24.40 Unobligated balance available, end of year	15		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	355	341	291
40.35 Appropriation rescinded	-8		
43.00 Appropriation (total)	347	341	291
Permanent:			
60.05 Appropriation (indefinite)	291		
70.00 Total new budget authority (gross)	638	341	291
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	23	16	16
73.10 Total new obligations	636	354	291
73.20 Total outlays (gross)	-638	-354	-298
73.45 Adjustments in unexpired accounts	-5		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	16	16	9
Outlays (gross), detail:			
86.90 Outlays from new current authority	329	336	283
86.93 Outlays from current balances	18	17	16
86.97 Outlays from new permanent authority	291		
87.00 Total outlays (gross)	638	354	298
Net budget authority and outlays:			
89.00 Budget authority	638	341	291
90.00 Outlays	638	354	298

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

Identification code 12-1140-0-1-351	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Farm ownership	64	86	128
1150 Farm operating	560	734	500
1150 Emergency disaster	112	25	53
1150 Indian tribe land acquisition	1	1	1
1150 Credit sales of acquired property	25		
1150 Boll weevil eradication	40	100	100
1159 Total direct loan levels	802	946	782
Direct loan subsidy (in percent):			
1320 Farm ownership	13.04	14.97	3.77
1320 Farm operating	6.57	6.83	5.86
1320 Emergency disaster	24.03	23.60	15.53
1320 Indian tribe land acquisition	13.20	15.25	2.00
1320 Credit sales of acquired property	13.02	13.04	1.60
1320 Boll weevil eradication	1.18	1.44	-4.38
1329 Weighted average subsidy rate	9.23	8.33	5.42
Direct loan subsidy budget authority:			
1330 Farm ownership	8	13	5
1330 Farm operating	37	50	29
1330 Emergency disaster	27	6	8
1330 Credit sales of acquired property	3		
1330 Boll weevil eradication		1	
1339 Total subsidy budget authority	75	70	42
Direct loan subsidy outlays:			
1340 Farm ownership	14	13	5
1340 Farm operating	152	49	30
1340 Emergency disaster	27	19	8
1340 Credit sales of acquired property	3		
1340 Boll weevil eradication		1	
1349 Total subsidy outlays	196	82	43
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Farm ownership, unsubsidized	425	425	431
2150 Farm operating, unsubsidized	993	1,098	1,698
2150 Farm operating, subsidized	235	357	97
2159 Total loan guarantee levels	1,653	1,880	2,226
Guaranteed loan subsidy (in percent):			
2320 Farm ownership, unsubsidized	3.86	1.59	0.56
2320 Farm operating, unsubsidized	1.17	1.16	1.41
2320 Farm operating, subsidized	9.64	8.74	8.81
2329 Weighted average subsidy rate	3.48	2.70	1.57
Guaranteed loan subsidy budget authority:			
2330 Farmer ownership, unsubsidized	16	7	2
2330 Farm operating, unsubsidized	12	13	24
2330 Farm operating, subsidized	23	31	9
2339 Total subsidy budget authority	51	51	35
Guaranteed loan subsidy outlays:			
2340 Farmer ownership, unsubsidized	18	10	4
2340 Farm operating, unsubsidized	175	12	22
2340 Farm operating, subsidized	25	29	12
2349 Total subsidy outlays	218	51	38
Administrative expense data:			
3510 Budget authority	220	220	214
3590 Outlays	220	220	214

The Agricultural Credit Insurance Fund Program Account's loans are authorized by title III of the Consolidated Farm and Rural Development Act, as amended.

This program account includes subsidies to provide direct and guaranteed loans for farm ownership, farm operating, and emergency loans to individuals. Indian tribes and tribal corporations are eligible for Indian land acquisition loans. Additional funding was provided by a 1998 supplemental appropriation, P.L. 105-74, for direct and guaranteed farm ownership, direct operating, guaranteed subsidized operating, boll weevil eradication, and emergency disaster loans. Emergency disaster funding is to be available until expended. Funding was rescinded from the guaranteed unsubsidized operating loan program.

Additional emergency funding was also provided by the 1999 appropriation, P.L. 105-277, for direct and guaranteed subsidized and unsubsidized operating loans.

For 2000, legislation will be proposed to expand eligibility for emergency disaster loans to agricultural-related enterprises that are currently ineligible for either USDA or Small Business Administration disaster loans. Interest rates on these loans will be above those charged for family-sized farms.

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

Under the Dairy Indemnity Program (DIP), payments are made to farmers and manufacturers of dairy products who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals that have been registered and approved by the Federal Government, other chemicals, nuclear radiation, or nuclear fallout. Indemnification may also be paid for cows producing such milk.

In 1999, an estimated \$418 thousand will be paid to producers and manufacturers who file claims under the program.

The 2000 budget requests \$450 thousand for this program.

Object Classification (in millions of dollars)

Identification code 12-1140-0-1-351	1998 actual	1999 est.	2000 est.
25.3 Purchases of goods and services from Government accounts	220	220	214
41.0 Grants, subsidies, and contributions	416	134	77
99.9 Total new obligations	636	354	291

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4212-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	796	1,000	782
00.02 Advances on behalf of borrowers	1	3	3
00.04 Interest on Treasury borrowing	175	205	172
00.09 Civil rights claims	1		
00.91 Subtotal, Operating program	973	1,208	957
Reestimates:			
08.02 Downward reestimate of subsidy	84		
08.03 Downward reestimate of subsidy-interest	16		
08.91 Subtotal, Reestimates	100		
10.00 Total new obligations	1,073	1,208	957
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	139	208	
22.00 New financing authority (gross)	1,643	1,000	957
22.10 Resources available from recoveries of prior year obligations	21		
22.60 Redemption of debt	-509		
22.70 Balance of authority to borrow withdrawn	-12		
23.90 Total budgetary resources available for obligation	1,282	1,208	957
23.95 Total new obligations	-1,073	-1,208	-957
24.40 Unobligated balance available, end of year	208		
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	829	440	224
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	823	784	778
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-9		

68.47	Portion applied to debt reduction	-224	-45	
68.90	Spending authority from offsetting collections (total)	814	560	733
70.00	Total new financing authority (gross)	1,643	1,000	957
Change in unpaid obligations:				
Unpaid obligations, start of year:				
72.40	Obligated balance, start of year	86	70	83
72.95	Receivables from program account	18	9	9
72.99	Total unpaid obligations, start of year	104	79	92
73.10	Total new obligations	1,073	1,208	957
73.20	Total financing disbursements (gross)	-1,077	-1,195	-975
73.45	Adjustments in unexpired accounts	-21		
Unpaid obligations, end of year:				
74.40	Obligated balance, end of year	70	83	65
74.95	Receivables from program account	9	9	9
74.99	Total unpaid obligations, end of year	79	92	74
87.00	Total financing disbursements (gross)	1,077	1,195	975
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: Payments from program account	-202	-82	-44
88.25	Interest on uninvested funds	-55	-49	-43
Non-Federal sources:				
88.40	Repayments of principal	-470	-543	-565
88.40	Non-Federal sources	-96	-110	-126
88.90	Total, offsetting collections (cash)	-823	-784	-778
88.95	Change in receivables from program accounts	9		

Net financing authority and financing disbursements:

89.00	Financing authority	829	216	179
90.00	Financing disbursements	254	411	197

Status of Direct Loans (in millions of dollars)

Identification code 12-4212-0-3-351	1998 actual	1999 est.	2000 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	803	946	782
1112	Unobligated direct loan limitation	-65		
1113	Unobligated limitation carried forward	58	53	
1150	Total direct loan obligations	796	999	782
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2,258	2,715	3,004
1231	Disbursements: Direct loan disbursements	816	859	867
1251	Repayments: Repayments and prepayments	-327	-543	-601
1263	Write-offs for default: Direct loans	-32	-27	-30
1290	Outstanding, end of year	2,715	3,004	3,240

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

This account finances direct loans for farm ownership, farm operating, emergency disaster, and credit sales of acquired property.

Balance Sheet (in millions of dollars)

Identification code 12-4212-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.	
ASSETS:					
Investments in US securities:					
1106	Federal assets: Receivables, net	225	278	275	180
Net value of assets related to post-1991 direct loans receivable:					
1401	Direct loans receivable, gross	2,258	2,715	3,004	2,564
1402	Interest receivable	13	42	40	38
1403	Accounts receivable from foreclosed property	32	13	15	15

Credit accounts—Continued

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT—Continued

Balance Sheet (in millions of dollars)—Continued

Identification code 12-4212-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
1405 Allowance for subsidy cost (-)	-628	-697	-760	-667
1499 Net present value of assets related to direct loans	1,675	2,073	2,299	1,950
1999 Total assets	1,900	2,351	2,574	2,130
LIABILITIES:				
2103 Federal liabilities: Debt	1,885	2,344	2,562	2,115
2207 Non-Federal liabilities: Other	15	9	12	15
2999 Total liabilities	1,900	2,353	2,574	2,130
NET POSITION:				
3100 Appropriated capital				
3999 Total net position				
4999 Total liabilities and net position	1,900	2,353	2,574	2,130

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4213-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Default claims	51	75	89
00.02 Interest assistance on guaranteed loans	61	100	100
00.04 Interest payments to Treasury	5	5	5
00.05 Capital investments	11	11	11
00.91 Subtotal, Operating program	128	191	205
Reestimates:			
08.02 Downward reestimate of subsidy	56		
08.03 Downward reestimate of subsidy—interest	15		
08.91 Subtotal, Reestimates	71		
10.00 Total new obligations	199	191	205
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	48	132	88
22.00 New financing authority (gross)	296	172	153
22.10 Resources available from recoveries of prior year obligations	20		
22.60 Redemption of debt	-32	-25	-25
23.90 Total budgetary resources available for obligation	332	279	216
23.95 Total new obligations	-199	-191	-205
24.40 Unobligated balance available, end of year	132	88	11
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	50	92	85
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	246	80	68
70.00 Total new financing authority (gross)	296	172	153
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	163	184	300
73.10 Total new obligations	199	191	205
73.20 Total financing disbursements (gross)	-158	-75	-92
73.45 Adjustments in unexpired accounts	-20		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	184	300	413
87.00 Total financing disbursements (gross)	158	75	92
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-217	-51	-34
88.25 Interest on uninvested funds	-15	-15	-15
88.40 Fees and premiums	-14	-14	-19

88.90 Total, offsetting collections (cash)	-246	-80	-68
Net financing authority and financing disbursements:			
89.00 Financing authority	50	92	85
90.00 Financing disbursements	-88	-5	24

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4213-0-3-351	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	1,653	1,880	2,227
2150 Total guaranteed loan commitments	1,653	1,880	2,227
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	6,039	6,292	6,827
2231 Disbursements of new guaranteed loans	1,493	1,842	2,182
2251 Repayments and prepayments	-1,183	-1,232	-1,351
2263 Adjustments: Terminations for default that result in claim payments	-57	-75	-89
2290 Outstanding, end of year	6,292	6,827	7,569
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	6,290	6,212	6,960

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

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

Balance Sheet (in millions of dollars)

Identification code 12-4213-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	211	316	307	357
Investments in US securities:				
1106 Receivables, net				
1206 Non-Federal assets: Receivables, net				
1999 Total assets	211	316	307	357
LIABILITIES:				
Non-Federal liabilities:				
2201 Accounts payable	163	184	209	234
2203 Debt	42	60		
2204 Liabilities for loan guarantees	6	73	98	123
2999 Total liabilities	211	317	307	357
NET POSITION:				
3300 Cumulative results of operations				
3999 Total net position				
4999 Total liabilities and net position	211	317	307	357

AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4140-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Capital investment:			
00.04 Purchase of guaranteed loans from investors	1		
00.08 Loan recoverable costs	13	30	30
00.91 Total capital investment	14	30	30
Operating expenses:			
01.07 Loss settlement expenses on guaranteed loans	7	5	5
01.08 Administrative expenses—Department of Justice fees	1	1	1
01.09 Costs incident to acquisition of property	3	3	3
01.10 Undistributed charges	1	1	1
01.13 Interest assistance—guaranteed loans	1	1	

01.17	Unclassified costs	11	5	5
01.91	Total operating expenses	24	16	15
10.00	Total new obligations	38	46	45
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year		2	
22.00	New budget authority (gross)	49	42	45
22.10	Resources available from recoveries of prior year obligations			
		20		
22.40	Capital transfer to general fund		2	
22.70	Balance of authority to borrow withdrawn	-29		
23.90	Total budgetary resources available for obligation	40	46	45
23.95	Total new obligations	-38	-46	-45
24.40	Unobligated balance available, end of year	2		

New budget authority (gross), detail:				
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	1,199	1,186	1,155
68.27	Capital transfer to general fund	-1,150	-1,144	-1,110
68.90	Spending authority from offsetting collections (total)	49	42	45

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	87	72	74
73.10	Total new obligations	38	46	45
73.20	Total outlays (gross)	-33	-42	-44
73.45	Adjustments in unexpired accounts	-20		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	72	74	74

Outlays (gross), detail:				
86.97	Outlays from new permanent authority	33	42	44

Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Non-Federal sources:				
88.40	Rent on acquired property	-3	-3	-3
88.40	Guaranteed insurance purchased from holders—principal	-1	-1	-1
88.40	Interest on loans	-398	-375	-360
88.40	Guaranteed loss recoveries	-1	-1	-1
88.40	Loan repayments received on behalf of investors	-1	-1	-1
88.40	Interest on judgments	-2	-1	-1
88.40	Repayments on loans—principal	-708	-700	-690
88.40	Judgments—principal	-14	-12	-12
88.40	Shared appreciation recapture	-11	-13	-13
88.40	Sale of acquired property/chattels	-71	-75	-70
88.40	Miscellaneous income		-1	-1
88.40	Undistributed receipts	11	-3	-2
88.90	Total, offsetting collections (cash)	-1,199	-1,186	-1,155

Net budget authority and outlays:				
89.00	Budget authority	-1,150	-1,144	-1,110
90.00	Outlays	-1,166	-1,144	-1,111

Status of Direct Loans (in millions of dollars)				
Identification code 12-4140-0-3-351		1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	7,709	6,699	5,692
1232	Disbursements: Purchase of loans assets from the public		2	2
1251	Repayments: Repayments and prepayments	-707	-706	-696
1261	Adjustments: Capitalized interest	46	50	49
Write-offs for default:				
1263	Direct loans	-288	-300	-300
1264	Other adjustments, net ¹	-61	-53	-53
1290	Outstanding, end of year	6,699	5,692	4,694

¹ Amounts shown are based on payment of delinquent installments, advances on behalf of borrowers, acquired property and chattels, loans in kind, and judgments.

Status of Guaranteed Loans (in millions of dollars)				
Identification code 12-4140-0-3-351		1998 actual	1999 est.	2000 est.
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	994	776	563

2231	Disbursements of new guaranteed loans			
2251	Repayments and prepayments	-209	-201	-200
2263	Adjustments: Terminations for default that result in claim payments	-9	-12	-12
2290	Outstanding, end of year	776	563	351
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	698	508	317

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

Statement of Operations (in millions of dollars)

Identification code 12-4140-0-3-351		1997 actual	1998 actual	1999 est.	2000 est.
0101	Revenue	561	440	539	534
0102	Expense	532	-309	-270	-175
0109	Net income or loss (-)	1,093	131	269	359

Balance Sheet (in millions of dollars)

Identification code 12-4140-0-3-351		1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:					
1101	Federal assets: Fund balances with Treasury	59	74	50	50
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:					
1601	Direct loans, gross	7,709	6,699	5,692	4,694
1602	Interest receivable	425	374	489	389
1603	Allowance for estimated uncollectible loans and interest (-)	-1,537	-1,574	-1,500	-1,500
1604	Direct loans and interest receivable, net	6,597	5,499	4,681	3,583
1606	Foreclosed property	187	125	104	94
1699	Value of assets related to direct loans	6,784	5,624	4,785	3,677
1999	Total assets	6,843	5,698	4,835	3,727
LIABILITIES:					
2104	Federal liabilities: Resources payable to Treasury	5,654	5,597	5,000	4,500
Non-Federal liabilities:					
2201	Accounts payable	78	182	41	31
2202	Interest payable				1
2203	Debt	2	2	2	
2204	Liabilities for loan guarantees	172			
2207	Other	46	35	30	25
2999	Total liabilities	5,952	5,816	5,073	4,557
NET POSITION:					
3300	Cumulative results of operations	891	-118	-238	-830
3999	Total net position	891	-118	-238	-830
4999	Total liabilities and net position	6,843	5,698	4,835	3,727

Object Classification (in millions of dollars)

Identification code 12-4140-0-3-351		1998 actual	1999 est.	2000 est.
25.2	Other services	16	10	10
33.0	Investments and loans	21	35	34
43.0	Interest and dividends	1	1	1
99.9	Total new obligations	38	46	45

COMMODITY CREDIT CORPORATION

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Public enterprise funds:

COMMODITY CREDIT CORPORATION FUND

For fiscal year [1999] 2000, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed [(estimated to be \$8,439,000,000 in the President's fiscal year 1999 Budget Request (H. Doc. 105-177)), but not to exceed \$8,439,000,000], pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year [1999] 2000, the Commodity Credit Corporation shall not expend more than \$5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961: *Provided*, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.

[DAIRY PRODUCTION DISASTER ASSISTANCE PROGRAM]

[An additional \$3,000,000 is provided for the dairy production indemnity program as established by Public Law 105-174: *Provided*, That the entire amount shall be available only to the extent that an official budget request for \$3,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-4336-0-3-999	1998 actual	1999 est.	2000 est.	
Obligations by program activity:				
Support and related programs:				
Operating expenses:				
00.01	Commodity purchases and related inventory transactions	666	1,453	609
00.02	Storage, transportation, and other obligations not included above	93	107	48
00.03	Export enhancement program	2	550	579
00.04	Market access program	92	89	91
00.05	Dairy export incentive program	103	103	99
00.06	Section 416/Food for progress ocean transportation	40	681	65
Direct producer payments:				
00.07	Feed grains	3,291	6,147	2,992
00.08	Wheat	1,850	2,287	1,328
00.09	Rice	479	705	430
00.10	Cotton	1,059	1,584	710
00.11	Dairy—Marketing loss assistance		200	
00.12	Dairy option pilot program		10	10
00.13	Noninsured assistance program	23	67	89
00.14	Oilseeds loan deficiency	139	2,141	1,893
00.15	Marketing loan writeoffs	157	337	745
00.16	Crop disaster		2,375	
00.17	Livestock assistance		200	
00.18	Livestock indemnity	5	4	

00.19	Disaster reserve assistance	1	18	4
00.20	Disaster reserve flood compensation		12	
00.21	Conservation reserve program	1,693	1,508	1,578
00.22	Environmental quality incentives program—EQIP	152	136	156
00.23	Wetlands reserve program	212	118	191
00.24	Farmland protection program	17		
00.25	Conservation farm option program			35
00.26	Reimbursement agreement and transfers to State and Federal agencies	38	33	36
Interest:				
00.27	Treasury	292	497	362
00.28	Other	18	18	18
00.29	EQIP technical assistance	38	33	38
00.30	EQIP educational assistance	4	5	6
00.91	Total operating expenses	10,464	21,418	12,112
Capital investment:				
Direct loans:				
01.02	Purchase of ADP equipment	29	11	
01.92	Total support and related programs	10,493	21,429	12,112
02.02	Other PL 480 operating expenses	370	476	327
Reimbursable program:				
09.01	Commodity loans	7,189	8,813	10,124
09.02	Dairy recourse commodity loans			400
09.03	Commodities procured—PL 480 Titles II and III commodity costs	424	488	472
09.09	Subtotal, reimbursable programs	7,613	9,301	10,996
10.00	Total new obligations	18,476	31,206	23,435

Budgetary resources available for obligation:

22.00	New budget authority (gross)	18,547	32,034	23,451
22.21	Unobligated balance transferred to other accounts	-71	-841	-16
22.22	Unobligated balance transferred from other accounts		13	
23.90	Total budgetary resources available for obligation	18,476	31,206	23,435
23.95	Total new obligations	-18,476	-31,206	-23,435

New budget authority (gross), detail:

Current:				
40.00	Appropriation	794	8,492	14,368
40.47	Portion applied to debt reduction	-794	-8,460	-14,368
41.00	Transferred to other accounts		-32	
43.00	Appropriation (total)			
Permanent:				
67.10	Authority to borrow	10,599	20,965	11,391
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	7,948	11,069	12,060
70.00	Total new budget authority (gross)	18,547	32,034	23,451

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	23,842	13,713	15,848
73.10	Total new obligations	18,476	31,206	23,435
73.20	Total outlays (gross)	-18,105	-29,070	-24,182
73.40	Adjustments in expired accounts	-10,500		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	13,713	15,848	15,101

Outlays (gross), detail:

86.97	Outlays from new permanent authority	10,237	20,698	11,109
86.98	Outlays from permanent balances	7,867	8,372	13,073
87.00	Total outlays (gross)	18,105	29,070	24,182

Offsets:

Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Federal sources:				
Federal sources:				
88.00	Sales to special activities	-424	-488	-473
88.00	Interest revenue	4		
88.00	Advance from foreign assistance programs (P.L. 480)	-895	-964	-799
Non-Federal sources (62 stat.1070): Support and related programs:				
88.40	Sales and other proceeds	-37	-192	-122
88.40	Assessments	-67	-62	-101
88.40	Interest revenue	-248	-230	-240
88.40	Other revenue	-10		
88.40	Loans repaid	-6,232	-9,096	-10,287
88.40	Export credit sales program repayments	-6	-8	-10

88.40	Interest revenue	-33	-29	-28
88.90	Total, offsetting collections (cash)	-7,948	-11,069	-12,060
Net budget authority and outlays:				
89.00	Budget authority	10,599	20,965	11,391
90.00	Outlays	10,156	18,001	12,122

NOTES

Contingent liabilities, commitments, and other obligations do not become charges against the statutory borrowing authority until they result in borrowing from Treasury.
Excludes amounts for activities currently funded in the CCC Export Guarantee Loan Programs account.

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1998 actual	1999 est.	2000 est.
Budget Authority	10,599	20,965	11,391
Outlays	10,156	18,001	12,122
Legislative proposal, subject to PAYGO:			
Budget Authority			60
Outlays			-2
Total:			
Budget Authority	10,599	20,965	11,451
Outlays	10,156	18,001	12,120

Status of Direct Loans (in millions of dollars)

Identification code 12-4336-0-3-999	1998 actual	1999 est.	2000 est.
SHORT TERM CREDIT LOANS			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	388	384	375
1251 Repayments: Repayments and prepayments	-6	-9	-10
1261 Adjustments: Capitalized interest	2		
1290 Outstanding, end of year	384	375	365
COMMODITY LOANS			
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	7,189	8,813	10,524
1150 Total direct loan obligations	7,189	8,813	10,524
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,351	2,219	1,835
1231 Disbursements: Direct loan disbursements	7,189	8,813	10,524
1251 Repayments: Repayments and prepayments	-6,232	-9,096	-10,287
1264 Write-offs for default: Other adjustments, net	-89	-101	-100
1290 Outstanding, end of year	2,219	1,835	1,972
SALE OF INVENTORY ON CREDIT TERMS			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	30	30	30
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	30	30	30

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

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

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

Budget assumptions.—The following general assumptions form the basis for the Corporation's 1999 and 2000 budget estimates: (a) national income will rise both in 1999 and 2000 from the present level; (b) 1999 crop production will decrease from 1998 crop levels for some commodities; (c) generally, exports of agricultural commodities in 2000 are expected to be higher than 1999 levels; (d) yields for the 1999

crops are based on recent averages adjusted for trend; (e) acreage allotments and marketing quotas will be in effect for the 1999 crops of certain kinds of tobacco; and (f) poundage quotas will be in effect for the 1999 crop of peanuts.

It is difficult to accurately forecast requirements for the year ending September 30, 2000, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed and food needs here and overseas, and available dollar exchange.

The Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act) enacted April 4, 1996, retains the CRP as part of the Environmental Conservation Acreage Reserve Program (ECARP) but changed the funding source from direct appropriation to the Commodity Credit Corporation. The CRP is assumed to be gradually increased to 36.4 million acres by 2002. The enrollment assumptions reflect Signup 18 enrollment which adds approximately 5.8 million acres, including announced initial enrollment, changes in enrolled acreage resulting from errors and omissions in eligibility and Environmental Benefits Index (EBI) scoring determinations through producer appeals, and additional acres accepted due to waivers approved for counties exceeding the 25 percent county cropland limit. Conservation Reserve Program acreage also contributes to the USDA Conservation Buffer Initiative and the Conservation Reserve Enhancement Program and to other purposes which are estimated to enroll 5.5 million acres through 2002. Signup 18, which was held from October 26 through December 11, 1998 will be reflected in the 2000 enrollment figures.

These assumptions have been developed for budget purposes as the best estimate of acreage bid into the program that will be both eligible and of high environmental quality. As such, the estimate may not reflect the actual acreage selected for Signup 18. USDA's goal is that lands selected for the CRP will only be those lands where the benefits to the Nation of retirement are greater than the benefits of continued production.

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

2000 ESTIMATE

(In millions of dollars)

Program	Gross obligations	Net outlays	Net realized loss for year
Farm income, marketing assistance loans, and price support:			
Commodity loans	10,124	582	
Dairy recourse loan program	400	400	
Feed grain payments	2,992	3,503	2,992
Wheat payments	1,328	1,328	1,328
Rice payments	430	430	430
Cotton payments	710	700	710
Export enhancement program	579	579	579
Other support and related	3,622	2,117	3,195
Other items not distributed by program:			
Interest	381	181	112
All other	54	358	56
Total, farm income, marketing assistance loans, and price-support programs	20,620	10,178	9,402
Conservation programs:			
Conservation reserve program	1,578	1,578	1,719
Environmental quality incentives program	200	140	140
Wetlands reserve program	201	214	214
Farmland protection program		9	9
Conservation farm option program	37	3	3
Total, conservation programs	2,016	1,944	2,085
Total, Commodity Credit Corporation	22,636	12,122	11,487

PROGRAMS OF THE CORPORATION

Price support, marketing assistance loans, and related stabilization programs.—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to produc-

Public enterprise funds—ContinuedCOMMODITY CREDIT CORPORATION FUND—Continued
PROGRAMS OF THE CORPORATION—Continued

ers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended, the Agricultural Act of 1949 (the 1949 Act), as amended, and the Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act).

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

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

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

Production flexibility contract payments.—The 1996 Act requires that the Corporation offer eligible producers a one-time opportunity to execute 7-year production flexibility contracts. Production flexibility contract participants who comply with applicable provisions receive annual payments beginning in 1996 and ending in 2002. Participants received a 50-percent advance payment for the 1996 crop within 30 days after contract approval. The balance of the 1996 payment was issued by September 30, 1996. In subsequent years, participants will receive final payments by September 30, with an option to receive advances on December 15 or January 15. Depending on each contract participant's prior contract-crop acreage history and payment yield, as well as total program participation, the participant shares a portion of a statutorily specified, annual dollar amount. In return, participants must comply with certain requirements regarding land conservation, wetland protection, and agricultural use. Contract crops, for the purposes of determining eligible cropland and payments, include wheat, corn, grain sorghum, barley, oats, upland cotton, and rice. No production adjustment requirements or related provisions are included in this program, except for restrictions on the planting of fruits and vegetables and other minor requirements. The one-time enrollment took place between May 1 and August 1, 1996; however, producers with Conservation Reserve Program (CRP) contracts will have the opportunity to enroll acreage currently in the CRP that meets the eligibility requirements for a production flexibility contract. These enrollments will occur as CRP contracts expire.

Marketing assessments.—The 1949 Act mandates assessments for tobacco, and the 1996 Act requires such assessments for peanuts and sugar. Although tobacco marketing assessments are authorized through crop year 1998, the budget will include a proposal to extend and increase tobacco assessments about 2 percent in 2000.

Peanut price support program.—The 1996 Act and the Agricultural Adjustment Act of 1938, as amended (the 1938 Act), provide for a peanut loan and poundage quota program for the 1996 through 2002 peanut crops. The 1996 Act makes the peanut program, effectively, a no-cost program. The Secretary is required to provide a nonrefundable per-pound marketing assessment equal to 1.15 percent of the national average quota or additional peanut loan rate for the applicable 1996 crop and 1.2 percent of the national average quota or

additional peanut loan rate for each of the applicable 1997 through 2002 crops. Assessments will be used to offset losses in area quota pools, and any assessments not required to cover these losses will be remitted to the Treasury. If the use of all other available authority does not produce funds sufficient to cover losses in area quota pools, the Secretary must increase the marketing assessment by an amount that will cover the losses.

Sugar Program.—The 1996 Act requires that loans be made available to eligible sugar processors for the 1996 through 2002 crops of domestically produced sugar beets and sugarcane. The announced Tariff Rate Quota (TRQ) determines the type of loan in effect. If the TRQ is not above 1,500,000 short tons, raw value, at the time of loan approval and has never been above 1,500,000 short tons, raw value, at any time during the fiscal year, recourse loans will be in effect. If the TRQ exceeds 1,500,000 short tons, raw value, at the time of loan approval or has exceeded 1,500,000 short tons, raw value, at any time during the fiscal year, nonrecourse loans will be in effect.

Options Pilot Program.—The 1996 Act authorizes the Secretary to utilize CCC, until December 31, 2002, to conduct a pilot program for one or more agricultural commodities supported under Title I of the 1996 Act to ascertain whether futures and options contracts can reasonably protect producers from the financial risks of fluctuations in price, yield, and income inherent in the production and marketing of the commodities. The pilot program is under the supervision of the Administrator of the Risk Management Agency. To the maximum extent practicable, the Secretary shall operate the pilot program in a budget neutral manner.

The Federal Crop Insurance Reform Act of 1994 expanded current crop insurance authorities to provide for catastrophic coverage at 50 percent yield protection at a flat fee for crops currently covered by insurance programs. Where crop insurance is not available, producers of crops for food and fiber and certain other crops will be covered under the Noninsured Assistance Program. The Farm Service Agency administers CCC's Noninsured Assistance Program. The program will reimburse producers at the same rates and terms as the catastrophic program where assistance is triggered by area wide disasters.

Dairy.—The 1996 Act provides for a dairy price support program that sets the minimum support price for milk at \$10.35 per hundredweight for calendar year 1996, \$10.20 per hundredweight for calendar year 1997, \$10.05 per hundredweight for calendar year 1999, and \$9.90 per hundredweight for calendar year 1999. In lieu of the price support program, Section 142 of the 1996 Act establishes a recourse loan program beginning on January 1, 2000, and continuing through 2002, during which time processors will be eligible for recourse loans on dairy products at a milk equivalent rate of \$9.90 per hundredweight. The program will assist dairy processors in managing their inventories of eligible dairy products and assure a greater degree of price stability for the dairy industry. The program is a transition between the Dairy Price Support Program that has been in effect since 1949 and the dairy industry functioning with no Governmental intervention in a global economy. Dairy processors acquire their milk from dairy farmers that manufacture these eligible dairy products. The program indirectly assists dairy farmers similar to the Dairy price Support Program. The Food Security Act of 1985, as amended (the 1985 Act), authorizes the Dairy Export Incentive Program (DEIP) through calendar year 2002. The DEIP provides subsidies to exporters of U.S. dairy products to help them compete with other subsidizing nations.

Payment limitations.—The 1996 Act and the Food Security Act of 1985, as amended, limit the amount of production flexibility contract payments during any fiscal year to \$40,000

and the sum of marketing assistance gains and loan deficiency payments during any crop year to \$75,000.

Conservation programs.—The Environmental Conservation Acreage Reserve Program (ECARP) was re-established by the 1996 Act to begin in 1996 and continue through 2002. ECARP consists of the Conservation Reserve Program (CRP), the Wetlands Reserve Program (WRP), and the Environmental Quality Incentives Program (EQIP). The 1996 Act amended the 1985 Act to require the use of CCC funds for these programs.

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

The establishment and funding for Conservation Priority Areas (CPA) under both EQIP and CRP will be harmonized in a manner to ensure program availability is coordinated to best address environmental concerns, keeping in mind the varied and diverse purposes for which the CRP and EQIP are authorized. The 18th Signup of the CRP will have some different procedures in place for CPAs.

The EQIP combines the functions of the former Agricultural Conservation Program (ACP), the Water Quality Incentives Program (WQIP), the Great Plains Conservation Program (GPCP), and the Colorado River Basin Salinity Control Program (CRSC). The 1996 Act provided that EQIP would be phased in over a 6-month interim period, ending not later than October 4, 1996. CCC funding of \$130 million was provided for the interim 1996 program. Thereafter, through fiscal year 2002, \$200 million in CCC funding must be made available annually for the program. The fiscal year 1999 program was limited to \$174 million by section 726 of the FY 1999 Agriculture Appropriations Act, P.L. 105-277, section 101(a). The Budget provides an additional \$100 million over authorized levels, for a program total of \$300 million, in support of the Clean Water Action Plan and its Animal Feeding Operations Strategy.

The Farmland Protection Program (FPP) authorizes the Secretary to assist State, local, and tribal governments in purchasing conservation easements. The Secretary was authorized to use \$35 million in CCC funds to carry out the program. These funds were exhausted in 1998. The Budget provides \$28 million in 2000.

The Wildlife Habitat Incentives Program (WHIP) makes available assistance to help landowners improve wildlife habitat on private lands. A total of \$50 million in CRP funds were made available for fiscal years 1996 through 2002 for this program. These funds were exhausted in 1999. The Budget provides \$10 million in 2000.

The Conservation Farm Option Program (CFO) is a pilot program for producers of wheat, feed grains, upland cotton, and rice who are eligible for production flexibility contracts. Under this program, producers may consolidate their production flexibility contract, CRP, WRP, and EQIP payments into one annual payment if they enter into a 10-year contract and adopt an approved conservation farm plan. CCC must make available the following funding for the CFO: \$15 million in fiscal year 1999, \$25 million in fiscal year 1999, \$37.5 million in fiscal year 2000, \$50 million in fiscal year 2001, and \$62.5 million in fiscal year 2002. Total authorized funding is \$197.5 million. However, no obligations were incurred in fiscal years 1997 and 1998. Section 740 of the 1999 Appropria-

tions Act precludes operations of the CFO in 1999. In 2000, savings in the CFO are proposed to offset mandatory funding proposals in the FPP and WHIP.

Under the terms of the Flood Risk Reduction Program as enacted in the 1996 Act, during each of fiscal years 1996 through 2002, the Secretary may enter into a contract with a producer who has contract acreage in the production flexibility program that is frequently flooded. Producers can receive up to 95 percent of the projected production flexibility contract payments the producer would otherwise have received from the time of enrollment in the Flood Risk Reduction Program through September 30, 2002. In return, producers must terminate their production flexibility contract with respect to the enrolled acreage, comply with swampbuster and conservation compliance provisions, and forgo future disaster payments, crop insurance payments, conservation program payments, and loans for contract commodities, oilseeds, and extra long staple cotton. The 1996 Act provided that the Secretary shall carry out the program through the Commodity Credit Corporation. The program was not implemented in fiscal years 1997 and 1998, and it is assumed that it will not be implemented in future years.

Additional Disaster Assistance.—The 1998 Supplemental Appropriations and Rescission Act (Public Law 105-174) made available \$4 million for livestock indemnity payments and \$7 million for milk losses for producers affected by natural disasters. The FY 1999 Appropriations Act made available nearly \$6,000 million for various payments to producers who had incurred income losses due to natural disasters and declining commodity prices in 1998. \$2,857 million was made available to producers who had executed production flexibility contracts with CCC; \$200 million to dairy producers; \$200 million for livestock feed losses; \$1.5 billion for 1998 crop losses; \$875 million for producers with multi-year losses occurring in 1998 and prior years; \$50 million for assistance to salmon fishermen; and recourse loan programs for mohair and honey producers.

Surplus Removal and Other CCC Activities.—Section 5 of the CCC Charter Act authorizes CCC to undertake specific actions with respect to agricultural commodities. Section 5(d) specifically authorizes CCC to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities. Pursuant to this authority, CCC will purchase 5 million metric tons of wheat in the course of 1999 and 2000, which will subsequently be used for donation purposes under Section 416(b) of the Agricultural Act of 1949. A portion of this initiative is a part of the comprehensive U.S. food aid package to Russia, as announced by the President in November 1998. An estimated 1,500,000 metric tons shall be shipped to Russia. The wheat initiative includes purchases of primarily wheat and wheat flour during 1999 and 2000.

Supply and foreign purchases.—The Corporation can procure from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies, under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act, as amended.

Commodity exports.—The Corporation promotes the export of agricultural commodities and products through sales for dollars or foreign currency, payments, extension of credit, assumption of certain risks, and conduct of other operations with respect to the exportation of commodities. Such commodities and products may be those held in private trade channels as well as those acquired by the Corporation. These programs are carried out under the authority of the CCC Charter Act and other specific legislation.

Foreign donations.—The Corporation may furnish commodities under the authority of section 416(b) of the Agricultural Act of 1949 to carry out programs of assistance in developing

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

PROGRAMS OF THE CORPORATION—Continued

countries and friendly countries and pay costs associated with making the commodities available. The Corporation may also use its funds to furnish commodities overseas under the authority of the Food for Progress Act of 1985; however, not more than 500,000 metric tons of commodities may be provided under this authority in each fiscal year, and not more than \$30 million of the funds of the Corporation (exclusive of the costs of commodities) may be used for each fiscal year. In addition, under the Food for Progress Act of 1985, not to exceed \$10 million of the Corporation's funds or commodities may be used each fiscal year to enhance the development of private sector agriculture in countries receiving commodities under the Food for Progress Act of 1985. Section 1125 of the FY 1999 Agriculture Appropriations Act increased the \$30 million and \$10 million limitations to \$35 million and \$15 million, respectively, for fiscal year 1999.

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

Item	[In millions of dollars]		
	1999 actual	1999 est.	2000 est.
Loans outstanding, gross, start of year:			
Commodity Credit Corporation	1,351	2,219	1,835
Additional loans made	7,189	8,813	10,524
Deduct:			
Loans repaid	-6,232	-9,096	-10,287
Acquisition of loan collateral	-66	-101	-100
Write-offs	-23		
Total loans outstanding, gross, end of year	<u>2,219</u>	<u>1,835</u>	<u>1,972</u>

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

AGRICULTURAL COMMODITIES

Item	[In millions of dollars]		
	1999 actual	1999 est.	2000 est.
On hand, start of year, gross	<u>377</u>	<u>531</u>	<u>481</u>
Acquisitions:			
Forfeiture of loan collateral	65	101	101
Excess of collateral acquired over loans canceled	1	1	1
Purchases	660	1,417	605
Carrying charges:			
Charges to inventory	5	34	2
Storage and handling (non-add)	(28)	(36)	(37)
Transportation (non-add)	(4)	(15)	(3)
Total acquisitions	<u>731</u>	<u>1,553</u>	<u>709</u>
Dispositions:			
Domestic donations to:			
Families	10	16	10
Institutions	16	58	10
Total domestic donations	<u>26</u>	<u>74</u>	<u>20</u>
Export donations	98	850	166
Sales and transfers:			
Special programs: Title II, Public Law 480	412	469	472
Title III, Public Law 480	12	18	
Other sales	29	192	123
Net loss or gain (-) on sales and transfers			-6
Total sales and transfers	<u>453</u>	<u>679</u>	<u>589</u>
Total dispositions	<u>577</u>	<u>1,603</u>	<u>775</u>
On hand, end of year, gross	531	481	415
Allowances for losses	-186	-169	-145
On hand, end of year, net	<u>345</u>	<u>312</u>	<u>270</u>

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

DATA ON SUPPORT AND RELATED PROGRAMS

Item	[In millions of dollars]		
	1999 actual	1999 est.	2000 est.
Loans made	7,189	8,813	10,524
Loans repaid	6,232	9,096	10,287
Loan collateral forfeited	66	101	101
Loans outstanding, end of year	2,219	1,835	1,972
Acquisitions	732	1,553	709
Cost of commodities sold	454	679	589
Cost of commodities donated	124	924	186
Inventory, end of year	531	481	415
Investment in loans and inventory, end of year	2,750	2,316	2,387
Direct producer payments	8,434	15,138	9,746
Net expenditures	10,143	18,204	12,365
Realized losses	9,318	21,433	11,487

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

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

Section 161 of the 1996 Act amended the CCC Charter Act to significantly limit the use of CCC funds. CCC no longer has authority to purchase personal property except within authorized limitations. CCC spending for equipment or services relating to automated data processing (ADP), information technologies, or related items (including telecommunications equipment and computer hardware and software, but excluding reimbursable agreements) was limited to \$170 million in fiscal year 1996, and \$275 million for the six-year period including fiscal years 1997 through 2002, unless additional amounts for such contracts and agreements are provided in advance in appropriation acts. The 1996 Act also requires that CCC submit an itemized report to Congress on a quarterly basis of all expenditures, excluding program payments, of over \$10,000. Subsequent legislation reduced allowable ADP expenditures through 2002 to \$188 million. The remaining funds are expected to be exhausted during 2000, and the Budget proposes to fund \$35 million per year on these expenditures through CCC.

Section 161 of the 1996 Act also amended section 11 of the CCC Charter Act to limit the use of CCC funds for the transfer and allotment of funds to State and Federal agencies. Beginning on October 1, 1996, the total of these allotments and transfers under that section in a fiscal year, including agreements for ADP or information resource management activities, may not exceed the total of such allotments and transfers in fiscal year 1995. The obligations for these Section 11 activities in fiscal year 1995 were \$46.188 million. The

fiscal year 1995 cap was revised to \$36.209 million effective fiscal year 1999 to exclude the Emerging Markets Program because such transfers are not made pursuant to Section 11 of the CCC Charter Act.

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however.

SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's charter act and specific statutory authorizations or directives with respect thereto that are currently in effect or which may subsequently be enacted.

A summary of such current activities not included under other designated activities is as follows:

Item	2000 estimate (In millions of dollars)	
	Gross obligations	Outlays (reimbursable)
(1) Financing sales of agricultural commodities for foreign currencies or for dollars on credit terms	150	184
(2) Commodities supplied in connection with dispositions abroad (Title II)	837	813
(3) Commodities supplied in connection with dispositions abroad (Title III)		10
Total	987	1,007

The Corporation receives appropriations or reimbursement for the cost of these activities as described under each.

Activities currently being carried out are as follows (see Foreign Assistance programs for details of items (1), (2) and (3)).

(1) Financing the sale and exportation of agricultural commodities for foreign currencies or for dollars (title I, of P.L. 480).

(2) Commodities supplied in connection with dispositions abroad (title II, of P.L. 480).

(3) Commodities supplied in connection with dispositions abroad (title III, of P.L. 480).

(4) Commodities supplied in connection with dispositions abroad (Food for Progress Act of 1985).

FINANCING

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

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

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of the Treasury.

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

POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR

Item	[In millions of dollars]		
	1999 actual	1999 est.	2000 est.
Statutory borrowing authority	30,000	30,000	30,000
Deduct: Borrowings from Treasury	16,692	27,219	25,088
Net statutory borrowing authority available	13,308	2,781	4,912

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

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

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

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

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

SUPPORT AND RELATED PROGRAMS

	[In millions of dollars]	
	1998 actual	
Realized losses, 1933 to 1998, inclusive	262,727	
Reimbursements by the Treasury:		
Reimbursements of realized losses:		
Appropriations (59 times)	241,763	
Note cancellations (6 times)	2,698	
Less dividends paid to Treasury (4 times)	-138	
Total reimbursements for net realized losses	244,323	
Other reimbursements:		
Appropriations (2 times)	542	
Note cancellation (1 time)	56	
Total other reimbursements	598	
Total	244,920	
Realized deficit as of September 30, 1998, support and related programs	17,807	

Statement of Operations (in millions of dollars)

Identification code 12-4336-0-3-999	1997 actual	1998 actual	1999 est.	2000 est.
0101 Revenue	1,346	1,078	1,459	1,387
0102 Expense	-9,916	-10,396	-22,892	-12,874
0109 Net income or loss (-)	-8,570	-9,318	-21,433	-11,487

Balance Sheet (in millions of dollars)

Identification code 12-4336-0-3-999	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	-693	-1,612	-693	-693
Investments in US securities:				
1106 Receivables, net	24	24	25	26
1107 Advances and prepayments	14	56	56	56
Non-Federal assets:				
1206 Receivables, net	333	35	35	35
1207 Advances and prepayments	5	5	5	5
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	1,769	2,632	2,240	2,367
1602 Interest receivable	185	209	190	170
1603 Allowance for estimated uncollectible loans and interest (-)	-78	-171	-155	-139

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

FINANCING—Continued

Balance Sheet (in millions of dollars)—Continued

Identification code 12-4336-0-3-999	1997 actual	1998 actual	1999 est.	2000 est.
1604 Direct loans and interest receivable, net	1,876	2,670	2,275	2,398
1699 Value of assets related to direct loans	1,876	2,670	2,275	2,398
Other Federal assets:				
1801 Cash and other monetary assets	555	77	77	77
1802 Inventories and related properties	377	345	313	270
1803 Property, plant and equipment, net	90	87	90	88
1999 Total assets	2,581	1,687	2,183	2,262
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	3	4	4	4
2102 Interest payable	139	160	264	192
2103 Debt	6,897	16,692	27,219	25,028
2105 Other	398	446	442	398
Non-Federal liabilities:				
2201 Accounts payable	56	107	107	107
2206 Pension and other actuarial liabilities		63		
2207 Other	3,285	2,413	2,407	2,407
2999 Total liabilities	10,778	19,885	30,443	28,136
NET POSITION:				
3200 Invested capital	100	100	100	100
3300 Cumulative results of operations	-8,297	-18,298	-28,360	-25,974
3999 Total net position	-8,197	-18,198	-28,260	-25,874
4999 Total liabilities and net position	2,581	1,687	2,183	2,262

Note.—In addition to obligations other than liabilities, the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

Object Classification (in millions of dollars)

Identification code 12-4336-0-3-999	1998 actual	1999 est.	2000 est.
Direct obligations:			
22.0 Transportation of things	414	1,172	395
Other services:			
25.2 Other services	143	129	89
25.2 Other services: Storage and handling	28	35	37
26.0 Supplies and materials: Costs of commodities sold or donated-PL 480	666	1,453	609
31.0 ADP equipment	29	11	
41.0 Grants, subsidies, and contributions	9,273	18,590	10,928
43.0 Interest and dividends	310	515	381
99.0 Subtotal, direct obligations	10,863	21,905	12,439
Reimbursable obligations:			
26.0 Supplies and materials: Cost of commodities sold or donated—PL 480	424	488	472
33.0 Investments and loans	7,189	8,813	10,524
99.0 Subtotal, reimbursable obligations	7,613	9,301	10,996
99.9 Total new obligations	18,476	31,206	23,435

COMMODITY CREDIT CORPORATION FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4336-4-3-999	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Support and related programs:			
Operating expenses:			
00.01 FAS Market development program			28
00.02 FAS Quality samples program			2
00.03 Export enhancement program			-85
00.04 Environmental quality incentives program (EQIP)			100
00.05 Farmland protection program (FPP)			28
00.06 Conservation farm option program			-38
CCC ADP obligations:			
00.09 Other ADP costs			27

00.10 Purchase of ADP equipment	8
01.92 Total support and related programs	70
10.00 Total new obligations	70

Budgetary resources available for obligation:

22.00 New budget authority (gross)	60
23.95 Total new obligations	-70
24.40 Unobligated balance available, end of year	-10

New budget authority (gross), detail:

61.00 Transferred to other accounts	-10
67.10 Authority to borrow	70
70.00 Total new budget authority (gross)	60

Change in unpaid obligations:

73.10 Total new obligations	70
73.20 Total outlays (gross)	2
74.40 Unpaid obligations, end of year: Obligated balance, end of year	72

Outlays (gross), detail:

86.97 Outlays from new permanent authority	-2
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Net budget authority and outlays:

89.00 Budget authority	60
90.00 Outlays	-2

This schedule reflects proposed funding changes in CCC programs. These offset the Administration's proposals to provide funding for expansion of the Environmental Quality Incentives Program (EQIP), other conservation programs, and other Administration initiatives.

The Administration will propose legislation to increase CCC funding for EQIP by \$100 million annually beginning in 2000, and by a total of \$400 million for the period 2000 to 2003. The annual increase in EQIP outlays, as a result of this increase in program level, will be offset by an equal reduction in the annual authorized Export Enhancement Program levels.

In April 1996, a cap of \$275 million for CCC-funded ADP obligations for fiscal year 1997 through 2002 was established by P.L. 104-127, the Federal Agriculture Improvement and Reform Act of 1996. Subsequently, the Agriculture Research, Extension, and Education Reform Act of 1998 reduced the CCC ADP cap to \$193 million. Finally, the 1999 Appropriations Act (P.L. 105-277) reduced the CCC ADP cap to \$188 million. With these cap reductions, and a \$16.2 million transfer of CCC ADP funds to the central county-based agencies administrative support services account, the cap will be exhausted at the beginning of fiscal year 2000. Legislation is proposed to increase the cap by \$35 million per year, offset by an equal reduction in the annual authorized Export Enhancement Program (EEP) levels.

Legislation also will be proposed beginning in fiscal year 2000 to provide \$27.5 million in CCC annual funding for the Farmland Protection Program and \$10 million annually for transfers to the Wildlife Habitat Incentive Program. This annual increase of \$37.5 million will be offset by an equal reduction in the Conservation Farm Option Program levels. A legislative proposal will also be forwarded to authorize the shift of funding for the Foreign Market Development Cooperator Program (FMDCP) from the Foreign Agricultural Service annual appropriation to the Commodity Credit Corporation. Funding FMDCP from CCC is consistent with Section 5(f) of the CCC Charter Act, which authorizes the use of CCC funds for export promotion and overseas market development activities of U.S. agricultural products. Other program funding for market development activities carried out by FAS is already funded through CCC. This action would consolidate the source of funding and financial management for these activities. The proposal will provide long-term stability for future program activities and will benefit program partici-

pants. Legislation will also be proposed to provide an annual amount of \$2.5 million in CCC funds for a new Quality Samples Program. Under this initiative, samples of U.S. agricultural products will be provided to foreign importers to promote a better understanding and appreciation for the high quality of U.S. agricultural products. Both the Cooperator Program and the Quality Samples Program will be carried out through commodity organizations and agricultural trade associations. The funding will be offset by an equal reduction in the annual authorized EEP levels. An authorized level of \$494 million remains available for the Export Enhancement Program, if needed, following these reductions. Legislation also will be proposed to enable unused balances in EEP during the fourth quarter of the fiscal year to be transferred to other USDA export financing programs, including P.L. 480 Title I.

Object Classification (in millions of dollars)

Identification code 12-4336-4-3-999	1998 actual	1999 est.	2000 est.
25.2 Other services			77
31.0 Equipment			8
41.0 Grants, subsidies, and contributions			-15
99.9 Total new obligations			70

**COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM
ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, **[\$3,820,000] \$4,085,000**; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which **[\$3,231,000] \$3,413,000** may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and **[\$589,000] \$672,000** may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1336-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.02 Guaranteed Loan Subsidy	301	437	439
00.09 Administrative expenses	4	4	4
10.00 Total new obligations	305	441	443
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	268	166	56
22.00 New budget authority (gross)	204	331	444
23.90 Total budgetary resources available for obligation	472	497	500
23.95 Total new obligations	-305	-441	-443
24.40 Unobligated balance available, end of year	166	56	57
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	4	4	4
Permanent:			
60.05 Appropriation (indefinite)	200	327	440
70.00 Total new budget authority (gross)	204	331	444
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	156	199	191
73.10 Total new obligations	305	441	443
73.20 Total outlays (gross)	-263	-449	-482
74.40 Unpaid obligations, end of year: Obligated balance, end of year	199	191	152
Outlays (gross), detail:			
86.90 Outlays from new current authority	4	4	4

86.97	Outlays from new permanent authority	262	353
86.98	Outlays from permanent balances	259	183
		263	449
87.00	Total outlays (gross)	263	449
		263	449
Net budget authority and outlays:			
89.00	Budget authority	204	331
90.00	Outlays	263	449

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

Identification code 12-1336-0-1-351	1998 actual	1999 est.	2000 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150	Loan guarantee levels	5,000	4,721
		5,000	4,721
2159	Total loan guarantee levels	5,000	4,721
Guaranteed loan subsidy (in percent):			
2320	Subsidy rate	8.16	9.26
		8.16	9.26
2329	Weighted average subsidy rate	8.16	9.26
Guaranteed loan subsidy budget authority:			
2330	Subsidy budget authority	408	437
		408	437
2339	Total subsidy budget authority	408	437
Guaranteed loan subsidy outlays:			
2340	Subsidy outlays	259	445
		259	445
2349	Total subsidy outlays	259	445
Administrative expense data:			
3510	Budget authority—administrative expenses	4	4
3590	Outlays—administrative expenses	4	4

This is the program account for the GSM-102 and GSM-103 CCC Export Credit Guarantee Programs. The Export Credit Guarantee Program (GSM-102) covers credit terms of up to 3 years. The Intermediate Export Credit Guarantee Program (GSM-103) covers longer credit terms of between 3 and 10 years. Under these programs, CCC does not provide financing, but guarantees payments due from foreign banks and buyers. Because payment is guaranteed, financial institutions in the United States can offer competitive credit terms to foreign banks, usually with interest rates based on the London Inter-Bank Offered Rate (LIBOR). If the foreign bank fails to make any payment as agreed, the exporter or assignee must submit a notice of default to the CCC. A claim for loss must be filed, and the CCC will promptly pay claims found to be in good order. CCC usually guarantees 98 percent of the principal payment due and interest based on a percentage of the one-year Treasury rate.

A portion of the guarantees made available under the GSM-102 program is provided as Supplier Credit Guarantees. Under this activity, CCC guarantees a portion of payment due from importers under short-term financing (for up to 180 days) that exporters have extended directly to the importers for the purchase of U.S. agricultural commodities and products. CCC does not provide financing, but guarantees payment due from an importer. A substantially smaller portion of the value of exports (currently 60 percent) is guaranteed under Supplier Credit Guarantees than under regular GSM-102 guarantees where CCC is guaranteeing foreign bank obligations.

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

The subsidy estimates for the GSM-102 and GSM-103 programs are determined in large part by the obligor's sovereign or non-sovereign country risk grade. These grades are developed annually by the International Credit Risk Assessment System Committee (ICRAS). In unusual circumstances, an ICRAS grade for a country may change during the fiscal year. The default estimates for GSM guarantees are deter-

Public enterprise funds—ContinuedCOMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM
ACCOUNT—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

mined in large part by the risk premia assigned for each risk grade.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the credit guarantees committed in 1992 and beyond (including modifications of credit guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. The 2000 budget displays the GSM loan guarantee volume and the subsidy level that can be justified by forecast economic conditions, the expected supply/demand conditions of countries requesting GSM loan guarantees.

Object Classification (in millions of dollars)

Identification code 12-1336-0-1-351	1998 actual	1999 est.	2000 est.
25.3 Purchases of goods and services from Government accounts	4	4	4
41.0 Grants, subsidies, and contributions	301	437	439
99.9 Total new obligations	305	441	443

COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING
ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 12-4337-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Default claims	72	402	465
00.02 Interest on debt to Treasury	62	62	62
10.00 Total new obligations	134	464	527
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1,010	1,548	1,688
22.00 New financing authority (gross)	411	604	654
22.10 Resources available from recoveries of prior year obligations	261		
23.90 Total budgetary resources available for obligation	1,682	2,152	2,342
23.95 Total new obligations	-134	-464	-527
24.40 Unobligated balance available, end of year	1,548	1,688	1,815
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	411	604	654
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		-199	-137
73.10 Total new obligations	134	464	527
73.20 Total financing disbursements (gross)	-72	-402	-465
73.45 Adjustments in unexpired accounts	-261		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-199	-137	-75
87.00 Total financing disbursements (gross)	72	402	465
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-259	-445	-478
88.25 Interest on uninvested funds	-54	-34	-38
Non-Federal sources:			
88.40 Loan origination fee	-17	-30	-28
88.40 Principal collections	-3	-8	-15
88.40 Interest collections	-78	-87	-95
88.90 Total, offsetting collections (cash)	-411	-604	-654

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements	-339	-202	-189

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4337-0-3-351	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation	5,000	4,721	4,506
2150 Total guaranteed loan commitments	5,000	4,721	4,506
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	4,548	4,332	4,803
2231 Disbursements of new guaranteed loans	2,733	4,721	4,506
2251 Repayments and prepayments	-2,877	-3,848	-4,296
2261 Adjustments: Terminations for default that result in loans receivable	-72	-402	-465
2290 Outstanding, end of year	4,332	4,803	4,548
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	4,236	4,792	4,542
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	1,306	1,375	1,769
2331 Disbursements for guaranteed loan claims	72	402	465
2351 Repayments of loans receivable	-3	-8	-15
2364 Other adjustments, net			
2390 Outstanding, end of year	1,375	1,769	2,219

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

Balance Sheet (in millions of dollars)

Identification code 12-4337-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	1,010	1,548	1,688	1,777
Investments in US securities:				
1106 Receivables, net	74	173		
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501 Defaulted guaranteed loans receivable, gross	1,299	1,375	1,769	2,219
1599 Net present value of assets related to defaulted guaranteed loans	1,299	1,375	1,769	2,219
1999 Total assets	2,383	3,096	3,457	3,996
LIABILITIES:				
2103 Federal liabilities: Debt	851	851	851	851
2204 Non-Federal liabilities: Liabilities for loan guarantees	1,532	2,245	2,606	3,145
2999 Total liabilities	2,383	3,096	3,457	3,996
NET POSITION:				
3100 Appropriated capital				
3999 Total net position				
4999 Total liabilities and net position	2,383	3,096	3,457	3,996

COMMODITY CREDIT CORPORATION GUARANTEED LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4338-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
01.01 Capital investment: Direct loans: Guarantee claims	6		
10.00 Total obligations (object class 33.0)	6		
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	85	277	
22.00 New budget authority (gross)	283	246	240
22.40 Capital transfer to general fund	-85	-523	-240
23.90 Total budgetary resources available for obligation	283		
23.95 Total new obligations	-6		
24.40 Unobligated balance available, end of year	277		
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
Offsetting collections (cash):			
68.00 Offsetting collections (cash)	283	227	240
68.00 Offsetting collections—Debt Reduction		19	
68.90 Spending authority from offsetting collections (total)	283	246	240
Change in unpaid obligations:			
73.10 Total new obligations	6		
73.20 Total outlays (gross)	-6		
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	6		
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources—Debt Reduction		-19	
Non-Federal sources:			
88.40 Repayments of principal	-83	-58	-80
88.40 Interest received on loans	-200	-164	-160
88.40 Nonrescheduled debt		-5	
88.90 Total, offsetting collections (cash)	-283	-246	-240
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-277	-246	-240

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

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4338-0-3-351	1998 actual	1999 est.	2000 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	16		
2251 Repayments and prepayments	-10		
2261 Adjustments: Terminations for default that result in loans receivable	-6		
2290 Outstanding, end of year			
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	4,999	4,923	4,790
2331 Disbursements for guaranteed loan claims	6		
Repayments of loans receivable:			
2351 Repayments of loans receivable	-82	-58	-80
2351 Repayments of loans receivable—Debt Reduction		-19	
2364 Other adjustments, net		-56	
2390 Outstanding, end of year	4,923	4,790	4,710

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and

from the Government resulting from loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4338-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	85	277		
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
Defaulted guaranteed loans, gross:				
1701 Defaulted guaranteed loans, gross	4,999	4,923	4,863	4,784
1701 Defaulted guaranteed loans, adjustment—Debt Reduction			-74	
1702 Interest receivable	27	25	23	21
1703 Allowance for estimated uncollectible loans and interest (-)	-1,322	-1,456	-1,322	-1,300
1799 Value of assets related to loan guarantees	3,704	3,492	3,490	3,505
1999 Total assets	3,789	3,769	3,490	3,505
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	3,765	3,745	3,564	3,505
2207 Non-Federal liabilities: Other	24	24		
2999 Total liabilities	3,789	3,769	3,564	3,505
4999 Total liabilities and net position	3,789	3,769	3,564	3,505

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, [\$641,243,000] \$680,679,000, to remain available until expended (7 U.S.C. 2209b), of which not less than [\$5,990,000] \$6,124,000 is for snow survey and water forecasting and not less than [\$9,025,000] \$9,238,000 is for operation and establishment of the plant materials centers: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: *Provided further*, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): [*Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 in demonstration projects] *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2). (7 U.S.C. 2201-02; 16 U.S.C. 1101-5; 33 U.S.C. 7016-11; Agriculture, Rural Development, Food and Drug

CONSERVATION OPERATIONS—Continued

Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a.)

Program and Financing (in millions of dollars)

Identification code 12-1000-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Technical Assistance	536	560	585
00.02 Soil Surveys	77	79	81
00.03 Snow Survey and Water Forecasting	6	6	6
00.04 Plant Materials Centers	9	10	9
09.00 Reimbursable program	132	135	198
10.00 Total new obligations	760	790	879
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	9	14	
22.00 New budget authority (gross)	765	776	879
23.90 Total budgetary resources available for obligation	774	790	879
23.95 Total new obligations	-760	-790	-879
24.40 Unobligated balance available, end of year	14		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	633	641	681
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	132	135	198
70.00 Total new budget authority (gross)	765	776	879
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	97	130	105
73.10 Total new obligations	760	790	879
73.20 Total outlays (gross)	-728	-815	-879
74.40 Unpaid obligations, end of year: Obligated balance, end of year	130	105	104
Outlays (gross), detail:			
86.90 Outlays from new current authority	537	564	599
86.93 Outlays from current balances	59	116	81
86.97 Outlays from new permanent authority	132	135	198
87.00 Total outlays (gross)	728	815	879
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-118	-118	-180
88.40 Non-Federal sources	-14	-17	-18
88.90 Total, offsetting collections (cash)	-132	-135	-198
Net budget authority and outlays:			
89.00 Budget authority	633	641	681
90.00 Outlays	596	680	681

Funding within this account for partnership grants is proposed as part of the Clean Water Action Plan. Competitive Partnership Grants (\$20 million) are proposed to be used to enhance institutional capacity for locally-based institutions, including watershed councils, conservation districts, and co-operatives. In particular, funds would be directed for hiring non-federal watershed coordinators. These coordinators would: develop watershed partnerships, including all stakeholders in the area; resolve differences among the different points of view and produce and help implement strategic plans that restore impaired watersheds. Non-Federal local coordinators act as facilitators, mediators, and grant application writers. Funds available will assist watersheds selected through an inter-agency review process; however local entities may receive a preference in competing for funding where their States have prepared memoranda of understanding (MOU) for coordinating with Federal government to ensure reduced overlap, and greater efficiency and customer service, with the goal of one-stop shopping for landowners. Up to 10 percent

of available funds may be used for developing MOUs among States and Federal agencies. In addition, \$3 million is available for environmental monitoring and research work.

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

In support of the Clean Water Action Plan's Animal Feeding Operations (AFOs) Strategy, conservation technical assistance funding targeted to AFOs will increase by \$20 million over 1999 levels, for a total of \$57 million in 2000. These funds will help livestock producers develop nutrient and waste management plans, a cornerstone of the strategy.

Funding within this account is also provided for several other initiatives. In support of the Administration's Livability Initiative, \$5 million is provided for the Community/Federal Information Partnership. These funds will be used to enter into cooperative agreements with state and local governments to develop publicly available geospatial data that adheres to Federal Geographic Data Commission standards. This data will allow states and communities to make more informed land-use planning decisions, promoting "smart growth."

The Budget also provides \$15 million in new climate change money. \$12 million will be used to expand soil carbon studies in support of the U.S. Global Change Research Program. These projects will provide validated soil carbon inventories and assess alternative soil management impacts on soil carbon stocks at national, regional, and field level scales. In cooperation with the Agricultural Research Service, NRCS will field test soil carbon prediction and planning tools. An additional \$3 million is provided as part of the Climate Change Technology Initiative. These funds will be used to carry out research pilot projects on AFO and livestock management issues and cropland management.

MAIN WORKLOAD FACTORS

	1998 est.	1999 est.	2000 est.
Decisionmakers receiving technical services	742,200	750,000	715,000
Onsite technical and informational assistance	340,000	400,000	380,000
Acres treated with conservation technical assistance	61,200,000	61,200,000	58,100,000

Inventory and monitoring, resource appraisal, and program development activities are also funded through this account. Resource inventories are conducted to provide soil, water, and related resource data for evaluating land-use changes and trends; and for guidance in the development and implementation of Federal, State, and local resource conservation programs. Resource appraisal and program development provides periodic reports to the public and Congress as required by the Soil and Water Resources Conservation Act of 1977 as amended. In addition, NRCS has responsibilities for easement administration and monitoring for all the Wetland Reserve Program acres enrolled in the program to date where the landowner has opted for a conservation easement.

As this account is the major NRCS salaries and expenses account, figures for 2000 include the transfer of technical assistance funds proposed to be appropriated to the Watershed and Flood Prevention Program, and the Watershed Surveys and Planning Program.

A new Support Services Bureau is proposed to be established that will fund the administrative expenses for the county-based offices, including the NRCS. This bureau will be financed on a reimbursable basis by the NRCS and other agencies, as appropriate. Estimates for these expenses were not yet available at the time the budget was published.

Soil surveys.—Soil surveys and investigations are made of the Nation's soil resources, and NRCS provides interpretations and publications that provide physical land facts needed

for program development, resource conservation planning, installation of planned practices, and information for use by other Federal, State, and local agencies in making land-use decisions. National leadership is provided for digitizing soil surveys in cooperation with States, and other users of soil survey data. Legislation requires that "a substantial portion of the survey costs for NRCS are to be reimbursed by survey recipients."

MAIN WORKLOAD FACTORS

	1998 actual	1999 est.	2000 est.
Acres mapped annually (millions)	20.5	20	20
Soil surveys ready for publication (number)	56	50	50

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

Operation of plant materials centers.—The selection and evaluation of plant materials are made at 26 plant materials centers through field trials to determine their suitability for erosion control, conservation, and other environmental improvements. Native plant species will be preferred and exotic species introductions phased out for this program.

Object Classification (in millions of dollars)

Identification code 12-1000-0-1-302	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	334	348	350
11.3 Other than full-time permanent	13	14	16
11.5 Other personnel compensation	4	5	6
11.9 Total personnel compensation	351	367	372
12.1 Civilian personnel benefits	85	90	91
13.0 Benefits for former personnel	4	4	3
21.0 Travel and transportation of persons	17	18	19
22.0 Transportation of things	4	4	4
23.2 Rental payments to others	11	11	13
23.3 Communications, utilities, and miscellaneous charges	20	20	22
24.0 Printing and reproduction	3	3	3
25.2 Other services	81	84	102
26.0 Supplies and materials	15	16	17
31.0 Equipment	37	38	33
99.0 Subtotal, direct obligations	628	655	679
99.0 Reimbursable obligations	132	135	198
99.5 Below reporting threshold			2
99.9 Total new obligations	760	790	879

Personnel Summary

Identification code 12-1000-0-1-302	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	7,913	8,863	8,102
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	2,126	1,761	1,870

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1009), **[\$10,368,000]** \$11,732,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$110,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be transferred to the Natural Resources Conservation Service, "Conservation Operations" account. (7 U.S.C. 2201-02; 16

U.S.C. 1101-5; 33 U.S.C. 7016-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1066-0-1-301	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	11	11	12
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	12	12	13
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	12	12	13
23.95 Total new obligations	-12	-12	-13
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	11	11	12
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	12	12	13
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	2	2
73.10 Total new obligations	12	12	13
73.20 Total outlays (gross)	-11	-12	-13
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	2	2
Outlays (gross), detail:			
86.90 Outlays from new current authority	9	10	10
86.93 Outlays from current balances	1	1	2
86.97 Outlays from new permanent authority	1	1	1
87.00 Total outlays (gross)	11	12	13
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	11	11	12
90.00 Outlays	10	11	12

Under the authorities of Public Law 83-566, watershed planning assistance is provided to States and communities to address specific resource problems on a watershed scale. The Watershed Surveys and Planning funds are used to cooperate with other agencies and the States in providing local decision makers with resource data, derived from Cooperative River Basin Surveys and Floodplain Management studies, for use in decision making. Leveraging these funds through cost-sharing with States is encouraged. Watershed plans are developed which provide alternatives to reduce the damage from floodwater, sediment, nonpoint source pollution, and erosion; conserve, develop, and use water resources; and conserve and properly use lands.

Funding provided to the Watershed Surveys and Planning program will be used to address one of the most critical strategic objectives of the USDA Government Performance and Results Act (GPRA) Strategic Plan: "Restoring healthy watersheds, providing clean and abundant water supplies for people and the environment." Program activities reflect high priority natural resource concerns such as: agriculture-induced water quality impacts, wetlands restoration, and flood damage risk reduction. All of these activities also support the Clean Water Act and the Safe Drinking Water Act.

The Budget reflects funding being appropriated to this account and then transferred to Conservation Operations.

WATERSHED SURVEYS AND PLANNING—Continued

Object Classification (in millions of dollars)			
Identification code 12-1066-0-1-301	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	7
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	2	2	2
99.0 Subtotal, direct obligations	9	9	10
99.0 Reimbursable obligations	1	1	1
99.5 Below reporting threshold	2	2	2
99.9 Total new obligations	12	12	13

Personnel Summary

Identification code 12-1066-0-1-301	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	131	122	134
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	10	14	13

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1005 and 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, [\$99,443,000] \$83,423,000, to remain available until expended (7 U.S.C. 2209b) (of which up to \$15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701 and 16 U.S.C. 1006a)): *Provided*, That not to exceed [\$47,000,000] \$44,423,000 of this appropriation shall be available for technical assistance, which amount shall be transferred to the Natural Resources Conservation Service, "Conservation Operations" account: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction. (7 U.S.C. 2201-02; 33 U.S.C. 701b-1, 701b-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1072-0-1-301	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Watershed operations (P.L. 534)	15	16	9
00.03 Emergency watershed protection operations	130	131	.....
00.04 Small watershed operations (P.L. 566)	90	87	74
09.01 Reimbursable program	18	25	25
10.00 Total new obligations	253	259	108
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	189	135	.....
22.00 New budget authority (gross)	199	124	108
23.90 Total budgetary resources available for obligation	388	259	108
23.95 Total new obligations	-253	-259	-108
24.40 Unobligated balance available, end of year	135	.....	.....

New budget authority (gross), detail:

Current:			
40.00 Appropriation	101	99	83
40.15 Appropriation (emergency)	80	.....	.....
43.00 Appropriation (total)	181	99	83
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	18	25	25
70.00 Total new budget authority (gross)	199	124	108

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	171	185	140
73.10 Total new obligations	253	259	108
73.20 Total outlays (gross)	-239	-304	-201
74.40 Unpaid obligations, end of year: Obligated balance, end of year	185	140	47

Outlays (gross), detail:

86.90 Outlays from new current authority	77	57	56
86.93 Outlays from current balances	144	222	120
86.97 Outlays from new permanent authority	18	25	25
87.00 Total outlays (gross)	239	304	201

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-11	-15	-15
88.40 Non-Federal sources	-7	-10	-10
88.90 Total, offsetting collections (cash)	-18	-25	-25

Net budget authority and outlays:

89.00 Budget authority	181	99	83
90.00 Outlays	221	279	176

These programs provide for cooperation between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion, for the conservation, development, utilization, and disposal of water, and for the conservation and proper utilization of land. Funds in Watershed and Flood Prevention Operations could be used for either flood prevention projects or flood damage rehabilitation efforts, depending upon the needs and opportunities. Technical assistance for the program (\$44 million) will be transferred to Conservation Operations beginning in 2000.

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

Within the 11 authorized projects, 395 subwatershed areas have been identified for planning purposes. Installation progress in these subwatersheds is as follows:

MAIN WORKLOAD FACTORS

	1998 actual	1999 est.	2000 est.
Active subwatersheds	96	96	96
Projects continuing post-installation assistance	224	224	224
Total operational subwatersheds	320	320	320
Unserviced applications	23	23	23
Planning in progress	24	24	24
Terminated in planning	7	7	7
Total subwatersheds	395	395	395

Emergency watershed protection operations.—This program authorizes the Secretary of Agriculture to undertake such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed

whenever natural elements or forces cause a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, or other natural causes and consequently life and property are endangered by floodwater, erosion, or sediment discharge. The emergency area need not be declared a national disaster area to be eligible for emergency watershed protection. Emergency watershed protection is applicable to small scale, localized disasters as well as large scale disasters. State environmental, natural resource, fish and game, and other agencies participate in planning and coordinating emergency work.

Small watershed operations authorized by Public Law 566.—The Department provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement. Expenses for technical assistance will be displayed as part of the Conservation Operations account beginning in 1999. Significant reforms were begun in 1997 to make this program environmentally beneficial, with high returns to society resulting from the investment. High priority P.L. 534 projects will be eligible to compete for funding for P.L. 566 funding.

Watershed work plans are prepared by sponsoring local organizations with the Department's assistance or through State and local resources. After work plans are approved by the Department or Congress (projects where the estimated Federal contribution will exceed \$5 million require congressional approval), financial assistance is provided for specific works of improvements. Since 1944, the Federal government has invested \$8.5 billion to develop a watershed infrastructure through the Small Watershed program. This investment yields annual benefits estimated at \$500 million.

\$1 million of the program funds will be used to provide educational assistance to communities about the need to examine and possibly repair older systems. Inspections of these systems may be carried out by private engineers or NRCS staff on a reimbursable basis.

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

MAIN WORKLOAD FACTORS

Status of operational projects:	1998 actual	1999 est.	2000 est.
Projects receiving land treatment	185	190	195
Structural projects	268	260	252
Land treatment and structural	62	60	59
Subtotal active projects	515	510	506
Projects continuing post-installation assistance	911	926	938
Inactive projects	17	17	17
Completed projects	32	34	36
Deauthorized projects	155	155	155
Total operational projects	1,630	1,642	1,652
New projects approved during year	16	12	10

Loans through the Agricultural Credit Insurance Fund have been made in previous years to the local sponsors in order to fund the local cost of Public Law 566 or 534 projects. No funding for these loans is assumed in 2000.

Object Classification (in millions of dollars)

Identification code 12-1072-0-1-301	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	42	47	23
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	2	1
11.9 Total personnel compensation	44	50	25
12.1 Civilian personnel benefits	9	10	5
21.0 Travel and transportation of persons	2	3	1
23.2 Rental payments to others	2	2	1

23.3 Communications, utilities, and miscellaneous charges	1	1	1
Other services:			
25.2 Other services	8	10	7
25.2 Other services	89	81	18
26.0 Supplies and materials	2	1	1
31.0 Equipment	3	4	2
32.0 Land and structures	18	20	.....
41.0 Grants, subsidies, and contributions	54	52	22
99.0 Subtotal, direct obligations	232	234	83
99.0 Reimbursable obligations	18	25	25
Allocation Account:			
11.1 Personnel compensation: Full-time permanent	1	.....	.....
25.2 Other services	2	.....	.....
99.0 Subtotal, allocation account	3	.....	.....
99.9 Total new obligations	253	259	108

Personnel Summary

Identification code 12-1072-0-1-301	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	976	930	543
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	39	43	43

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a-f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), **[\$35,000,000]** \$35,265,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201-02; 33 U.S.C. 701b-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1010-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.02 Direct program: Technical assistance	35	36	35
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	36	37	36
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	.....
22.00 New budget authority (gross)	35	36	36
23.90 Total budgetary resources available for obligation	36	37	36
23.95 Total new obligations	-36	-37	-36
24.40 Unobligated balance available, end of year	1	.....	.....
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	34	35	35
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	35	36	36
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	6	9	9
73.10 Total new obligations	36	37	36
73.20 Total outlays (gross)	-33	-37	-37
74.40 Unpaid obligations, end of year: Obligated balance, end of year	9	9	8

RESOURCE CONSERVATION AND DEVELOPMENT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1010-0-1-302	1998 actual	1999 est.	2000 est.
Outlays (gross), detail:			
86.90 Outlays from new current authority	30	32	32
86.93 Outlays from current balances	2	4	3
86.97 Outlays from new permanent authority	1	1	1
87.00 Total outlays (gross)	33	37	37
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	34	35	35
90.00 Outlays	32	36	36

Under this program, the Department assists States, local units of government, groups and individuals in developing area plans for resource conservation and development (RC and D).

RC and D areas are provided technical assistance to help States and local units of government prepare plans for resource development and economic improvement and to plan and install community-related conservation projects. Financial contributions, loans, and other Federal assistance may be used to help carry out projects specified in RC and D area plans. Program financial resources are focused on the RC and D coordinators who assist the local area councils. These coordinators help the area councils develop plans and proposals to compete for financial assistance from other Federal, State and private sources.

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

MAIN WORKLOAD FACTORS

	1998 actual	1999 est.	2000 est.
Areas authorized at beginning of year	290	315	315
Areas authorized at end of year	315	315	315
Project plans adopted	3,119	3,200	3,200
Projects being implemented	66,310	69,500	69,500
Projects completed	2,815	2,900	2,900

Object Classification (in millions of dollars)

Identification code 12-1010-0-1-302	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	17	17	18
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	18	18	19
12.1 Civilian personnel benefits	4	4	4
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
24.0 Printing and reproduction	1	1	1
25.2 Other services	7	8	6
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	35	36	35
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	36	37	36

Personnel Summary

Identification code 12-1010-0-1-302	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	408	404	392

Reimbursable:	2001	2002	2003
Total compensable workyears: Full-time equivalent employment	4	5	5

DEBT FOR NATURE

For necessary expenses to carry out section 349 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1997), \$5,000,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 12-1001-2-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations			5
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			5
23.95 Total new obligations			-5
New budget authority (gross), detail:			
40.00 Appropriation			5
Change in unpaid obligations:			
73.10 Total new obligations			5
73.20 Total outlays (gross)			-3
Outlays (gross), detail:			
86.90 Outlays from new current authority			3
Net budget authority and outlays:			
89.00 Budget authority			5
90.00 Outlays			3

The Debt for Nature program will complement NRCS and USDA efforts to provide the best possible assistance to minority, limited resource, and socially disadvantaged landowners by providing Farm Services Agency loan recipients in financial difficulty with direct financial assistance for implementing conservation measures planned and designed through NRCS technical assistance. A loan recipient could request technical assistance from NRCS to design and plan a conservation plan for his/her farm or ranch. In exchange for his/her agreement to carryout the provisions of the conversation plan and arrange for installation of needed practices, FSA would forgive all or a portion of this loan recipient's debt load. If the loan recipient could not afford to pay out of pocket for the cost of installation practices, and funding from some other private source was not forthcoming, then NRCS would pay for all or part of the installation as financial assistance.

This program will provide the resources needed to actively implement these conservation initiatives, furnish interested farm loan participants with the opportunity to participate, and develop conservation plans for each participant. Field staff will be provided specific training and potential partner organizations will be identified and brought into the effort, and farm loan recipients will be contacted and advised of the various opportunities.

Object Classification (in millions of dollars)

Identification code 12-1001-2-1-302	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent			1
41.0 Grants, subsidies, and contributions			4
99.9 Total new obligations			5

Personnel Summary

Identification code 12-1001-2-1-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment			12

GREAT PLAINS CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2268-0-1-302	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	2	.....
24.40 Unobligated balance available, end of year	2	.....	.....
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	17	11	10
73.20 Total outlays (gross)	-4	-3	-3
74.40 Unpaid obligations, end of year: Obligated balance, end of year	11	10	7
Outlays (gross), detail:			
86.93 Outlays from current balances	4	3	3
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays	4	3	3

The 1996 Farm Bill combined the authority for this and several other conservation programs into the Environmental Quality Incentives Program. Prior-year account balances are maintained in this account until expended.

This program provides cost-share assistance to participating landowners or operators in the Great Plains area in the development and installation of long-term conservation plans and practices for their land under contracts entered into in prior years. It is a voluntary program in 556 designated counties of 10 Great Plains States. Contracts with individual landowners range in time from 3 to 10 years.

MAIN WORKLOAD FACTORS

Program participants:	1998 actual	1999 est.	2000 est.
Number of contracts serviced during year	3,970	3,000	2,100
Number of acres under contracts	12,458,400	9,400,000	6,600,000

As of September 30, 1998, there were 3,970 active contracts on hand. Co-landowners or operators finance the entire cost of installing recurring management-type practices and pay a specified part of the cost-shared practices installed on their land. Program regulations provide that cost-share rates offered in any contract shall not exceed 80 percent of the cost of installing eligible practices within the designated county. There is a cost-sharing limitation of \$35 thousand for any contract.

FORESTRY INCENTIVES PROGRAM

[For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$6,325,000, to remain available until expended, as authorized by that Act.]

[For an additional amount to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$10,000,000, to remain available until expended, as authorized by that Act: *Provided*, That the entire amount shall be available only to the extent that an official budget request for \$10,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-3336-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	6	16	.....
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	16	.....
23.95 Total new obligations	-6	-16	.....
New budget authority (gross), detail:			
40.00 Appropriation	6	16	.....
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	11	11	16
73.10 Total new obligations	6	16	.....
73.20 Total outlays (gross)	-6	-11	-8
74.40 Unpaid obligations, end of year: Obligated balance, end of year	11	16	8
Outlays (gross), detail:			
86.90 Outlays from new current authority	3	8	.....
86.93 Outlays from current balances	3	3	8
87.00 Total outlays (gross)	6	11	8
Net budget authority and outlays:			
89.00 Budget authority	6	16	.....
90.00 Outlays	5	11	8

No funds are proposed for the Forestry Incentives Program (FIP). The FIP was authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101). The objectives of the program are to bring private, nonindustrial forest land under improved management, to increase timber production, to ensure adequate supplies of timber products, and to enhance other forest resources. FIP is incompatible with the agency strategic plan, which is focused on water quality and habitat goals. Other programs can offer assistance more appropriate (e.g., habitat creation) for the Natural Resources Conservation Service (NRCS). Timber production is otherwise the responsibility of the Forest Service. In addition, in selecting sites for cost-share assistance, the program predominantly selected plots that would have made the forest stand improvement or plantings without Federal assistance.

FIP shares up to 65 percent of the cost of tree planting and timber stand improvement. The percentage cost-shared depends on the rate set in a particular State and county by NRCS, after consulting with the State forester. The program is available in designated counties based on a Forest Service survey of total eligible private timberland available for production of timber products. Technical assistance is provided by Forest Service.

The 1998 program provided funding for 81,396 acres of tree planting, and 17,931 acres in timber stand improvements, and 1,559 acres targeted towards special forestry and site preparation.

WATER BANK PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3320-0-1-302	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year .....	.....	1	.....
24.40 Unobligated balance available, end of year	1	.....	.....
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	30	22	16
73.20 Total outlays (gross)	-8	-6	-6
74.40 Unpaid obligations, end of year: Obligated balance, end of year	22	16	10

WATER BANK PROGRAM—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3320-0-1-302	1998 actual	1999 est.	2000 est.
Outlays (gross), detail:			
86.93 Outlays from current balances	8	6	6
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	8	6	6

The objectives of the Water Bank Program are to conserve water; preserve, maintain, and improve the Nation's wetlands; increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act of 1970, as amended by Public Law 96-182, approved January 2, 1980. The Water Bank Extension Act of 1994 extends for one year 1985 agreements entered into under the Water Bank Act of 1970, and due to expire on December 31, 1995. Funding for the expiring 1985 Water Bank agreements were transferred from the Wetlands Reserve Program 1995 appropriation to this account as authorized under the Water Bank Extension Act of 1994. Congress did not provide funding for this account in 1999. For 2000, USDA does not request program funding.

Under the Water Bank Program, the Secretary of Agriculture, through designated county offices, uses program funds to enter into 10-year agreements with landowners and operators for the conservation of specified wetlands. Provisions exist to renew agreements for additional periods, to make annual payments on agreements, and under certain conditions to increase payment rates in the fifth year of a contract or at the time of renewal. During the period of the agreement, the landowner agrees not to drain, burn, fill, or otherwise destroy the wetland character of such areas.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3318-0-1-304	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)		1	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		1	
23.95 Total new obligations		-1	
24.40 Unobligated balance available, end of year	1		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	5	3	4
73.10 Total new obligations		1	
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	3	4	3
Outlays (gross), detail:			
86.93 Outlays from current balances	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	1	1

The Colorado River Basin Salinity Control Program (CRBSC), was authorized under section 202(c) of Title II of the Colorado River Basin Salinity Control Act, as amended by section 334, subtitle D, Title III of the Federal Agriculture Improvement Act of 1996. The FAIR Act, combined authority of the Agricultural Conservation Program (ACP), Water Qual-

ity Incentive Program (WQIP), Great Plains Conservation Program (GPCP), and the Colorado River Basin Salinity Control Program (CRBSC), into the Environmental Quality Incentive Program (EQIP). The FAIR Act also repealed CRBSC authority, while maintaining program account balances until expended.

Beginning in 1996, EQIP was implemented on an interim program level for CRBSC. Program funding in 1998 provided cost-share assistance to landowners and others in the Colorado River Basin States to include: Colorado, Utah and Wyoming. The main objective is to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

WETLANDS RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-1080-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.03 Technical Assistance	18	3	2
00.04 Easement Overhead Costs	1	1	
10.00 Total new obligations	19	4	2
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	25	6	2
23.95 Total new obligations	-19	-4	-2
24.40 Unobligated balance available, end of year	6	2	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	39	25	
73.10 Total new obligations	19	4	2
73.20 Total outlays (gross)	-33	-29	-2
74.40 Unpaid obligations, end of year: Obligated balance, end of year	25		
Outlays (gross), detail:			
86.93 Outlays from current balances	33	29	2
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	33	29	2

The Wetlands Reserve Program (WRP) is authorized by Section 1237 of the Food Security Act of 1985 (P.L. 99-198), as amended by the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624), the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66), the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127). WRP is a mandatory Commodity Credit Corporation (CCC) program administered by the Natural Resources Conservation Service (NRCS). However, the Farm Service Agency (FSA), with CCC financial responsibility, handles program payments and financial reporting.

The primary objectives of the program are to restore and protect wetlands, improve wildlife habitat, and protect migratory waterfowl. This program offers landowners an opportunity to establish long-term conservation and wildlife practices and protection beyond that which can be obtained through other USDA programs. The Secretary of Agriculture, through NRCS field offices, uses program funds to acquire permanent or 30-year easements or to enter into 10-year restoration cost-share agreements. For easements, participants receive compensation in an amount not to exceed the agricultural fair market value of the land being offered. In addition, they receive cost-share assistance in amounts up to 75 percent for 30-year easements and 100 percent for permanent easements for establishing required wetlands restoration and wildlife practices. CCC pays for all the overhead costs associated with recording the easement in the local land records office including recording fees, charges for abstracts, surveys,

appraisal fees, and title insurance associated with acquiring an easement. For restoration cost-share agreements, participants receive up to 75 percent of the cost of establishing required practices. Other agencies and private organizations may provide additional assistance for easement payments and restoration costs as a way to leverage program funds and achieve greater program benefits.

NRCS continues to provide assistance to participating landowners after the initial completion of restoration activities. The assistance may be in the form of review of restoration measures, clarification of technical and administrative aspects of easement and agreement management needs, and basic biological and engineering advice on how to achieve optimum results for wetland dependent wildlife.

The program is available, on eligible lands, in all 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust territories of the Pacific Islands. To be eligible for WRP, land must be restorable and be suitable for wildlife benefits. However, wetlands converted after December 23, 1985 and not restored, certain lands enrolled in the Conservation Reserve Program, Federal lands, and lands where conditions make restoration impossible are not eligible.

The WRP has a total acre enrollment limitation of 975,000 acres through 2002. At the current rate of enrollment this maximum enrollment level will be met in 2000.

From program inception in 1992 through 1998, approximately 655,000 acres have been enrolled. The Secretary has the authority to enroll 120,000 acres in 1999. Roughly 775,000 acres are expected to be enrolled in WRP by the beginning of the 2000.

Year and WRP enrollment information:

1992—42,230 acres were enrolled in 9 pilot states.

1993—No funding was provided for operating a fiscal year 1993 program.

1994—75,000 acres were enrolled in 20 States, including the nine pilot States.

1995—The program was made available nationwide. 115,944 acres were enrolled under multiple signups to elevate a backlog of 1994 easement offers. Note: The 1995 appropriation was amended by the expiring 1985 Water Bank Extension Act of 1994 to provide \$889,800 for expiring 1985 water bank agreements. Funds were transferred from the WRP account to the Water Bank Account as authorized under the Act.

1996—80,000 acres enrolled. Note: \$5 million of WRP funds were transferred to the Fish and Wildlife Foundation under an inter-agency agreement of joint partnership.

1997—130,000 acres enrolled.

1998—212,000 acres enrolled.

1999—The Secretary has the authority to enroll 120,000 acres.

2000—An estimated 199,826 acres will be enrolled.

Object Classification (in millions of dollars)

Identification code 12-1080-0-1-302	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	12	2	1
12.1 Civilian personnel benefits	3	1	1
23.2 Rental payments to others	1		
25.4 Operation and maintenance of facilities	2		
32.0 Land and structures	1	1	
99.9 Total new obligations	19	4	2

Personnel Summary

Identification code 12-1080-0-1-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	238	44	25

WILDLIFE HABITAT INCENTIVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3322-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	26	24	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		4	
22.22 Unobligated balance transferred from other accounts	30	20	
23.90 Total budgetary resources available for obligation	30	24	
23.95 Total new obligations	-26	-24	
24.40 Unobligated balance available, end of year	4		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		22	32
73.10 Total new obligations	26	24	
73.20 Total outlays (gross)	-5	-14	-10
74.40 Unpaid obligations, end of year: Obligated balance, end of year	22	32	22
Outlays (gross), detail:			
86.93 Outlays from current balances	5	14	10
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	5	14	10

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority			
Outlays	5	14	10
Legislative proposal, subject to PAYGO:			
Budget Authority			10
Outlays			3
Total:			
Budget Authority			10
Outlays	5	14	13

The Wildlife Habitat Incentives Program (WHIP) is a voluntary program to support and encourage landowners through technical assistance and cost share payments to develop and improve fish and wildlife habitat on private lands. The 1996 Federal Agriculture Improvement and Reform Act made available a total of \$50 million for WHIP from the Commodity Credit Corporation for the years 1996-2002. These funds were exhausted in 1999. The Budget provides \$10 million in CCC funds for WHIP in 2000.

NRCS and the participant enter into a cost-share agreement for wildlife habitat development. This agreement generally lasts from 5 to 10 years from the date the agreement is signed. WHIP funds are distributed to states based on state wildlife habitat priorities which may include: wildlife habitat areas; targeted species and their habitats; and specific practices. Partnerships with other entities are preferred: WHIP may be implemented in cooperation with other Federal, State, or local agencies, conservation districts, or private conservation groups. State priorities are developed through a locally led process to identify wildlife resource needs and finalized in consultation with the State Technical Committee.

Object Classification (in millions of dollars)

Identification code 12-3322-0-1-302	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	3	3	
12.1 Civilian personnel benefits	1	1	
41.0 Grants, subsidies, and contributions	21	19	
99.0 Subtotal, direct obligations	25	23	
99.5 Below reporting threshold	1	1	
99.9 Total new obligations	26	24	

WILDLIFE HABITAT INCENTIVE PROGRAM—Continued

Personnel Summary

Identification code 12-3322-0-1-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	67	62	

WILDLIFE HABITAT INCENTIVE PROGRAM
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3322-4-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations			10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			10
23.95 Total new obligations			-10
New budget authority (gross), detail:			
62.00 Transferred from other accounts			10
Change in unpaid obligations:			
73.10 Total new obligations			10
73.20 Total outlays (gross)			-3
74.40 Unpaid obligations, end of year: Obligated balance, end of year			7
Outlays (gross), detail:			
86.97 Outlays from new permanent authority			3
Net budget authority and outlays:			
89.00 Budget authority			10
90.00 Outlays			3

Legislation will be proposed to transfer \$10 million annually from the Commodity Credit Corporation to finance the program.

Object Classification (in millions of dollars)

Identification code 12-3322-4-1-302	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent			1
41.0 Grants, subsidies, and contributions			7
99.0 Subtotal, direct obligations			8
99.5 Below reporting threshold			2
99.9 Total new obligations			10

Personnel Summary

Identification code 12-3322-4-1-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment			30

RURAL CLEAN WATER PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3337-0-1-304	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	3	3	3
24.40 Unobligated balance available, end of year	3	3	3
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	2	1
73.20 Total outlays (gross)		-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	1	1

Outlays (gross), detail:			
86.93 Outlays from current balances		1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		1	1

This experimental Rural Clean Water Program, authorized by Public Law 96-108 and Public Law 96-528, was a cooperative endeavor among farmers, various USDA agencies, and other organizations to develop and test means of controlling agricultural nonpoint source water pollution in rural areas.

Recommended project areas were developed by local and State committees and approved by the Secretary of Agriculture in consultation with the Administrator of the Environmental Protection Agency. Full funding was provided in previous appropriations for all approved projects. The implementation period for all projects has ended, and no additional obligations will be incurred. Payment of prior year obligations is expected to continue through calendar year 1999. Similar activities will be carried out through the mandatory Environmental Quality Incentives Program.

FARMLAND PROTECTION PROGRAM

For necessary expenses in providing financial and technical assistance to State, local, and tribal governments for the preservation of farmland through permanent easements, as authorized by section 388 of the Federal Agriculture Improvement and Reform Act (7 U.S.C. 7201), \$50,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 12-5447-0-2-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations			50
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			50
23.95 Total new obligations			-50
New budget authority (gross), detail:			
40.20 Appropriation (special fund, definite)			50
Change in unpaid obligations:			
73.10 Total new obligations			50
74.40 Unpaid obligations, end of year: Obligated balance, end of year			48
Outlays (gross), detail:			
86.90 Outlays from new current authority			2
Net budget authority and outlays:			
89.00 Budget authority			50
90.00 Outlays			1

Funding increases for the Farmland Protection Program (FPP) are provided as part of the President's Land Legacy Initiative to be derived from the Land and Water Conservation Fund. These funds, along with increases in other accounts, highlight the Administration's commitment to making new tools available to States, tribes, and local governments to protect great places; to conserve open space for recreation and wildlife habitat; and to preserve forests, farmlands, and coastal areas.

The FPP was established to protect farmland from urban development and other nonagricultural land conversions; preserve farmland for future generations; maintain, restore, and enhance ecosystems, protect historical landscapes, scenic beauty, and open space; and sustain rural economic stability and development.

The FPP meets these goals by providing matching funds (up to 50 percent of the fair market easement value) to state,

local, and tribal governments to leverage their farmland preservation efforts. To be eligible, a state, local, or tribal government must have a farmland protection program that provides for the purchase of permanent farmland easements, and it must have pending easement offers. These entities submit funding applications to NRCS, which then prioritizes them based on criteria such as quality of the land (including environmental, historical, and scenic qualities, likelihood of conversion, and availability of nonfederal funds.

farmland in selected states. No guarantees have been made since 1993.

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

Object Classification (in millions of dollars)

Identification code 12-5447-0-2-302	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent			1
32.0 Land and structures			48
99.0 Subtotal, direct obligations			49
99.5 Below reporting threshold			1
99.9 Total new obligations			50

Personnel Summary

Identification code 12-5447-0-2-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment			24

Credit accounts:

**AGRICULTURAL RESOURCE CONSERVATION DEMONSTRATION
GUARANTEED LOAN FINANCING ACCOUNT**

Program and Financing (in millions of dollars)

Identification code 12-4177-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 interest assistance on guaranteed loans	2	1	1
10.00 Total new obligations	2	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	5	3	2
23.95 Total new obligations	-2	-1	-1
24.40 Unobligated balance available, end of year	3	2	1
Change in unpaid obligations:			
73.10 Total new obligations	2	1	1
73.20 Total financing disbursements (gross)	-2	-1	-1
87.00 Total financing disbursements (gross)	2	1	1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	2	1	1

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4177-0-3-351	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	24	24	24
2290 Outstanding, end of year	24	24	24
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	24	24	24

This program, also known as "Farms for the Future," provides guarantees and interest assistance on loans made to State trust funds, who in turn finance acquisitions to preserve

Balance Sheet (in millions of dollars)

Identification code 12-4177-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	5	5	3	3
1999 Total assets	5	5	3	3

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-8210-0-7-302	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	1	2	2
Receipts:			
02.01 Miscellaneous contributed funds	1		
04.00 Total: Balances and collections	2	2	2
07.99 Total balance, end of year	2	2	2

Program and Financing (in millions of dollars)

Identification code 12-8210-0-7-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	1	19	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	19	19	
23.95 Total new obligations	-1	-19	
24.40 Unobligated balance available, end of year	19		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	10
73.10 Total new obligations	1	19	
73.20 Total outlays (gross)	-1	-10	-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	10	6
Outlays (gross), detail:			
86.98 Outlays from permanent balances	1	10	4
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	10	4

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

Object Classification (in millions of dollars)

Identification code 12-8210-0-7-302	1998 actual	1999 est.	2000 est.
32.0 Land and structures	1	9	
41.0 Grants, subsidies, and contributions		10	
99.9 Total new obligations	1	19	

Personnel Summary

Identification code 12-8210-0-7-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	3	1	1

RURAL DEVELOPMENT

Federal Funds

General and special funds:

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E[-H], 381G, 381H, 381N, and 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), **[\$722,686,000]** \$670,103,000, to remain available until expended, of which **[\$29,786,000]** \$28,387,000 shall be for rural community programs described in section 381E(d)(1) of [the Consolidated Farm and Rural Development] such Act; of which **[\$645,007,000]** \$569,646,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act, as provided in 7 U.S.C. 1926[(a) and 7 U.S.C. 1926C] 1926c, and 1926d; and of which **[\$47,893,000]** \$72,070,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) and 310B(f), of such Act: *Provided*, That of the amount appropriated for rural community programs, \$5,000,000 shall be made available for hazardous weather early warning systems: *Provided further*, That of the amount appropriated for the rural business and cooperative development programs, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; and \$5,000,000 shall be made available for partnership technical assistance grants to rural communities: *Provided further*, That of the amount appropriated for rural utilities programs, not to exceed \$20,000,000 shall be for water and waste disposal systems to benefit the Colonais along the United States/Mexico borders, including grants pursuant to section 306C of such Act; not to exceed \$20,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act; not to exceed \$16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed \$5,300,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That of the total amount appropriated, not to exceed **[\$33,926,000]** \$45,245,000 shall be available through June 30, [1999] 2000, for empowerment zones and enterprise communities, as authorized by Public Law 103-66, of which **[\$1,844,000]** \$2,106,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which **[\$23,948,000]** \$34,704,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; of which **[\$8,134,000]** \$8,435,400 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: *Provided further*, That any obligated and unobligated balances available from prior years for the "Rural Utilities Assistance Program" account, shall be transferred to and merged with this account. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-0400-0-1-452	1998 actual	1999 est.	2000 est.
0101 Rural water and waste disposal, downward reestimates of subsidies		18	
0102 Rural business and industry, negative subsidies	1		
0103 Rural business and industry, downward reestimates of subsidies		2	

Program and Financing (in millions of dollars)

Identification code 12-0400-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loan subsidy	94	144	79
00.02 Guaranteed loan subsidy	12	11	31
00.05 Reestimate of direct loan subsidy		35	
00.06 Interest on reestimate of direct loan subsidy		3	
00.07 Reestimate of guaranteed loan subsidy		45	
00.08 Interest on reestimate of guaranteed loan subsidy		8	
00.11 Water and waste disposal systems grants	516	534	503
00.12 Solid waste management grants	3	3	3
00.13 Community facility grants	9	7	13

00.14 Rural business enterprise grants	37	37	36
00.15 Rural opportunity grants			5
10.00 Total obligations (object class 41.0)	671	827	670
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	5	13	
22.00 New budget authority (gross)	653	814	670
22.10 Resources available from recoveries of prior year obligations	26		
23.90 Total budgetary resources available for obligation	684	827	670
23.95 Total new obligations	-671	-827	-670
24.40 Unobligated balance available, end of year	13		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	652	723	670
Permanent:			
60.05 Appropriation (indefinite) Reestimates		91	
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	653	814	670
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1,636	1,691	1,759
73.10 Total new obligations	671	827	670
73.20 Total outlays (gross)	-581	-759	-683
73.40 Adjustments in expired accounts	-9		
73.45 Adjustments in unexpired accounts	-26		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1,691	1,759	1,746
Outlays (gross), detail:			
86.90 Outlays from new current authority	38	43	59
86.93 Outlays from current balances	542	625	624
86.97 Outlays from new permanent authority	1	91	
87.00 Total outlays (gross)	581	759	683
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: NADBank	-1		
Net budget authority and outlays:			
89.00 Budget authority	652	814	670
90.00 Outlays	580	759	683

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

Identification code 12-0400-0-1-452	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct water and waste disposal loan levels	752	724	900
1150 Direct community facility loan levels	206	169	250
1150 Direct business and industry loan levels	21	50	50
1159 Total direct loan levels	979	943	1,200
Direct loan subsidy (in percent):			
1320 Direct water and waste disposal loans subsidy rate	9.76	16.52	7.10
1320 Direct community facility loans subsidy rate	8.38	13.74	6.06
1320 Direct business and industry loans subsidy rate	-7.16	-14.64	-14.16
1329 Weighted average subsidy rate	9.10	14.37	5.99
Direct loan subsidy budget authority:			
1330 Direct water and waste disposal loans subsidy budget authority	73	120	64
1330 Direct community facility loans subsidy budget authority	17	23	15
1339 Total subsidy budget authority	90	143	79
Direct loan subsidy outlays:			
1340 Direct water and waste disposal loans subsidy outlays	93	121	94
1340 Direct community facility loans subsidy outlays	17	21	25
1349 Total subsidy outlays	110	142	119
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Water and waste disposal loan guarantee levels	15	75	75
2150 Community facility loan guarantee levels	65	210	210
2150 Business and industry loan guarantee levels	1,087	1,000	1,000

2159	Total loan guarantee levels	1,167	1,285	1,285
	Guaranteed loan subsidy (in percent):			
2320	Guaranteed water and waste disposal loan subsidy rate	-1.90	-1.08	-0.83
2320	Guaranteed community facility loan subsidy rate	0.40	-0.54	-0.54
2320	Guaranteed business and industry loan subsidy rate	0.97	1.02	3.11
2329	Weighted average subsidy rate	0.89	0.64	2.28
	Guaranteed loan subsidy budget authority:			
2330	Guaranteed community facility loans subsidy budget authority			
2330	Guaranteed business and industry loans subsidy budget authority	11	10	31
2339	Total subsidy budget authority	11	10	31
	Guaranteed loan subsidy outlays:			
2340	Guaranteed community facility loan subsidy outlays	1		
2340	Guaranteed business and industry loan subsidy outlays	3	10	31
2349	Total subsidy outlays	4	10	31

This account consolidates under the Rural Community Advancement Program (RCAP) funding for the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, solid waste management grants, direct and guaranteed community facility loans, community facility grants, direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. This is in accordance with the provisions set forth in the Federal Agriculture Improvement and Reform Act of 1996, as amended, Public Law 104-127 (the 1996 Act). Consolidating funding for these 12 loan and grant programs under RCAP provides greater flexibility to tailor financial assistance to applicant needs.

RCAP is composed of the following three funding streams: Rural Community Facilities, Rural Utilities, and Rural Business and Cooperative Development. For 2000 the Budget proposes the full flexibility authorized in the 1996 Act for up to 25 percent of the resources in each stream to shift to other streams, in order to respond to the unique rural development needs of states and localities.

Water and waste disposal loans are authorized under 7 U.S.C. 1926. The program provides direct loans to municipalities, counties, special purpose districts, certain Indian Tribes, and non-profit corporations to develop water and waste disposal systems in rural areas and towns with populations of less than 10,000. The program also guarantees water and waste disposal loans made by banks and other eligible lenders.

Water and waste disposal grants are authorized under Section 306(a)(2) of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, municipalities, counties, public and quasi-public agencies, and certain Indian tribes. The grants can be used to finance development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas and cities or towns with populations of less than 10,000. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project.

Emergency community water assistance grants are authorized under Section 306A of the Consolidated Farm and Rural Development Act, as amended. Grants are made to public bodies and nonprofit organizations for construction or extension of water lines, repair or maintenance of existing systems, replacement of equipment, and payment of costs to correct emergency situations.

Solid waste management grants are authorized under Section 310B(b) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to non-profit organizations to provide regional technical assistance to local and regional governments and related agencies for the purpose of reducing or eliminating pollution of water resources, and

for improving the planning and management of solid waste disposal facilities.

Community facility loans and grants are authorized under sections 306(a)(1) and 306(a)(19) of the Consolidated Farm and Rural Development Act, as amended. Loans are provided to local governments and nonprofit organizations for the construction and improvement of community facilities providing essential services in rural areas of not more than 50,000 population, such as hospitals and fire stations. Grants to finance early warning radar systems are also proposed, to provide communities susceptible to sudden, dangerous weather such as tornadoes and flooding, with early warning alarm transmitters.

Business and industry guaranteed and direct loans are authorized under section 310B(a)(1) of the Consolidated Farm and Rural Development Act, as amended. These loans are made to public, private or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas.

Rural business enterprise grants are authorized under sections 310B(c) and 310B(f) of the Consolidated Farm and Rural Development Act, as amended. These grants enable public and nonprofit organizations to operate rural economic development projects. In general, these grants provide investments in the human and physical resources of rural communities. Past projects have enabled rural communities to acquire and develop land, create technical assistance programs, encourage small business growth and create new jobs.

Rural Business Opportunity Grants are authorized under section 306(a)(11)(A) of the Consolidated Farm and Rural Development Act, as amended. These grants enable public bodies and private nonprofit organizations to provide for technical assistance, training, and planning activities that improve economic conditions in rural area. Partnership Technical Assistance Grants are provided to help rural communities develop comprehensive strategies for revitalization and to better coordinate Federal and other sources of assistance.

RURAL HOUSING SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, [\$60,978,000] \$61,979,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$520,000 may be used for employment under 5 U.S.C. 3109: *Provided further*, That the Administrator may expend not more than \$10,000 to provide modest nonmonetary awards to non-USDA employees. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)		1998 actual	1999 est.	2000 est.
Identification code 12-1952-0-1-452				
Obligations by program activity:				
00.01	Direct program	57	61	62
09.01	Reimbursable program	412	415	437
10.00	Total new obligations	469	476	499
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	470	476	499
23.95	Total new obligations	-469	-476	-499
23.98	Unobligated balance expiring	-1		
New budget authority (gross), detail:				
Current:				
40.00	Appropriation	58	61	62

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1952-0-1-452	1998 actual	1999 est.	2000 est.
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	412	415	437
70.00 Total new budget authority (gross)	470	476	499
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	69	82	79
73.10 Total new obligations	469	476	499
73.20 Total outlays (gross)	-470	-479	-495
73.40 Adjustments in expired accounts	14		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	82	79	83
Outlays (gross), detail:			
86.90 Outlays from new current authority	49	52	53
86.93 Outlays from current balances	8	10	6
86.97 Outlays from new permanent authority	356	357	376
86.98 Outlays from permanent balances	57	60	59
87.00 Total outlays (gross)	470	479	495
Offsets:			
88.00 Against gross budget authority and outlays: Offsetting collections (cash) from: Federal sources	-412	-415	-437
Net budget authority and outlays:			
89.00 Budget authority	58	61	62
90.00 Outlays	56	64	58

The Secretary's reorganization plan established the Rural Housing Service (RHS) in 1995. This agency was formed from the Rural Housing section of Farmers Home Administration and the Community Facilities Division of the Rural Development Administration. RHS delivers rural housing and community facility programs through a system of State, area, and local offices. In 1997, a new Dedicated Loan Origination and Servicing System (DLOS) was implemented to centralize and streamline the servicing activities of the agency. This innovation significantly reduces the cost of operating the individual housing loan programs.

Administrative Convergence. This is a Departmental initiative to coordinate the functions and personnel of the different field agencies to provide a more seamless and efficient delivery system. A new Support Services Bureau is proposed to be established that will fund the administrative expenses for the county based offices including Rural Development. This bureau will be financed on a reimbursable basis by the Rural Housing Service and other agencies, as appropriate. Estimates for these expenses were not yet available at the time the budget was published. The activities of the new entity will include human resources, management services, information technology, and accounting services.

Object Classification (in millions of dollars)

Identification code 12-1952-0-1-452	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	30	32	33
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	31	33	34
12.1 Civilian personnel benefits	7	7	7
21.0 Travel and transportation of persons	2	2	2
23.2 Rental payments to others	3	3	3
23.3 Communications, utilities, and miscellaneous charges	4	4	4
25.2 Other services	3	5	5
25.3 Purchases of goods and services from Government accounts	4	4	4

25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	57	61	62
99.0 Reimbursable obligations	412	415	437
99.9 Total new obligations	469	476	499

Personnel Summary

Identification code 12-1952-0-1-452	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	840	883	845
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	5,189	5,226	5,236

**SALARIES AND EXPENSES
(FARMERS HOME ADMINISTRATION)**

Program and Financing (in millions of dollars)

Identification code 12-2001-0-1-452	1998 actual	1999 est.	2000 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	22	14	
73.20 Total outlays (gross)	-2		
73.40 Adjustments in expired accounts	-4	-14	
74.40 Unpaid obligations, end of year: Obligated balance, end of year	14		
Outlays (gross), detail:			
86.93 Outlays from current balances	2		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	2		

These funds were used to administer the direct loan, loan guarantee, and grant programs of the Farmers Home Administration and the Rural Development Administration.

In 1995, under the reorganization by the Secretary of Agriculture the Agency has been eliminated and activities previously administered through this account transferred to other Department accounts.

**RURAL HOUSING ASSISTANCE GRANTS
(INCLUDING TRANSFERS OF FUNDS)**

For grants and contracts for housing for domestic farm labor, very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1486, 1490e, and 1490m, **[\$41,000,000] \$54,000,000**, to remain available until expended: *Provided*, That of the total amount appropriated, **[\$1,200,000] \$3,250,000** shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, **[1999] 2000**, they shall remain available for other authorized purposes under this head. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1953-0-1-604	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.02 Domestic farm labor grants	13	14	15
00.03 Very low-income housing repair grants	26	20	30
00.05 Supervisory and technical assistance grants		1	
00.07 Rural housing preservation grants	11	7	9

10.00	Total obligations (object class 41.0)	50	42	54
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	2	2	1
22.00	New budget authority (gross)	46	41	54
22.22	Unobligated balance transferred from other accounts	3		
23.90	Total budgetary resources available for obligation	51	43	55
23.95	Total new obligations	-50	-42	-54
24.40	Unobligated balance available, end of year	2	1	
New budget authority (gross), detail:				
40.00	Appropriation	46	41	54
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	56	57	37
73.10	Total new obligations	50	42	54
73.20	Total outlays (gross)	-48	-60	-58
74.40	Unpaid obligations, end of year: Obligated balance, end of year	57	37	34
Outlays (gross), detail:				
86.90	Outlays from new current authority	24	21	31
86.93	Outlays from current balances	24	39	26
87.00	Total outlays (gross)	48	60	58
Net budget authority and outlays:				
89.00	Budget authority	46	41	54
90.00	Outlays	48	60	58

This account consolidates five housing grant programs into one account. This consolidation provides more flexibility for distributing rural housing assistance.

The rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949, as amended. Grants and contracts are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grant assistance may not exceed 90 percent of the cost of a project, and may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms, and infirmaries.

The very low-income housing repair grant program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwellings, to make the dwelling safer or more sanitary, or to remove health and safety hazards.

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

The compensation for construction defects program is carried out under the provisions of section 509(c) of the Housing Act of 1949, as amended. The Secretary of Agriculture is authorized to make expenditures to correct structural defects, or to pay claims of owners arising from such defects on newly constructed dwellings purchased with RHS financial assistance. Requests for compensation for construction defects must be made within 18 months after the date financial assistance was granted.

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

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, **[\$583,397,000;] \$640,000,000, to remain available until expended, of which \$440,000,000 shall become available on October 1, 1999, and \$200,000,000 shall become available on October 1, 2000, and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, not more than \$5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during fiscal year [1999] 2000 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)**

Program and Financing (in millions of dollars)

Identification code 12-0137-0-1-604	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	545	583	440
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4		
22.00 New budget authority (gross)	541	583	440
23.90 Total budgetary resources available for obligation	545	583	440
23.95 Total new obligations	-545	-583	-440
New budget authority (gross), detail:			
40.00 Appropriation	541	583	440
40.05 Appropriation (indefinite)	82	61	54
40.47 Portion applied to debt reduction	-82	-61	-54
43.00 Appropriation (total)	541	583	440
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance, start of year:			
72.40 Obligated balance, appropriation, start of year	1,650	1,742	1,825
72.40 Obligated balance, authority to borrow, start of year	893	811	750
72.99 Total unpaid obligations, start of year	2,543	2,553	2,575
73.10 Total new obligations	545	583	440
73.20 Total outlays (gross)	-533	-562	-583
73.40 Adjustments in expired accounts	-2		
Unpaid obligations, end of year:			
Obligated balance, end of year:			
74.40 Obligated balance, appropriation, end of year	1,742	1,825	1,736
74.40 Obligated balance, authority to borrow, end of year	811	750	696
74.99 Total unpaid obligations, end of year	2,553	2,575	2,432
Outlays (gross), detail:			
86.90 Outlays from new current authority	16	20	15
86.93 Outlays from current balances	435	480	514
86.98 Outlays from permanent balances	82	61	54
87.00 Total outlays (gross)	533	562	583
Net budget authority and outlays:			
89.00 Budget authority	541	583	440

General and special funds—Continued

RENTAL ASSISTANCE PROGRAM—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-0137-0-1-604	1998 actual	1999 est.	2000 est.
90.00 Outlays	533	562	583

The rental assistance program is authorized under section 521(a)(2) of the Housing Act of 1949, as amended, and is designed to reduce rents paid by very low-income and low-income families living in RHS-financed rural rental and farm labor housing projects. Funding under this account is provided for renewals of existing rental assistance contracts, assistance for newly constructed units financed by the section 515 rural rental and cooperative housing program or the 514/516 farm labor housing loan and grant programs, and for additional servicing assistance for existing projects. Assistance is also provided in lieu of debt forgiveness or payments for eligible households to subsidize tenant rents in projects purchased by eligible nonprofit organizations or public agencies as authorized by section 502(c)(5)(D) of the Act.

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

In 2000, \$640 million in multi-year rental assistance contracts are proposed, of which \$200 million will be provided through an advance appropriation for 2001. This will not affect the availability of rental assistance for recipients.

RURAL HOUSING VOUCHER PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2002-0-1-604	1998 actual	1999 est.	2000 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year			
74.40 Unpaid obligations, end of year: Obligated balance, end of year	3	3	2
	3	2	2
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Prior year outlays reflect funding for rental assistance for newly constructed units provided in limited amounts in 1984 and 1985. From 1986 through 1991 rental assistance for newly constructed units, as well as existing rental assistance contract renewals and additional servicing assistance for existing projects, had been funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for the rental assistance program.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), **[\$26,000,000] \$30,000,000**, to remain available until expended (7 U.S.C. 2209b): *Provided*, That of the total amount appropriated, \$1,000,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, **[1999] 2000**, they shall remain available for other authorized purposes under this head. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-2006-0-1-604	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	27	26	30
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	26	26	30
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	27	26	30
23.95 Total new obligations	-27	-26	-30
New budget authority (gross), detail:			
40.00 Appropriation	26	26	30
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	26	34	34
73.10 Total new obligations	27	26	30
73.20 Total outlays (gross)	-18	-26	-27
73.45 Adjustments in unexpired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	34	34	37
Outlays (gross), detail:			
86.90 Outlays from new current authority	3	5	6
86.93 Outlays from current balances	15	21	21
87.00 Total outlays (gross)	18	26	27
Net budget authority and outlays:			
89.00 Budget authority	26	26	30
90.00 Outlays	18	26	27

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor.

RURAL COMMUNITY FIRE PROTECTION GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2067-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	2		
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	2		
23.95 Total new obligations	-2		
New budget authority (gross), detail:			
40.00 Appropriation	2		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	1
73.10 Total new obligations	2		
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.90 Outlays from new current authority	1		
86.93 Outlays from current balances	1		
87.00 Total outlays (gross)	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	2		
90.00 Outlays	1	1	1

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2106). Grants are made to public bodies to organize, train, and equip local

firefighting forces, including those of Indian tribes or other Native American groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas.

In 1997, funding for the Rural Community Fire Protection grant program was appropriated to the Rural Housing Assistance Program and transferred to this account for administration. In 1998, funding for these grants was appropriated to this account. Beginning in 1999, funding for this program is requested by the Forest Service.

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4225-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	211	171	250
00.02 Interest on Treasury borrowing	42	44	53
00.91 Subtotal, Operating program	253	215	303
Subtotal, Reestimates:			
08.02 Downward reestimate paid to receipt account		12	
08.03 Interest on downward reestimate paid to receipt account		2	
08.91 Subtotal, Reestimates		14	
10.00 Total new obligations	253	229	303
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	21	11	
22.00 New financing authority (gross)	241	217	304
22.10 Resources available from recoveries of prior year obligations	14		
22.70 Balance of authority to borrow withdrawn	-12		
23.90 Total budgetary resources available for obligation	264	228	304
23.95 Total new obligations	-253	-229	-303
24.40 Unobligated balance available, end of year	11		
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	192	116	192
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	77	98	121
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-1	3	-9
68.47 Portion applied to debt reduction	-27		
68.90 Spending authority from offsetting collections (total)	49	101	112
70.00 Total new financing authority (gross)	241	217	304
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	278	339	314
72.95 Receivables from program account	40	39	42
72.99 Total unpaid obligations, start of year	318	378	356
73.10 Total new obligations	253	229	303
73.20 Total financing disbursements (gross)	-178	-250	-271
73.45 Adjustments in unexpired accounts	-14		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	339	314	355
74.95 Receivables from program account	39	42	33
74.99 Total unpaid obligations, end of year	378	356	388
87.00 Total financing disbursements (gross)	178	250	271

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-17	-21	-25
88.25 Interest on uninvested funds	-10	-19	-25
Non-Federal sources:			
88.40 Repayment of principal	-24	-17	-21
88.40 Interest received on loans	-27	-41	-50
88.40 Other	1		

88.90 Total, offsetting collections (cash)	-77	-98	-121
88.95 Change in receivables from program accounts	1	-3	9
Net financing authority and financing disbursements:			
89.00 Financing authority	165	116	192
90.00 Financing disbursements	101	152	150

Status of Direct Loans (in millions of dollars)

Identification code 12-4225-0-1-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	206	169	250
1113 Unobligated limitation carried forward	5		
1131 Direct loan obligations exempt from limitation		2	
1150 Total direct loan obligations	211	171	250
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	493	606	782
1231 Disbursements: Direct loan disbursements	137	193	217
1251 Repayments: Repayments and prepayments	-24	-17	-22
1290 Outstanding, end of year	606	782	977

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account provides funding to non-profit organizations and local governments for the construction and improvement of community facilities providing essential services in rural areas, such as hospitals, telecommunications applications, child care centers and fire stations.

Balance Sheet (in millions of dollars)

Identification code 12-4225-0-1-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	65	82	139	160
Investments in US securities:				
1106 Receivables, net	40	39	43	43
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	492	606	782	977
1402 Interest receivable	7	26	40	50
1405 Allowance for subsidy cost (-)	-76	-128	-197	-178
1499 Net present value of assets related to direct loans	423	504	625	849
1999 Total assets	528	625	807	1,052
LIABILITIES:				
2101 Federal liabilities: Accounts payable	492	606	782	1,037
2203 Non-Federal liabilities: Liability for deposit funds	1	1	2	
2999 Total liabilities	493	607	784	1,037
NET POSITION:				
3100 Appropriated capital	35	18	23	15
3999 Total net position	35	18	23	15
4999 Total liabilities and net position	528	625	807	1,052

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4228-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
08.01 Negative subsidy paid to receipt account		1	1
08.02 Downward reestimate paid to receipt account		4	

General and special funds—Continued

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4228-0-1-452	1998 actual	1999 est.	2000 est.
10.00 Total obligations		5	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	6	7	7
22.00 New financing authority (gross)	1	6	1
23.90 Total budgetary resources available for obligation	7	13	8
23.95 Total new obligations		-5	-1
24.40 Unobligated balance available, end of year	7	7	7
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	1	6	1
Change in unpaid obligations:			
73.10 Total new obligations		5	1
73.20 Total financing disbursements (gross)		-6	-1
87.00 Total financing disbursements (gross)		6	1
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources		-4	
88.25 Interest on uninvested funds	-1	-1	
88.40 Non-Federal sources		-1	-1
88.90 Total, offsetting collections (cash)	-1	-6	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-1		

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4228-0-1-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	81	210	210
2112 Uncommitted loan guarantee limitation	-16		
2150 Total guaranteed loan commitments	65	210	210
2199 Guaranteed amount of guaranteed loan commitments	52	168	168
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	121	155	229
2231 Disbursements of new guaranteed loans	47	81	131
2251 Repayments and prepayments	-12	-7	-12
2264 Adjustments: Other adjustments, net	-1		
2290 Outstanding, end of year	155	229	348
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	124	183	279

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account finances loan guarantee commitments for essential community facilities in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4228-0-1-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	6	7	7	7
1999 Total assets	6	7	7	7
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	6	7	7	7
2999 Total liabilities	6	7	7	7
4999 Total liabilities and net position	6	7	7	7

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT (INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: **[\$3,965,313,000] \$4,300,000,000** for loans to section 502 borrowers, as determined by the Secretary, of which **[\$3,000,000,000] \$3,200,000,000** shall be for unsubsidized guaranteed loans; **[\$25,001,000] \$32,396,000** for section 504 housing repair loans; **\$100,000,000** for section 538 guaranteed multi-family housing loans; **[\$20,000,000] \$25,001,000** for section 514 farm labor housing; **[\$114,321,000] \$100,000,000** for section 515 rental housing; **\$5,152,000** for section 524 site loans; **[\$16,930,000] \$7,503,000** for credit sales of acquired property, of which up to **[\$5,001,000] \$1,250,000** may be for multi-family credit sales; and **\$5,000,000** for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, **[\$116,800,000] \$113,350,000**, of which **[\$2,700,000] \$19,520,000** shall be for unsubsidized guaranteed loans; section 504 housing repair loans, **[\$8,808,000] \$9,900,220**; section 538 multi-family housing guaranteed loans, **[\$2,320,000] \$480,000**; section 514 farm labor housing, **[\$10,406,000] \$11,307,960**; section 515 rental housing, **[\$55,160,000] \$39,680,000**; section 524 site loans, **[\$17,000] \$4,120**; credit sales of acquired property, **[\$3,492,000] \$874,000**, of which up to **[\$2,416,000] \$494,250** may be for multi-family credit sales; and section 523 self-help housing land development loans, **[\$282,000] \$280,500**. *Provided*, That of the total amount appropriated in this paragraph, **[\$10,380,000] \$9,829,000** shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, **[1999] 2000**, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[\$360,785,000] \$383,879,000**, which shall be transferred to and merged with the appropriation for "Rural Housing Service, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-2081-0-1-371	1998 actual	1999 est.	2000 est.
0101 Rural housing insurance, downward reestimates of subsidies		34	

Program and Financing (in millions of dollars)

Identification code 12-2081-0-1-371	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loan subsidy	219	192	156
00.02 Guaranteed loan subsidy	8	5	20
00.05 Reestimates of direct loan subsidy		96	
00.06 Interest on reestimates of direct loan subsidy		20	
00.07 Reestimates of guaranteed loan subsidy		109	
00.08 Interest on reestimates of guaranteed loan subsidy		13	
00.09 Administrative expenses—salaries, expenses	355	361	384

10.00	Total new obligations	582	796	560
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	5		
22.00	New budget authority (gross)	581	797	560
22.21	Unobligated balance transferred to other accounts	-3		
23.90	Total budgetary resources available for obligation	583	797	560
23.95	Total new obligations	-582	-796	-560
23.98	Unobligated balance expiring	-1		
New budget authority (gross), detail:				
Current:				
40.00	Appropriation	581	558	560
Permanent:				
60.05	Appropriation (indefinite)		239	
70.00	Total new budget authority (gross)	581	797	560
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	204	200	156
73.10	Total new obligations	582	796	560
73.20	Total outlays (gross)	-576	-841	-588
73.40	Adjustments in expired accounts	-10		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	200	156	128
Outlays (gross), detail:				
86.90	Outlays from new current authority	468	470	491
86.93	Outlays from current balances	108	133	97
86.97	Outlays from new permanent authority		239	
87.00	Total outlays (gross)	576	841	588
Net budget authority and outlays:				
89.00	Budget authority	581	797	560
90.00	Outlays	576	841	588

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

Identification code 12-2081-0-1-371	1998 actual	1999 est.	2000 est.	
Direct loan levels supportable by subsidy budget authority:				
1150	Single family housing	1,000	965	1,100
1150	Multi-family housing	149	114	100
1150	Housing repair	30	25	32
1150	Farm labor housing	15	20	25
1150	Site development		5	5
1150	Single family credit sales	22	20	6
1150	Multi-family credit sales		4	1
1150	Self-help housing		5	5
1159	Total direct loan levels	1,216	1,158	1,274
Direct loan subsidy (in percent):				
1320	Single family housing	12.81	11.82	8.53
1320	Multi-family housing	45.83	48.25	39.68
1320	Housing repair	34.36	35.23	30.56
1320	Farm labor housing	49.25	52.03	45.23
1320	Site development	-1.19	0.33	0.08
1320	Single family credit sales	13.97	9.02	6.08
1320	Multi-family credit sales	13.97	48.31	39.54
1320	Self-help housing	3.41	5.64	5.61
1329	Weighted average subsidy rate	17.84	12.32	12.24
Direct loan subsidy budget authority:				
1330	Single family housing	128	114	94
1330	Multi-family housing	69	55	40
1330	Housing repair	10	9	10
1330	Farm labor housing	7	10	11
1330	Single family credit sales	3	2	
1330	Multi-family credit sales		2	1
1339	Total subsidy budget authority	217	192	156
Direct loan subsidy outlays:				
1340	Single family housing	113	118	96
1340	Multi-family housing	67	93	67
1340	Housing repair	10	8	11
1340	Farm labor housing	9	13	9
1340	Single family credit sales	3	2	
1340	Multi-family credit sales		2	1
1349	Total subsidy outlays	202	236	184

Guaranteed loan levels supportable by subsidy budget authority:				
2150	Single family housing—unsubsidized	2,822	3,000	3,200
2150	Multi-family housing	40	75	100
2159	Total loan guarantee levels	2,862	3,075	3,300
Guaranteed loan subsidy (in percent):				
2320	Single family housing—unsubsidized	0.23	0.09	0.61
2320	Multi-family housing	3.00	3.10	0.48
2329	Weighted average subsidy rate	0.27	0.16	0.61
Guaranteed loan subsidy budget authority:				
2330	Single family housing—unsubsidized	7	3	20
2330	Multi-family housing	1	2	
2339	Total subsidy budget authority	8	5	20
Guaranteed loan subsidy outlays:				
2340	Single family housing—unsubsidized	7	3	20
2340	Multi-family housing	1	2	
2349	Total subsidy outlays	8	5	20
Administrative expense data:				
3510	Budget authority	355	361	384
3590	Outlays	355	361	384

Rural housing insurance fund—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended.

The major programs funded through the Rural Housing Insurance Fund Program account are: section 502 very low and low to moderate income homeownership loans and guarantees; section 504 very low-income housing repair loans; section 514 domestic farm labor housing loans; section 515 rural rental housing loans; section 524 housing site loans, single family and multi-family housing credit sales of acquired property, and section 538 multi-family housing guarantees. The section 523 self-help housing land development loan program is included under this heading beginning in 1997. Previously, this loan program was accounted for under the separate heading of "Self-Help Housing Land Development Fund Program Account."

Loan programs are limited to rural areas that include towns, villages, and other places which are not part of an urban area and that have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

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

Object Classification (in millions of dollars)

Identification code 12-2081-0-1-371	1998 actual	1999 est.	2000 est.	
25.3	Purchases of goods and services from Government accounts	355	361	384
41.0	Grants, subsidies, and contributions	227	435	176
99.9	Total new obligations	582	796	560

General and special funds—Continued

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
(Legislative proposal, not subject to PAYGO)

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

Identification code 12-2081-2-1-371	1998 actual	1999 est.	2000 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Multifamily Housing			100
2159 Total loan guarantee levels			100
Guaranteed loan subsidy (in percent):			
2320 Multi Family Housing			-3.00
2329 Weighted average subsidy rate			-0.05

This proposed legislation would eliminate the provision in the Housing Act of 1949 that requires that at least 20 percent of the section 538 multi-family housing loans be subsidized through interest rate buydowns. In most cases, the tenants this program serves have incomes high enough to guarantee sufficient cash flow to borrowers to allow them to pay back the loan.

RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4215-0-3-371	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	1,234	1,158	1,275
00.02 Advances on behalf of borrowers	45	87	87
00.03 Collateral acquired by default	1	5	5
00.04 Interest on Treasury borrowing	508	572	616
00.06 Other expenses	5		
00.91 Subtotal, Operating program	1,793	1,822	1,983
Reestimates:			
08.02 Downward subsidy reestimate paid to receipt account		25	
08.03 Interest on downward reestimate paid to receipt account		9	
08.91 Subtotal, Reestimates		34	
10.00 Total new obligations	1,792	1,856	1,983
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		58	
22.00 New financing authority (gross)	1,833	1,797	1,984
22.10 Resources available from recoveries of prior year obligations	41		
22.70 Balance of authority to borrow withdrawn	-23		
23.90 Total budgetary resources available for obligation	1,851	1,855	1,984
23.95 Total new obligations	-1,792	-1,856	-1,983
24.40 Unobligated balance available, end of year	58		
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	1,152	1,098	1,491
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	920	1,181	1,148
68.10 From Federal sources: Change in receivables and unpaid, unfiled orders	-1	-44	-33
68.47 Portion applied to debt reduction	-238	-438	-622
68.90 Spending authority from offsetting collections (total)	681	700	492
70.00 Total new financing authority (gross)	1,833	1,798	1,983
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance, start of year:			
72.40 Obligated balance with Treasury, start of year	156	180	200
72.40 Obligated balance, authority to borrow, start of year	195	300	267

72.95	Receivables from program account	197	196	152
72.99	Total unpaid obligations, start of year	548	676	619
73.10	Total new obligations	1,792	1,856	1,983
73.20	Total financing disbursements (gross)	-1,624	-1,913	-1,953
73.45	Adjustments in unexpired accounts	-41		
	Unpaid obligations, end of year:			
	Obligated balance, end of year:			
74.40	Obligated balance with Treasury, end of year	180	200	228
74.40	Obligated balance, authority to borrow, end of year	300	267	302
74.95	Receivables from program account	196	152	119
74.99	Total unpaid obligations, end of year	676	619	649
87.00	Total financing disbursements (gross)	1,624	1,913	1,953

Offsets:

	Against gross financing authority and financing disbursements:			
	Offsetting collections (cash) from:			
88.00	Federal sources: payments from program account	-213	-352	-189
88.25	Interest on uninvested funds	-63	-73	-82
	Non-Federal sources:			
88.40	Non-Federal sources: Repayments of principal	-285	-354	-421
88.40	Interest received on loans	-345	-385	-438
88.40	Undistributed receipts	10		
88.40	Proceeds on sale of acquired property	-11	-8	-8
88.40	Recaptured income	-9	-9	-10
88.40	Appraisal fees	-3		
88.40	Miscellaneous collections	-1		
88.90	Total, offsetting collections (cash)	-920	-1,181	-1,148
88.95	Change in receivables from program accounts	1	44	33

Net financing authority and financing disbursements:

89.00	Financing authority	914	660	869
90.00	Financing disbursements	703	731	806

Status of Direct Loans (in millions of dollars)

Identification code 12-4215-0-3-371	1998 actual	1999 est.	2000 est.	
	Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans	1,230	1,158	1,275
1112	Unobligated direct loan limitation	-4		
1113	Unobligated limitation carried forward			
1131	Direct loan obligations exempt from limitation			
1150	Total direct loan obligations	1,226	1,158	1,275
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	8,567	9,411	10,371
1231	Disbursements: Direct loan disbursements	1,113	1,215	1,245
1251	Repayments: Repayments and prepayments	-285	-354	-421
1261	Adjustments: Capitalized interest	17	18	20
	Write-offs for default:			
1263	Direct loans		-6	-7
1264	Other adjustments, net	-1	87	87
1290	Outstanding, end of year	9,411	10,371	11,295

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

This account finances direct rural housing loans for: section 502 very low- and low-to-moderate-income home ownership loan program; section 504 very low income housing repair loan program; section 514 domestic farm labor housing loan program; section 515 rural rental housing loan program; sections 523 self-help housing loans, and 524 site development loans; and single family and multi-family housing credit sales of acquired property.

Loan programs are limited to rural areas that include towns, villages and other places which are not part of an urban area and that have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess

of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low and moderate-income borrowers.

Balance Sheet (in millions of dollars)

Identification code 12-4215-0-3-371	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	156	180	200	228
Investments in US securities:				
1106 Receivables, net	197	312	152	119
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	8,567	9,411	10,371	11,295
1402 Interest receivable	81	42	46	50
1404 Foreclosed property	7	15	22	29
1405 Allowance for subsidy cost (-)	-2,293	-2,497	-2,653	-2,782
1499 Net present value of assets related to direct loans	6,362	6,971	7,785	8,592
1999 Total assets	6,715	7,463	8,137	8,939
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable		33		
2103 Debt	6,469	7,197	7,948	8,782
2104 Liability for subsidy related to undischursed loans		196	152	119
2105 Other				
2207 Non-Federal liabilities: Other	49	37	37	38
2999 Total liabilities	6,518	7,463	8,137	8,939
4999 Total liabilities and net position	6,518	7,463	8,137	8,939

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4216-0-3-371	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Default claims	25	40	56
10.00 Total new obligations	25	40	56
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	71	80	211
22.00 New financing authority (gross)	34	171	64
23.90 Total budgetary resources available for obligation	105	251	275
23.95 Total new obligations	-25	-40	-56
24.40 Unobligated balance available, end of year	80	211	220
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	34	171	64
Change in unpaid obligations:			
73.10 Total new obligations	25	40	56
73.20 Total financing disbursements (gross)	-25	-40	-56
87.00 Total financing disbursements (gross)	25	40	56
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-8	-128	-20
88.25 Interest on uninvested funds	-5	-14	-13
88.40 Non-Federal sources: guarantee fees	-21	-29	-31
88.90 Total, offsetting collections (cash)	-34	-171	-64
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-9	-131	-8

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4216-0-3-371	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	3,040	3,075	3,300
2112 Uncommitted loan guarantee limitation	-178		
2150 Total guaranteed loan commitments	2,862	3,075	3,300
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	5,039	7,206	9,791
2231 Disbursements of new guaranteed loans	2,416	2,927	3,120
2251 Repayments and prepayments	-222	-298	-394
2263 Adjustments: Terminations for default that result in claim payments	-27	-44	-61
2290 Outstanding, end of year	7,206	9,791	12,456
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	6,485	8,812	11,211

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

This account finances the nonsubsidized guaranteed section 502 low-to-moderate-income home ownership loan program and section 538 multi-family housing loan program. The guaranteed programs enable RHS to utilize private sector resources for the making and servicing of loans while the Agency provides a financial guarantee to encourage private sector activity.

Balance Sheet (in millions of dollars)

Identification code 12-4216-0-3-371	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	71	80	211	220
Investments in US securities:				
1106 Receivables, net				
1999 Total assets	71	80	211	220
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	71	80	211	220
2999 Total liabilities	71	80	211	220
4999 Total liabilities and net position	71	80	211	220

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4216-2-3-371	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			1
24.40 Unobligated balance available, end of year			1
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)			1
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from: Non-Federal sources: guarantee fees			
88.40			-1

General and special funds—Continued

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4216-2-3-371	1998 actual	1999 est.	2000 est.
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements			-1
Status of Guaranteed Loans (in millions of dollars)			
Identification code 12-4216-2-3-371	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			100
2150 Total guaranteed loan commitments			100
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			5
2251 Repayments and prepayments			-1
2290 Outstanding, end of year			4
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			4

This account reflects the additional guaranteed loan level requested under the legislative proposal for section 538 multi-family housing loans, to eliminate the requirement that a certain percentage of guaranteed loans be subsidized through an interest rate buydown.

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

Balance Sheet (in millions of dollars)

Identification code 12-4216-2-3-371	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury				1
1999 Total assets				1
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees				1
2999 Total liabilities				1
4999 Total liabilities and net position				1

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4141-0-3-371	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Capital investment:			
00.02 Advances on behalf of borrowers	51	79	58
00.04 Purchases of certificates of beneficial ownership	2	2	7
00.05 Collateral acquired by default	2	1	1
00.07 Unclassified recoverable costs	28		
00.08 Restoration of direct loan obligations	16		
00.91 Total capital investment	97	82	66
Operating expenses:			
01.02 Interest on certificates of beneficial ownership		1	1
01.03 Interest on FFB borrowings	1,274	858	566

01.06 Interest credits on loans sold to investors	2	2	2
01.07 Other costs incident to loans	1	1	1
01.08 Undistributed charges	1		
01.91 Total operating expenses	1,278	862	570
10.00 Total new obligations	1,375	943	636

Budgetary resources available for obligation:

22.00 New budget authority (gross)	1,375	943	636
22.10 Resources available from recoveries of prior year obligations	16		
22.70 Balance of authority to borrow withdrawn	-16		
23.90 Total budgetary resources available for obligation	1,375	943	636
23.95 Total new obligations	-1,375	-943	-636

New budget authority (gross), detail:

60.05 Appropriation (indefinite)	3,469	1,102	125
60.47 Portion applied to debt reduction	-1,762	-159	
60.53 Portion substituted for borrowing authority	-332		
63.00 Appropriation (total)	1,375	943	125
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	2,273	2,215	2,096
68.47 Portion applied to debt reduction	-2,273	-2,215	-1,585
68.90 Spending authority from offsetting collections (total)			511
70.00 Total new budget authority (gross)	1,375	943	636

Change in unpaid obligations:

Unpaid obligations, start of year:			
Obligated balance, start of year:			
72.40 Obligated fund balance with treasury, end of year	390	583	470
72.40 Obligated authority to borrow balance, start of year	348		
72.99 Total unpaid obligations, start of year	738	583	470
73.10 Total new obligations	1,375	943	636
73.20 Total outlays (gross)	-1,515	-1,056	-736
73.45 Adjustments in unexpired accounts	-16		
Unpaid obligations, end of year:			
Obligated balance, end of year:			
74.40 Obligated fund balance with Treasury, end of year	583	470	370
74.99 Total unpaid obligations, end of year	583	470	370

Outlays (gross), detail:

86.97 Outlays from new permanent authority	1,374	942	592
86.98 Outlays from permanent balances	141	114	144
87.00 Total outlays (gross)	1,515	1,056	736

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Repayments of loans and advances	-1,263	-1,195	-1,147
88.40 Proceeds from sale of acquired property	-31	-35	-30
88.40 Payments on judgments	-2	-2	-2
88.40 Interest payments from borrowers	-909	-852	-793
88.40 Recapture of subsidies	-120	-131	-124
88.40 Fees and other revenue	3		
88.40 Undistributed receipts	55		
88.90 Total, offsetting collections (cash)	-2,273	-2,215	-2,096

Net budget authority and outlays:

89.00 Budget authority	-898	-1,272	-1,460
90.00 Outlays	-759	-1,159	-1,360

Status of Direct Loans (in millions of dollars)

Identification code 12-4141-0-3-371	1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	20,947	19,704	18,512
1231 Disbursements: Direct loan disbursements	6		
1251 Repayments: Repayments and prepayments	-1,264	-1,195	-1,147
1261 Adjustments: Capitalized interest	41	41	41
Write-offs for default:			
1263 Direct loans	-4	-24	-22
1264 Other adjustments, net	-22	-13	-15

1290	Outstanding, end of year	19,704	18,512	17,369
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Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4141-0-3-371	1998 actual	1999 est.	2000 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	30	27	24
2251 Repayments and prepayments	-3	-3	-3
2290 Outstanding, end of year	27	24	21
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	24	21	19

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

Statement of Operations (in millions of dollars)

Identification code 12-4141-0-3-371	1997 actual	1998 actual	1999 est.	2000 est.
0101 Revenue	1,892	1,275	1,205	1,111
0102 Expense	-1,678	-1,515	-1,090	-753
0109 Net income or loss (-)	214	-240	115	358

Balance Sheet (in millions of dollars)

Identification code 12-4141-0-3-371	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	390	583	470	370
1901 Other assets	491	21	21	21
1999 Total assets	14,633	13,112	12,235	11,404
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	1	1	1	1
2102 Interest payable	693	525	395	295
2103 Debt	13,535	9,500	7,125	5,540
2104 Resources payable to Treasury	224	2,978	4,611	5,472
2105 Liabilities for loan guarantees		4	3	2
Non-Federal liabilities:				
2201 Accounts payable	23			
2202 Interest payable	1	1	1	1
2203 Debt	11	10	9	2
2207 Other	145	93	90	91
2999 Total liabilities	14,633	13,112	12,235	11,404
4999 Total liabilities and net position	14,633	13,112	12,235	11,404

Object Classification (in millions of dollars)

Identification code 12-4141-0-3-371	1998 actual	1999 est.	2000 est.
25.2 Other services	2	1	1
33.0 Investments and loans	97	82	66
41.0 Grants, subsidies, and contributions	2	1	2
43.0 Interest and dividends	1,274	859	567
99.9 Total new obligations	1,375	943	636

RURAL BUSINESS-COOPERATIVE SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security

Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; **[\$25,680,000] \$24,612,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$260,000 may be used for employment under 5 U.S.C. 3109. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1903-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	25	26	25
09.01 Reimbursable program	12	8	8
10.00 Total new obligations	37	34	33
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	37	34	33
23.95 Total new obligations	-37	-34	-33
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	26	26	25
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	11	8	8
70.00 Total new budget authority (gross)	37	34	33
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	13	16	13
73.10 Total new obligations	37	34	33
73.20 Total outlays (gross)	-33	-35	-35
74.40 Unpaid obligations, end of year: Obligated balance, end of year	16	13	11
Outlays (gross), detail:			
86.90 Outlays from new current authority	16	19	18
86.93 Outlays from current balances	6	10	11
86.97 Outlays from new permanent authority	11	6	6
87.00 Total outlays (gross)	33	35	35
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-11	-8	-8
Net budget authority and outlays:			
89.00 Budget authority	26	26	25
90.00 Outlays	22	27	27

The Secretary's reorganization plan established the Rural Business-Cooperative Service (RBS). RBS includes programs from the former Rural Development Administration, rural development programs from the former Rural Electrification Administration, and the Agricultural Cooperative Service. This Agency delivers loan and grant programs and technical assistance to cooperatives and rural businesses.

Administrative Convergence. This a Departmental initiative to coordinate the functions and personnel of the different field agencies to provide a more seamless and efficient delivery system.

A new Support Services Bureau is proposed to be established that will fund the administrative expenses for the county based offices including Rural Development. This bureau will be financed on a reimbursable basis by the Rural Business-Cooperative Service and other agencies, as appropriate. Estimates for these expenses were not yet available at the time the budget was published.

General and special funds—Continued

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

Program and Financing (in millions of dollars)

Identification code 12-0402-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Empowerment zones/enterprise community grants		15	
10.00 Total new obligations (object class 41.0)		15	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		15	
23.95 Total new obligations		-15	
New budget authority (gross), detail:			
40.00 Appropriation		15	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year			15
73.10 Total new obligations		15	
73.20 Total outlays (gross)			-5
74.40 Unpaid obligations, end of year: Obligated balance, end of year		15	10
Outlays (gross), detail:			
86.93 Outlays from current balances			5
Net budget authority and outlays:			
89.00 Budget authority		15	
90.00 Outlays			5

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1998 actual	1999 est.	2000 est.
Budget Authority		15	
Outlays			5
Legislative proposal, subject to PAYGO:			
Budget Authority			15
Outlays			
Total:			
Budget Authority		15	15
Outlays			5

The goal of the Empowerment Zone/Enterprise Community (EZ/EC) initiative is to revitalize rural communities in a manner that attracts private sector investment and thereby provides self-sustaining community and economic development. First year funding for EZ/EC's designated as part of the second round of this initiative was provided through the FY 1999 appropriation act. Legislation will be proposed to provide the outyear follow-on funding for the five new rural empowerment zones, as authorized by the Taxpayer Relief Act of 1997, to create economic opportunity in the most distressed rural communities. A similar proposal is requested for urban zones through the Department of Housing and Urban Development. Similar to the initial round of EZ/EC, the designated communities are required to develop strategic development plans as (part of the application process) to guide future development activities, and to develop benchmarks to assess progress periodically.

The flexible grant funding would be available for a wide variety of community and economic development purposes that link human capital needs with economic development initiatives. The purposes may include revolving loan funds for business capitalization or community development, job training and job counseling, infrastructure investment, home ownership and home ownership counseling, health care and related facilities, child care and administrative costs linked to redevelopment efforts.

Similar to the first round, the second round will be a multi-year effort based on a comprehensive development plan in-

volving the residents, the private sector, the non-profit community and local, State and Federal governments. Experience from the initial round of urban and rural designations demonstrates significant successes that are stimulating billions in private sector investment, reviving communities that had given up hope for economic opportunity and creating thousands of jobs, moving people from dependency to active participation in the economy. Round two will build on the successes of the initial round.

The activities of the new entity will include human resources, management services, information technology, and accounting services.

Object Classification (in millions of dollars)

Identification code 12-1903-0-1-452	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	11	13	14
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	12	14	15
12.1 Civilian personnel benefits	3	3	3
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	7	5	3
99.0 Subtotal, direct obligations	25	25	24
99.0 Reimbursable obligations	10	7	7
99.5 Below reporting threshold	2	2	2
99.9 Total new obligations	37	34	33

Personnel Summary

Identification code 12-1903-0-1-452	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	222	218	218
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	73	86	86

RURAL EMPOWERMENT ZONE/ENTERPRISE COMMUNITY GRANTS

(Proposed legislation, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-0402-4-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Empowerment zones/enterprise community grants			15
10.00 Total new obligations (object class 41.0)			15
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			15
23.95 Total new obligations			-15
New budget authority (gross), detail:			
60.00 Appropriation			15
Change in unpaid obligations:			
73.10 Total new obligations			15
74.40 Unpaid obligations, end of year: Obligated balance, end of year			15
Net budget authority and outlays:			
89.00 Budget authority			15
90.00 Outlays			

This account provides grants for 5 rural empowerment zones which are entities designated under section 1391(g) of the Internal Revenue Code of 1986, to carry out a second round of the empowerment zone program in rural areas.

Grants are also provided for 20 new rural enterprise communities. Funds for the rural enterprise communities are not for tax treatment under the Internal Revenue Code. Second round EZ/EC recipients were designated in January 1999. Legislation will be proposed to provide mandatory funding in 2000 and the out years for these recipients

SALARIES AND EXPENSES
(RURAL DEVELOPMENT ADMINISTRATION)

Program and Financing (in millions of dollars)

Identification code 12-3400-0-1-452	1998 actual	1999 est.	2000 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	2	
73.20 Total outlays (gross)	-1	-2	
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2		
Outlays (gross), detail:			
86.98 Outlays from permanent balances	1	2	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	2	

Beginning in 1995, programs and services formerly provided by the Rural Development Administration are included in the Rural Utilities Service, the Rural Housing Service, and the Rural Business-Cooperative Service.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), **[\$3,300,000]** \$9,000,000, of which **[\$1,300,000]** \$2,000,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program and **[\$250,000]** shall be available for an agribusiness and cooperative development program] \$2,000,000 for cooperative research agreements. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-1900-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Rural cooperative development grants	2	2	5
00.02 Appropriate technology transfer for rural areas	1	1	2
00.03 Cooperative research agreements			2
10.00 Total obligations (object class 41.0)	3	3	9
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3	3	9
23.95 Total new obligations	-3	-3	-9
New budget authority (gross), detail:			
40.00 Appropriation	3	3	9
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	4	3
73.10 Total new obligations	3	3	9
73.20 Total outlays (gross)	-2	-4	-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	3	8
Outlays (gross), detail:			
86.90 Outlays from new current authority	1	1	2
86.93 Outlays from current balances	1	2	2
87.00 Total outlays (gross)	2	4	4

Net budget authority and outlays:			
89.00 Budget authority	3	3	9
90.00 Outlays	3	4	4

Grants for rural cooperative development were authorized under section 310B(e) of the Consolidated Farm and Rural Development Act by Public Law 104-127, April 4, 1996. These grants are made available to nonprofit corporations and institutions of higher education to fund the establishment and operation of centers for rural cooperative development. The primary purpose of the centers is the improvement of economic conditions of rural areas through the development of new cooperatives and improving operations of existing cooperatives. RBS can fund up to 75 percent of any project and associated administrative costs and requires at least a 25 percent matching share from the applicant which must be from non-Federal sources.

The Appropriate Technology Transfer to Rural Areas (ATTRA) program was first authorized by the Food Security Act of 1985. The program encourages agricultural producers to adopt sustainable agricultural practices.

In addition, \$2 million is requested for cooperative research agreements.

RURAL ECONOMIC DEVELOPMENT GRANTS

Program and Financing (in millions of dollars)

Identification code 12-3105-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	11	11	4
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	21	13	4
22.00 New budget authority (gross)	2	3	3
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	24	16	7
23.95 Total new obligations	-11	-11	-4
24.40 Unobligated balance available, end of year	13	4	3
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	1	2	3
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	1	1	
68.90 Spending authority from offsetting collections (total)	2	3	3
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	19	17	16
72.95 From Federal sources: Receivables and unpaid, unfilled orders	1	2	3
72.99 Total unpaid obligations, start of year	20	19	19
73.10 Total new obligations	11	11	4
73.20 Total outlays (gross)	-11	-12	-10
73.45 Adjustments in unexpired accounts	-1		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	17	16	10
74.95 From Federal sources: Receivables and unpaid, unfilled orders	2	3	3
74.99 Total unpaid obligations, end of year	19	19	13
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	1	1	
86.98 Outlays from permanent balances	10	12	9
87.00 Total outlays (gross)	11	12	10
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-2	-3
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	-1	-1	

General and special funds—Continued

RURAL ECONOMIC DEVELOPMENT GRANTS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3105-0-1-452	1998 actual	1999 est.	2000 est.
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	10	10	7

This grant program is authorized under section 313 of the Rural Electrification Act, as amended, and provides funds for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects and other expenses for the purpose of fostering rural development.

Funding for this program is provided from the interest differential on Rural Utilities Service borrowers' cushion of credit accounts.

Credit accounts:

RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4223-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	21	50	50
00.02 Interest on Treasury borrowings	1	2	4
00.91 Subtotal, Operating program	22	52	54
Non-operating program:			
08.01 Negative subsidy paid to receipt account	2	7	7
08.02 Downward reestimate paid to receipt account	2		
08.91 Subtotal, Non-operating program	2	9	7
10.00 Total new obligations	24	61	61
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	24	61	61
23.95 Total new obligations	-24	-61	-61
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	23	55	52
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	6	9
70.00 Total new financing authority (gross)	24	61	61
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	9	15	43
73.10 Total new obligations	24	61	61
73.20 Total financing disbursements (gross)	-18	-33	-50
74.40 Unpaid obligations, end of year: Obligated balance, end of year	15	43	54
87.00 Total financing disbursements (gross)	18	33	50
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-1	-1	-1
Non-Federal sources:			
88.40 Repayments of principal		-1	-2
88.40 Interest received on loans		-4	-6
88.90 Total, offsetting collections (cash)	-1	-6	-9
Net financing authority and financing disbursements:			
89.00 Financing authority	23	55	52
90.00 Financing disbursements	16	27	41

Status of Direct Loans (in millions of dollars)

Identification code 12-4223-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	50	50	50
1112 Unobligated direct loan limitation	-29		
1150 Total direct loan obligations	21	50	50
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3	19	40
1231 Disbursements: Direct loan disbursements	16	22	40
1251 Repayments: Repayments and prepayments		-1	-2
1290 Outstanding, end of year	19	40	78

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Direct business and industry loans are made to public, private, or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4223-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	3	2	3	5
1206 Non-Federal assets: Receivables, net				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	3	19	40	78
1499 Net present value of assets related to direct loans	3	19	40	78
1999 Total assets	6	21	43	83
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable		2	3	5
2104 Resources payable to Treasury	6	19	40	78
2999 Total liabilities	6	21	43	83
4999 Total liabilities and net position	6	21	43	83

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4227-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Default claims	8	33	33
00.03 Investment in secondary market	5		
10.00 Total new obligations	13	33	33
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	39	54	103
22.00 New financing authority (gross)	28	82	50
23.90 Total budgetary resources available for obligation	67	136	153
23.95 Total new obligations	-13	-33	-33
24.40 Unobligated balance available, end of year	54	103	120
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	2		
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	26	82	50
70.00 Total new financing authority (gross)	28	82	50

Change in unpaid obligations:				
73.10	Total new obligations	13	33	33
73.20	Total financing disbursements (gross)	-13	-33	-33
87.00	Total financing disbursements (gross)	13	33	33
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources	-10	-63	-31
88.25	Interest on uninvested funds	-3	-2	-2
Non-Federal sources:				
88.40	Interest and principal on purchased loans from secondary market		-1	-1
88.40	Guarantee fees	-13	-16	-16
88.40	NADBank fee collection			
88.90	Total, offsetting collections (cash)	-26	-82	-50
Net financing authority and financing disbursements:				
89.00	Financing authority	2		
90.00	Financing disbursements	-13	-49	-17

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4227-0-3-452	1998 actual	1999 est.	2000 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	1,099	1,078	1,000
2131	Guaranteed loan commitments exempt from limitation	72	18	
2150	Total guaranteed loan commitments	1,171	1,096	1,000
2199	Guaranteed amount of guaranteed loan commitments	923	866	791
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	1,258	1,855	2,734
2231	Disbursements of new guaranteed loans	801	1,019	1,019
2251	Repayments and prepayments	-184	-107	-145
Adjustments:				
2262	Terminations for default that result in acquisition of property	-6		
2263	Terminations for default that result in claim payments	-10	-33	-33
2264	Other adjustments, net	-4		
2290	Outstanding, end of year	1,855	2,734	3,575
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	1,466	2,160	2,807

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account finances loan guarantee commitments for industrial development in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4227-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.	
ASSETS:					
1101	Federal assets: Fund balances with Treasury	40	54	103	86
1999	Total assets	40	54	103	86
LIABILITIES:					
2204	Non-Federal liabilities: Liabilities for loan guarantees	40	54	103	86
2999	Total liabilities	40	54	103	86
4999	Total liabilities and net position	40	54	103	86

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, [\$16,615,000] \$22,798,580, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): *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 these funds are available to subsidize gross obligations for the principal amount of direct loans of [\$33,000,000] \$52,495,000: *Provided further*, That [through June 30, 1999,] of the total amount appropriated, [\$3,215,520] \$4,343,000 shall be available for the cost of direct loans for empowerment zones and enterprise communities, as authorized by [title XIII of the Omnibus Budget Reconciliation Act of 1993] *Public Law 103-66*, to subsidize gross obligations for the principal amount of direct loans, [\$7,246,000] \$10,000,000: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, [1999] 2000, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses to carry out the direct loan programs, [\$3,482,000] \$3,337,000 shall be transferred to and merged with the appropriation for "Rural Business-Cooperative Service, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-2069-0-1-452	1998 actual	1999 est.	2000 est.	
0101	Rural development loans, downward reestimates of subsidies		8	

Program and Financing (in millions of dollars)

Identification code 12-2069-0-1-452	1998 actual	1999 est.	2000 est.	
Obligations by program activity:				
00.01	Direct loan subsidy	17	17	23
00.04	Forest Service Loan Program			10
00.05	Reestimates of direct loan subsidy		1	
00.09	Administrative expense	3	3	3
10.00	Total new obligations	20	21	36
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	20	21	36
23.95	Total new obligations	-20	-21	-36

New budget authority (gross), detail:

Current:				
40.00	Appropriation	20	20	26
Permanent:				
60.05	Appropriation (indefinite)		1	
68.00	Spending authority from offsetting collections: Forest Service Loan			10
70.00	Total new budget authority (gross)	20	21	36

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	67	61	54
73.10	Total new obligations	20	21	36
73.20	Total outlays (gross)	-25	-28	-24
74.40	Unpaid obligations, end of year: Obligated balance, end of year	61	54	66

Outlays (gross), detail:

86.90	Outlays from new current authority	4	4	4
86.93	Outlays from current balances	20	23	20
86.97	Outlays from new permanent authority		1	
87.00	Total outlays (gross)	25	28	24

Offsets:

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Forest Service			-10

Net budget authority and outlays:

89.00	Budget authority	20	21	26
90.00	Outlays	25	28	14

Credit accounts—Continued

**RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued**

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

Identification code 12-2069-0-1-452	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Intermediary Relending Loans	35	33	52
1150 Smart Growth Partnership Program			50
1159 Total direct loan levels	35	33	102
Direct loan subsidy (in percent):			
1320 Subsidy rate	48.25	50.35	43.43
1320 Subsidy rate	0.00	0.00	20.00
1329 Weighted average subsidy rate	48.25	50.35	31.95
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	17	17	23
1330 Subsidy budget authority			10
1339 Total subsidy budget authority	17	17	33
Direct loan subsidy outlays:			
1340 Subsidy outlays	21	25	21
1340 Subsidy outlays			
1349 Total subsidy outlays	21	25	21
Administrative expense data:			
3510 Budget authority	3	3	3

This account finances loans to intermediary borrowers, who in turn relend the funds to small rural businesses, community development corporations, and other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need. It also finances a new Smart Growth Partnership loan program with funds transferred from the Forest Service. The program is administered by the Forest Service, with a contract to RBS to run the loan program.

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

Object Classification (in millions of dollars)

Identification code 12-2069-0-1-452	1998 actual	1999 est.	2000 est.
25.3 Purchases of goods and services from Government accounts	3	3	3
Grants, subsidies, and contributions:			
41.0 Grants, subsidies, and contributions	17	18	23
41.0 Grants, subsidies, and contributions			10
99.9 Total new obligations	20	21	36

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4219-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	35	33	102
00.03 Interest on Treasury borrowing	8	9	11
00.91 Subtotal, Operating program	43	42	113
Non-operating program:			
08.02 Downward subsidy reestimates paid to the receipt account		7	

08.03 Interest on downward reestimate paid to receipt account		1	
08.91 Subtotal, Non-operating program		8	
10.00 Total new obligations	43	50	113

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	5		
22.00 New financing authority (gross)	38	50	113
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	43	50	113
23.95 Total new obligations	-43	-50	-113

New financing authority (gross), detail:

67.15 Authority to borrow (indefinite)	14	24	59
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	29	33	42
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-5	-7	12
68.90 Spending authority from offsetting collections (total)	23	26	54
70.00 Total new financing authority (gross)	38	50	113

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	58	57	50
72.95 Receivables from program account	66	61	54
72.99 Total unpaid obligations, start of year	125	119	104
73.10 Total new obligations	43	50	113
73.20 Total financing disbursements (gross)	-48	-65	-53
73.45 Adjustments in unexpired accounts	-1		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	57	50	99
74.95 Receivables from program account	61	54	66
74.99 Total unpaid obligations, end of year	119	104	165
87.00 Total financing disbursements (gross)	48	65	53

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-22	-25	-31
88.25 Interest on uninvested funds	-2	-2	-3
Non-Federal sources:			
88.40 Non-Federal sources—repayment of principal	-4	-4	-5
88.40 Non-Federal sources—interest on loans	-1	-2	-3
88.90 Total, offsetting collections (cash)	-29	-33	-42
88.95 Change in receivables from program accounts	5	7	12

Net financing authority and financing disbursements:

89.00 Financing authority	14	24	59
90.00 Financing disbursements	20	31	11

Status of Direct Loans (in millions of dollars)

Identification code 12-4219-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	35	33	102
1150 Total direct loan obligations	35	33	102
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	173	209	253
1231 Disbursements: Direct loan disbursements	40	48	42
1251 Repayments: Repayments and prepayments	-4	-4	-6
1290 Outstanding, end of year	209	253	289

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

This account finances loans to intermediary borrowers, who in turn relend the funds to small rural businesses, community

development corporations, or other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need.

Balance Sheet (in millions of dollars)

Identification code 12-4219-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	26	24	22	22
Investments in US securities:				
1106 Receivables, net	67	61	54	69
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	169	209	253	289
1402 Interest receivable	2	1	3	3
1405 Allowance for subsidy cost (-)	-87	-106	-121	-138
1499 Net present value of assets related to direct loans	84	103	135	154
1999 Total assets	177	189	211	245
LIABILITIES:				
Federal liabilities:				
2104 Resources payable to Treasury	110	128	156	180
2105 Other	67	61	54	65
2999 Total liabilities	177	189	211	245
4999 Total liabilities and net position	177	189	211	245

RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4233-0-3-452	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
22.40 Capital transfer to general fund			-1
23.90 Total budgetary resources available for obligation	1	1	
24.40 Unobligated balance available, end of year	1	1	
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	5	5	4
68.27 Capital transfer to general fund	-5	-5	-4
68.90 Spending authority from offsetting collections (total)			
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	2	1
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	1	
Outlays (gross), detail:			
86.98 Outlays from permanent balances	1	1	1
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-5	-5	-4
Net budget authority and outlays:			
89.00 Budget authority	-5	-5	-4
90.00 Outlays	-4	-3	-4

Status of Direct Loans (in millions of dollars)

Identification code 12-4233-0-3-452	1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	82	77	73
1231 Disbursements: Direct loan disbursements	1	1	1
1251 Repayments: Repayments and prepayments	-4	-4	-4
1263 Write-offs for default: Direct loans	-1	-1	-1

1290	Outstanding, end of year	77	73	70
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¹ Amounts shown include advances on behalf of borrowers.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 12-4233-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
0101 Revenue	1	1	1	1
0102 Expense		6	5	4
0109 Net income or loss (-)	1	7	6	5

Balance Sheet (in millions of dollars)

Identification code 12-4233-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets: Fund balances with Treasury				
1101	4	3	2	2
Non-Federal assets: Receivables, net				
1206		1	1	1
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	82	77	73	70
1603 Allowance for estimated uncollectible loans and interest (-)	-39	-31	-25	-20
1604 Direct loans and interest receivable, net	43	46	48	50
1699 Value of assets related to direct loans	43	46	48	50
1999 Total assets	47	50	51	52
LIABILITIES:				
Federal liabilities: Resources payable to Treasury				
2104	47	50	51	52
2999 Total liabilities	47	50	51	52
4999 Total liabilities and net position	47	50	51	52

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$15,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, [\$3,783,000] \$3,453,000.

Of the funds derived from interest on the cushion of credit payments in fiscal year [1999] 2000, as authorized by section 313 of the Rural Electrification Act of 1936, [\$3,783,000] \$3,453,000 shall not be obligated and [\$3,783,000] \$3,453,000 are rescinded. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-3108-0-1-452	1998 actual	1999 est.	2000 est.
0101 Rural economic development loans, downward reestimates of subsidies		2	

Program and Financing (in millions of dollars)

Identification code 12-3108-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loan subsidy	6	4	3
10.00 Total new obligations (object class 41.0)	6	4	3

Credit accounts—Continued

**RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT—
Continued**

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3108-0-1-452	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	4	3
23.95 Total new obligations	-6	-4	-3
New budget authority (gross), detail:			
40.00 Appropriation	6	4	3
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	5	6	5
73.10 Total new obligations	6	4	3
73.20 Total outlays (gross)	-4	-6	-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	6	5	5
Outlays (gross), detail:			
86.90 Outlays from new current authority	1	1	
86.93 Outlays from current balances	3	5	4
87.00 Total outlays (gross)	4	6	4
Net budget authority and outlays:			
89.00 Budget authority	6	4	3
90.00 Outlays	4	6	4

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

Identification code 12-3108-0-1-452	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	25	15	15
1159 Total direct loan levels	25	15	15
Direct loan subsidy (in percent):			
1320 Subsidy rate	23.91	25.22	23.02
1329 Weighted average subsidy rate	23.91	25.22	23.02
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	6	4	3
1339 Total subsidy budget authority	6	4	3
Direct loan subsidy outlays:			
1340 Subsidy outlays	4	6	4
1349 Total subsidy outlays	4	6	4

Rural economic development loans are made for the purpose of promoting rural economic development and job creation projects. Loans are made to electric and telecommunication borrowers, who in turn finance rural development projects in their service areas.

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

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4176-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	25	15	15
00.03 Interest expense	3	4	4
00.91 Subtotal, Operating program	28	19	19
Reestimates:			
08.02 Subsidy reestimates paid to the receipt account		1	

08.03 Interest on downward re-estimate		1	
08.91 Subtotal, Reestimates		2	
10.00 Total new obligations	28	21	19

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	3	9	9
22.00 New financing authority (gross)	33	21	19
22.10 Resources available from recoveries of prior year obligations	1		
22.70 Balance of authority to borrow withdrawn	-1		
23.90 Total budgetary resources available for obligation	36	30	28
23.95 Total new obligations	-28	-21	-19
24.40 Unobligated balance available, end of year	9	9	9

New financing authority (gross), detail:

67.15 Authority to borrow (indefinite)	20	13	12
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	13	14	15
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	1	-1	-1
68.47 Portion applied to debt reduction	-1	-5	-7
68.90 Spending authority from offsetting collections (total)	14	8	8
70.00 Total new financing authority (gross)	34	21	19

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	14	20	14
72.95 Receivables from program account	5	6	5
72.99 Total unpaid obligations, start of year	19	26	19
73.10 Total new obligations	28	21	19
73.20 Total financing disbursements (gross)	-20	-27	-21
73.45 Adjustments in unexpired accounts	-1		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	20	14	13
74.95 Receivables from program account	6	5	4
74.99 Total unpaid obligations, end of year	26	19	18
87.00 Total financing disbursements (gross)	20	27	21

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal Funds: Program Account	-4	-6	-4
88.25 Interest on uninvested funds	-1	-1	-1
88.40 Non-Federal sources: Repayment of Principal	-8	-7	-10
88.90 Total, offsetting collections (cash)	-13	-14	-15
88.95 Change in receivables from program accounts	-1	1	1

Net financing authority and financing disbursements:

89.00 Financing authority	19	8	5
90.00 Financing disbursements	7	13	6

Status of Direct Loans (in millions of dollars)

Identification code 12-4176-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	25	15	15
1150 Total direct loan obligations	25	15	15
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	42	50	65
1231 Disbursements: Direct loan disbursements	16	22	17
1251 Repayments: Repayments and prepayments	-8	-7	-10
1290 Outstanding, end of year	50	65	72

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

Balance Sheet (in millions of dollars)

Identification code 12-4176-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	6	9	9	8
Investments in US securities:				
1106 Program Account	5	6	5	5
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	42	50	65	72
1405 Allowance for subsidy cost (-)	-9	-11	-4	-4
1499 Net present value of assets related to direct loans	33	39	61	68
1999 Total assets	44	55	75	81
LIABILITIES:				
Federal liabilities:				
2104 Resources payable to Treasury	38	49	71	76
2105 Other	5	6	5	5
2999 Total liabilities	43	55	76	81
4999 Total liabilities and net position	43	55	76	81

RURAL ECONOMIC DEVELOPMENT LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-3104-0-1-271	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	8		
22.40 Capital transfer to general fund	-8		
23.90 Total budgetary resources available for obligation			
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	1	1	1
68.27 Capital transfer to general fund	-1	-1	-1
68.90 Spending authority from offsetting collections (total)			
Change in unpaid obligations:			
73.20 Total outlays (gross)	1	1	1
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	-1	-1	-1
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources: Repayment of Principal	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	-1	-1	-1
90.00 Outlays	-2	-2	-2

Status of Direct Loans (in millions of dollars)

Identification code 12-3104-0-1-271	1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	6	6	6
1251 Repayments: Repayments and prepayments			-1
1290 Outstanding, end of year	6	6	5

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. All new activity in this program is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 12-3104-0-1-271	1997 actual	1998 actual	1999 est.	2000 est.
0111 Revenue	1	1	1	1

0112 Expense				
0119 Net income or loss (-)	1	1	1	1

Balance Sheet (in millions of dollars)

Identification code 12-3104-0-1-271	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets: Fund balances with Treasury				
1101	6	8	9	11
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable: Direct loans, gross				
1601	5	6	6	5
Other Federal assets: Cash and other monetary assets				
1801	2			
1999 Total assets	13	14	15	16
LIABILITIES:				
Federal liabilities: Resources payable to Treasury				
2104	13	6	6	5
2999 Total liabilities	13	6	6	5
NET POSITION:				
3300 Cumulative results of operations		8	9	11
3999 Total net position		8	9	11
4999 Total liabilities and net position	13	14	15	16

Public enterprise funds:

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901-5908), **[\$3,500,000]** \$10,000,000 is appropriated to the Alternative Agricultural Research and Commercialization Corporation Revolving Fund. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-4144-0-3-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Administrative expense	1	1	1
00.02 Program activity	4	6	9
10.00 Total new obligations	5	7	10
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		2	
22.00 New budget authority (gross)	7	4	10
23.90 Total budgetary resources available for obligation	7	6	10
23.95 Total new obligations	-5	-7	-10
24.40 Unobligated balance available, end of year	2		
New budget authority (gross), detail:			
40.00 Appropriation	7	4	10
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		1	1
73.10 Total new obligations	5	7	10
73.20 Total outlays (gross)	-8	-8	-9
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.90 Outlays from new current authority	4	3	8
86.93 Outlays from current balances	4	3	1
87.00 Total outlays (gross)	8	8	9
Net budget authority and outlays:			
89.00 Budget authority	7	4	10
90.00 Outlays	8	8	9

Public enterprise funds—Continued

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND—Continued

These funds support programs authorized by the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901 et seq.). This Act authorizes the provision of assistance on a competitive basis to foster the development and commercialization of new nonfood, nonfeed products derived from agricultural and forestry material and animal by-products. Development of nontraditional uses provides an opportunity to improve U.S. competitiveness in foreign markets, create development and employment opportunities in rural areas, address environmental concerns and lower farm program costs. Programs are managed by the Alternative Agricultural Research and Commercialization Corporation. Program policy and oversight is provided by an eleven member Board, eight of whom are private sector scientists, producers and business experts.

In 2000, the corporation expects to participate in approximately 20 investment opportunities. These opportunities should result in the creation of nearly 1,680 new jobs and bring a minimum of 6 new products into the marketplace.

Object Classification (in millions of dollars)

Identification code 12-4144-0-3-352	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	1	1	1
33.0 Investments and loans	3	5	8
41.0 Grants, subsidies, and contributions	1	1	1
99.9 Total new obligations	5	7	10

Personnel Summary

Identification code 12-4144-0-3-352	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	6	11	11

NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 12-4202-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
09.00 Administrative expense			1
10.00 Total obligations (object class 99.5)			1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	20	20	20
23.95 Total new obligations			-1
24.40 Unobligated balance available, end of year	20	20	19
Change in unpaid obligations:			
73.10 Total new obligations			1
73.20 Total outlays (gross)			-1
Outlays (gross), detail:			
86.98 Outlays from permanent balances			1
Net budget authority and outlays:			
89.00 Budget authority			1
90.00 Outlays			1

The Federal Agriculture Improvement Act of 1996 established the National Sheep Industry Improvement Center to promote activities to strengthen and enhance production or marketing of sheep and goat products in the United States. The Center may provide loans or grants to eligible entities to provide assistance to the industry for infrastructure development, business development, production, resource develop-

ment, and market and environmental research. The 1996 Act provided up to \$20 million in mandatory funding for the establishment and operation of the Center and authorized additional discretionary funding of \$30 million. No additional discretionary funds have been provided or are proposed.

RURAL UTILITIES SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, **[\$33,000,000] \$34,107,000: Provided.** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$105,000 may be used for employment under 5 U.S.C. 3109. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1981-0-1-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct program	33	33	34
09.02 Reimbursable program	33	33	34
10.00 Total new obligations	66	66	68
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	67	66	68
23.95 Total new obligations	-66	-66	-68
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	33	33	34
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	34	33	34
70.00 Total new budget authority (gross)	67	66	68
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	10	12	12
73.10 Total new obligations	66	66	68
73.20 Total outlays (gross)	-64	-66	-68
74.40 Unpaid obligations, end of year: Obligated balance, end of year	12	12	12
Outlays (gross), detail:			
86.90 Outlays from new current authority	29	29	30
86.93 Outlays from current balances	4	4	4
86.97 Outlays from new permanent authority	29	29	30
86.98 Outlays from permanent balances	2	4	4
87.00 Total outlays (gross)	64	66	68
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-34	-33	-34
Net budget authority and outlays:			
89.00 Budget authority	33	33	34
90.00 Outlays	31	33	33

The Rural Utilities Service (RUS), under authority of the Rural Electrification Act of 1936, as amended, and the Consolidated Farm and Rural Development Act, makes grants, direct loans, and guarantees loans made by other qualified lenders, to suppliers of electric, telecommunications, and water/wastewater/waste disposal services in rural areas. RUS also provides technical assistance to rural communities concerning water and waste disposal services. In addition, RUS

makes grants and loans to provide access to advanced telecommunications services for distance learning and telemedicine facilities.

The electric and telecommunications loan and grant programs are administered in the Washington, DC, offices of RUS. In addition, RUS general field representatives visit borrowers periodically and maintain liaison between borrowers and headquarters. RUS administers the water and waste programs through the Washington headquarters, with the loan making and servicing activities being performed by the Rural Development field office staff.

Administrative Convergence.—This is a Departmental initiative to coordinate the functions and personnel of the different field agencies to provide a more seamless and efficient delivery system. A new Support Services Bureau is proposed to be established that will fund the administrative expenses for the county based offices including Rural Development. This bureau will be financed on a reimbursable basis by the Rural Utilities Service and other agencies, as appropriate. Estimates for these expenses were not yet available at the time the budget was published. The activities of the new entity will include human resources, management services, information technology, and accounting services.

Object Classification (in millions of dollars)

Identification code 12-1981-0-1-452	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	20	21	22
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	21	22	23
12.1 Civilian personnel benefits	5	5	5
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
24.0 Printing and reproduction	1	1	.....
25.2 Other services	4	3	3
31.0 Equipment .....	.....	.....	1
99.0 Subtotal, direct obligations	33	33	34
99.0 Reimbursable obligations	32	32	33
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	66	66	68

Personnel Summary

Identification code 12-1981-0-1-452	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	355	290	393
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	341	425	322

Credit accounts:

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4226-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	787	730	900
00.03 Interest on Treasury borrowing	171	185	225
00.91 Subtotal, Operating program	958	915	1,125
Reestimates:			
08.02 Downward reestimate paid to receipt account .....	.....	16	.....
08.03 Interest on downward reestimate .....	.....	2	.....
08.91 Subtotal, Reestimates .....	.....	18	.....

10.00 Total new obligations	958	933	1,125
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	110	14	.....
22.00 New financing authority (gross)	853	920	1,125
22.10 Resources available from recoveries of prior year obligations	65	.....	.....
22.70 Balance of authority to borrow withdrawn	-56	.....	.....
23.90 Total budgetary resources available for obligation	972	934	1,125
23.95 Total new obligations	-958	-933	-1,125
24.40 Unobligated balance available, end of year	14	.....	.....
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	595	488	728
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	311	432	427
68.10 From Federal sources: Change in receivables and unpaid, unfiled orders	-26	.....	-30
68.47 Portion applied to debt reduction	-27	.....	.....
68.90 Spending authority from offsetting collections (total)	258	432	397
70.00 Total new financing authority (gross)	853	920	1,125
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	1,528	1,662	1,454
72.95 Receivables from program account	251	225	225
72.99 Total unpaid obligations, start of year	1,779	1,887	1,679
73.10 Total new obligations	958	933	1,125
73.20 Total financing disbursements (gross)	-784	-1,141	-975
73.45 Adjustments in unexpired accounts	-65	.....	.....
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	1,662	1,454	1,634
74.95 Receivables from program account	225	225	195
74.99 Total unpaid obligations, end of year	1,887	1,679	1,829
87.00 Total financing disbursements (gross)	784	1,141	975
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-93	-159	-94
88.25 Interest on uninvested funds	-32	-48	-65
Non-Federal sources:			
88.40 Repayment of principal	-64	-41	-51
88.40 Interest received on loans	-120	-184	-217
88.40 Miscellaneous offsetting collections	-2	.....	.....
88.90 Total, offsetting collections (cash)	-311	-432	-427
88.95 Change in receivables from program accounts	26	.....	30
Net financing authority and financing disbursements:			
89.00 Financing authority	568	488	728
90.00 Financing disbursements	473	709	548

Status of Direct Loans (in millions of dollars)

Identification code 12-4226-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	752	724	900
1112 Unobligated direct loan limitation .....	.....	.....	.....
1113 Unobligated limitation carried forward	34	.....	.....
1131 Direct loan obligations exempt from limitation .....	.....	6	.....
1150 Total direct loan obligations	786	730	900
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2,260	2,807	3,703
1231 Disbursements: Direct loan disbursements	613	937	751
1251 Repayments: Repayments and prepayments	-66	-41	-51
1290 Outstanding, end of year	2,807	3,703	4,403

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

Credit accounts—Continued

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING ACCOUNT—Continued

made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

The water and waste disposal program makes loans and grants to finance water and waste disposal facilities in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4226-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	167	200	200	200
Investments in US securities:				
1106 Receivables, net	251	225	225	225
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	2,260	2,807	3,703	4,403
1402 Interest receivable	31	36	156	198
1405 Allowance for subsidy cost (-)	-429	-430	-430	-398
1499 Net present value of assets related to direct loans	1,862	2,413	3,429	4,203
1999 Total assets	2,280	2,838	3,854	4,628
LIABILITIES:				
2103 Federal liabilities: Debt	2,024	2,760	3,732	4,563
2203 Non-Federal liabilities: Debt	5	1	1	1
2999 Total liabilities	2,029	2,761	3,733	4,564
NET POSITION:				
3100 Appropriated capital	251	77	121	64
3999 Total net position	251	77	121	64
4999 Total liabilities and net position	2,280	2,838	3,854	4,628

RURAL WATER AND WASTE DISPOSAL GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4218-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
08.02 Negative subsidy paid to receipt account	1	1	1
10.00 Total obligations	1	1	1
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	1	1	1
23.95 Total new obligations	-1	-1	-1
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	1	1	1
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			1
70.00 Total new financing authority (gross)	1	1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		1	
73.10 Total new obligations	1	1	1
73.20 Total financing disbursements (gross)		-2	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year		1	
87.00 Total financing disbursements (gross)		2	1
Offsets:			
Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Fees			-1
Net financing authority and financing disbursements:			
89.00 Financing authority	1	1	1
90.00 Financing disbursements		2	1

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4218-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	75	75	75
2112 Uncommitted loan guarantee limitation	-60		
2150 Total guaranteed loan commitments	15	75	75
2199 Guaranteed amount of guaranteed loan commitments	12	60	60
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	7	11	30
2231 Disbursements of new guaranteed loans	4	20	69
2251 Repayments and prepayments		-1	-2
2290 Outstanding, end of year	11	30	97
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	8	24	78

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account finances loan guarantee commitments for water systems, and waste disposal facilities in rural areas.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, [\$71,500,000] \$50,000,000; 5 percent rural telecommunications loans, [\$75,000,000] \$50,000,000; cost of money rural telecommunications loans, \$300,000,000; municipal rate rural electric loans, [\$295,000,000] \$250,000,000; and loans made pursuant to section 306 of that Act, rural electric, [\$700,000,000] \$300,000,000 and rural telecommunications, \$120,000,000, to remain available until expended.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of [direct loans, \$16,667,000; cost of municipal rate loans, \$25,842,000; cost of money rural telecommunications loans, \$810,000] rural electric loans, \$9,625,000, and the cost of telecommunication loans, \$2,930,000. Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [\$29,982,000] \$31,046,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1230-0-1-271	1998 actual	1999 est.	2000 est.
0101 Rural electrification and telephone loans, negative subsidies	1		
0102 Rural electrification and telephone loans, downward reestimates of subsidies		171	
0103 Rural community facility, downward reestimate of subsidies		18	

Program and Financing (in millions of dollars)

Identification code 12-1230-0-1-271	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loan subsidy	36	44	13
00.05 Reestimate of the direct loan subsidy		85	
00.06 Interest on reestimates of direct loan subsidy		7	
00.09 Administrative expenses subject to limitation	30	30	31
10.00 Total new obligations	66	166	44
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	66	165	44
23.95 Total new obligations	-66	-166	-44
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	66	73	44
Permanent:			
60.05 Appropriation (indefinite)		92	
70.00 Total new budget authority (gross)	66	165	44
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	163	131	112
73.10 Total new obligations	66	166	44
73.20 Total outlays (gross)	-92	-184	-82
73.40 Adjustments in expired accounts	-6		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	131	112	74
Outlays (gross), detail:			
86.90 Outlays from new current authority	36	34	32
86.93 Outlays from current balances	56	57	50
86.97 Outlays from new permanent authority		92	
87.00 Total outlays (gross)	92	184	82
Net budget authority and outlays:			
89.00 Budget authority	66	165	44
90.00 Outlays	92	184	82

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	66	165	44
Outlays	92	183	82
Legislative proposal, not subject to PAYGO:			
Budget Authority			
Outlays			
Total:			
Budget Authority	66	165	44
Outlays	92	183	82

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

Identification code 12-1230-0-1-271	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loans, electric	125	72	50
1150 Direct loans, municipal rate electric	500	295	250
1150 Direct loans, FFB electric	300	700	300
1150 Direct loans, telecommunications	75	75	50
1150 Direct loans, Treasury rate telecommunications	288	300	300
1150 Direct loans, FFB telecommunications	34	120	120
1159 Total direct loan levels	1,322	1,562	1,070
Direct loan subsidy (in percent):			
1320 Direct loans, electric	7.46	13.04	0.90
1320 Direct loans, municipal rate electric	4.22	8.76	3.67
1320 Direct loans, FFB electric	0.92	-0.38	-1.18
1320 Direct loans, telecommunications	3.92	9.79	1.12
1320 Direct loans, Treasury rate telecommunications	0.02	0.27	0.79
1320 Direct loans, FFB telecommunications	-0.07	-0.81	-0.46
1329 Weighted average subsidy rate	2.74	2.54	0.79
Direct loan subsidy budget authority:			
1330 Direct loans, electric	9	9	1
1330 Direct loans, municipal rate electric	21	26	9

1330 Direct loans, FFB electric	3		
1330 Direct loans, telecommunications	3	7	1
1330 Direct loans, Treasury rate telecommunications		1	2
1339 Total subsidy budget authority	36	43	13
Direct loan subsidy outlays:			
1340 Direct loans, electric	10	15	8
1340 Direct loans, municipal rate electric	41	113	28
1340 Direct loans, FFB electric	2	3	2
1340 Direct loans, telecommunications	9	16	13
1340 Direct loans, Treasury rate telecommunications		4	
1340 Direct loans, FFB telecommunications		2	
1349 Total subsidy outlays	62	153	51
Administrative expense data:			
3510 Budget authority	30	30	31
3590 Outlays	30	30	31

The Rural Utilities Service conducts the rural electrification and the rural telecommunications loan programs. The rural electrification loan program is financed through RUS direct loans for the operation of generating plants, electric transmission, and distribution lines or systems. The rural telecommunications loan program is financed through RUS direct loans for construction, expansion, and operation of telecommunications lines and facilities or systems.

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

Object Classification (in millions of dollars)

Identification code 12-1230-0-1-271	1998 actual	1999 est.	2000 est.
25.3 Purchases of goods and services from Government accounts	30	30	31
41.0 Grants, subsidies, and contributions	36	136	13
99.9 Total new obligations	66	166	44

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(Legislative proposal, not subject to PAYGO)

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

Identification code 12-1230-2-1-271	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels			400
1159 Total direct loan levels			400
Direct loan subsidy (in percent):			
1320 Direct Loan, Treas Electric			0.08

This proposed legislation would add a new Treasury rate Electric Loan Program, similar to the telecommunications program, in the amount of \$400 million. Borrowers would apply for direct (Treasury rate) loans at an interest rate that is tied to the Government's cost of money. The new type of loan represents a new tool for the Rural Utilities Service (RUS) in meeting the demand for electric program loans. The growth that RUS electric borrowers are experiencing has resulted in record levels of loan applications, exceeding one billion dollars, being submitted to RUS in recent years. RUS will continue to experience an added demand for financing as electric distribution borrowers replace plants, much of which are 40 years old. RUS estimates that the Electric Pro-

Credit accounts—Continued

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS
PROGRAM ACCOUNT—Continued**

gram will end 1999 with a backlog of electric loan applications in the amount of \$1,450 million.

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN
FINANCING ACCOUNT**

Program and Financing (in millions of dollars)

Identification code 12-4208-0-3-271	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	1,322	1,562	1,070
00.02 Interest on Treasury borrowing	223	367	430
00.04 Miscellaneous obligations/recoverable costs	99	76	.....
00.91 Subtotal, Operating program	1,644	2,005	1,500
Non-operating program:			
08.01 Negative subsidy paid to receipt account .....	.....	2	2
08.02 Downward reestimate paid to receipt account .....	.....	132	.....
08.03 Interest on downward reestimate paid to receipt account .....	.....	39	.....
08.91 Subtotal, Non-operating program .....	.....	173	2
10.00 Total new obligations	1,644	2,178	1,502
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	26	26	.....
22.00 New financing authority (gross)	1,793	2,153	1,502
22.10 Resources available from recoveries of prior year obligations	75	.....	.....
22.60 Redemption of debt	-156	.....	.....
22.70 Balance of authority to borrow withdrawn	-69	.....	.....
23.90 Total budgetary resources available for obligation	1,669	2,179	1,502
23.95 Total new obligations	-1,644	-2,178	-1,502
24.40 Unobligated balance available, end of year	26	.....	.....
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	1,293	1,549	951
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	532	623	589
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-32	-19	-38
68.90 Spending authority from offsetting collections (total)	500	604	551
70.00 Total new financing authority (gross)	1,793	2,153	1,502
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	3,382	3,604	3,943
72.95 Receivables from program account	164	132	113
72.99 Total unpaid obligations, start of year	3,546	3,736	4,056
73.10 Total new obligations	1,644	2,178	1,502
73.20 Total financing disbursements (gross)	-1,380	-1,858	-1,535
73.45 Adjustments in unexpired accounts	-75	.....	.....
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	3,604	3,943	3,949
74.95 Receivables from program account	132	113	75
74.99 Total unpaid obligations, end of year	3,736	4,056	4,024
87.00 Total financing disbursements (gross)	1,380	1,858	1,535
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payment from program account	-62	-154	-51
88.25 Interest on uninvested funds	-43	-43	-49
Non-Federal sources:			
88.40 Repayment of principal	-165	-85	-102
88.40 Interest received on loans	-262	-341	-387
88.90 Total, offsetting collections (cash)	-532	-623	-589
88.95 Change in receivables from program accounts	32	19	38

Net financing authority and financing disbursements:			
89.00 Financing authority	1,293	1,549	951
90.00 Financing disbursements	848	1,235	946

Status of Direct Loans (in millions of dollars)			
Identification code 12-4208-0-3-271	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	1,420	1,562	1,070
1112 Unobligated direct loan limitation	-98	.....	.....
1150 Total direct loan obligations	1,322	1,562	1,070
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	4,306	5,106	6,569
1231 Disbursements: Direct loan disbursements	942	1,549	1,217
1251 Repayments: Repayments and prepayments	-142	-86	-102
1290 Outstanding, end of year	5,106	6,569	7,684

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

Balance Sheet (in millions of dollars)				
Identification code 12-4208-0-3-271	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	157	170	76	212
Investments in US securities:				
1106 Receivables, net	2	.....	.....	.....
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	3,656	4,351	5,351	6,051
1405 Allowance for subsidy cost (-)	-468	-433	-399	-519
1499 Net present value of assets related to direct loans	3,188	3,918	4,952	5,532
1999 Total assets	3,347	4,088	5,028	5,744
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable .....	.....	.....	.....	.....
2103 Debt	3,208	3,963	4,916	5,660
2999 Total liabilities	3,208	3,963	4,916	5,660
NET POSITION:				
3100 Appropriated capital	139	125	112	84
3999 Total net position	139	125	112	84
4999 Total liabilities and net position	3,347	4,088	5,028	5,744
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	49	136	152	188
Investments in US securities:				
1106 Receivables, net .....	.....	.....	.....	.....
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	649	755	1,102	1,438
1405 Allowance for subsidy cost (-)	-61	-63	-67	-90
1499 Net present value of assets related to direct loans	588	692	1,035	1,348
1999 Total assets	637	828	1,187	1,536
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable .....	.....	.....	.....	.....
2103 Debt	582	770	1,134	1,493
2999 Total liabilities	582	770	1,134	1,493
NET POSITION:				
3100 Appropriated capital	55	58	53	43
3999 Total net position	55	58	53	43
4999 Total liabilities and net position	637	828	1,187	1,536

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN
FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4208-2-3-271	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loans			400
10.00 Total new obligations			400
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			399
23.95 Total new obligations			-400
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)			399
Change in unpaid obligations:			
73.10 Total new obligations			400
73.20 Total financing disbursements (gross)			-48
74.40 Unpaid obligations, end of year: Obligated balance, end of year			352
87.00 Total financing disbursements (gross)			48
Net financing authority and financing disbursements:			
89.00 Financing authority			399
90.00 Financing disbursements			48

Status of Direct Loans (in millions of dollars)

Identification code 12-4208-2-3-271	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			400
1150 Total direct loan obligations			400
Cumulative balance of direct loans outstanding:			
1231 Disbursements: Direct loan disbursements			48
1290 Outstanding, end of year			48

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

Balance Sheet (in millions of dollars)

Identification code 12-4208-2-3-271	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
Investments in US securities:				
1106 Receivables, net				1
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross				48
1405 Allowance for subsidy cost (-)				-1
1499 Net present value of assets related to direct loans				47
1999 Total assets				48
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable				1
2103 Debt				47
2999 Total liabilities				48
4999 Total liabilities and net position				48

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4230-0-3-271	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Interest expense on certificates of beneficial ownership	418	490	490
00.02 Interest expense, FFB direct	1,141	914	775
00.03 Other interest expense	234	71	9
00.04 Public debt		20	
00.05 Other	6	7	4
10.00 Total new obligations	1,799	1,502	1,278
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	359	274	1,025
22.00 New budget authority (gross)	2,526	2,252	1,311
22.10 Resources available from recoveries of prior year obligations		19	
22.70 Balance of authority to borrow withdrawn	-831		
23.90 Total budgetary resources available for obligation	2,073	2,526	2,336
23.95 Total new obligations	-1,799	-1,502	-1,278
24.40 Unobligated balance available, end of year	274	1,025	1,057

New budget authority (gross), detail:

Current:			
40.36 Unobligated balance rescinded	-6	-4	-3
Permanent:			
62.00 Transferred from other accounts	28	26	25
67.15 Authority to borrow (indefinite)	830		
67.16 Authority to borrow (indefinite) (12 U.S.C. 2281-96)	126		
67.90 Authority to borrow (total)	956		
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	2,953	3,515	4,411
68.47 Portion applied to debt reduction	-1,405	-1,285	-3,122
68.90 Spending authority from offsetting collections (total)	1,548	2,230	1,289
70.00 Total new budget authority (gross)	2,526	2,252	1,311

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	3,131	1,149	424
73.10 Total new obligations	1,799	1,502	1,278
73.20 Total outlays (gross)	-3,195	-2,227	-1,289
73.40 Adjustments in expired accounts	-567		
73.45 Adjustments in unexpired accounts	-19		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1,149	424	413

Outlays (gross), detail:

86.97 Outlays from new permanent authority	984	804	
86.98 Outlays from permanent balances	2,211	1,423	1,289
87.00 Total outlays (gross)	3,195	2,227	1,289

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Loans repaid	-1,574	-1,874	-2,950
88.40 Interest from loans	-1,371	-1,641	-1,461
88.40 Other	-8		
88.90 Total, offsetting collections (cash)	-2,953	-3,515	-4,411

Net budget authority and outlays:

89.00 Budget authority	-427	-1,263	-3,100
90.00 Outlays	242	-1,288	-3,122

Status of Direct Loans (in millions of dollars)

Identification code 12-4230-0-3-271	1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	28,246	27,076	25,211
1231 Disbursements: Direct loan disbursements	34	21	8
1251 Repayments: Repayments and prepayments	-1,574	-1,874	-2,950
1264 Write-offs for default: Other adjustments, net	370	-12	-7

Credit accounts—Continued

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING
ACCOUNT—Continued

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

Identification code 12-4230-0-3-271	1998 actual	1999 est.	2000 est.
1290 Outstanding, end of year	27,076	25,211	22,262

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4230-0-3-271	1998 actual	1999 est.	2000 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	642	618	598
2251 Repayments and prepayments	-24	-20	-20
2290 Outstanding, end of year	618	598	578
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	618	598	578

STATUS OF AGENCY DEBT

(In millions of dollars)

Agency Debt Held by FFB:	1998 actual	1999 est.	2000 est.
Outstanding FFB Direct, start of year	13,448	12,594	11,623
Outstanding Certificate of Beneficial Ownership (CBO's), start of year	4,599	4,599	4,599
New agency borrowing, FFB Direct	129	.....	.....
Repayments and prepayments, FFB Direct	-983	-971	-1,422
Outstanding FFB Direct, end of year	12,594	11,623	10,201
Outstanding CBO's, end of year	4,599	4,599	4,599

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in RETRF in 1992 and beyond is recorded in corresponding program and financing accounts.

The Rural Utilities Service will continue to service all loans in this account providing business management and technical assistance to the borrowers on a regular basis over the life of the loans.

Rural electric.—This program is financed through RUS direct loans for the construction and operation of generating plants, electric transmission, and distribution lines or systems.

The following tables reflect statistics on loans made through the liquidating account only. Since 1992 new electric and telephone loans have been made through a separate, program account.

ELECTRIC PROGRAM STATISTICS

(dollars in millions)

	1998 actual	1999 est.	2000 est.
Cumulative RUS financed direct loans	21,854	21,854	21,854
Cumulative FFB financed direct loans	27,148	27,148	27,148
Cumulative RUS funds advanced	21,830	21,831	21,832
Unadvanced RUS funds, end of year	24	23	22
Cumulative RUS principal repaid	12,694	13,411	14,128
Cumulative RUS interest paid	10,689	11,078	11,467
Cumulative loan guarantee commitments ¹	3,967	3,967	3,967
Number of borrowers	770	725	680

¹ Represents loans financed by private lenders, including refinanced direct loans, FFB.

Rural telecommunications.—This loan program is financed through RUS direct loans for the construction, expansion, and operation of telecommunications lines and facilities or systems.

TELECOMMUNICATIONS PROGRAM STATISTICS

(dollars in millions)

	1998 actual	1999 est.	2000 est.
Cumulative RUS financed direct loans	6,061	6,061	6,061
Cumulative FFB financed direct loans	579	579	579
Cumulative RUS funds advanced	5,855	5,863	5,871
Unadvanced RUS funds, end of period	206	198	190
Cumulative RUS principal repaid	3,120	3,360	3,600
Cumulative RUS interest paid	2,536	2,656	2,776
Cumulative loan guarantee commitments ¹	3	3	3
Number of borrowers	848	839	830

¹ Other lenders—privately financed direct loans, FFB.

Statement of Operations (in millions of dollars)

Identification code 12-4230-0-3-271	1997 actual	1998 actual	1999 est.	2000 est.
ELECTRIC PROGRAM:				
0111 Revenue	1,902	1,812	1,118	1,062
0112 Expense	-3,488	-147	-1,329	-1,263
0119 Net loss (-), Electric program	-1,586	1,665	-211	-201
TELEPHONE PROGRAM:				
0121 Revenue	90	188	130	130
0122 Expense	-364	-178	-91	-91
0129 Net income or loss (-), Telephone program	-274	10	39	39
0191 Total revenues	1,992	2,000	1,248	1,192
0192 Total expenses	-3,852	-325	-1,420	-1,354
0199 Net loss (-)	-1,860	1,675	-172	-162

Balance Sheet (in millions of dollars)

Identification code 12-4230-0-3-271	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	208	.....	.....	.....
Net value of assets related to pre-1992 direct loans receivable and ac- quired defaulted guaranteed loans receivable:				
1601 Direct loans, gross (Electric)	25,156	24,203	22,454	19,828
1602 Interest receivable	12	15	15	15
1603 Allowance for estimated uncollectible loans and interest (-)	-5,031	-3,087	-2,933	-2,786
1604 Direct loans and interest receivable, net	20,137	21,131	19,536	17,057
1699 Value of assets related to direct loans	20,137	21,131	19,536	17,057
1901 Other Federal assets: Other assets	2,769	3,527	399	.....
1999 Total assets	23,114	24,658	19,935	17,057
LIABILITIES:				
Federal liabilities:				
2103 Debt	22,338	21,198	19,950	16,896
2104 Resources payable to Treasury .....	.....	.....	.....	264
2105 Other	3	837	3	3
Non-Federal liabilities:				
2202 Interest payable	26	9	.....	.....
2203 Debt	2,156	807	94	94
2204 Liabilities for loan guarantees	177	142	99	.....
2999 Total liabilities	24,700	22,993	20,146	17,257
NET POSITION:				
3300 Cumulative results of operations	-1,586	1,665	-211	-200
3999 Total net position	-1,586	1,665	-211	-200
4999 Total liabilities and net position	23,114	24,658	19,935	17,057

ASSETS:				
1101 Federal assets: Fund balances with Treasury	458	.....	.....	.....
Non-Federal assets:				
1201 Investments in non-Federal securities, net	556	528	502	477
1206 Receivables, net	1	662	.....	.....
Net value of assets related to pre-1992 direct loans receivable and ac- quired defaulted guaranteed loans receivable:				
1601 Direct loans, gross (Telephone)	3,090	2,874	2,758	2,435

1602	Interest receivable	7	6	5	5
1603	Allowance for estimated uncollectible loans and interest (-)	214	126	119	113
1604	Direct loans and interest receivable, net	3,311	3,006	2,882	2,553
1699	Value of assets related to direct loans	3,311	3,006	2,882	2,553
1999	Total assets	4,326	4,196	3,384	3,030
LIABILITIES:					
Federal liabilities:					
2103	Debt	2,271	2,163	2,150	2,107
2104	Resources payable to Treasury	2,322	2,019	1,188	877
2105	Other	7	4	7	7
2999	Total liabilities	4,600	4,186	3,345	2,991
NET POSITION:					
3300	Cumulative results of operations	-274	10	39	39
3999	Total net position	-274	10	39	39
4999	Total liabilities and net position	4,326	4,196	3,384	3,030

Object Classification (in millions of dollars)				
Identification code 12-4230-0-3-271	1998 actual	1999 est.	2000 est.	
25.2	Other services	6	7	4
33.0	Investments and loans		20	
43.0	Interest and dividends	1,793	1,475	1,274
99.9	Total new obligations	1,799	1,502	1,278

RURAL TELEPHONE BANK PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs. During fiscal year [1999] 2000 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be **[\$157,509,000] \$175,000,000.**

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), **[\$4,174,000] \$3,290,000, to be derived by transfer from the shareholder's equity as contained in the unobligated balances in the Rural Telephone Bank Liquidating Account.**

In addition, for administrative expenses necessary to carry out the loan programs, **\$3,000,000 to be derived by transfer from the shareholder's equity as contained in the unobligated balances in the Rural Telephone Bank Liquidating Account, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)**

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1231-0-1-452	1998 actual	1999 est.	2000 est.	
0101	Rural telephone bank loans, downward reestimates of subsidies		12	

Program and Financing (in millions of dollars)

Identification code 12-1231-0-1-452	1998 actual	1999 est.	2000 est.	
Obligations by program activity:				
00.01	Direct loan subsidy	4	4	3
00.09	Administrative expenses subject to limitation	3	3	3
10.00	Total new obligations	7	7	6
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	7	7	6
23.95	Total new obligations	-7	-7	-6

New budget authority (gross), detail:				
40.00	Appropriation	7	7	
42.00	Transferred from other accounts			6
43.00	Appropriation (total)	7	7	6

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	8	11	13
73.10	Total new obligations	7	7	6
73.20	Total outlays (gross)	-3	-5	-4
74.40	Unpaid obligations, end of year: Obligated balance, end of year	11	13	15

Outlays (gross), detail:				
86.90	Outlays from new current authority	3	3	3
86.93	Outlays from current balances		2	1
87.00	Total outlays (gross)	3	5	4

Net budget authority and outlays:				
89.00	Budget authority	7	7	6
90.00	Outlays	3	5	4

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

Identification code 12-1231-0-1-452	1998 actual	1999 est.	2000 est.	
Direct loan levels supportable by subsidy budget authority:				
1150	Direct loan levels	168	158	175
1159	Total direct loan levels	168	158	175
Direct loan subsidy (in percent):				
1320	Subsidy rate	2.12	2.65	1.88
1329	Weighted average subsidy rate	2.12	2.65	1.88
Direct loan subsidy budget authority:				
1330	Subsidy budget authority	4	4	3
1339	Total subsidy budget authority	4	4	3
Direct loan subsidy outlays:				
1340	Subsidy outlays		2	1
1349	Total subsidy outlays		2	1
Administrative expense data:				
3510	Budget authority	3	3	3
3590	Outlays	3	3	3

In 2000, the Rural Telephone Bank (RTB) is proposed to become a Performance Based Organization to establish its financial and operational independence prior to its being privatized within ten years. Funding for the RTB's loan subsidies and administrative expenses will be transferred from the unobligated balances in the RTB liquidating account.

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

Object Classification (in millions of dollars)

Identification code 12-1231-0-1-452	1998 actual	1999 est.	2000 est.	
25.3	Purchases of goods and services from Government accounts	3	3	3
41.0	Grants, subsidies, and contributions	4	4	3
99.9	Total new obligations	7	7	6

Credit accounts—Continued

RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4210-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	168	158	175
00.03 Interest on Treasury borrowing	14	13	14
00.91 Subtotal, Operating program	182	171	189
Reestimate:			
08.02 Downward reestimate		9	
08.03 Interest on downward reestimate		3	
08.91 Subtotal, Reestimate		12	
10.00 Total new obligations	182	183	189
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	182	183	189
22.10 Resources available from recoveries of prior year obligations	29		
22.70 Balance of authority to borrow withdrawn	-29		
23.90 Total budgetary resources available for obligation	182	183	189
23.95 Total new obligations	-182	-183	-189
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	166	132	131
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	22	49	55
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	3	2	3
68.47 Portion applied to debt reduction	-9		
68.90 Spending authority from offsetting collections (total)	16	51	58
70.00 Total new financing authority (gross)	182	183	189
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	674	775	890
72.95 Receivables from program account	7	10	12
72.99 Total unpaid obligations, start of year	681	785	902
73.10 Total new obligations	182	183	189
73.20 Total financing disbursements (gross)	-48	-65	-68
73.45 Adjustments in unexpired accounts	-29		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	775	890	1,009
74.95 Receivables from program account	10	12	15
74.99 Total unpaid obligations, end of year	785	902	1,024
87.00 Total financing disbursements (gross)	48	65	68
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Payment from Program Account		-2	-1
88.25 Interest on uninvested funds	-4		
Non-Federal sources:			
88.40 Principal received on loans	-5	-6	-8
88.40 Interest received on loans	-11	-38	-44
88.40 Sale of RTB Stock	-2	-3	-2
88.90 Total, offsetting collections (cash)	-22	-49	-55
88.95 Change in receivables from program accounts	-3	-2	-3
Net financing authority and financing disbursements:			
89.00 Financing authority	157	132	131
90.00 Financing disbursements	24	16	13

Status of Direct Loans (in millions of dollars)

Identification code 12-4210-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	175	158	175
1112 Unobligated direct loan limitation	-7		

1150 Total direct loan obligations	168	158	175
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	203	232	278
1231 Disbursements: Direct loan disbursements	34	52	53
1251 Repayments: Repayments and prepayments	-5	-6	-8
1290 Outstanding, end of year	232	278	323

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

Balance Sheet (in millions of dollars)

Identification code 12-4210-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	193	322	476	653
Investments in US securities:				
1106 Program Account	8	11	13	16
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	203	232	278	323
1402 Interest receivable	11	11	44	52
1405 Allowance for subsidy cost (-)	-13	-17	-19	-18
1499 Net present value of assets related to direct loans	201	226	303	357
1999 Total assets	402	559	792	1,026
LIABILITIES:				
2103 Federal liabilities: Debt	368	544	775	1,007
2201 Non-Federal liabilities: Accounts payable	32	11	13	16
2999 Total liabilities	400	555	788	1,023
NET POSITION:				
3100 Appropriated capital	2	4	4	3
3999 Total net position	2	4	4	3
4999 Total liabilities and net position	402	559	792	1,026

RURAL TELEPHONE BANK LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4231-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Dividends	15	18	19
10.00 Total obligations (object class 43.0)	15	18	19
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	282	396	557
22.00 New budget authority (gross)	133	190	203
22.10 Resources available from recoveries of prior year obligations	7		
22.40 Capital transfer to general fund	-11	-11	-10
23.90 Total budgetary resources available for obligation	411	575	750
23.95 Total new obligations	-15	-18	-19
24.40 Unobligated balance available, end of year	396	557	731
New budget authority (gross), detail:			
Current:			
41.00 Transferred to other accounts			-6
Permanent:			
61.00 Transferred to other accounts	-28	-26	-25
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	230	241	246
68.47 Portion applied to debt reduction	-69	-25	-12
68.90 Spending authority from offsetting collections (total)	161	216	234
70.00 Total new budget authority (gross)	133	190	203
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	201	175	151

73.10	Total new obligations	15	18	19
73.20	Total outlays (gross)	-34	-42	-42
73.45	Adjustments in unexpired accounts	-7		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	175	151	128

Outlays (gross), detail:

86.97	Outlays from new permanent authority	15	18	19
86.98	Outlays from permanent balances	19	24	23
87.00	Total outlays (gross)	34	42	42

Offsets:

Against gross budget authority and outlays:
Offsetting collections (cash) from:

88.00	Federal sources	-29	-37	-46
	Non-Federal sources:			
88.40	Loans repaid	-113	-120	-120
88.40	Interest from loans	-87	-83	-79
88.40	Sales of stock	-1	-1	-1
88.90	Total, offsetting collections (cash)	-230	-241	-246

Net budget authority and outlays:

89.00	Budget authority	-97	-51	-43
90.00	Outlays	-196	-199	-204

Status of Direct Loans (in millions of dollars)

Identification code 12-4231-0-3-452		1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	1,264	1,172	1,079
1231	Disbursements: Direct loan disbursements	21	27	24
1251	Repayments: Repayments and prepayments	-113	-120	-120
1290	Outstanding, end of year	1,172	1,079	983

As required by the Federal Credit Reform Act of 1990, this account records, for the Rural Telephone Bank (RTB), all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts. Funding for both subsidy budget authority and the related salaries and expenses will be transferred from the unobligated balances in the RTB liquidating account in 2000.

The RTB provides a supplemental source of financing for rural telecommunications borrowers. The Bank charges an interest rate based on the cost of money to the Bank, as prescribed by law, but not less than 5 percent per annum.

In accordance with section 406(c) of the Rural Electrification Act of 1936, as amended, the first redemption of class A stock occurred on September 30, 1996. Redemption of class A stock will continue, as allowed by law, toward the full privatization of the Rural Telephone Bank required by law. In 2000, the RTB is proposed to become a Performance Based Organization to establish its commercial viability prior to its being privatized within ten years.

Administrative support is provided for the general operations of the Bank by RUS employees and the Office of the General Counsel.

PROGRAM STATISTICS

(dollars in millions)

	1998 actual	1999 est.	2000 est.
Cumulative net loans	2,592	2,580	2,570
Cumulative loan funds, advanced	2,432	2,452	2,470
Unadvanced loan funds, end of year	160	128	100
Cumulative principal repaid	1,260	1,375	1,392
Cumulative interest paid	2,087	2,177	2,277
Number of borrowers	569	558	551

Statement of Operations (in millions of dollars)

Identification code 12-4231-0-3-452		1997 actual	1998 actual	1999 est.	2000 est.
0101	Revenue	120	130	143	148

0102	Expense	-28	-25	-20	-19
0109	Net income or loss (-)	92	105	123	129

Balance Sheet (in millions of dollars)

Identification code 12-4231-0-3-452		1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:					
1101	Federal assets: Fund balances with Treasury	483	571	708	865
1206	Non-Federal assets: Receivables, net Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:	4	3	3	3
1601	Direct loans, gross	1,264	1,172	1,079	983
1603	Allowance for estimated uncollectible loans and interest (-)	-8	-8	-8	-7
1604	Direct loans and interest receivable, net	1,256	1,164	1,071	976
1699	Value of assets related to direct loans	1,256	1,164	1,071	976
1999	Total assets	1,743	1,738	1,782	1,844
LIABILITIES:					
Federal liabilities:					
2103	Debt	334	265	240	228
Non-Federal liabilities:					
2207	Other	853	945	1,040	1,139
2999	Total liabilities	1,187	1,210	1,280	1,367
NET POSITION:					
3100	Appropriated capital	556	528	502	477
3999	Total net position	556	528	502	477
4999	Total liabilities and net position	1,743	1,738	1,782	1,844

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., **[\$12,680,000]** \$20,700,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: *Provided*, That the costs of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-1232-0-1-452		1998 actual	1999 est.	2000 est.
Obligations by program activity:				
00.01	Direct loan subsidy			1
00.02	Distance learning and telemedicine grants	21	13	20
10.00	Total obligations (object class 41.0)	21	13	21
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	9	1	1
22.00	New budget authority (gross)	13	13	21
23.90	Total budgetary resources available for obligation	22	14	22
23.95	Total new obligations	-21	-13	-21
24.40	Unobligated balance available, end of year	1	1	1

New budget authority (gross), detail:

Appropriation:				
40.00	Appropriation			1
40.00	Appropriation grant budget authority	13	13	20
43.00	Appropriation (total)	13	13	21

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	15	27	24
73.10	Total new obligations	21	13	21
73.20	Total outlays (gross)	-9	-16	-22
74.40	Unpaid obligations, end of year: Obligated balance, end of year	27	24	22

Credit accounts—Continued

DISTANCE LEARNING AND TELEMEDICINE PROGRAM—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1232-0-1-452	1998 actual	1999 est.	2000 est.
Outlays (gross), detail:			
86.90 Outlays from new current authority	1	10	16
86.93 Outlays from current balances	7	5	4
87.00 Total outlays (gross)	9	16	22
Net budget authority and outlays:			
89.00 Budget authority	13	13	21
90.00 Outlays	9	16	22

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

Identification code 12-1232-0-1-452	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	5	150	200
1159 Total direct loan levels	5	150	200
Direct loan subsidy (in percent):			
1320 Subsidy rate	0.02	0.12	0.35
1329 Weighted average subsidy rate	0.02	0.12	0.35
Direct loan subsidy budget authority:			
1330 Subsidy budget authority			1

The loan and grant program provides access to advanced telecommunications services for improved education and health care in rural areas throughout the country. The loans and grants help education and health care providers bring the most modern technology, level of care, and education to rural America so its citizens can compete regionally, nationally, and globally.

DISTANCE LEARNING AND TELEMEDICINE LINK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4146-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loans	5	150	200
00.02 Interest on Treasury borrowing		1	6
10.00 Total new obligations	5	151	206
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	5	151	206
23.95 Total new obligations	-5	-151	-206
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	5	145	185
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)		10	36
68.47 Portion applied to debt reduction		-4	-15
68.90 Spending authority from offsetting collections (total)		6	21
70.00 Total new financing authority (gross)	5	151	206
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year			107
73.10 Total new obligations	5	151	206
73.20 Total financing disbursements (gross)		-47	-136
74.40 Unpaid obligations, end of year: Obligated balance, end of year	5	107	177
87.00 Total financing disbursements (gross)		47	136

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds		-3	-11
Non-Federal sources:			
88.40 Repayment of principal		-4	-15
88.40 Interest received on loans		-3	-10
88.90 Total, offsetting collections (cash)		-10	-36

Net financing authority and financing disbursements:

89.00 Financing authority	5	141	170
90.00 Financing disbursements		37	100

Status of Direct Loans (in millions of dollars)

Identification code 12-4146-0-3-452	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	5	150	200
1150 Total direct loan obligations	5	150	200
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			44
1231 Disbursements: Direct loan disbursements		47	136
1251 Repayments: Repayments and prepayments		-3	-14
1290 Outstanding, end of year		44	166

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

Balance Sheet (in millions of dollars)

Identification code 12-4146-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross			44	166
1402 Interest receivable			3	10
1405 Allowance for subsidy cost (-)			-3	-10
1499 Net present value of assets related to direct loans			44	166
1999 Total assets			44	166
LIABILITIES:				
2101 Federal liabilities: Accounts payable			44	166
2999 Total liabilities			44	166
4999 Total liabilities and net position			44	166

RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4155-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Operating expenses:			
00.02 Purchase of loans from investors	3	2	1
00.03 Redemption of public CBO debt	1	1	1
00.91 Total operating expenses	4	3	2
Capital investment:			
01.01 Interest on FFB borrowings	515	502	478
01.05 Interest on Treasury borrowings	51	104	95
01.06 Loss settlement expense on guaranteed loans	1	13	12
01.09 Undistributed charges	3		
01.91 Total capital investment	570	619	585
10.00 Total new obligations	573	622	586

Budgetary resources available for obligation:

21.40	Unobligated balance available, start of year	40	17	17
22.00	New budget authority (gross)	548	888	587
22.10	Resources available from recoveries of prior year obligations	2		
22.60	Redemption of debt		-265	
22.70	Balance of authority to borrow withdrawn		-1	-1
23.90	Total budgetary resources available for obligation	590	639	603
23.95	Total new obligations	-573	-622	-586
24.40	Unobligated balance available, end of year	17	17	17

New budget authority (gross), detail:

60.05	Appropriation (indefinite)		432	210
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	598	531	482
68.47	Portion applied to debt reduction	-50	-75	-105
68.90	Spending authority from offsetting collections (total)	548	456	377
70.00	Total new budget authority (gross)	548	888	587

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	265	207	191
73.10	Total new obligations	573	622	586
73.20	Total outlays (gross)	-629	-638	-586
73.45	Adjustments in unexpired accounts	-2		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	207	191	191

Outlays (gross), detail:

86.97	Outlays from new permanent authority	548	638	586
86.98	Outlays from permanent balances	81		
87.00	Total outlays (gross)	629	638	586

Offsets:

Against gross budget authority and outlays:

Offsetting collections (cash) from:

88.00	Federal sources	-2		
Non-Federal sources:				
88.40	Non-Federal sources	-326	-305	-280
88.40	Repayments of guaranteed loans purchased from investors	-25	-7	-2
88.40	Interest revenue	-236	-214	-195
88.40	Interest income on investment	-8	-5	-5
88.40	Other revenue	-3		
88.40	Undistributed	2		
88.90	Total, offsetting collections (cash)	-598	-531	-482

Net budget authority and outlays:

89.00	Budget authority	-50	357	105
90.00	Outlays	31	107	104

Status of Direct Loans (in millions of dollars)

Identification code 12-4155-0-3-452	1998 actual	1999 est.	2000 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	4,135	3,808	3,503
1231	Disbursements: Direct loan disbursements	4	3	
1251	Repayments: Repayments and prepayments	-326	-305	-280
1261	Adjustments: Capitalized interest	1		
Write-offs for default:				
1263	Direct loans	-4	-3	-3
1264	Other adjustments, net	-2		
1290	Outstanding, end of year	3,808	3,503	3,219

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4155-0-3-452	1998 actual	1999 est.	2000 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	375	227	138
2251	Repayments and prepayments	-94	-57	-35
2263	Adjustments: Terminations for default that result in claim payments	-54	-32	-19
2290	Outstanding, end of year	227	138	84

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	191	116	71
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The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419).

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas. Communities unable to afford low interest loans for water and waste disposal facilities are also able to obtain water and waste disposal grants.

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

In 1994, these loan programs were administered by the Rural Development Administration. Under reorganization of the Department of Agriculture, the water and waste direct and guaranteed loan programs are administered by the Rural Utilities Service, the community facility direct and guaranteed loan programs are administered by the Rural Housing Service, and the business and industry direct and guaranteed loan programs are administered by the Rural Business-Cooperative Service.

Statement of Operations (in millions of dollars)

Identification code 12-4155-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.	
0101	Revenue	234	226	210	193
0102	Expense	-618	-664	-732	-681
0109	Net income or loss (-)	-384	-438	-522	-488

Balance Sheet (in millions of dollars)

Identification code 12-4155-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.	
ASSETS:					
1101	Federal assets: Fund balances with Treasury	304	223	209	210
Non-Federal assets:					
1201	Investments in non-Federal securities, net	34	34	34	34
1206	Receivables, net	61	56	54	45
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:					
1601	Direct loans, gross	4,135	3,808	3,503	3,219
1603	Allowance for estimated uncollectible loans and interest (-)	-1,584	-1,245	-1,130	-1,022
1604	Direct loans and interest receivable, net	2,551	2,563	2,373	2,197
1699	Value of assets related to direct loans	2,551	2,563	2,373	2,197
1901	Other Federal assets: Other assets	96	29	10	4
1999	Total assets	3,046	2,905	2,680	2,489
LIABILITIES:					
Federal liabilities:					
2103	Debt	4,801	4,753	4,412	4,306
2104	Resources payable to Treasury	32	7		
2105	Other	19	17	15	13
Non-Federal liabilities:					
2201	Public	149	98	80	119
2202	Interest payable	107	104	109	70
2999	Total liabilities	5,109	4,980	4,616	4,508
NET POSITION:					
3300	Cumulative results of operations	-2,065	-2,075	-1,937	-2,019
3999	Total net position	-2,065	-2,075	-1,937	-2,019
4999	Total liabilities and net position	3,043	2,905	2,680	2,489

Credit accounts—Continued

**RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT—
Continued**

Object Classification (in millions of dollars)

Identification code 12-4155-0-3-452	1998 actual	1999 est.	2000 est.
25.2 Other services	1	13	11
33.0 Investments and loans	3	2	1
43.0 Interest and dividends	566	607	574
92.0 Undistributed	3		
99.9 Total new obligations	573	622	586

RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4142-0-3-452	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 43.0)	3	3	3
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3	3	3
23.95 Total new obligations	-3	-3	-3
New budget authority (gross), detail:			
60.05 Appropriation (indefinite)	2	2	2
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	3	3	3
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	1
73.10 Total new obligations	3	3	3
73.20 Total outlays (gross)	-3	-3	-3
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	2	2	3
86.98 Outlays from permanent balances	1	1	
87.00 Total outlays (gross)	3	3	3
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	2	2	2
90.00 Outlays	2	2	2

Status of Direct Loans (in millions of dollars)

Identification code 12-4142-0-3-452	1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	9	8	7
1251 Repayments: Repayments and prepayments	-1	-1	-1
1290 Outstanding, end of year	8	7	7

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4142-0-3-452	1998 actual	1999 est.	2000 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	5	5	4
2290 Outstanding, end of year	5	4	4
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	5	4	4

The Rural Communication Development Fund was established pursuant to the Secretary's Memorandum No. 1988, approved May 22, 1979. No loans have been made through this account since before 1992.

Statement of Operations (in millions of dollars)

Identification code 12-4142-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
0101 Revenue	1	1	1	1
0102 Expense	-3	-3	-3	-3
0109 Net income or loss (-)	-2	-2	-2	-2

Balance Sheet (in millions of dollars)

Identification code 12-4142-0-3-452	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	2	1	3	3
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	9	8	7	7
1603 Allowance for estimated uncollectible loans and interest (-)	-3	-3	-3	-3
1604 Direct loans and interest receivable, net	6	5	4	4
1699 Value of assets related to direct loans	6	5	4	4
1999 Total assets	8	6	7	7
LIABILITIES:				
Federal liabilities:				
2102 Interest payable	1	1	3	3
2103 Debt	25	24	23	23
2204 Non-Federal liabilities: Liabilities for loan guarantees	1	1	1	1
2999 Total liabilities	27	26	27	27
NET POSITION:				
3100 Appropriated capital	13	14	16	18
3300 Cumulative results of operations	-32	-34	-36	-38
3999 Total net position	-19	-20	-20	-20
4999 Total liabilities and net position	8	6	7	7

FOREIGN AGRICULTURAL SERVICE

Federal Funds

General and special funds:

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), [S136,203,000] \$137,768,000: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products. (Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-2900-0-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Market access	26	26	26
00.02 Market development	73	65	66
00.03 Market intelligence	23	23	23
00.04 Financial marketing assistance	6	6	6
00.05 Long-term market and infrastructure development	15	16	17
09.00 Reimbursable program	74	64	64
10.00 Total new obligations	217	200	202
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	30	19	19
22.00 New budget authority (gross)	207	200	202
23.90 Total budgetary resources available for obligation	237	219	221
23.95 Total new obligations	-217	-200	-202
23.98 Unobligated balance expiring	1		
24.40 Unobligated balance available, end of year	19	19	19
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	132	136	138
42.00 Transferred from other accounts	12		
43.00 Appropriation (total)	144	136	138
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	63	64	64
70.00 Total new budget authority (gross)	207	200	202
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	30	27	26
73.10 Total new obligations	217	200	202
73.20 Total outlays (gross)	-220	-201	-198
74.40 Unpaid obligations, end of year: Obligated balance, end of year	27	26	30
Outlays (gross), detail:			
86.90 Outlays from new current authority	118	115	115
86.93 Outlays from current balances	39	22	19
86.97 Outlays from new permanent authority	63	64	64
87.00 Total outlays (gross)	220	201	198
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-63	-64	-64
Net budget authority and outlays:			
89.00 Budget authority	144	136	138
90.00 Outlays	157	137	134

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	144	136	138
Outlays	157	137	134
Legislative proposal, not subject to PAYGO:			
Budget Authority			-28
Outlays			-28
Total:			
Budget Authority	144	136	110
Outlays	157	137	106

The mission of the Foreign Agricultural Service (FAS) is to open, expand and maintain global market opportunities through international trade, cooperation, and sustainable development activities which secure the long-term economic vitality and global competitiveness of America's rural communities and related food and agricultural enterprises.

FAS conducts a demand-driven export strategy, deploying five major policy objectives to execute the strategy, while integrating commodity and country market priorities for allocating scarce export assistance resources. These objectives include:

Market Access: FAS initiates, directs and coordinates the Department's formulation of trade policies and programs with the goal of maintaining and expanding world markets for U.S. agricultural products. It monitors international compliance with bilateral and multilateral trade agreements. It identifies restrictive tariff and trade practices which act as barriers to the import of U.S. agricultural commodities, then supports negotiations to remove them. It acts to counter and eliminate unfair trade practices of other countries that hinder U.S. agricultural exports to those markets. In virtually every foreign market, U.S. agricultural exports are subject to import duties and non-tariff trade restrictions. Trade information sent to Washington from FAS personnel overseas is used to map strategies for improving market access, pursuing U.S. rights under trade agreements, and developing programs and policies to make U.S. farm products more competitive. Staff increases to improve market access work will be achieved by shifting resources from FAS' financial marketing efforts.

Market Development, Promotion and Outreach: FAS develops foreign markets for U.S. farm products through aggressive market expansion activities. It provides services to the U.S. and foreign agricultural trade sectors that are necessary to establish, build and maintain overseas markets for U.S. agricultural products. Public Law 83-690, approved August 28, 1954, includes authority to establish up to 25 Agricultural Trade Offices. Currently 17 such offices are in operation at key foreign trading centers to assist U.S. exporters, trade groups and state export marketing officials in trade promotion. Promotional activities are carried out chiefly in cooperation with non-profit agricultural trade associations and firms on a cost-sharing basis. The largest of FAS's promotional programs is the Market Development Cooperator Program and Market Access Program. In addition, FAS sponsors U.S. participation in several major trade shows and a number of single-industry exhibitions each year. These programs are designed to create demand for U.S. agricultural products in foreign markets, introduce U.S. food and agricultural products to potential foreign customers, and show foreign customers how to use U.S. products.

FAS strategic outreach efforts focus on facilitating export readiness and help link both export-ready and new-to-export firms to market entry opportunities, and increase domestic awareness of export opportunities/global consumer quality and product safety expectations. These efforts are designed to strengthen the export knowledge/skills of producers and exporters so they can compete more effectively in the international marketplace. Outreach also includes targeting foreign buyers in educating them about the merits of U.S. products and how they can be purchased.

Market Intelligence: FAS provides U.S. farmers and traders with information on world agricultural production and trade that they can use to adjust to changes in world demand for U.S. agricultural products. This is done through a continuous program of reporting by 64 posts located throughout the world covering some 130 countries. Reporting includes information and/or data on foreign government policies, analysis of supply and demand conditions, commercial trade relationships and market opportunities. Advanced computer and telecommunications technology is used to improve and speed the flow of information between the posts and Washington. FAS analyzes agricultural information essential to the assessment of foreign supply and demand conditions in order to provide estimates of the current situation and to forecast the export potential for specific U.S. agricultural commodities.

Financial Marketing Assistance: FAS administers a number of price/credit and risk assistance programs designed to develop overseas markets and expand the levels of U.S. agricultural commodities. These programs include CCC Export Credit Guarantee Programs, export subsidy programs, including

General and special funds—Continued

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER—
Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

the Export Enhancement Program and Dairy Export Incentive Program, and food assistance activities such as Public Law 480, Food for Progress and the Section 416(b) program. These programs are designed to help developing nations make the transition from concessional financing to cash purchases, give U.S. producers the ability to counter export subsidies of foreign competitors and allow U.S. exporters to compete with sales terms offered by foreign competitors.

Long-term Market and Infrastructure Development: FAS helps USDA and other federal agencies, U.S. universities and others enhance the global competitiveness of U.S. agriculture and helps increase income and food availability in developing nations by mobilizing expertise for agriculturally led economic growth. Through the administration of a number of collaborative programs, FAS works to enhance U.S. agriculture's competitiveness by providing linkages to world resources and international organizations and building a spirit of cooperation. These linkages produce new technologies that are vital to improving the agricultural demand base and producing new and alternative products. Direct program activities include the administration of the Cochran Fellowship Program and management of USDA's bilateral exchange and cooperative research programs with foreign governments and institutions. Another activity is the Emerging Markets Program under which technical assistance and related activities are carried out in emerging markets aimed at enhancing their food and rural business systems and expanding U.S. agricultural exports. At the request of the Agency for International Development, international organizations and foreign governments, technical assistance and training in agriculture and rural development are provided on a reimbursable or advance of funds basis.

In 2000, the Foreign Market Development Cooperation Program will not be funded as part of the FAS appropriation. Like the Market Access Program, it will receive mandatory funding from CCC, administered by FAS.

The 2000 Budget also proposes a new Quality Samples Program, through which samples of U.S. agricultural products will be provided to foreign importers to display the high quality of U.S. products.

Object Classification (in millions of dollars)

Identification code 12-2900-0-1-352	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	38	37	39
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	1	1	1
11.8 Special personal services payments	2	2	2
11.9 Total personnel compensation	43	42	44
12.1 Civilian personnel benefits	11	11	11
21.0 Travel and transportation of persons	5	5	5
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	9	9	9
23.3 Communications, utilities, and miscellaneous charges	1	2	2
24.0 Printing and reproduction	1	1	1
25.2 Other services	69	61	61
26.0 Supplies and materials	2	1	1
31.0 Equipment	1	3	3
99.0 Subtotal, direct obligations	143	136	138
99.0 Reimbursable obligations	74	64	64
99.9 Total new obligations	217	200	202

Personnel Summary

Identification code 12-2900-0-1-352	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	780	766	751
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	134	134	134

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-2900-2-1-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.02 Market development—Cooperator program			-28
10.00 Total new obligations (object class 25.2)			-28
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-28
23.95 Total new obligations			28
New budget authority (gross), detail:			
40.00 Appropriation			-28
Change in unpaid obligations:			
73.10 Total new obligations			-28
73.20 Total outlays (gross)			28
Outlays (gross), detail:			
86.90 Outlays from new current authority			-28
Net budget authority and outlays:			
89.00 Budget authority			-28
90.00 Outlays			-28

In 2000, FAS will establish an account to manage unanticipated fluctuations in foreign currency exchange rates. Under this proposal, up to \$2,000,000 in annual gains from favorable exchange rate movement will be transferred to a FAS account to be used solely for the purpose of offsetting future exchange rate losses.

SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)

Program and Financing (in millions of dollars)

Identification code 12-1404-0-1-352	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
24.40 Unobligated balance available, end of year	1	1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	4	3	2
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	3	2	1
Outlays (gross), detail:			
86.98 Outlays from permanent balances	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	1	1

As authorized by the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), as amended, USDA uses foreign currencies to support research on problems of mutual interest to the United States and participating foreign

countries. After 1991 no new foreign currency programs have been or are proposed to be initiated.

FOREIGN ASSISTANCE PROGRAMS

The funds and facilities of the Commodity Credit Corporation may, by law, be used in carrying out programs to encourage the export of agricultural commodities.

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83rd Congress, as amended (P.L. 480): Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104 (title I); for dispositions abroad (titles II and III); and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended. Agreements may provide for commodities to be made available on a multi-year basis.

[PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS]

[INCLUDING TRANSFERS OF FUNDS]

[For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691, 1701-1704, 1721-1726a, 1727-1727e, 1731-1736g-3, and 1737), as follows: (1) \$203,475,000 for Public Law 480 title I credit, including Food for Progress programs; (2) \$16,249,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; (3) \$837,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) \$25,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: *Provided*, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: *Provided further*, That such sums shall remain available until expended (7 U.S.C. 2209b).]

[For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, \$176,596,000.]

[In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 480 are utilized, \$1,850,000, of which \$1,035,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and \$815,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon under the Agricultural Trade Development and Assistance Act of 1954, as amended, \$12,000,000, to remain available until expended for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act, including Food for Progress programs as authorized by the Food for Progress Act of 1985, as amended: Provided, That funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably between the two accounts (7 U.S.C. 1701b, 2209b).

Program and Financing (in millions of dollars)

Identification code 12-2271-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 P.L. 480 Grant—Title I: Ocean freight differential (OFD)	24	104	12
10.00 Total obligations (object class 41.0)	24	104	12
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	13	21	21
22.00 New budget authority (gross)	18	16	12
22.10 Resources available from recoveries of prior year obligations	5		
22.22 Unobligated balance transferred from other accounts	10	88	
23.90 Total budgetary resources available for obligation	46	125	33
23.95 Total new obligations	-24	-104	-12
24.40 Unobligated balance available, end of year	21	21	21
New budget authority (gross), detail:			
40.00 Appropriation	18	16	12
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	43	46	33
73.10 Total new obligations	24	104	12
73.20 Total outlays (gross)	-16	-117	-14
73.45 Adjustments in unexpired accounts	-5		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	46	33	31
Outlays (gross), detail:			
86.90 Outlays from new current authority	4	9	7
86.93 Outlays from current balances	12	108	6
87.00 Total outlays (gross)	16	117	14
Net budget authority and outlays:			
89.00 Budget authority	18	16	12
90.00 Outlays	16	117	14

This account funds the title I ocean freight differential program.

PUBLIC LAW 480 GRANTS—TITLES II AND III

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended, \$787,000,000 for commodities supplied in connection with dispositions abroad pursuant to title II of said Act, of which up to 15 percent may be used for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: Provided, That sums made available to carry out title II or title III of said Act shall remain available until September 30, 2003. (7 U.S.C. 1691, 1721-26a, 1727-27e, 1731-36g-3, 1737, 2209b)

Program and Financing (in millions of dollars)

Identification code 12-2278-0-1-151	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Commodities supplied in connection with dispositions abroad (Title II)	861	837	837
00.02 Commodities supplied in connection with dispositions abroad (Title III)	25	25	
10.00 Total obligations (object class 41.0)	886	862	837
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	29	22	51
22.00 New budget authority (gross)	867	862	787
22.10 Resources available from recoveries of prior year obligations	11	29	15
22.22 Unobligated balance transferred from other accounts	1	1	1
23.90 Total budgetary resources available for obligation	908	914	854
23.95 Total new obligations	-886	-862	-837
24.40 Unobligated balance available, end of year	22	51	17

PUBLIC LAW 480 GRANTS—TITLES II AND III—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-2278-0-1-151	1998 actual	1999 est.	2000 est.
New budget authority (gross), detail:			
40.00 Appropriation	867	862	787
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	594	691	709
73.10 Total new obligations	886	862	837
73.20 Total outlays (gross)	-778	-815	-823
73.45 Adjustments in unexpired accounts	-11	-29	-15
74.40 Unpaid obligations, end of year: Obligated balance, end of year	691	709	708
Outlays (gross), detail:			
86.90 Outlays from new current authority	428	453	413
86.93 Outlays from current balances	350	362	410
87.00 Total outlays (gross)	778	815	823
Net budget authority and outlays:			
89.00 Budget authority	867	862	787
90.00 Outlays	778	815	823

This account funds the non-credit components of Public Law 480, title II and title III.

Credit accounts:

PUBLIC LAW 480 PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of Public Law 83-480 title I credit agreements, including the cost of modifying credit arrangements under said Act, \$114,062,000, to remain available until expended.

In addition, for administrative expenses to carry out such title I credit program, and the Food for Progress Act of 1985, as amended, to the extent funds appropriated for Public Law 83-480 are utilized, \$1,938,000, of which not to exceed \$1,093,000 may be transferred to and merged with "Salaries and Expenses", Foreign Agricultural Service, and of which not to exceed \$845,000 may be transferred to and merged with "Salaries and Expenses", Farm Service Agency. (7 U.S.C. 1691, 1701-04, 1731-36g-3, 2209b).

Program and Financing (in millions of dollars)

Identification code 12-2277-0-1-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loan subsidy	170	813	114
00.09 Administrative expenses	2	2	2
10.00 Total new obligations	172	815	116
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	63	78	78
22.00 New budget authority (gross)	178	178	116
22.10 Resources available from recoveries of prior year obligations	20		
22.21 Unobligated balance transferred to other accounts	-11	-1	-1
22.22 Unobligated balance transferred from other accounts		638	
23.90 Total budgetary resources available for obligation	250	893	193
23.95 Total new obligations	-172	-815	-116
24.40 Unobligated balance available, end of year	78	78	78
New budget authority (gross), detail:			
40.00 Appropriation	178	178	116

Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	118	111	109
73.10 Total new obligations	172	815	116
73.20 Total outlays (gross)	-159	-817	-141
73.45 Adjustments in unexpired accounts	-20		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	111	109	84

Outlays (gross), detail:			
86.90 Outlays from new current authority	94	102	67
86.93 Outlays from current balances	65	715	74
87.00 Total outlays (gross)	159	817	141

Net budget authority and outlays:			
89.00 Budget authority	178	178	116
90.00 Outlays	159	817	141

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

Identification code 12-2277-0-1-351	1998 actual	1999 est.	2000 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	227	203	138
1159 Total direct loan levels	227	203	138
Direct loan subsidy (in percent):			
1320 Subsidy rate	77.83	86.79	82.46
1329 Weighted average subsidy rate	77.83	86.79	82.46
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	166	177	114
1339 Total subsidy budget authority	166	177	114
Direct loan subsidy outlays:			
1340 Subsidy outlays	157	815	139
1349 Total subsidy outlays	157	815	139
Administrative expense data:			
3510 Budget authority	2	2	2
3590 Outlays from new authority	2	2	2

Food Aid to Russia.—As part of a comprehensive package of U.S. assistance for Russia announced by the Secretary of Agriculture in 1998, \$638 million and \$88 million was transferred from CCC to the P.L. 480, Title I Program, and Title I Ocean Freight Differential, respectively, under provisions of the Secretary of Agriculture's Interchange Authority (7 U.S.C. 2257). The package of assistance announced for Russia includes a proposed concessional credit program USDA will carry out under the authority of Title I of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 83-480) and a Food for Progress grant program funded under Title I.

As required by the Federal Credit Reform Act of 1990, this account records, for the P.L. 480 Program, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligation in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-2277-0-1-351	1998 actual	1999 est.	2000 est.
25.3 Purchases of goods and services from Government accounts	2	2	2
41.0 Grants, subsidies, and contributions	170	813	114
99.9 Total new obligations	172	815	116

P.L. 480 DIRECT CREDIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4049-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Direct loans	228	965	138
00.02 Interest on Treasury borrowing	32	29	33
10.00 Total new obligations	260	994	171

Budgetary resources available for obligation:				
22.00	New financing authority (gross)	260	994	171
23.95	Total new obligations	-260	-994	-171
New financing authority (gross), detail:				
67.15	Authority to borrow (indefinite)	73	228	15
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	216	829	156
68.10	Change in receivables from program account	17	-63	
68.47	Portion applied to debt reduction	-46		
68.90	Spending authority from offsetting collections (total)	187	766	156
70.00	Total new financing authority (gross)	260	994	171
Change in unpaid obligations:				
Unpaid obligations, start of year:				
72.40	Obligated balance, start of year	36	2	44
72.95	Receivables from program account	114	131	68
72.99	Total unpaid obligations, start of year	150	133	112
73.10	Total new obligations	260	994	171
73.20	Total financing disbursements (gross)	-249	-1,015	-201
73.40	Adjustments in expired accounts	-28		
Unpaid obligations, end of year:				
74.40	Obligated balance, end of year	2	44	14
74.95	Receivables from program account	131	68	68
74.99	Total unpaid obligations, end of year	133	112	82
87.00	Total financing disbursements (gross)	249	1,015	201
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Payments from program account	-157	-815	-139
88.25	Interest on uninvested funds	-9		
Non-Federal sources:				
88.40	Interest received on loans	-43	-7	-12
88.40	Principal received on loans	-7	-7	-5
88.90	Total, offsetting collections (cash)	-216	-829	-156
88.95	Change in receivables from program accounts	-17	63	
Net financing authority and financing disbursements:				
89.00	Financing authority	27	228	15
90.00	Financing disbursements	33	186	45

Status of Direct Loans (in millions of dollars)

Identification code 12-4049-0-3-351				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	228	965	138
1150	Total direct loan obligations	228	965	138
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	1,371	1,529	2,512
1231	Disbursements: Direct loan disbursements	217	986	167
1251	Repayments: Repayments and prepayments	-7	-3	-5
1264	Write-offs for default: Other adjustments, net	-52		
1290	Outstanding, end of year	1,529	2,512	2,674

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

Balance Sheet (in millions of dollars)

Identification code 12-4049-0-3-351				
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury	69	47	104
Investments in US securities:				
1106	Receivables, net	118	131	62

Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	1,371	1,529	2,512
1402	Interest receivable	34	23	7
1405	Allowance for subsidy cost (-)	-1,068	-1,224	-2,036
1499	Net present value of assets related to direct loans	337	328	483
1901	Other Federal assets: Other assets		37	
1999	Total assets	524	543	649
LIABILITIES:				
Federal liabilities:				
2101	Accounts payable	8	4	8
2103	Debt	404	417	539
2105	Other	112	122	102
2999	Total liabilities	524	543	649
4999	Total liabilities and net position	524	543	649

DEBT REDUCTION—FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4143-0-3-351				
1998 actual				
1999 est.				
2000 est.				
Obligations by program activity:				
00.01	Payment to liquidating account		30	14
00.02	Interest on debt to Treasury	2	4	4
10.00	Total new obligations	2	34	18
Budgetary resources available for obligation:				
22.00	New financing authority (gross)	4	35	18
22.40	Capital transfer to general fund	-2		
23.90	Total budgetary resources available for obligation	2	35	18
23.95	Total new obligations	-2	-34	-18
New financing authority (gross), detail:				
67.15	Authority to borrow (indefinite)	4	16	2
68.00	Spending authority from offsetting collections: Offsetting collections (cash)		19	16
70.00	Total new financing authority (gross)	4	35	18
Change in unpaid obligations:				
73.10	Total new obligations	2	34	18
73.20	Total financing disbursements (gross)	-2	-35	-18
87.00	Total financing disbursements (gross)	2	35	18
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources		-17	-14
88.40	Non-Federal sources		-2	-2
88.90	Total, offsetting collections (cash)		-19	-16
Net financing authority and financing disbursements:				
89.00	Financing authority	4	16	2
90.00	Financing disbursements	2	16	2

Status of Direct Loans (in millions of dollars)

Identification code 12-4143-0-3-351				
1998 actual				
1999 est.				
2000 est.				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans			
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	63	63	203
1233	Disbursements: Purchase of loans assets from a liquidating account		142	80
1251	Repayments: Repayments and prepayments		-2	-2
1290	Outstanding, end of year	63	203	281

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from

Credit accounts—Continued

DEBT REDUCTION—FINANCING ACCOUNT—Continued

the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4143-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	63	63	203	281
1405 Allowance for subsidy cost (-)	-30	-25	-153	-232
1499 Net present value of assets related to direct loans	33	38	50	49
1999 Total assets	33	38	50	49
LIABILITIES:				
2103 Federal liabilities: Debt	41	38	37	36
2203 Non-Federal liabilities: Debt			14	14
2999 Total liabilities	41	38	51	50
NET POSITION:				
3300 Cumulative results of operations	-8			
3999 Total net position	-8			
4999 Total liabilities and net position	33	38	51	50

P.L. 480 TITLE I FOOD FOR PROGRESS CREDITS, PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-2273-0-1-351	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	4	
22.21 Unobligated balance transferred to other accounts		-4	
23.90 Total budgetary resources available for obligation	4		
24.40 Unobligated balance available, end of year	4		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

As part of a comprehensive package of U.S. assistance for Russia announced by the President in April 1993, \$385 million was transferred from CCC to Food for Progress under provisions of the Secretary of Agriculture's Interchange Authority (7 U.S.C. 2257) for commodity and related transportation assistance.

Sales under the credit portion of the Food for Progress program for Russia carry a term of fifteen years, including a seven-year grace period. The interest rates are three percent during the grace period and four percent thereafter. Funding for commodity and ocean freight financing is under P.L. 480 Title I FFP and is subject to credit reform budgeting. All shipments were completed in 1995.

P.L. 480 TITLE I FOOD FOR PROGRESS CREDITS, FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4078-0-3-351	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.02 Interest to Treasury on borrowings	15	12	12
10.00 Total obligations	15	12	12

Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	38		
22.00 New financing authority (gross)	19	12	12
22.40 Capital transfer to general fund	-42		
23.90 Total budgetary resources available for obligation	15	12	12
23.95 Total new obligations	-15	-12	-12

New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)		5	5
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	19	7	7
70.00 Total new financing authority (gross)	19	12	12

Change in unpaid obligations:			
73.10 Total new obligations	15	12	12
73.20 Total financing disbursements (gross)	-15	-12	-12
87.00 Total financing disbursements (gross)	15	12	12

Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-3		
Non-Federal sources:			
88.40 Principal collections			
88.40 Interest collections	-16	-7	-7
88.90 Total, offsetting collections (cash)	-19	-7	-7

Net financing authority and financing disbursements:			
89.00 Financing authority		5	5
90.00 Financing disbursements	-3	5	5

Status of Direct Loans (in millions of dollars)

Identification code 12-4078-0-3-351	1998 actual	1999 est.	2000 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1150 Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	508	508	508
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	508	508	508

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

Balance Sheet (in millions of dollars)

Identification code 12-4078-0-3-351	1997 actual	1998 actual	1999 est.	2000 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	38			
1106 Investments in US securities:				
Receivables, net	27			
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	508	508	508	508
1402 Interest receivable		11	7	7
1405 Allowance for subsidy cost (-)	-321	-268	-268	-268
1499 Net present value of assets related to direct loans	187	251	247	247
1999 Total assets	252	251	247	247
LIABILITIES:				
Federal liabilities:				
2102 Interest payable				
2103 Debt	225	183	247	247
2105 Other	27	28		
2999 Total liabilities	252	211	247	247

NET POSITION:				
3600	Other	40		
3999	Total net position	40		
4999	Total liabilities and net position	252	251	247 247

EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS, AGRICULTURE, LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-2274-0-1-151	1998 actual	1999 est.	2000 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	136	523
22.00	New budget authority (gross)	523	12 14
22.40	Capital transfer to general fund	-136	-535 -14
23.90	Total budgetary resources available for obligation	523	
24.40	Unobligated balance available, end of year	523	
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
Offsetting collections (cash):			
68.00	Offsetting collections (cash)	523	473 473
68.00	Offsetting collections—Treasury Debt Restructuring Program Account—Jordan		12 14
68.27	Capital transfer to general fund		-473 -473
68.90	Spending authority from offsetting collections (total)	523	12 14
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Federal sources:			
88.00	Federal sources		
88.00	Federal sources—debt reduction		-12 -14
88.40	Principal and interest collections	-523	-473 -473
88.90	Total, offsetting collections (cash)	-523	-485 -487
Net budget authority and outlays:			
89.00	Budget authority		-473 -473
90.00	Outlays	-523	-485 -487

Status of Direct Loans (in millions of dollars)

Identification code 12-2274-0-1-151	1998 actual	1999 est.	2000 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	9,446	9,146 8,777
Repayments:			
Repayments and prepayments:			
1251	Repayments and prepayments	-300	-289 -295
1251	Repayments and prepayments—debt reduction		-12 -14
1264	Write-offs for default: Other adjustments, net—debt reduction		-68 -54
1290	Outstanding, end of year	9,146	8,777 8,414

Program Activities

[In millions of dollars]

	1998 actual	1999 est.	2000 est.
Ocean freight differential (title I)	24	16	12
Commodities supplied in connection with dispositions abroad (title II)	861	837	787
Commodities supplied in connection with dispositions abroad (title III)	25	25	
Total program level	910	878	799

RECONCILIATION OF PROGRAM LEVEL TO PROGRAM COSTS FUNDED BY P.L. 480

[In millions of dollars]

	1998 actual	1999 est.	2000 est.
<i>Title I</i>			
Commodity credits	228	966	138
Ocean freight differential and ocean transportation	24	104	12

Total program level, current year	252	1,070	150
Prior year obligations financed	123	133	109
Obligations financed in succeeding years	-133	-109	-77
Administrative costs	2	2	2
Total program costs, funded program level	244	1,096	184

Title II

Commodity costs	420	469	472
Ocean and inland transportation	441	368	315
Total program level, current year	861	837	787
Prior year obligations financed	468	577	631
Current year obligations financed in succeeding years	-577	-631	-605
Total program costs, funded program level	752	783	813

Title III

Commodity costs	11	19	
Ocean and inland transportation	14	6	
Total program level, current year	25	25	
Prior year obligations financed	23	23	16
Current year obligations financed in succeeding years	-23	-16	-6
Total program costs, funded program level	25	32	10

Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended (title I).—Funds appropriated for P.L. 480 are used to finance all sales made pursuant to agreements concluded under the authority of Title I. The Corporation may serve as the purchasing or shipping agent, or both, for the importing country or may award contracts for freight agent services on behalf of the Corporation to handle shipping of commodities under P.L. 480.

Sales are made to developing countries as defined in section 402(4) of P.L. 480 and must not displace expected commercial sales (secs. 403(e) and (h)). Agreements are made with developing countries for delivery in accordance with the terms of the agreement.

When U.S.-flag vessels are required to ship commodities under this title, the Corporation will pay the difference between U.S.-flag rates and foreign-flag rates. In limited cases, full transportation costs to port-of-entry or point-of-entry abroad may be included along with the cost of the commodity in the amount financed by CCC in order to ensure that U.S. food aid can reach the most needy recipients.

Financing sales of agricultural commodities for dollars on credit terms (title I).—Payment by developing countries or private entities may be made over a period of not more than 30 years with a deferral of principal payments for up to 5 years. Interest accrues at a concessional rate as determined appropriate.

Section 411 of P.L. 480 authorizes the President to waive payments of principal and interest under dollar credit sales agreements for countries that meet certain enumerated requirements. Such debt relief may be provided only if the President notifies Congress and may not exceed the amount approved for such purpose in an Act appropriating funds to carry out P.L. 480.

Financing sales of agricultural commodities for local currency, including for local currency on credit terms.—Payment by a recipient country may be made in local currencies for use in carrying out activities under section 104 of P.L. 480.

Foreign currency received in payment for credit extended may be used for payment of U.S. obligations abroad, subject to the appropriation process. The P.L. 480 program is reimbursed for the dollar value of currencies so used.

The financing of sales of agricultural commodities for local currencies on credit terms is subject to the same terms that are applicable to dollar credit financing.

Credit accounts—Continued

EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS,
AGRICULTURE, LIQUIDATING ACCOUNT—Continued

Furnishing commodities to carry out the Food for Progress Act of 1985, as amended (title I).—Funds appropriated to carry out title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such commodities may be furnished on credit terms or on a grant basis in order to assist developing countries and countries that are emerging democracies that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

The following table reflects the composition of the combined appropriations (in millions of dollars):

SALES FOR DOLLARS ON CREDIT TERMS

Item:	[In millions of dollars]		
	1998 actual	1999 est.	2000 est.
Expenses of shipments (Title I):			
Commodity costs:			
Long-term credit	228	966	138
Total commodity costs	228	966	138
Ocean freight and freight differential (support of U.S. Merchant Marine):			
Long-term credit	24	104	12
Total ocean freight and freight differential	24	104	12
Total expenses of shipments	252	1,070	150
Appropriation—Title I loan subsidy	167	177	114
Appropriation—Ocean freight differential	35	16	12
Title I credit not subsidized through appropriation	50	877	24

Commodities supplied in connection with dispositions abroad (title II).—Under title II, agricultural commodities are furnished to meet famine or other emergency relief needs, combat malnutrition, carry out activities to alleviate the causes of hunger, mortality and morbidity, promote economic and community development, promote sound environmental practices, and carry out feeding programs. Agricultural commodities are provided through governments for emergencies only, and for non-emergencies through public and private agencies, including intergovernmental organizations.

The Corporation is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements. The Budget proposes to authorize the transfer of up to 15 percent of Title II funds to Title III funds. This will allow for increased flexibility in the Title II and Title III programs.

The following table reflects the composition of the appropriations (in millions of dollars):

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD

(TITLE II)

Item:	[In millions of dollars]		
	1998 actual	1999 est.	2000 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied	420	469	472
Ocean transportation	441	368	315
Total program costs	861	837	787
Appropriation or estimate	861	837	787

Commodities supplied in connection with dispositions abroad (title III).—Under title III, agricultural commodities are furnished to least developed countries as defined in section 302(a). They are provided through foreign governments for direct feeding, development of emergency food reserves or may be sold with the proceeds of such sale used by the recipient country for specific economic development purposes.

The Corporation may pay, in connection with furnishing commodities under title III, the same cost items as authorized under title II. The following table reflects the composition of the appropriations (in millions of dollars):

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD

(TITLE III)

Item:	[In millions of dollars]		
	1998 actual	1999 est.	2000 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied	11	19	
Ocean transportation	14	6	
Total program costs	25	25	
Appropriation or estimate	25	25	

Balance Sheet (in millions of dollars)

Identification code	1997 actual	1998 actual	1999 est.	2000 est.
12-2274-0-1-151				
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	136	523		
Investments in US securities:				
1106 Receivables, net				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
Direct loans, gross:				
1601 Direct loans, gross	9,464	9,146	8,857	8,482
1601 Direct loans, adjustment—Debt Reduction	-18		-80	-68
1601 Direct loans, debt forgiveness				
1602 Interest receivable	125	116		
1603 Allowance, loans receivable (-)	-5,447	-5,516	-5,417	-5,417
1699 Value of assets related to direct loans	4,124	3,746	3,360	2,997
1999 Total assets	4,260	4,269	3,360	2,997
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	19			
2104 Resources payable to Treasury	4,259	4,269	3,440	3,145
2999 Total liabilities	4,278	4,269	3,440	3,145
NET POSITION:				
3300 Cumulative results of operations—Debt Reduction	-18		-80	-148
3999 Total net position	-18		-80	-148
4999 Total liabilities and net position	4,260	4,269	3,360	2,997

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-8232-0-7-352	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Receipts	2	4	4
Appropriation:			
05.01 Appropriation	-2	-4	-4
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8232-0-7-352	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	3	3	3
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	5	4	5
22.00 New budget authority (gross)	2	4	4
23.90 Total budgetary resources available for obligation	7	8	9
23.95 Total new obligations	-3	-3	-3
24.40 Unobligated balance available, end of year	4	5	6
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	2	4	4
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		2	2
73.10 Total new obligations	3	3	3
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	2	2
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	2	4	4
90.00 Outlays	3	1	1

Miscellaneous funds are received from other Federal agencies, international organizations, and developing countries, for USDA development assistance and international research projects (22 U.S.C. 2392).

FOOD AND NUTRITION SERVICE

Federal Funds

General and special funds:

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, **[\$108,561,000] \$119,841,000**, of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law and of which **[\$2,000,000 shall be available for obligation only after promulgation of a final rule to curb vendor related fraud] not less than \$8,000,000 shall be available to improve integrity in the Food Stamp and Child Nutrition programs: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)**

Program and Financing (in millions of dollars)

Identification code 12-3508-0-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Food program administration	107	111	112
00.02 Program integrity initiative			8
09.01 Reimbursable administrative services provided to Federal agencies	2	1	1
10.00 Total new obligations	109	112	121
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	109	112	121
23.95 Total new obligations	-109	-112	-121
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	107	109	120
42.00 Transferred from other accounts		2	
43.00 Appropriation (total)	107	111	120
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	2	1	1
70.00 Total new budget authority (gross)	109	112	121
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	9	14	17
73.10 Total new obligations	109	112	121
73.20 Total outlays (gross)	-104	-109	-123
74.40 Unpaid obligations, end of year: Obligated balance, end of year	14	17	14
Outlays (gross), detail:			
86.90 Outlays from new current authority	94	98	106
86.93 Outlays from current balances	8	9	17
86.97 Outlays from new permanent authority	2	1	1
87.00 Total outlays (gross)	104	109	123
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	107	111	120
90.00 Outlays	102	108	122

Food program administration funds the Federal operating expenses of the Food and Nutrition Service.

Funds are provided for an initiative to identify and address error in the Food Stamp and Child Nutrition programs.

Object Classification (in millions of dollars)

Identification code 12-3508-0-1-605	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	74	76	82
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	1	1	2
11.9 Total personnel compensation	77	79	86
12.1 Civilian personnel benefits	15	15	17
21.0 Travel and transportation of persons	2	2	3
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services	6	8	7
26.0 Supplies and materials	1	1	2
31.0 Equipment	3	3	3
99.0 Subtotal, direct obligations	106	110	120
99.0 Reimbursable obligations	2	1	1
99.5 Below reporting threshold	1	1	
99.9 Total new obligations	109	112	121

General and special funds—Continued

FOOD PROGRAM ADMINISTRATION—Continued

Personnel Summary

Identification code 12-3508-0-1-605	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	1,473	1,531	1,619

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), **[\$22,585,106,000]** \$22,477,444,000, of which **[\$100,000,000]** \$1,000,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations; and of which up to \$7,000,000 shall be for nutrition education for food stamp recipients and for technical assistance in reaching underserved food stamp eligible populations, such as the elderly and the working poor: Provided, That [none of the funds made available under this head shall be used for studies and evaluations: Provided further, That] funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this head shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act.

For necessary expenses to carry out the Food Stamp Act for the first quarter of the fiscal year 2001, \$4,800,000,000, to remain available through January 31, 2001. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-3505-0-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Properly issued benefits	15,651	16,285	16,734
00.02 Estimated State erroneous issuances	1,233	1,309	1,326
00.03 State administration	1,827	1,794	1,551
00.04 Employment and training program	248	356	330
00.05 Other program costs	56	68	85
00.06 Puerto Rico	1,204	1,236	1,268
00.07 Food distribution program on Indian reservations (Commodities in lieu of food stamps)	54	54	54
00.08 Food distribution program on Indian reservations (Cooperator administrative expense)	21	21	21
00.09 The emergency food assistance program (commodities)	100	90	100
00.10 Modified Food Stamp Program in American Samoa	5	5	5
00.11 Community food project	3	3	3
09.01 Reimbursable program	170	336	346
10.00 Total new obligations	20,572	21,557	21,823
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		87	
22.00 New budget authority (gross)	25,077	22,922	22,823
23.90 Total budgetary resources available for obligation	25,077	23,009	22,823
23.95 Total new obligations	-20,572	-21,557	-21,823
23.98 Unobligated balance expiring	-4,417	-1,452	-1,000
24.40 Unobligated balance available, end of year	87		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	25,140	22,586	22,477
41.00 Transferred to other accounts	-233		
43.00 Appropriation (total)	24,907	22,586	22,477
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	170	336	346
70.00 Total new budget authority (gross)	25,077	22,922	22,823
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	602	723	740

73.10 Total new obligations	20,572	21,557	21,823
73.20 Total outlays (gross)	-20,311	-21,540	-21,843
73.40 Adjustments in expired accounts	-140		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	723	740	720

Outlays (gross), detail:

86.90 Outlays from new current authority	19,679	20,481	20,757
86.93 Outlays from current balances	462	723	740
86.97 Outlays from new permanent authority	170	336	346
87.00 Total outlays (gross)	20,311	21,540	21,843

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-170	-336	-346

Net budget authority and outlays:

89.00 Budget authority	24,907	22,586	22,477
90.00 Outlays	20,141	21,204	21,497

Summary of Budget Authority and Outlays

	(in millions of dollars)		
Enacted/requested:	1998 actual	1999 est.	2000 est.
Budget Authority	24,907	22,586	22,477
Outlays	20,141	21,204	21,497
Legislative proposal, subject to PAYGO:			
Budget Authority			10
Outlays			10
Total:			
Budget Authority	24,907	22,586	22,487
Outlays	20,141	21,204	21,507

The Food Stamp Program is the primary source of nutrition assistance for low-income Americans.

Some of these funds provide a grant to Puerto Rico in lieu of the food stamp program which gives the Commonwealth flexibility to continue a food assistance program tailored to the needs of its low income households.

Funds in this account are also used to carry out the Emergency Food Assistance Act of 1983 and for food distribution and administrative expenses for native Americans under section 4(b) of the Food Stamp Act.

Object Classification (in millions of dollars)

Identification code 12-3505-0-1-605	1998 actual	1999 est.	2000 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	4	4	4
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	3	3	3
24.0 Printing and reproduction	16	19	16
25.1 Advisory and assistance services			10
25.2 Other services	30	40	48
26.0 Supplies and materials	176	146	156
41.0 Grants, subsidies, and contributions	20,171	21,007	21,238
99.0 Subtotal, direct obligations	20,402	21,221	21,477
99.0 Reimbursable obligations	170	336	346
99.9 Total new obligations	20,572	21,557	21,823

Personnel Summary

Identification code 12-3505-0-1-605	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	56	56	56

FOOD STAMP PROGRAM
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3505-4-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Benefits			10
10.00 Total new obligations (object class 41.0)			10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			10
23.95 Total new obligations			-10
New budget authority (gross), detail:			
40.00 Appropriation			10
Change in unpaid obligations:			
73.10 Total new obligations			10
73.20 Total outlays (gross)			-10
Outlays (gross), detail:			
86.90 Outlays from new current authority			10
Net budget authority and outlays:			
89.00 Budget authority			10
90.00 Outlays			10

The Administration is proposing to restore Food Stamp benefits to certain legal immigrants made ineligible by restrictions in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

CHILD NUTRITION PROGRAMS
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; [\$9,176,897,000] \$9,565,036,000, to remain available through September 30, [2000] 2001, of which [\$4,128,747,000] \$4,635,768,000 is hereby appropriated and [\$5,048,150,000] \$4,929,268,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That [none of the funds made available under this heading shall be used for studies and evaluations] of the funds made available under this heading, up to \$13,000,000 shall be for school breakfast demonstration programs. *Provided further*, That up to [\$4,300,000] \$4,363,000 shall be available for independent verification of school food service claims: *Provided further*, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g)). (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-3539-0-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
School lunch program:			
00.01 Above 185% of poverty	298	311	324
00.02 130-185% of poverty	474	494	514
00.03 Below 130% of poverty	4,359	4,551	4,731
00.91 Subtotal, school lunch program	5,131	5,356	5,569
School breakfast program:			
01.01 Above 185% of poverty	75	79	83
01.02 130-185% of poverty	120	125	131
01.03 Below 130% of poverty	1,104	1,148	1,208

01.91 Subtotal, school breakfast program	1,299	1,352	1,422
Child and adult care feeding program:			
02.01 Above 185% of poverty	198	202	220
02.02 130-185% of poverty	82	87	94
02.03 Below 130% of poverty	1,254	1,318	1,432
02.04 Audits	25	23	24
02.91 Subtotal, child and adult care feeding program	1,559	1,630	1,770
Other mandatory activities:			
03.01 Summer food service program	252	289	315
03.02 Special milk program	18	17	18
03.03 State administrative expenses	110	115	120
03.04 Commodity procurement	336	315	398
03.91 Subtotal, Other mandatory activities	716	736	851
Discretionary activities:			
04.01 School meals initiative	9	10	10
04.02 Coordinated review	4	4	4
04.03 Nutrition studies and surveys			3
04.04 Nutrition education and training	4		2
04.05 Computer support and processing	6	7	9
04.06 Demonstrations	4		
04.07 Food safety education		2	2
04.08 School breakfast demonstrations			13
04.91 Subtotal, discretionary activities	27	23	43
Activities with permanent appropriations:			
05.01 Homeless children nutrition program	2	4	
05.02 Food service management institute and information clearinghouse	2	3	3
05.91 Subtotal, activities with permanent appropriations	4	7	3
10.00 Total new obligations	8,736	9,104	9,658

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	607	10	90
22.00 New budget authority (gross)	8,007	9,184	9,568
22.10 Resources available from recoveries of prior year obligations	141		
23.90 Total budgetary resources available for obligation	8,755	9,194	9,658
23.95 Total new obligations	-8,736	-9,104	-9,658
23.98 Unobligated balance expiring	-10		
24.40 Unobligated balance available, end of year	10	90	

New budget authority (gross), detail:

Current:			
40.00 Appropriation	2,617	4,129	4,636
42.00 Transferred from other accounts	233		
43.00 Appropriation (total)	2,850	4,129	4,636
Permanent:			
60.00 Appropriation	6	7	3
62.00 Transferred from other accounts	5,151	5,048	4,929
63.00 Appropriation (total)	5,157	5,055	4,932
70.00 Total new budget authority (gross)	8,007	9,184	9,568

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	1,307	1,322	1,352
73.10 Total new obligations	8,736	9,104	9,658
73.20 Total outlays (gross)	-8,565	-9,074	-9,574
73.40 Adjustments in expired accounts	-15		
73.45 Adjustments in unexpired accounts	-141		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1,322	1,352	1,434

Outlays (gross), detail:

86.90 Outlays from new current authority	2,100	2,697	3,292
86.93 Outlays from current balances	1,307	1,322	1,352
86.97 Outlays from new permanent authority	5,157	5,055	4,932
87.00 Total outlays (gross)	8,565	9,074	9,574

Net budget authority and outlays:

89.00 Budget authority	8,007	9,184	9,568
90.00 Outlays	8,565	9,074	9,574

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1998 actual	1999 est.	2000 est.
Budget Authority	8,007	9,184	9,568
Outlays	8,564	9,074	9,576

General and special funds—Continued

CHILD NUTRITION PROGRAMS—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Summary of Budget Authority and Outlays—Continued

	(in millions of dollars)		
	1998 actual	1999 est.	2000 est.
Legislative proposal, subject to PAYGO:			
Budget Authority			-57
Outlays			-57
Total:			
Budget Authority	8,007	9,184	9,511
Outlays	8,564	9,074	9,519

Payments are made for cash and commodity meal subsidies through the School Lunch, School Breakfast, Summer Food Service, and Child and Adult Care Food programs.

The Budget reflects discretionary funding for a school breakfast demonstration project.

Object Classification (in millions of dollars)

Identification code 12-3539-0-1-605	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	5	5	5
12.1 Civilian personnel benefits	1	1	1
21.0 Travel and transportation of persons	1	1	1
24.0 Printing and reproduction	2	3	2
25.2 Other services	4	12	9
26.0 Supplies and materials (Commodities)	336	316	398
41.0 Grants, subsidies, and contributions	8,387	8,766	9,242
99.9 Total new obligations	8,736	9,104	9,658

Personnel Summary

Identification code 12-3539-0-1-605	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	109	130	130

CHILD NUTRITION PROGRAMS
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3539-4-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Commodity procurement			-57
10.00 Total new obligations (object class 26.0)			-57
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-57
23.95 Total new obligations			57
New budget authority (gross), detail:			
40.00 Appropriation			-57
Change in unpaid obligations:			
73.10 Total new obligations			-57
73.20 Total outlays (gross)			57
Outlays (gross), detail:			
86.90 Outlays from new current authority			-57
Net budget authority and outlays:			
89.00 Budget authority			-57
90.00 Outlays			-57

The Administration is proposing to count the value of bonus commodities towards the statutory requirement that at least 12 percent of Federal school lunch support be in the form of commodities.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), [\$3,924,000,000] \$4,105,495,000, to remain available through September 30, [2000] 2001: *Provided*, That [none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That of the total amount available, the Secretary shall obligate \$10,000,000 for the farmers' market nutrition program within 45 days of the enactment of this Act, and an additional \$5,000,000 for the farmers' market nutrition program from any funds not needed to maintain current caseload levels: *Provided further*, That] none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: *Provided further*, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966: *Provided further*, That State agencies required to procure infant formula using a competitive bidding system may use funds appropriated by this Act to purchase infant formula under a cost containment contract entered into after September 30, 1996, only if the contract was awarded to the bidder offering the lowest net price, as defined by section 17(b)(20) of the Child Nutrition Act of 1966, unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than 5 percent]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)

Program and Financing (in millions of dollars)

Identification code 12-3510-0-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	4,047	4,079	4,205
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3,924	3,924	4,105
22.10 Resources available from recoveries of prior year obligations	123	155	100
23.90 Total budgetary resources available for obligation	4,047	4,079	4,205
23.95 Total new obligations	-4,047	-4,079	-4,205
New budget authority (gross), detail:			
40.00 Appropriation	3,924	3,924	4,105
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	289	310	283
73.10 Total new obligations	4,047	4,079	4,205
73.20 Total outlays (gross)	-3,902	-3,951	-4,097
73.45 Adjustments in unexpired accounts	-123	-155	-100
74.40 Unpaid obligations, end of year: Obligated balance, end of year	310	283	291
Outlays (gross), detail:			
86.90 Outlays from new current authority	3,613	3,641	3,814
86.93 Outlays from current balances	289	310	283
87.00 Total outlays (gross)	3,902	3,951	4,097
Net budget authority and outlays:			
89.00 Budget authority	3,924	3,924	4,105
90.00 Outlays	3,902	3,951	4,097

The Special Supplemental Nutrition Program (WIC) provides at-risk pregnant and post-partum women, infants, and children with nutrition assistance, nutrition education and counseling, and health and immunization referrals.

Object Classification (in millions of dollars)

Identification code 12-3510-0-1-605	1998 actual	1999 est.	2000 est.
25.1 Advisory and assistance services			3

41.0	Grants, subsidies, and contributions	4,047	4,079	4,202
99.9	Total new obligations	4,047	4,079	4,205

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the farmers' market nutrition program as authorized by section 17(m) of the Child Nutrition Act of 1966; and the Emergency Food Assistance Act of 1983, **[\$131,000,000] \$155,215,000**, to remain available through September 30, **[2000] 2001**. *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-3507-0-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Commodity supplemental food program:			
00.01 Commodity procurement	69	77	72
00.02 Administrative costs	20	19	18
01.92 Subtotal, commodity supplemental food program	89	96	90
The emergency food assistance program:			
02.01 Administrative costs	45	45	45
02.02 Commodity procurement	2		
02.92 Subtotal, the emergency food assistance program	47	45	45
03.01 Farmers' market nutrition program			20
10.00 Total new obligations	136	141	155
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	10	
22.00 New budget authority (gross)	141	131	155
22.10 Resources available from recoveries of prior year obligations	4		
23.90 Total budgetary resources available for obligation	146	141	155
23.95 Total new obligations	-136	-141	-155
24.40 Unobligated balance available, end of year	10		
New budget authority (gross), detail:			
40.00 Appropriation	141	131	155
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	17	18	17
73.10 Total new obligations	136	141	155
73.20 Total outlays (gross)	-123	-142	-151
73.40 Adjustments in expired accounts	-8		
73.45 Adjustments in unexpired accounts	-4		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	18	17	23
Outlays (gross), detail:			
86.90 Outlays from new current authority	113	114	134
86.93 Outlays from current balances	10	28	17
87.00 Total outlays (gross)	123	142	151
Net budget authority and outlays:			
89.00 Budget authority	141	131	155
90.00 Outlays	125	142	151

The Commodity Assistance Program includes the Commodity Supplemental Food Program (CSFP), the Emergency Food Assistance Program and the WIC Farmers' Market Program.

The CSFP provides food packages for low income women, infants, and children as well as low income elderly persons. It also funds State administrative expenses.

The Emergency Food Assistance Program provides cash to support State administrative activities and maintain the storage and distribution pipeline for USDA and privately donated commodities.

The Farmers' Market Nutrition Program (previously funded under the Special Supplemental Nutrition Program for Women, Infants and Children) provides cash to support States' administrative expenses and vouchers redeemable by participants for fresh produce at farmers' markets.

Object Classification (in millions of dollars)

Identification code 12-3507-0-1-605	1998 actual	1999 est.	2000 est.
26.0 Supplies and materials (commodities)	70	77	72
41.0 Grants, subsidies, and contributions	66	64	83
99.9 Total new obligations	136	141	155

FOOD DONATIONS PROGRAMS [FOR SELECTED GROUPS]

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 [(7 U.S.C. 612c note).]; special assistance for the nuclear affected islands as authorized by section 103(h)(2) of the Compacts of Free Association Act of 1985, as amended; and section 311 of the Older Americans Act of 1965 [(42 U.S.C. 3030a), \$141,081,000] \$151,081,000, to remain available through September 30, **[2000] 2001**. (7 U.S.C. 612c note; 42 U.S.C. 3030a; 48 U.S.C. 1903 (h)(2); Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999; as included in Public Law 105-277, section 101(a).)

Program and Financing (in millions of dollars)

Identification code 12-3503-0-1-605	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Nutrition program for the elderly	141	140	150
00.02 Pacific island assistance	1	1	1
10.00 Total new obligations	142	141	151
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	141	141	151
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	142	141	151
23.95 Total new obligations	-142	-141	-151
New budget authority (gross), detail:			
40.00 Appropriation	141	141	151
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	35	33	32
73.10 Total new obligations	142	141	151
73.20 Total outlays (gross)	-141	-142	-148
73.40 Adjustments in expired accounts	-2		
73.45 Adjustments in unexpired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	33	32	35
Outlays (gross), detail:			
86.90 Outlays from new current authority	109	109	116
86.93 Outlays from current balances	32	33	32
87.00 Total outlays (gross)	141	142	148
Net budget authority and outlays:			
89.00 Budget authority	141	141	151
90.00 Outlays	139	142	148

Food Donations Programs include the Nutrition Program for the Elderly (NPE) and disaster assistance for the Pacific islands. The NPE provides cash and commodities for per-meal reimbursement for elderly persons served in senior citizens' centers and similar settings. Assistance is also provided to residents of Nuclear Affected Islands and funds are made available for non-presidentially declared disasters.

General and special funds—Continued

FOOD DONATIONS PROGRAMS [FOR SELECTED GROUPS]—Continued

Object Classification (in millions of dollars)		1998 actual	1999 est.	2000 est.
Identification code 12-3503-0-1-605				
26.0	Supplies and materials (grants of commodities to States)	4	5	5
41.0	Grants, subsidies, and contributions	138	136	146
99.9	Total new obligations	142	141	151

FOREST SERVICE

Federal Funds

General and special funds:

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, [and for administrative expenses associated with the management of funds provided under the headings "Forest and Rangeland Research", "State and Private Forestry", "National Forest System", "Wildland Fire Management", "Reconstruction and Construction", and "Land Acquisition", \$1,298,570,000] \$1,357,178,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601-6a(i)): [Provided, That up to \$3,000,000 of funds provided herein may be used to construct or reconstruct facilities of the Forest Service: *Provided further,* That no more than \$150,000 shall be used on any single project, exclusive of planning and design costs: *Provided further,* That any unobligated balances remaining in this appropriation in the road maintenance extended budget line item at the end of fiscal year 1998 may be transferred to and made a part of the "Reconstruction and Construction" appropriation, road maintenance and decommissioning extended budget line item] *Provided, That unobligated balances available at the start of fiscal year 2000 may be used for priority needs without the need for additional reprogramming.*

For necessary expenses in fiscal year 2001 for those forests or regions that have implemented innovative practices in fiscal year 2000 to improve customer service, enhance coordination, and reduce overhead, \$15,000,000, to remain available until expended.(Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)

Unavailable Collections (in millions of dollars)

Identification code 12-1106-0-1-302		1998 actual	1999 est.	2000 est.
Balance, start of year:				
01.99	Balance, start of year	68	74	77
Receipts:				
02.01	Fees, operation and maintenance of recreational facilities	6	3	4
04.00	Total: Balances and collections	74	77	81
07.99	Total balance, end of year	74	77	81

Program and Financing (in millions of dollars)

Identification code 12-1106-0-1-302		1998 actual	1999 est.	2000 est.
Obligations by program activity:				
Direct program:				
00.01	National forest system	1,356	1,354	1,413
00.04	Flood supplemental	2		
00.05	Disaster relief	17		
09.01	Reimbursable program	63	61	63
10.00	Total new obligations	1,438	1,415	1,476
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	136	114	61
22.00	New budget authority (gross)	1,370	1,361	1,420
22.10	Resources available from recoveries of prior year obligations	47		

22.22	Unobligated balance transferred from other accounts	1	1	1
23.90	Total budgetary resources available for obligation	1,554	1,476	1,482
23.95	Total new obligations	-1,438	-1,415	-1,476
24.40	Unobligated balance available, end of year	114	61	6

New budget authority (gross), detail:

Current:				
40.00	Appropriation	1,296	1,299	1,357
40.15	Appropriation (emergency)	10		
42.00	Transferred from other accounts	1		
43.00	Appropriation (total)	1,307	1,299	1,357
Permanent:				
62.00	Transferred from other accounts		1	
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	63	61	63
70.00	Total new budget authority (gross)	1,370	1,361	1,420

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	222	122	172
73.10	Total new obligations	1,438	1,415	1,476
73.20	Total outlays (gross)	-1,530	-1,365	-1,348
73.40	Adjustments in expired accounts	39		
73.45	Adjustments in unexpired accounts	-47		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	122	172	300

Outlays (gross), detail:

86.90	Outlays from new current authority	1,245	1,182	1,153
86.93	Outlays from current balances	222	122	132
86.97	Outlays from new permanent authority	63	61	63
87.00	Total outlays (gross)	1,530	1,365	1,348

Offsets:

Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-55	-42	-44
88.40	Non-Federal sources	-8	-19	-19
88.90	Total, offsetting collections (cash)	-63	-61	-63

Net budget authority and outlays:

89.00	Budget authority	1,307	1,300	1,357
90.00	Outlays	1,467	1,304	1,285

Summary of Budget Authority and Outlays

(in millions of dollars)				
Enacted/requested:	1998 actual	1999 est.	2000 est.	
Budget Authority	1,307	1,300	1,357	
Outlays	1,467	1,304	1,285	
Legislative proposal, not subject to PAYGO:				
Budget Authority				-20
Outlays				-20
Total:				
Budget Authority	1,307	1,300	1,337	
Outlays	1,467	1,304	1,265	

The 156 National Forests, 20 National Grasslands, and nine land utilization projects located in 44 States, Puerto Rico and the Virgin Islands are managed under multiple-use and sustained-yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are used in a planned combination that will best meet the needs of the Nation without impairing productivity of the land or damaging the environment. These management and utilization principles are recognized in the Multiple-Use, Sustained-Yield Act of 1960 (16 U.S.C. 528-531) and use an ecological approach to managing the National Forest System.

National Forest System (NFS) operations and maintenance provide for the delivery of goods and services associated with the principal NFS programs of land management planning, inventory, and monitoring, recreation use, wildlife and fisheries habitat management, rangeland management, forestland management, soil, water, and air management, minerals and geology management, landownership management, infrastruc-

ture management, law enforcement, and general administration. These programs maintain the capability to manage natural resources in a manner consistent with ecological principles and responsibilities. The general administration activity also provides line management and support to programs financed by the Forest and Rangeland Research, State and Private Forestry, National Forest System, Wildland Fire Management, Reconstruction and Construction, and Land Acquisition appropriations.

	1998 actual	1999 est.	2000 est.
Soil and water resource improvements (thousand acres)	38	20	40
Inland fish stream habitat restored or enhanced (miles)	911	1,301	1,580
Terrestrial wildlife habitat restored or enhanced (thousand acres)	167	185	224
Terrestrial threatened and endangered species habitat restored or enhanced (thousand acres)	202	114	133
Rangeland improvements (thousand acres)	24	30	52
Hazardous fuel reduction (thousand acres)	1,456	1,380	1,627

The 2000 Budget includes an emphasis on sustainable forestry. The proportion of timber productions resulting from a stewardship purpose rather than a commodity purpose continues to rise, more than doubling since 1994. Supporting these goals, the Administration is proposing a new \$15 million pilot Forest health stewardship program that will better enable the use of underutilized and small diameter woody material to achieve sustainable forest management and watershed health and restoration. In addition, FS continues to advance in measuring forest integrity and evaluating sustainable forestry, such as through the Montreal criteria and indicators.

To support management reforms, an advance appropriation of \$15 million will be available to reward those forest that adopt approved restructuring or streamlining management practices (efficiency-enhancing, cost-savings or customer service-producing) by the end of 2000. FS will publish a list of different management practices at the beginning of 2000 and management units will be evaluated for those that achieve these goals by the end of the year. In addition, regional offices will shift staff positions to the forests and ranger districts as part of a continuing FS effort to dedicate personnel to the field level.

In addition, FS will develop standardized bidding procedures, inventories and price schedules for specialty products for companies seeking to obtain high value and often rare specialty products from Federal lands. Revenues derived from the new collections can be spent by the FS; however, it is assumed that FS will evaluate the collection levels in the first year before commencing spending. Additional revenues would also be available for expenditure from the adoption of concession reforms, such as those in Parks Service's Vision 2020.

To simplify budgeting and accounting, the authority to charge overhead and indirect expenses to permanent programs and trust funds would be eliminated, resulting in reduced outlays from these funds. Legislation is included to allow the use of NFS unobligated balances without reprogramming to make up for the reduced KV transfers. KV funds collected from open timber sales are available for hazardous fuels reductions and prescribed burns, regardless of the geographic source of the funds, with funding emphasis placed on targeting fire-dependent ecosystems, fire risk reduction and community support. This will ensure the most effective use of the funds and greatest impact on the environment and human safety.

Object Classification (in millions of dollars)

Identification code 12-1106-0-1-302	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	550	511	547
11.3 Other than full-time permanent	63	58	62
11.5 Other personnel compensation	21	20	21
11.8 Special personal services payments	7		

11.9 Total personnel compensation	641	589	630
12.1 Civilian personnel benefits	139	128	137
13.0 Benefits for former personnel	27	25	27
21.0 Travel and transportation of persons	72	67	67
22.0 Transportation of things	9	8	9
23.1 Rental payments to GSA	33	33	33
23.2 Rental payments to others	21	20	20
23.3 Communications, utilities, and miscellaneous charges	64	59	61
24.0 Printing and reproduction	5	5	5
25.2 Other services	211	278	278
26.0 Supplies and materials	68	63	65
31.0 Equipment	49	45	47
32.0 Land and structures	3	3	3
41.0 Grants, subsidies, and contributions	26	25	25
42.0 Insurance claims and indemnities	9	8	8
44.0 Refunds	-4	-4	-4
99.0 Subtotal, direct obligations	1,373	1,352	1,411
99.0 Reimbursable obligations	63	61	63
Allocation Account:			
11.1 Personnel compensation: Full-time permanent	1	1	1
25.2 Other services	1	1	1
99.0 Subtotal, allocation account	2	2	2
99.9 Total new obligations	1,438	1,415	1,476

Personnel Summary

Identification code 12-1106-0-1-302	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	17,821	17,013	18,184
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	508	486	486
Allocation account:			
3001 Total compensable workyears: Full-time equivalent employment	11	8	6

NATIONAL FOREST SYSTEM

(Legislative proposal, not subject to PAYGO)

Contingent upon the enactment of authorizing legislation, the Secretary shall implement a pilot program to charge a fee to recover the federal direct costs (excluding environmental analysis costs) for timber sales preparation and harvest administration for green timber from National Forest System lands, and such fee shall be deposited as an offsetting collection to this appropriation, to remain available until expended for the purpose of such sales preparations: Provided, That upon enactment of such authorizing legislation, the amount appropriated above from the General Fund shall be reduced by \$20,000,000: Provided further, That such fee will be assessed when the purpose of the timber sale offer is for timber commodity purposes, rather than stewardship purposes: Provided further, That the Forest Service Chief may waive the timber sales and harvest preparation fee if the outcome of the timber sale would be compromised or if small businesses would be unable to compete.

Program and Financing (in millions of dollars)

Identification code 12-1106-2-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
09.01 Timber sales preparation fee pilot			-20
10.00 Total new obligations (object class 25.3)			-20
New budget authority (gross), detail:			
Current:			
40.00 Appropriation			-20
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			20
Change in unpaid obligations:			
73.10 Total new obligations			-20
73.20 Total outlays (gross)			20

General and special funds—Continued

NATIONAL FOREST SYSTEM—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1106-2-1-302	1998 actual	1999 est.	2000 est.
Outlays (gross), detail:			
86.90 Outlays from new current authority			-20
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			-20
Net budget authority and outlays:			
89.00 Budget authority			-20
90.00 Outlays			-40

The budget includes a variety of legislative proposals, including a pilot proposal for timber purchasers to bear a portion of the direct costs for timber sales preparation, not including the costs of NEPA. The proposal also makes exceptions for those cases where: (1) the purpose of the sale is for stewardship or personal use, not commodity extraction alone, and (2) when charging preparation costs would make the sale uneconomical or adversely affect small businesses. These timber sale preparation charges are largely an extension of existing charges, such as the charges for scaling.

[RECONSTRUCTION AND CONSTRUCTION] PUBLIC ASSET PROTECTION AND MANAGEMENT

For necessary expenses of the Forest Service, not otherwise provided for, **[\$297,352,000] \$295,000,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: Provided, That up to \$15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed: Provided further, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided: Provided further, That the Forest Service may make an advance of up to \$200,000 from the funds provided under this heading in this Act and up to \$800,000 provided under this heading in Public Law 105-83 to the City of Colorado Springs, Colorado, for the design and reconstruction of the Pikes Peak Summit House in accordance with terms and conditions agreed to]. (Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)**

Program and Financing (in millions of dollars)

Identification code 12-1103-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.01 Reconstruction and construction	170	336	334
00.03 Flood supplemental	30		
09.01 Reimbursable program	4	4	4
10.00 Total new obligations	204	340	338
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	137	112	73
22.00 New budget authority (gross)	170	301	299
22.10 Resources available from recoveries of prior year obligations	9		
23.90 Total budgetary resources available for obligation	316	413	372
23.95 Total new obligations	-204	-340	-338
24.40 Unobligated balance available, end of year	112	73	34
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	166	297	295

Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	4	4	4
70.00 Total new budget authority (gross)	170	301	299
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	82	81	111
73.10 Total new obligations	204	340	338
73.20 Total outlays (gross)	-196	-310	-286
73.45 Adjustments in unexpired accounts	-9		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	81	111	163
Outlays (gross), detail:			
86.90 Outlays from new current authority	110	226	224
86.93 Outlays from current balances	82	80	58
86.97 Outlays from new permanent authority	4	4	4
87.00 Total outlays (gross)	196	310	286
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-2	-2	-2
88.40 Non-Federal sources	-2	-2	-2
88.90 Total, offsetting collections (cash)	-4	-4	-4
Net budget authority and outlays:			
89.00 Budget authority	166	297	295
90.00 Outlays	192	306	282

Funding for Public Asset Protection and Management is proposed as part of the second year of the Administration's facilities restoration initiative. This program emphasizes the Administration's commitment to the long-term stewardship of Federal lands and facilities.

Facilities.—Provides for reconstruction, rehabilitation, upgrade, construction, maintenance, and acquisition of facilities necessary to: safely meet recreation demand while protecting environmental values and other resource uses of the National Forests; carry out National Forest and State and Private Forestry programs, including fire lookouts, offices, dwellings and barracks for employee housing, service, and storage buildings, tree nursery buildings, dams, and other forest resource management projects; manage Forest and Rangeland Research laboratories and related facilities, and for procurement and installation of necessary initial equipment needed to put the facility into operating condition. Certain facility maintenance and reconstruction costs will be covered through the Working Capital Fund in FY 2000.

Roads and trails.—Provides for road reconstruction, construction, maintenance, and decommissioning, and for trail reconstruction and construction. For road maintenance and improvements, criteria to allocate funds will especially reflect the goal of water quality protection and improvement. Roads and trails are essential to the protection and management of the National Forest System, as well as providing access to National Forest System areas for recreation and utilization of their resources.

Object Classification (in millions of dollars)

Identification code 12-1103-0-1-302	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	48	78	79
11.3 Other than full-time permanent	5	8	9
11.5 Other personnel compensation	2	3	3
11.9 Total personnel compensation	55	89	91
12.1 Civilian personnel benefits	12	20	21
13.0 Benefits for former personnel	3	4	5
21.0 Travel and transportation of persons	5	8	8
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	4	4	4
23.2 Rental payments to others	2	3	3

23.3	Communications, utilities, and miscellaneous charges	3	5	5
24.0	Printing and reproduction		1	1
25.2	Other services	75	138	133
26.0	Supplies and materials	9	16	16
31.0	Equipment	8	8	8
32.0	Land and structures	21	37	36
41.0	Grants, subsidies, and contributions	1	2	2
42.0	Insurance claims and indemnities	1	1	1
44.0	Refunds		-1	-1
99.0	Subtotal, direct obligations	200	336	334
99.0	Reimbursable obligations	4	4	4
99.9	Total new obligations	204	340	338

Personnel Summary

Identification code 12-1103-0-1-302	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	2,197	2,431	2,493
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	17	17	17

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, **[\$197,444,000] \$234,644,000**, to remain available until expended.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), \$92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act. (*Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).*)

Program and Financing (in millions of dollars)

Identification code 12-1104-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.06 Forest and rangeland research	185	197	234
09.01 Reimbursable program	12	16	17
10.00 Total new obligations	197	213	251
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	17	20	21
22.00 New budget authority (gross)	200	215	252
23.90 Total budgetary resources available for obligation	217	235	273
23.95 Total new obligations	-197	-213	-251
24.40 Unobligated balance available, end of year	20	21	22
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	188	198	235
42.00 Transferred from other accounts		1	
43.00 Appropriation (total)	188	199	235
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	12	16	17
70.00 Total new budget authority (gross)	200	215	252
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	58	56	58
73.10 Total new obligations	197	213	251
73.20 Total outlays (gross)	-199	-211	-242
74.40 Unpaid obligations, end of year: Obligated balance, end of year	56	58	67
Outlays (gross), detail:			
86.90 Outlays from new current authority	129	140	167
86.93 Outlays from current balances	58	56	59
86.97 Outlays from new permanent authority	12	16	17

87.00	Total outlays (gross)	199	211	242
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-4	-4	-5
88.40	Non-Federal sources	-8	-12	-12
88.90	Total, offsetting collections (cash)	-12	-16	-17
Net budget authority and outlays:				
89.00	Budget authority	188	199	235
90.00	Outlays	186	195	225

The mission of Forest and Rangeland Research is to serve society by developing and communicating the scientific information and technology needed to protect, manage, use, and sustain the natural resources of the Nation's forests and rangelands. This information is essential for formulating policy and wisely managing and conserving both public and private forests and rangelands. Research is the key to sustaining our forest and rangeland productivity and health while providing a quality environment. Forest and Rangeland Research is conducted and disseminated through six Forest and Range Experiment Station headquarters and their laboratories, the Forest Products Laboratory, and the International Institute of Tropical Forestry.

Additional funding in this budget would emphasize priority wildlife habitat research; however, because these projects affect other agencies in addition to the FS, FS Research is enhancing existing coordination mechanisms to ensure that no overlapping and redundant work occurs. Funds are also included for the Integrated Science for Ecosystem Challenges effort, particularly in areas such as invasive species and inventory and monitoring, including rapid assessments to evaluate ecological integrity, and global climate change research for biomass energy uses, carbon cycle and assessment work. Finally, funds have been added for linear programming research, to develop an improved analytical tool to support forest planning goals to maximize net public benefits in a more objective fashion.

Object Classification (in millions of dollars)

Identification code 12-1104-0-1-302	1998 actual	1999 est.	2000 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	91	93	103
11.3	Other than full-time permanent	8	8	9
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	100	102	113
12.1	Civilian personnel benefits	22	23	25
13.0	Benefits for former personnel			1
21.0	Travel and transportation of persons	8	10	13
22.0	Transportation of things	1	1	2
23.1	Rental payments to GSA	2	2	2
23.3	Communications, utilities, and miscellaneous charges	5	6	8
24.0	Printing and reproduction	1	1	1
25.5	Research and development contracts	27	29	38
26.0	Supplies and materials	7	8	11
31.0	Equipment	7	9	12
41.0	Grants, subsidies, and contributions	5	6	8
99.0	Subtotal, direct obligations	185	197	234
99.0	Reimbursable obligations	12	16	17
99.9	Total new obligations	197	213	251

Personnel Summary

Identification code 12-1104-0-1-302	1998 actual	1999 est.	2000 est.	
Direct:				
1001	Total compensable workyears: Full-time equivalent employment	2,284	2,325	2,575

General and special funds—Continued

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH—Continued

Personnel Summary—Continued

Identification code 12-1104-0-1-302	1998 actual	1999 est.	2000 est.
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	84	83	87

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, **[\$170,722,000, to remain available until expended, as authorized by law], \$252,422,000, to remain available until expended, of which \$62,000,000, is derived from the Land and Water Conservation Fund: Provided, That \$10,000,000 for the costs of direct loans may be transferred to the USDA's Rural Business-Cooperative Service to carry out an intermediate relending program with State and local governments, non-profit corporations, Indian tribes and cooperatives to enable businesses, private non-profit organizations, and land trusts to support land acquisition and land uses that enhance smart growth and community green space goals, as authorized under the Development Loan Fund: Provided further, That such costs, including the cost of modifying such loans, shall be defined as in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of \$50,000,000: Provided further, That the loan levels provided in this Act shall be considered estimates, not limitation. (42 U.S.C. 9812; Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)**

Program and Financing (in millions of dollars)

Identification code 12-1105-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
Direct program:			
00.05 Forest health management	50	47	51
00.06 Cooperative fire protection	18	20	29
00.07 Cooperative forestry	104	81	131
00.08 Smart growth partnership			10
09.01 Reimbursable program	6	5	7
10.00 Total new obligations	178	153	228
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	21	59	82
22.00 New budget authority (gross)	215	176	259
23.90 Total budgetary resources available for obligation	236	235	341
23.95 Total new obligations	-178	-153	-228
24.40 Unobligated balance available, end of year	59	82	113
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	209	171	190
40.20 Appropriation (special fund, definite)			62
43.00 Appropriation (total)	209	171	252
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	6	5	7
70.00 Total new budget authority (gross)	215	176	259
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	142	160	128
73.10 Total new obligations	178	153	228
73.20 Total outlays (gross)	-159	-185	-244
74.40 Unpaid obligations, end of year: Obligated balance, end of year	160	128	112
Outlays (gross), detail:			
86.90 Outlays from new current authority	120	128	192

86.93 Outlays from current balances	35	52	43
86.97 Outlays from new permanent authority	6	5	7
87.00 Total outlays (gross)	159	185	244

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-6	-5	-7

Net budget authority and outlays:

89.00 Budget authority	209	171	252
90.00 Outlays	153	180	237

Distribution of budget authority by account:

State and private forestry	209	171	252
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Distribution of outlays by account:

State and private forestry	150	180	237
Emergency pest suppression fund	3		

State and Private Forestry programs provide assistance to manage, use, and protect forest resources on State, urban, and private lands to meet domestic and international demands for goods and services. Assistance is provided to a wide range of customers including all States, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands and the Trust Territory of the Pacific.

Forest health management.—Includes Federal lands, and cooperative lands.

Cooperative Fire Protection.—Includes funding to enhance the capacity of States to provide coordinated fire suppression response and to promote safe and effective initial fire attack in wildland/urban interface areas by volunteer fire departments. Fire Management will be used to encourage greater community participation in reducing fire risk in the Wildland/Urban Interface, through competitive grants to partially support community planning and disaster prevention and hazard mitigation assistance. Community implementation of fire hazard mitigation projects will save Federal wildfire suppression costs. Insurance company participation may provide a subsequent reduction in insurance premiums for participating communities.

Cooperative Forestry.—Includes forest stewardship, the stewardship incentives program, the forest legacy program, urban and community forestry, economic action programs, and Pacific Northwest community assistance programs. Forest stewardship includes: forest resource management; and seedlings, nursery, and tree improvement programs. Economic action programs include economic recovery, rural development, and forest products conservation and recycling programs.

Funding increases for the Urban and Community Forestry, Forest Legacy Program and the new Smart Growth Partnership loan programs are proposed as part of the President's Lands Legacy Initiative to be derived from the Land and Water Conservation Fund. These funds along with increases in other accounts highlight the Administration's commitment to making new tools available, and working with states, tribes, local governments and private partners to protect great places; to conserve open space for recreation and wildlife habitat; and to preserve forest, farmlands, and coastal areas.

The Smart Growth Partnership is a new USDA direct loan program to use subsidized loans for smart growth land acquisition and management. Through partnerships with state, local, and tribal governments, the program would allow communities to protect open spaces to help limit sprawl, enhance water quality protections, reduce greenhouse emissions and increase greenspace. The program is administered by Forest Service, with a contract to the Rural Business Service to run the loan program. The Forest Service appropriation will be administered within the Intermediate Relending Program, and displayed as a separate cohort.

New funding in the Economic Action Programs will be targeted to support new agreements for rural development co-operation in forest resource dependent locations.

Object Classification (in millions of dollars)

Identification code 12-1105-0-1-302	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	29	29	35
11.3 Other than full-time permanent	2	2	2
11.9 Total personnel compensation	31	31	37
12.1 Civilian personnel benefits	6	6	7
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	5	4	6
23.1 Rental payments to GSA	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	30	22	31
26.0 Supplies and materials	3	2	3
31.0 Equipment	2	1	2
41.0 Grants, subsidies, and contributions	97	79	131
44.0 Refunds	-6		
99.0 Subtotal, direct obligations	171	148	220
99.0 Reimbursable obligations	6	5	7
25.2 Allocation Account: Other services	1		1
99.9 Total new obligations	178	153	228

Personnel Summary

Identification code 12-1105-0-1-302	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	640	656	794
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	5	5	5

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES
SUBSISTENCE MANAGEMENT, FOREST SERVICE

[For necessary expenses of the Forest Service to manage federal lands in Alaska for subsistence uses under the provisions of Title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96-487 et seq.) except in areas described in section 339(a)(1)(A) and (B) of this Act, \$3,000,000 to become available on September 30, 1999, and remain available until expended: *Provided*, That if prior to October 1, 1999, the Secretary of the Interior determines that the Alaska State Legislature has approved a bill or resolution to amend the Constitution of the State of Alaska that, if approved by the electorate, would enable the implementation of state laws of general applicability which are consistent with, and which provide for the definition, preference and participation specified in sections 803, 804, and 805 of the Alaska National Interest Lands Conservation Act, the Secretary of Agriculture shall make a \$3,000,000 grant to the State of Alaska for the purpose of assisting that State in fulfilling its responsibilities under sections 803, 804, and 805 of that Act.] *(Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)*

Program and Financing (in millions of dollars)

Identification code 12-1119-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)			3
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year			3
22.00 New budget authority (gross)		3	
23.90 Total budgetary resources available for obligation		3	3
23.95 Total new obligations			-3
24.40 Unobligated balance available, end of year		3	

New budget authority (gross), detail:			
40.00 Appropriation		3	
Change in unpaid obligations:			
73.10 Total new obligations			3
73.20 Total outlays (gross)			-3
Outlays (gross), detail:			
86.93 Outlays from current balances			3
Net budget authority and outlays:			
89.00 Budget authority		3	
90.00 Outlays			3

Funding under this program primarily supports fisheries and wildlife habitat management activities in the areas of population assessment, forecasting, harvest regulations, and law enforcement to ensure that the subsistence needs of qualified rural Alaskans are met under the Alaska National Interest Lands Conservation Act (Public Law 96-487).

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and water, [\$560,176,000] \$560,176,000, to remain available until expended: *Provided*, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes.

For an additional amount to cover necessary expenses for emergency rehabilitation, presuppression due to emergencies, and wildfire suppression activities of the Forest Service, [\$102,000,000] \$90,000,000, to remain available until expended: *Provided*, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That these funds shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress. *(Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)*

Program and Financing (in millions of dollars)

Identification code 12-1115-0-1-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Fire management	580	673	569
09.01 Reimbursable program	27	26	26
10.00 Total new obligations	607	699	595
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	128	135	23
22.00 New budget authority (gross)	614	587	587
23.90 Total budgetary resources available for obligation	742	722	610
23.95 Total new obligations	-607	-699	-595
24.40 Unobligated balance available, end of year	135	23	15
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	585	561	561
40.15 Appropriation (emergency)	2	102	90
40.60 Contingent emergency appropriation not available for obligations		-102	-90
43.00 Appropriation (total)	587	561	561
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	27	26	26
70.00 Total new budget authority (gross)	614	587	587

General and special funds—Continued

WILDLAND FIRE MANAGEMENT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1115-0-1-302	1998 actual	1999 est.	2000 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	99	103	191
73.10 Total new obligations	607	699	595
73.20 Total outlays (gross)	-603	-611	-582
74.40 Unpaid obligations, end of year: Obligated balance, end of year	103	191	204
Outlays (gross), detail:			
86.90 Outlays from new current authority	477	482	477
86.93 Outlays from current balances	99	103	79
86.97 Outlays from new permanent authority	27	26	26
87.00 Total outlays (gross)	603	611	582
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-19	-18	-18
88.40 Non-Federal sources	-8	-8	-8
88.90 Total, offsetting collections (cash)	-27	-26	-26
Net budget authority and outlays:			
89.00 Budget authority	587	561	561
90.00 Outlays	577	585	586

Wildland fire management.—This appropriation provides funding for Forest Service fire management, presuppression, and suppression on National Forest System lands, adjacent State and private lands, and other lands under fire protection agreement.

Preparedness.—To protect National Forest System (NFS) lands from damage by wildfires commensurate with the threat to life, values at risk, public values, and management objectives.

Preparedness provides the basic fire organization and capability to prevent forest fires and to take prompt, effective initial attack suppression operations action on wildfires. This funding covers expenses associated with planning, prevention, detection, information and education; pre-incident training; equipment and supply purchase and replacement; and other preparedness activities including the base salary and travel of the regular Forest Service firefighting organization. Through this program the Forest Service also assists other Federal agencies and States with training programs, planning assistance, sharing joint equipment use contracts and inter-agency fire coordination centers.

Fire Operations.—To efficiently suppress wildland fires on or threatening National Forest System (NFS) lands or other lands under fire protection agreement. Fire Operations provides funds for all hazardous fuel reduction program activities including planning and implementing, mechanical treatments, prescribed fire, and monitoring of fuel treatment accomplishments. Fuel treatment activities are performed to minimize the potential for large, destructive wildfires.

Fire Operations funds are used to immediately and efficiently rehabilitate severely burned NFS lands to prevent further destruction of natural resources, including soil loss and flooding. Funds are used to increase the level of fire preparedness when predicted or actual burning conditions exceed normal levels.

Contingency Funds.—This budget includes \$90 million in contingent funding for 2000 to be utilized for emergency wildland fire activities, if needed, beyond the amount requested in this budget.

Object Classification (in millions of dollars)

Identification code 12-1115-0-1-302	1998 actual	1999 est.	2000 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	98	94	97
11.3 Other than full-time permanent	20	19	20
11.5 Other personnel compensation	49	47	48
11.9 Total personnel compensation	167	160	165
12.1 Civilian personnel benefits	35	33	35
13.0 Benefits for former personnel	5	5	5
21.0 Travel and transportation of persons	43	52	40
22.0 Transportation of things	5	7	5
23.1 Rental payments to GSA	5	5	5
23.2 Rental payments to others	7	8	6
23.3 Communications, utilities, and miscellaneous charges	33	40	30
24.0 Printing and reproduction	1	2	1
25.2 Other services	197	261	201
26.0 Supplies and materials	59	72	55
31.0 Equipment	22	26	20
32.0 Land and structures	1	1	1
41.0 Grants, subsidies, and contributions	1	1	.....
42.0 Insurance claims and indemnities	1	2	1
44.0 Refunds	-2	-2	-1
99.0 Subtotal, direct obligations	580	673	569
99.0 Reimbursable obligations	27	26	26
99.9 Total new obligations	607	699	595

Personnel Summary

Identification code 12-1115-0-1-302	1998 actual	1999 est.	2000 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	5,711	5,467	5,648
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	16	15	15

PAYMENTS TO STATES—NORTHERN SPOTTED OWL GUARANTEE

Program and Financing (in millions of dollars)

Identification code 12-1117-0-1-806	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	130	125	120
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	130	125	120
23.95 Total new obligations	-130	-125	-120
New budget authority (gross), detail:			
60.05 Appropriation (indefinite)	130	125	120
Change in unpaid obligations:			
73.10 Total new obligations	130	125	120
73.20 Total outlays (gross)	-130	-125	-120
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	130	125	120
Net budget authority and outlays:			
89.00 Budget authority	130	125	120
90.00 Outlays	130	125	120

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	130	125	120
Outlays	130	125	120
Legislative proposal, subject to PAYGO:			
Budget Authority	27
Outlays	27
Total:			
Budget Authority	130	125	147

Outlays	130	125	147
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Payments to States, Northern Spotted Owl Guarantee.—For payment to the States of Oregon, Washington, and California for the benefit of counties in which National Forests are situated and that are affected by decisions related to the northern spotted owl, pursuant to section 13982 of Public Law 103–66 as amended by Public Law 103–443. Proposed legislation, to be transmitted later, would stabilize funding levels through payments to States nationwide, beginning in 2000, to provide predictable stable payments for county roads and schools.

PAYMENTS TO STATES—NORTHERN SPOTTED OWL GUARANTEE
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12–1117–4–1–806	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)			27
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			27
23.95 Total new obligations			–27
New budget authority (gross), detail:			
60.05 Appropriation (indefinite)			27
Change in unpaid obligations:			
73.10 Total new obligations			27
73.20 Total outlays (gross)			–27
Outlays (gross), detail:			
86.97 Outlays from new permanent authority			27
Net budget authority and outlays:			
89.00 Budget authority			27
90.00 Outlays			27

This proposal would extend the guaranteed county payments, enacted with implementation of the President's Northwest Forest Plan, to all counties nationwide that currently receive receipt sharing payments from national forests. The proposal would stabilize the current declining formula. In addition, the same level of payment guarantee would be extended to all qualifying counties.

SOUTHEAST ALASKA ECONOMIC DISASTER FUND

Program and Financing (in millions of dollars)

Identification code 12–1108–0–1–451	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	20	20	13
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year			13
23.95 Total new obligations	–20	–20	–13
24.40 Unobligated balance available, end of year	33	13	
Change in unpaid obligations:			
73.10 Total new obligations	20	20	13
73.20 Total outlays (gross)	–20	–20	–13
Outlays (gross), detail:			
86.93 Outlays from current balances	20	20	13
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	20	20	13

Public Law 104–134 established this appropriation, for the period 1996 through 1999, to provide assistance to employ

former timber workers in Wrangell and Sitka and for related community development projects in Sitka, Wrangell, Ketchikan, and selected organized boroughs in Southeast Alaska. Distribution to the unorganized boroughs was based on the proportion of 1995 timber receipts from each borough.

Object Classification (in millions of dollars)

Identification code 12–1108–0–1–451	1998 actual	1999 est.	2000 est.
41.0 Grants, subsidies, and contributions	28	20	13
44.0 Refunds	–8		
99.9 Total new obligations	20	20	13

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements. (*Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105–277, section 101(e).*)

Unavailable Collections (in millions of dollars)

Identification code 12–5207–0–2–302	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	2	2	2
Receipts:			
02.01 Cooperative range improvements	3	3	3
04.00 Total: Balances and collections	5	5	5
Appropriation:			
05.01 Range betterment fund	–3	–3	–3
07.99 Total balance, end of year	2	2	2

Program and Financing (in millions of dollars)

Identification code 12–5207–0–2–302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	4	3	4
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	2	1	1
22.00 New budget authority (gross)	3	3	3
23.90 Total budgetary resources available for obligation	5	4	4
23.95 Total new obligations	–4	–3	–4
24.40 Unobligated balance available, end of year	1	1	
New budget authority (gross), detail:			
40.25 Appropriation (special fund, indefinite)	3	3	3
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	
73.10 Total new obligations	4	3	4
73.20 Total outlays (gross)	–4	–3	–4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1		
Outlays (gross), detail:			
86.90 Outlays from new current authority	3	3	3
86.93 Outlays from current balances	1		1
87.00 Total outlays (gross)	4	3	4
Net budget authority and outlays:			
89.00 Budget authority	3	3	3
90.00 Outlays	3	3	4

Fifty percent of the grazing fees from the National Forests in the 16 western States, once appropriated, are used to protect and improve the productivity of the range, mainly by

General and special funds—Continued

RANGE BETTERMENT FUND—Continued

revegetation, construction, and maintenance of improvements. Capital improvement funding is currently being collected under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

Object Classification (in millions of dollars)

Identification code 12-5207-0-2-302	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	1	1	1
25.2 Other services	2	1	2
26.0 Supplies and materials	1	1	1
99.9 Total new obligations	4	3	4

Personnel Summary

Identification code 12-5207-0-2-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	35	36	37

LAND ACQUISITION ACCOUNTS

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, **[\$117,918,000]** \$118,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended: *Provided, That subject to valid existing rights, all Federally owned lands and interests in lands within the New World Mining District comprising approximately 26,223 acres, more or less, which are described in a Federal Register notice dated August 19, 1997 (62 F.R. 44136-44137), are hereby withdrawn from all forms of entry, appropriation, and disposal under the public land laws, and from location, entry and patent under the mining laws, and from disposition under all mineral and geothermal leasing laws.*

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, \$1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended. (16 U.S.C. 4601-4-11, 4601-516-617a, 555a; P.L. 96-586; P.L. 76-589, 76-591; 78-310, and 16 U.S.C. 484a; Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)

Unavailable Collections (in millions of dollars)

Identification code 12-9923-0-2-300	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	1		
Receipts:			
02.01 National forest lands under special acts	1	1	1
04.00 Total: Balances and collections	2	1	1
Appropriation:			
05.01 Land acquisition accounts	-2	-1	-1
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9923-0-2-300	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total obligations	103	170	135
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	19	139	88
22.00 New budget authority (gross)	223	119	119
23.90 Total budgetary resources available for obligation	242	258	207
23.95 Total new obligations	-103	-170	-135
24.40 Unobligated balance available, end of year	139	88	72
New budget authority (gross), detail:			
Appropriation (special fund, definite):			
40.20 Appropriation (LWCF)	220	118	118
40.20 Appropriation (Special Act)	2	1	1
43.00 Appropriation (total)	223	119	119
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	10	9	36
73.10 Total new obligations	103	170	135
73.20 Total outlays (gross)	-104	-143	-142
74.40 Unpaid obligations, end of year: Obligated balance, end of year	9	36	29
Outlays (gross), detail:			
86.90 Outlays from new current authority	94	115	99
86.93 Outlays from current balances	10	29	43
87.00 Total outlays (gross)	104	143	142
Net budget authority and outlays:			
89.00 Budget authority	223	119	119
90.00 Outlays	104	143	142
Distribution of budget authority by account:			
Land Acquisition	182	118	118
Acquisition of Lands for National Forest, Special Acts	1	1	1
Distribution of outlays by account:			
Land Acquisition	103	142	141
Acquisition of Lands for National Forest, Special Acts	1	1	1
Acquisition of Lands To Complete Land Exchanges	1		

This appropriation consolidates three land acquisition authorities for acquisition of lands, waters, or interest therein, as authorized by law.

Land and water conservation fund.—Recreation lands and interests are acquired within areas of the National Forest System, wilderness, wildlife and fisheries habitat management areas, and endangered species and other areas for public outdoor recreation purposes.

Funding for land acquisition is proposed as part of the President's Lands Legacy Initiative. These funds along with increases in other accounts highlight the Administration's commitment to making new tools available, and working with states, tribes, local governments and private partners to protect great places; to conserve open space for recreation and wildlife habitat; and to preserve forest, farmlands, and coastal areas.

FS will develop broader land acquisition strategic plans coordinated with State and Private Forestry, other Federal agencies and the States. With this strategic plan, it will be easier to fulfill the purposes of GPRA in evaluating progress toward goals and measuring success.

The \$67 million New World Mine acquisition did not permanently reserve mineral rights from private development, thereby potentially putting the Yellowstone environmental complex at risk from further minings. Language is proposed that would permanently remove mining opportunities from these vulnerable lands.

Acquisition of lands for national forests (Special Acts).—On the basis of various public laws and agreements with

certain counties in Utah, Nevada, and California, National Forest receipts, including portions which would normally be paid to the State to benefit county roads and schools, are used by the Federal Government for purchase of privately owned lands within National Forest boundaries to aid in the control of soil erosion and flood damage.

Acquisition of lands to complete land exchanges.—Deposits made by State, county, or municipal governments, public school districts, or other public school authorities for cash equalization of certain land exchanges are used, as appropriated, to acquire similar lands suitable for National Forest System purposes in the same State as the National Forest lands conveyed in the land exchange.

The Forest Service will study alternatives to land exchanges, including increased authority for land sales and acquisition in order to more efficiently acquire additional high priority wetlands, riparian areas, threatened and endangered species habitat, areas of high biological diversity, wildlife corridors and other high value conservation areas. The analysis will focus on developing the sideboards or restrictions needed to avoid potential land sale abuses and to ensure environmental benefits and government value can be maximized. If this analysis leads to the conclusion that additional authority would be useful and the authority can incorporate adequate safeguards and guidelines, the Administration will submit proposed legislation to Congress.

Object Classification (in millions of dollars)

Identification code 12-9923-0-2-300	1998 actual	1999 est.	2000 est.
11.1 Personnel compensation: Full-time permanent	5	5	5
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	3	2	2
32.0 Land and structures	94	162	127
99.9 Total new obligations	103	170	135

Personnel Summary

Identification code 12-9923-0-2-300	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	101	104	108

FOREST SERVICE PERMANENT APPROPRIATIONS

Unavailable Collections (in millions of dollars)

Identification code 12-9921-0-2-999	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year	285	340	351
Receipts:			
02.01 National forests fund, Agriculture	47		
02.02 Payments to states	105	118	123
02.04 Timber roads, purchaser elections	4	2	6
02.05 Road and trails for States, National Forest Fund	25	27	26
02.06 Timber salvage sales	123	137	144
02.07 Deposits, brush disposal	23	23	26
02.08 Recreational fee demonstration program	19	24	25
02.09 Rents and charges for quarters	5	6	6
02.10 National Grasslands	5	6	6
02.11 Miscellaneous special funds, Forest Service	1	1	1
02.12 National forests fund, Interior	10	10	10
02.13 Timber sales pipeline restoration fund	21	4	6
02.99 Total receipts	388	358	379
04.00 Total: Balances and collections	673	698	730
Appropriation:			
05.01 Forest Service permanent appropriations	-333	-347	-360
05.02 Forest Service permanent appropriations, legislative proposal not subject to PAYGO			57
05.03 Forest Service permanent appropriations, legislative proposal subject to PAYGO			17
05.99 Subtotal appropriation	-333	-347	-286
07.99 Total balance, end of year	340	351	444

Program and Financing (in millions of dollars)

Identification code 12-9921-0-2-999	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.01 Payments to States, National forest fund	103	118	112
00.02 Payment to Minnesota	1	1	1
00.03 Payments to counties, National grasslands	6	6	6
00.04 Recreation fee collection costs	1	2	5
00.05 Recreation demonstration pilot project	16	20	24
00.06 Timber purchaser roads constructed by Forest Service	2	6	6
00.07 Timber salvage sales	155	141	137
00.08 Roads and trails for States	30	26	28
00.09 Expenses, brush disposal	19	25	23
00.10 Restoration of forest lands and improvements	11	28	6
00.11 Operation and maintenance of quarters	7	6	6
00.12 Miscellaneous special funds	1	1	1
00.13 Pipeline restoration fund		5	2
10.00 Total new obligations	352	385	357

Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	265	291	280
22.00 New budget authority (gross)	358	374	365
22.10 Resources available from recoveries of prior year obligations	10		
22.22 Unobligated balance transferred from other accounts	10		
23.90 Total budgetary resources available for obligation	643	665	645
23.95 Total new obligations	-352	-385	-357
24.40 Unobligated balance available, end of year	291	280	288

New budget authority (gross), detail:

60.25 Appropriation (special fund, indefinite)	333	347	360
62.00 Transferred from other accounts	25	27	5
63.00 Appropriation (total)	358	374	365

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	56	64	82
73.10 Total new obligations	352	385	357
73.20 Total outlays (gross)	-334	-367	-357
73.45 Adjustments in unexpired accounts	-10		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	64	82	82

Outlays (gross), detail:

86.93 Outlays from current balances		28	6
86.97 Outlays from new permanent authority	303	250	244
86.98 Outlays from permanent balances	31	89	107
87.00 Total outlays (gross)	334	367	357

Net budget authority and outlays:

89.00 Budget authority	358	374	365
90.00 Outlays	334	367	357

Distribution of budget authority by account:

Payments to States, National Forest Fund	103	118	123
Payment to Minnesota	1		
Payments to counties, National Grasslands	6	6	6
Recreation fee collection costs	19	24	25
Roads and trails for States	25	27	26
Timber salvage sales	123	137	144
Expenses, brush disposal	23	23	26
Timber roads, Purchaser election	4		
Timber sales pipeline restoration fund	21	4	6
Restoration of forestlands and improvements	36		
Operation and maintenance of quarters	5	6	6

Distribution of outlays by account:

Payments to States, National Forest Fund	103	118	112
Payment to Minnesota	1	1	1
Payments to counties, National Grasslands	6	6	6
Recreation fee collection costs	1	1	2
Recreation fee demonstration program	12	19	22
Roads and trails for States	11	26	28
Timber salvage sales	148	135	144
Expenses, brush disposal	15	23	26
Timber roads, Purchaser election	6	2	6
Restoration of forestlands and Improvements	25	1	1
Operation and maintenance of quarters	4	5	6

General and special funds—Continued

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1998 actual	1999 est.	2000 est.
Budget Authority	358	374	365
Outlays	334	367	357
Legislative proposal, not subject to PAYGO:			
Budget Authority			-57
Outlays			-57
Legislative proposal, subject to PAYGO:			
Budget Authority			-17
Outlays			-17
Total:			
Budget Authority	358	374	291
Outlays	334	367	283

Operation and maintenance of quarters.—Quarters rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are available for the maintenance and operation of employee-occupied quarters. (5 U.S.C. 5911)

Resource management, timber receipts.—Funds in this special account are available for trail maintenance, reconstruction, and construction; wildlife and fisheries habitat management; soil, water, and air management; cultural/heritage resource management; wilderness management; reforestation; and timber sale administration and management.

Recreation fee demonstration program.—Pursuant to Sec. 315 of Title III—General Provisions, Omnibus Consolidated Recissions and Appropriations Act of 1996, Public Law 104-134 of April 26, 1996 as amended, amounts collected at fee demonstration areas, sites, or projects are available for maintenance and development of recreation facilities. A legislative proposal to authorize collection and use of all recreation receipts in fiscal year 2002 and after is included.

Midewin National Tallgrass Prairie rental fees.—Monies received under a special use authorization (issued under subsection (b) of Public Law 104-106, Title XXIX, Subtitle A, Section 2915, after distribution to the State of Illinois and affected counties pursuant to the Act of May 23, 1908) are available to cover the cost to the United States of prairie improvement work at the Midewin National Tallgrass Prairie.

Midewin National Tallgrass Prairie Restoration Fund.—Monies received from user fees and the salvage value proceeds from sale of any facilities and improvements pursuant to Section 2915(d) and (e) of Public Law 104-106, as amended by Public Law 105-83, are available to cover the costs of restoration and administrative activities.

Receipts for construction of administrative improvements, Taos, New Mexico land conveyance, Forest Service.—Funds collected from the sale of land, when appropriated, are available to construct administrative facilities at Taos, New Mexico. (Sec. 1(b)(1), Public Law 103-132)

Payment to Minnesota.—At the close of each fiscal year, the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook Lake and St. Louis for distribution to these counties (16 U.S.C. 577g).

Payments to counties, National Grasslands.—Of the revenues received in a calendar year from the use of National Grasslands, 25 percent is paid to the counties in which such land is situated for funding local schools and roads (7 U.S.C. 1012).

Payments to States, National Forests Fund.—With minor exceptions, 25 percent of the money received from the National Forests, including all the collections under 16 U.S.C. 576b, and all amounts allowed any timber purchaser for construction of roads, is paid at the end of each fiscal year to the States for funding local schools and roads of the county in which such forests are situated (16 U.S.C. 500 and 97

Stat. 1123). Proposed legislation, to be transmitted later, would stabilize funding levels through payments to States, beginning in 2000, to provide predictable “in lieu of tax” payment for county roads and schools. New funding for this legislative proposal is proposed in the Payments to States—Northern Spotted Owl Guarantee account.

Expenses, brush disposal.—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

Licensee programs, Forest Service.—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

Smokey Bear.—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

Woodsy Owl.—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

Restoration of northern forestlands and improvements.—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

Timber purchaser roads constructed by Forest Service.—Funds from timber receipts for Government constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)). This program is proposed for continuation in the Administrative Provisions.

Strawberry Valley land exchange.—Funds from the sale or exchange of authorized lands and the need for administrative sites and improvements by the Uinta National Forest.

Recreation fee collection costs.—Under authority of Section 10002(b) of the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66), which amended Section 4(i)(1) of the L&WCF Act, the Secretaries of Agriculture and Interior are authorized to withhold a portion of all recreation fees collected (not to exceed 15 percent), to be available during the current fiscal year, without further appropriation to cover fee collection costs.

Tongass timber supply fund.—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

Timber salvage sales.—Funds are used for salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

Timber Sales Pipeline Restoration Fund.—As authorized under Section 327 of the Omnibus Consolidated Recissions and Appropriations Act of 1996, funds from revenues received from timber sales released under Section 2001(k) of the 1995 Supplemental Appropriations for Disaster Assistance and Recissions Act for the purpose of restoring the timber pipeline and funding the backlog of recreation projects on National Forest System lands.

Object Classification (in millions of dollars)

Identification code 12-9921-0-2-999	1998 actual	1999 est.	2000 est.
11.1			
Personnel compensation: Full-time permanent	111	118	105
12.1			
Civilian personnel benefits	29	32	28
41.0 Grants, subsidies, and contributions	212	235	224
99.9 Total new obligations	352	385	357

Personnel Summary

Identification code 12-9921-0-2-999	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	3,050	3,291	2,911

**MISCELLANEOUS PERMANENT APPROPRIATIONS
(Legislative proposal, subject to PAYGO)**

Program and Financing (in millions of dollars)

Identification code 12-9921-2-2-999	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
00.07 Timber salvage sales			-27
00.09 Expenses, brush disposal			-7
00.12 Miscellaneous special funds			-23
10.00 Total new obligations (object class 32.0)			-57
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-57
23.95 Total new obligations			57
New budget authority (gross), detail:			
40.25 Appropriation (special fund, indefinite)			-57
Change in unpaid obligations:			
73.10 Total new obligations			-57
73.20 Total outlays (gross)			57
Outlays (gross), detail:			
86.90 Outlays from new current authority			-57
Net budget authority and outlays:			
89.00 Budget authority			-57
90.00 Outlays			-57

Current receipt sharing payments ("Twenty-Five Percent Fund") are proposed to be replaced by a stable, guaranteed level of payments consistent with the guaranteed payments "Payments to States, Northern Spotted Owl Guarantee". See the legislative proposal under that account.

The Recreation Fee Demonstration Program is proposed to be permanently extended beyond 2001, and would authorize the direct expenditure of all recreation fees collected by the Forest Service and Department of Interior agencies.

**MISCELLANEOUS PERMANENT APPROPRIATIONS
(Legislative proposal, subject to PAYGO)**

Program and Financing (in millions of dollars)

Identification code 12-9921-4-2-999	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)			-17
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-17
23.95 Total new obligations			17
New budget authority (gross), detail:			
60.25 Appropriation (special fund, indefinite)			-17
Change in unpaid obligations:			
73.10 Total new obligations			-17
73.20 Total outlays (gross)			17
Outlays (gross), detail:			
86.97 Outlays from new permanent authority			-17
Net budget authority and outlays:			
89.00 Budget authority			-17
90.00 Outlays			-17

An authorization for the Forest Service is proposed for the agency to collect and retain fees reflect market value for the making of motion pictures, television productions, sound tracks or similar project in national forests. Such fees would be collected as offsetting collections, to remain available until expended, and without further appropriation, for the purpose of enhancing national forest recreational opportunities for national forest users and increasing watershed and habitat conservation and restoration.

Timber bids are proposed as available only through a sealed bid auction procedures, rather than open bids as is now the case in some places. The intention is to better ensure the government's collection of fair market value for the timber asset sold. The authority for open bids would be maintained subject to exceptions determined by the FS Chief.

It is also proposed that USDA collect fair market value for certain land uses and rights-of-way (e.g., oil and gas pipelines, power lines) and commercial services on national forest system lands.

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12-4605-0-4-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
09.01 Operating expenses	112	107	73
09.02 Capital investment	45	43	58
10.00 Total new obligations	157	150	131
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	114	106	99
22.00 New budget authority (gross)	146	143	134
22.10 Resources available from recoveries of prior year obligations	3		
23.90 Total budgetary resources available for obligation	263	249	233
23.95 Total new obligations	-157	-150	-131
24.40 Unobligated balance available, end of year	106	99	102
New budget authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	146	143	134
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	69	52	59
73.10 Total new obligations	157	150	131
73.20 Total outlays (gross)	-171	-143	-134
73.45 Adjustments in unexpired accounts	-3		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	52	59	56
Outlays (gross), detail:			
86.93 Outlays from current balances	25		
86.97 Outlays from new permanent authority	146	143	134
87.00 Total outlays (gross)	171	143	134
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-146	-143	-134
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	25		

The Working Capital Fund is a self-sustaining revolving fund that provides services to National Forests, to Research Experiment Stations, to other Federal agencies when necessary, to State and private agencies as provided by law, and to persons who cooperate with the Forest Service in fire control and other authorized programs.

Forestry-related supply and support services include:

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

Equipment Services.—The fund owns, operates, maintains, replaces, and repairs common-use, motor-driven, and similar equipment. This equipment is rented to administrative units, that is, National Forests, Research Experiment Stations, and other units, and, in some cases, to other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment.

Aircraft Services.—The fund operates, maintains, and repairs Forest Service owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to National Forests, Research Experiment Stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

Computer Services.—The Fund provides computer hardware, software, and radio equipment.

Supply Services.—The fund operates the following common services, and provides for cost-recovery of Working Capital Fund Program Management:

Photo reproduction laboratories that store, reproduce, and supply aerial photographs, aerial maps, and other photographs of National Forest lands. Photographic reproductions are sold to National Forests, Experiment Stations, and others at cost.

Sign shops that manufacture and supply special signs for the National Forests for use in regulating traffic and as information to the public and other users of the National Forests. Signs are sold to National Forests and Experiment Stations at cost.

Seed supply services that provide tree seed for direct seeding or sowing in nurseries for the production of trees. Includes purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. Operates in conjunction with tree nurseries; that is, forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to National Forests, State foresters, and other co-operators at cost.

Facilities.—Maintenance will be included in activities covered by the Working Capital Fund in 2000. Funds would be deducted from forests based upon facilities needs. If those maintenance needs decrease because a forest (or research station) has reduced its overhead expenses, required deductions from the WCF would decrease, but the budget allotment from a Region would not. Some WCF existing balances may be used as an upfront in investment on facilities maintenance.

Object Classification (in millions of dollars)

Identification code 12-4605-0-4-302	1998 actual	1999 est.	2000 est.
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	17	17	17
26.0 Supplies and materials	26	25	20
31.0 Equipment	110	104	90
99.9 Total new obligations	157	150	131

Note.—Personnel totals are included with personnel totals of all other Forest Service programs.

Trust Funds

FOREST SERVICE TRUST FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-9974-0-7-302	1998 actual	1999 est.	2000 est.
Balance, start of year:			
01.99 Balance, start of year			2
Receipts:			
02.01 Forest Service Cooperative fund	168	185	178
02.02 Transfers from general fund of amounts equal to certain customs duties	30	30	30
02.99 Total receipts	198	215	208
04.00 Total: Balances and collections	198	215	210
Appropriation:			
05.01 Forest Service trust funds	-198	-213	-210
07.99 Total balance, end of year		2	

Program and Financing (in millions of dollars)

Identification code 12-9974-0-7-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations	229	248	241
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	307	286	251
22.00 New budget authority (gross)	198	213	210
22.10 Resources available from recoveries of prior year obligations	10		
23.90 Total budgetary resources available for obligation	515	499	461
23.95 Total new obligations	-229	-248	-241
24.40 Unobligated balance available, end of year	286	251	220
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	198	213	210
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	50	61	98
73.10 Total new obligations	229	248	241
73.20 Total outlays (gross)	-208	-211	-208
73.45 Adjustments in unexpired accounts	-10		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	61	98	131
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	158	148	208
86.98 Outlays from permanent balances	50	62	
87.00 Total outlays (gross)	208	211	208
Net budget authority and outlays:			
89.00 Budget authority	198	213	210
90.00 Outlays	208	211	208
Distribution of budget authority by account:			
Reforestation trust fund	30	30	30
Cooperative Work trust fund	168	185	178
Distribution of outlays by account:			
Reforestation trust fund	30	30	30
Cooperative Work trust fund	178	181	178

Summary of Budget Authority and Outlays

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Enacted/requested:			
Budget Authority	198	213	210
Outlays	208	210	208
Legislative proposal, not subject to PAYGO:			
Budget Authority			-34
Outlays			-34
Total:			
Budget Authority	198	213	176
Outlays	208	210	174

Reforestation trust fund.—Amounts from this account are used for reforestation as authorized by 16 U.S.C. 1606a (d) and (e).

Cooperative work trust fund.—Advances, including deposits from purchasers of timber, are received and used for specified work in forest investigations, protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 565a, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

Object Classification (in millions of dollars)

Identification code 12-9974-0-7-302	1998 actual	1999 est.	2000 est.
Personnel compensation:			
11.1 Full-time permanent	66	88	63
11.3 Other than full-time permanent	10	13	10
11.5 Other personnel compensation	4	6	4
11.9 Total personnel compensation	80	107	77
12.1 Civilian personnel benefits	28	38	28
13.0 Benefits for former personnel	4	5	4
21.0 Travel and transportation of persons	4	3	4
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	4	4	4
23.2 Rental payments to others	2	1	2
23.3 Communications, utilities, and miscellaneous charges	3	3	4
25.2 Other services	74	62	85
26.0 Supplies and materials	19	15	21
31.0 Equipment	5	4	5
32.0 Land and structures	3	3	4
41.0 Grants, subsidies, and contributions	1	1	1
44.0 Refunds	1	1	1
99.9 Total new obligations	229	248	241

Personnel Summary

Identification code 12-9974-0-7-302	1998 actual	1999 est.	2000 est.
1001 Total compensable workyears: Full-time equivalent employment	2,318	3,047	2,248

FOREST SERVICE TRUST FUNDS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-9974-2-7-302	1998 actual	1999 est.	2000 est.
Obligations by program activity:			
10.00 Total new obligations (object class 32.0)			-34
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-34
23.95 Total new obligations			34
New budget authority (gross), detail:			
40.00 Appropriation			-34
Change in unpaid obligations:			
73.10 Total new obligations			-34
73.20 Total outlays (gross)			34
Outlays (gross), detail:			
86.90 Outlays from new current authority			-34
Net budget authority and outlays:			
89.00 Budget authority			-34
90.00 Outlays			-34

To simplify budgeting and accounting, the authority to charge overhead and indirect expenses to permanent programs and trust funds would be eliminated, resulting in reduced outlays from these funds.

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:

- Agriculture:
 - Agricultural Research Service.
 - Natural Resources Conservation Service:
 - Watershed and flood prevention operations.
 - Resource conservation and development.
 - Watershed planning.
 - River basin surveys and investigations.
 - Conservation Reserve Program.
 - Department Administration:
 - Hazardous waste management.
 - Rural Housing and Community Development Service; Rural community fire protection grants.
 - Transportation: Federal Highway Administration, Highway Trust Fund.
 - Labor: Employment and Training Administration, Training and employment services.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed [177] 110 passenger motor vehicles of which [22] 15 will be used primarily for law enforcement purposes and of which [176] 109 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed [two] three for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 213 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901-5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

[None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.]

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

[None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 105-163.]

[None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report 105-163.]

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

[Notwithstanding any other provision of law, hereafter any appropriations or funds available to the Forest Service may be used to disseminate program information to private and public individuals and organizations through the use of nonmonetary items of nominal

value and to provide nonmonetary awards of nominal value and to incur necessary expenses for the nonmonetary recognition of private individuals and organizations that make contributions to Forest Service programs.]

[Notwithstanding any other provision of law, hereafter money collected, in advance or otherwise, by the Forest Service under authority of section 101 of Public Law 93-153 (30 U.S.C. 185(1)) as reimbursement of administrative and other costs incurred in processing pipeline right-of-way or permit applications and for costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities, may be used to reimburse the applicable appropriation to which such costs were originally charged.]

Funds available to the Forest Service shall be available to conduct a program of not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93-408.

[None of the funds available in this Act shall be used for timber sale preparation using clearcutting in hardwood stands in excess of 25 percent of the fiscal year 1989 harvested volume in the Wayne National Forest, Ohio: *Provided*, That this limitation shall not apply to hardwood stands damaged by natural disaster: *Provided further*, That landscape architects shall be used to maintain a visually pleasing forest.]

[Any money collected from the States for fire suppression assistance rendered by the Forest Service on non-Federal lands not in the vicinity of National Forest System lands shall hereafter be used to reimburse the applicable appropriation and shall remain available until expended as the Secretary may direct in conducting activities authorized by 16 U.S.C. 2101 note, 2101-2110, 1606, and 2111.]

Of the funds available to the Forest Service, [\$1,500] \$2,500 is available to the Chief of the Forest Service for official reception and representation expenses.

[Notwithstanding any other provision of law, hereafter the Forest Service is authorized to employ or otherwise contract with persons at regular rates of pay, as determined by the Service, to perform work occasioned by emergencies such as fires, storms, floods, earthquakes or any other unavoidable cause without regard to Sundays, Federal holidays, and the regular workweek.]

[To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.]

[Pursuant to sections 405(b) and 410(b) of Public Law 101-593, of the funds available to the Forest Service, up to \$2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than \$400,000 shall be available for administrative expenses: *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of enactment of this Act) on Federal funds to carry out the purposes of Public Law 101-593: *Provided further*, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.]

Pursuant to section 2(b)(2) of Public Law 98-244, up to \$2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701-3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient

for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and "Reconstruction and Construction" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99-663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided*, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further*, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101-612).

For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104-134, the direct grants provided in subsection (c) shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities.

[No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.]

The Forest Service shall fund overhead, national commitments, indirect expenses, and any other category for use of funds which are expended at any units, that are not directly related to the accomplishment of specific work on-the-ground (referred to as "indirect expenditures"), from funds available to the Forest Service, unless otherwise prohibited by law: [*Provided*, That not later than 90 days after the date of the enactment of this Act, the Forest Service shall provide, to the Committees on Appropriations of the House of Representatives and Senate, proposed definitions, which are consistent with Federal Accounting Standards Advisory Board standards, to be used with the fiscal year 2000 budget, for indirect expenditures: *Provided further*, That the Forest Service shall implement and adhere to the definitions on a nationwide basis without flexibility for modification by any organizational level except the Washington Office, and when changed by the Washington Office, such changes in definition shall be reported in budget requests submitted by the Forest Service: *Provided further*, That the Forest Service shall provide in the fiscal year 2000 budget justification, planned indirect expenditures in accordance with the definitions, summarized and displayed to the Regional, Station, Area, and detached unit office level. The justification shall display the estimated source and amount of indirect expenditures, by expanded budget line item, of funds in the agency's annual budget justification. The display shall include appropriated funds and the Knutson-Vandenberg, Brush Disposal, Cooperative Work-Other, and Salvage Sale funds. Changes between estimated and actual indirect expenditures shall be reported in subsequent budget justifications:] *Provided further*, That during fiscal year 2000 the Secretary shall limit total annual overhead and indirect obliga-

tions from the Brush Disposal, Cooperative Work-Other, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to [20] zero percent of the total obligations from each fund: *Provided further, That [not later than 90 days after the date of the enactment of this Act, the Forest Service shall provide a plan which addresses how the agency will fully integrate all indirect expenditure information into the agency's general ledger system.] amounts deposited in the Knutson-Vandenberg, Cooperative Work-Other and Brush Disposal Funds from open timber sales may hereafter be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to reduce hazardous fuels build-ups, including in the wildland-community interface where there is an abnormally high risk of fire and where ecological integrity has been compromised by fire suppression efforts. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity and biological integrity.*

Contingent upon the enactment of authorizing legislation, the Secretary shall implement a pilot program to charge a fee to recover the federal direct costs (excluding environmental analysis costs) for timber sales preparation and harvest administration for salvage timber from National Forest System lands, and such fee shall be deposited as an offsetting collection to this appropriation for the purpose of such sales preparations: *Provided That upon enactment of such authorizing legislation, funds made available for obligation from the Salvage Fund shall be reduced by \$9,000,000: Provided further, That Salvage Fund collection plans shall be reduced to reflect the resulting decreased expense requirements: Provided further, That such fee will be assessed when the purpose of the timber sale offer is for timber commodity purposes, rather than stewardship purposes: Provided further, That the Forest Service Chief may waive the timber sales and harvest preparation fee if the outcome of the timber sale would be compromised or if small businesses would be unable to compete:*

Contingent upon the enactment of authorizing legislation, the Secretary shall implement concession reforms to generate market returns from concessions, and such fee shall be deposited as an offsetting collection to the Forest Service Permanent Appropriations and shall become available October 1, 2000 and remain available until expended, for the purpose of ensuring enhanced recreational opportunities for National Forest users:

Contingent upon the enactment of authorizing legislation, The Secretary shall charge a fee for collections of specialty forest products commensurate with the market value of these products, and such fee shall be deposited as an offsetting collection to the Forest Service Permanent Appropriation and shall become available October 1, 2000 and remain available until expended, for the purpose of ensuring enhanced recreational opportunities for National Forest users and for increased watershed and habitat conservation and restoration. *(Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)*

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
Offsetting receipts from the public:			
12-181100 National grasslands	18	18	17
12-222100 National forest fund	80	110	96
12-270130 Agriculture credit insurance, downward reestimates of subsidies	172		
12-270210 Rural electrification and telephone loans, negative subsidies	1		
12-270230 Rural electrification and telephone loans, downward reestimates of subsidies		171	
12-270330 Rural water and waste disposal, downward reestimates of subsidies		18	
12-270530 Rural community facility, downward reestimates of subsidies		18	
12-270630 Rural housing insurance, downward reestimates of subsidies		34	
12-270710 Rural business and industry, negative subsidies	1		
12-270730 Rural business and industry, downward reestimates of subsidies		2	
12-271030 Rural development loans, downward reestimates of subsidies		8	
12-271130 Rural telephone bank loans, downward reestimates of subsidies		12	

12-271330 Economic development loans, downward reestimates of subsidies		2	
General Fund Offsetting receipts from the public	272	393	113

OTHER CONSOLIDATED RECEIPT ACCOUNTS

(in millions of dollars)

	1998 actual	1999 est.	2000 est.
12-977210 Miscellaneous contributed funds	1		

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year [1999] 2000 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [440] 365 passenger motor vehicles, of which [437] 361 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 703. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U.S.C. 427 and 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: *Provided, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.*

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, integrated systems acquisition project, and up to \$2,000,000 for costs associated with collocating regional offices; Farm Service Agency, salaries and expenses funds made available to county committees; and Foreign Agricultural Service, middle-income country training program.

New obligational authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American Institutions Endowment Fund in the Cooperative State Research, Education, and Extension Service; and funds for the competitive research grants (7 U.S.C. 450i(b)), shall remain available until expended. *Up to \$2,000,000 of the appropriation for the Foreign Agricultural Service shall remain available until expended solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.*

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed \$50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity

Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 711. None of the funds in this Act shall be available to pay indirect costs [on research grants awarded competitively] *charged against agricultural research, education, or extension grant awards issued* by the Cooperative State Research, Education, and Extension Service that exceed [14] 19 percent of total Federal funds provided under each award: *Provided*, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under the Small Business Innovation Development Act of 1982, Public Law 97-219 (15 U.S.C. 638).

SEC. 712. Notwithstanding any other provisions of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 713. *Appropriations for the Rural Housing Insurance Fund Program Account for the cost of direct and guaranteed loans made available in fiscal years 1994, 1995, 1996, 1997, 1998, and 1999 shall remain available until expended to cover obligations made in each of those fiscal years respectively.*

SEC. [713] 714. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year [1999] 2000 shall remain available until expended to cover obligations made in fiscal year [1999] 2000 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; *the Rural Housing Insurance Fund Program Account*; and the rural economic development loans program account.

SEC. [714] 715. Such sums as may be necessary for fiscal year [1999] 2000 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. [715] 716. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service; Grain Inspection, Packers and Stockyards Administration; [and] the Animal and Plant Health Inspection Service, *and the food safety activities of the Food Safety and Inspection Service* may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service, the Grain Inspection, Packers and Stockyards Administration [or], the Animal and Plant Health Inspection Service, *or the Food Safety and Inspection Service* and a State or Cooperator to carry out agricultural marketing programs, [or] to carry out programs to protect the Nation's animal and plant resources, *or to carry out educational programs or special studies to improve the safety of the Nation's food supply.*

SEC. [716] 717. Notwithstanding the Federal Grant and Cooperative Agreement Act, the Natural Resources Conservation Service may enter into contracts, grants, or cooperative agreements with a State agency or subdivision, or a public or private organization, for the acquisition of goods or services, including personal services, to carry out natural resources conservation activities: *Provided*, That Commodity Credit Corporation funds obligated for such purposes shall not exceed the level obligated by the Commodity Credit Corporation for such purposes in fiscal year 1998.

[SEC. 717. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.]

[SEC. 718. Hereafter, none of the funds made available in this Act may be used to provide assistance to, or to pay the salaries of personnel to carry out a market promotion/market access program

pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to the United States Mink Export Development Council or any mink industry trade association.]

[SEC. 719. Of the funds made available by this Act, not more than \$1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants: *Provided*, That interagency funding is authorized to carry out the purposes of the National Drought Policy Commission.]

SEC. [720] 718. None of the funds appropriated in this Act may be used to carry out the provisions of section 918 of Public Law 104-127, the Federal Agriculture Improvement and Reform Act.

[SEC. 721. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.]

[SEC. 722. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.]

[SEC. 723. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committee on Appropriations of both Houses of Congress.]

[SEC. 724. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committee on Appropriations of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committee on Appropriations of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.]

SEC. [725] 719. None of the funds appropriated or otherwise made available by this Act or any other Act may be used to pay the salaries and expenses of personnel to carry out *the Fund for Rural America Program, authorized by section 793 of Public Law 104-127*, with the exception of funds made available under that section on January 1, 1997] *in excess of \$60,000,000.*

[SEC. 726. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by sections 334-341 of Public Law 104-127 in excess of \$174,000,000.]

[SEC. 727. None of the funds appropriated or otherwise available to the Department of Agriculture may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.]

[SEC. 728. The Federal facility located in Stuttgart, Arkansas, and known as the "United States National Rice Germplasm Evaluation and Enhancement Center", shall be known and designated as the "Dale Bumpers National Rice Research Center": *Provided*, That any reference in law, map, regulation, document, paper, or other record of the United States to such federal facility shall be deemed to be a reference to the "Dale Bumpers National Rice Research Center".]

[SEC. 729. Notwithstanding any other provision of law, the Secretary of Agriculture, subject to the reprogramming requirements established by this Act, may transfer up to \$26,000,000 in discretionary funds made available by this Act among programs of the Department, not otherwise appropriated for a specific purpose or a specific location, for distribution to or for the benefit of the Lower Mississippi Delta Region, as defined in Public Law 100-460, prior to normal state or regional allocation of funds: *Provided*, That any funds made available through Chapter Four of Subtitle D of Title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) may be included in any amount reprogrammed under this section if such funds are used for a purpose authorized by such Chapter: *Provided further*, That any funds made available from ongoing programs of the Department of Agriculture used for the benefit of the Lower Mississippi Delta Region shall be counted toward the level cited in this section.]

[SEC. 730. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to enroll in excess of 120,000 acres in the fiscal year 1999 wetlands reserve program as authorized by 16 U.S.C. 3837.]

[SEC. 731. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the emergency food assistance program authorized by section 27(a) of the Food Stamp Act if such program exceeds \$90,000,000.]

SEC. [732] 720. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the [provisions of] *program authorized by section 401 of Public Law 105-185 in excess of \$120,000,000.*

[SEC. 733. Notwithstanding any other provision of law, the City of Big Spring, Texas shall be eligible to participate in rural housing programs administered by the Rural Housing Service.]

[SEC. 734. Notwithstanding any other provision of law, the Municipality of Carolina, Puerto Rico shall be eligible for grants and loans administered by the Rural Utilities Service.]

SEC. [735] 721. Notwithstanding section 381A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009), the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104-127.

[SEC. 736. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.]

[SEC. 737. Section 512(d)(4)(D)(iii) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b(d)(4)(D)(iii)) is amended by inserting before the semicolon the following: ", except that for purposes of this clause, antibacterial ingredient or animal drug does not include the ionophore or arsenical classes of animal drugs".]

[SEC. 738. (a) None of the funds appropriated or otherwise made available to the Secretary by this Act, any other Act, or any other source may be used to issue the final rule to implement the amendments to Federal milk marketing orders required by subsection (a)(1) of section 143 of the Agricultural Market Transition Act (7 U.S.C. 7253), other than during the period of February 1, 1999, through April 4, 1999, and only if the actual implementation of the amendments as part of Federal milk marketing orders takes effect on October 1, 1999, notwithstanding the penalties that would otherwise be imposed under subsection (c) of such section.

(b) None of such funds may be used to designate the State of California as a separate Federal milk marketing order under subsection (a)(2) of such section, other than during the period beginning

on the date of the issuance of the final rule referred to in subsection (a) through September 30, 1999.

(c) For purposes of this section, a rule shall be considered to be a final rule when the rule is submitted to Congress as required by chapter 8 of title 5, United States Code, to permit congressional review of agency rulemaking and before the Secretary of Agriculture conducts the producer referendum required under section 8c(19) of the Agricultural Adjustment Act (7 U.S.C. 608c(19)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.]

[SEC. 739. Whenever the Secretary of Agriculture announces the basic formula price for milk for purposes of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, the Secretary shall include in the announcement an estimate, stated on a per hundredweight basis, of the costs incurred by milk producers, including transportation and marketing costs, to produce milk in the different regions of the United States.]

[SEC. 740. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 335 of Public Law 104-127.]

[SEC. 741. WAIVER OF STATUTE OF LIMITATIONS. (a) To the extent permitted by the Constitution, any civil action to obtain relief with respect to the discrimination alleged in an eligible complaint, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(b) The complainant may, in lieu of filing a civil action, seek a determination on the merits of the eligible complaint by the Department of Agriculture if such complaint was filed not later than 2 years after the date of enactment of this Act. The Department of Agriculture shall—

(1) provide the complainant an opportunity for a hearing on the record before making that determination;

(2) award the complainant such relief as would be afforded under the applicable statute from which the eligible complaint arose notwithstanding any statute of limitations; and

(3) to the maximum extent practicable within 180 days after the date a determination of an eligible complaint is sought under this subsection conduct an investigation, issue a written determination and propose a resolution in accordance with this subsection.

(c) Notwithstanding subsections (a) and (b), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking a review of such denial.

(d) The United States Court of Federal Claims and the United States District Court shall have exclusive original jurisdiction over—

(1) any cause of action arising out of a complaint with respect to which this section waives the statute of limitations; and

(2) any civil action for judicial review of a determination in an administrative proceeding in the Department of Agriculture under this section.

(e) As used in this section, the term "eligible complaint" means a nonemployment related complaint that was filed with the Department of Agriculture before July 1, 1997 and alleges discrimination at any time during the period beginning on January 1, 1981 and ending December 31, 1996—

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(f) This section shall apply in fiscal year 1999 and thereafter.

(g) The standard of review for judicial review of an agency action with respect to an eligible complaint is de novo review. Chapter 5 of title 5 of the United States Code shall apply with respect to an agency action under this section with respect to an eligible complaint, without regard to section 554(a)(1) of that title.]

[SEC. 742. In any claim brought under the Rehabilitation Act of 1973 and filed with the Secretary of Agriculture after January 1994 resulting in a finding that a farmer was subjected to discrimination under any farm loan program or activity conducted by the United States Department of Agriculture in violation of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Secretary of Agri-

culture shall be liable for compensatory damages. Such liability shall apply to any administrative action brought before the date of enactment of this Act, but only if the action is brought within the applicable statute of limitations and the complainant sought or seeks compensatory damages while the action is pending.】

【SEC. 743. Public Law 102-237, Title X, Section 1013(a) and (b) (7 U.S.C. 426 note) is amended by striking “, to the extent practicable,” in each instance in which it appears.】

【SEC. 744. Funds made available for conservation operations by this or any other Act, including prior-year balances, shall be available for financial assistance and technical assistance for the purpose of constructing the Franklin County Lake Project, Mississippi, in the amounts earmarked in appropriations report language.】

【SEC. 745. Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended by inserting “25 percent in lieu of “equal” in subsection (b), and by inserting “\$20,000,000” in lieu of “\$15,000,000” in subsection (d).】

【SEC. 746. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Drug Analysis in St. Louis, Missouri.】

【SEC. 747. None of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 302(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: *Provided*, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).】

【SEC. 748. Notwithstanding the provisions of section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)), for the 1999 reinsurance and subsequent reinsurance years, no producer shall pay more than \$50 per crop per county as an administrative fee for catastrophic risk protection under section 508(b)(5)(A) of the Act.】

SEC. 749. That notwithstanding section 4703(d)(1) of title 5, United States Code, the personnel management demonstration project established in the Department of Agriculture, as described at 55 FR 9062 and amended at 61 FR 9507 and 61 FR 49178, shall be continued indefinitely and become effective upon enactment of this Act.

【SEC. 750. Strike the last sentence under the heading of Title IV—International Programs, Foreign Agricultural Service of Public Law 100-202 (101 STAT. 1329 et seq.) and insert in lieu thereof the following: “On or after August 1, 1998 such individuals employed by contract to perform such services shall not, by virtue of such employment, be considered to be employees of the United States Government for purposes of any law administered by the Office of Personnel Management. Such individuals may be considered employees within the meaning of the Federal Employee Compensation Act, 5 U.S.C. 8101 et seq.”.】

【SEC. 751. Section 1237D(c)(1) of subchapter C of the Food Security Act of 1985 is amended by inserting after “perpetual” the following “or 30-year”.】

【SEC. 752. Section 1237(b)(2) of subchapter C of the Food Security Act of 1985 is amended by adding the following:

“(C) For purposes of subparagraph (A), to the maximum extent practicable should be interpreted to mean that acceptance of wetlands reserve program bids may be in proportion to landowner interest expressed in program options.”.】

【SEC. 753. (a) Section 3(d)(3) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(d)(3)) (as amended by section 253(b) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking “The Secretary” and inserting “At the request of the Governor of the State of Maine, New Hampshire, New York, or Vermont, the Secretary”.

(b) Section 7(e)(2) of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4606(e)(2)) (as amended by section 605(f)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking “\$0.0075” each place it appears and inserting “\$0.01”.

(c)(1) Section 793(c)(2)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f(c)(2)(B)) is amended—

(A) in clause (iii), by striking “or” at the end;

(B) in clause (iv), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(v) a State agricultural experiment station.”.

(2) Section 401(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(d)) is amended—

(A) in paragraph (3), by striking “or” at the end;

(B) in paragraph (4), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(5) a State agricultural experiment station.”.

(d) Section 3(d) of the Hatch Act of 1887 (7 U.S.C. 361c(d)) is amended—

(1) in paragraph (1), by striking “No” and inserting “Except as provided in paragraph (4), no”; and

(2) by adding at the end the following:

“(4) TERRITORIES.—In lieu of the matching funds requirement of paragraph (1), the Commonwealth of Puerto Rico, the Virgin Islands, and Guam shall be subject to the same matching funds requirements as those applicable to an eligible institution under section 1449 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d).”.

(e) Section 3(e) of the Smith-Lever Act (7 U.S.C. 343(e)) is amended—

(1) in paragraph (1), by inserting “paragraph (4) and” after “provided in”; and

(2) by adding at the end the following:

“(4) TERRITORIES.—In lieu of the matching funds requirement of paragraph (1), the Commonwealth of Puerto Rico, the Virgin Islands, and Guam shall be subject to the same matching funds requirements as those applicable to an eligible institution under section 1449 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d).”.

(f) The amendments made by this section shall take effect on the date of enactment of the Agricultural Research, Extension, and Education Reform Act of 1998.】

【SEC. 754. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President’s Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the users fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2000 appropriations Act.】

【SEC. 755. (a) Section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) is amended by adding at the end the following: “Shell eggs packed under the voluntary grading program of the Department of Agriculture shall not have been shipped for sale previous to being packed under the program, as determined under a regulation promulgated by the Secretary.”.

(b) Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture, and the Secretary of Health and Human Services, shall submit a joint status report to the Committees on Appropriations of the House of Representatives and the Senate that describes actions taken by the Secretary of Agriculture and the Secretary of Health and Human Services—

(1) to enhance the safety of shell eggs and egg products;

(2) to prohibit the grading, under the voluntary grading program of the Department of Agriculture, of shell eggs previously shipped for sale; and

(3) to assess the feasibility and desirability of applying to all shell eggs the prohibition on repackaging to enhance food safety, consumer information, and consumer awareness.】

【SEC. 756. Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of Public Law 104-127 in fiscal year 1999 shall not exceed \$65,000,000: *Provided*, That section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking \$193,000,000 and inserting \$188,000,000.】

【SEC. 757. (a) The Secretary of Agriculture may use funds for tree assistance made available under Public Law 105-174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared

by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).]

[SEC. 758. None of the funds appropriated or otherwise made available by this Act shall be used to establish an Office of Community Food Security or any similar office within the United States Department of Agriculture without the prior approval of the Committee on Appropriations of both Houses of Congress.]

[SEC. 759. Notwithstanding any other provision of law, the city of Vineland, New Jersey, shall be eligible for programs administered by the Rural Housing Service and the Rural Business-Cooperative Service.]

[SEC. 760. (a)(1) For purpose of this section, the term "Commission" means the Commodity Futures Trading Commission.

(2) For purposes of this section, the term "qualifying hybrid instrument or swap agreement" means a hybrid instrument or swap agreement that—

(A) was entered into before the start of the restraint period or is entered into during the restraint period; and

(B) is exempt under part 34 or part 35 of title 17, Code of Federal Regulations (as in effect on January 1, 1998), qualifies for the safe harbor contained in the Policy Statement of the Commission regarding swap agreements published in the Federal Register on July 21, 1989 (54 Fed. Reg. 30694), or qualifies for the exclusion set forth in the Statutory Interpretation of the Commission concerning certain hybrid instruments published in the Federal Register on April 11, 1990 (55 Fed. Reg. 13582).

(3) For purposes of this section, the term "restraint period" means the period—

(A) beginning on the date of the enactment of this Act; and

(B) ending on March 30, 1999, or the first date on which legislation is enacted that authorizes appropriations for the Commission for a fiscal year after fiscal year 2000, whichever occurs first.

(b) During the restraint period, the Commission may not propose or issue any rule or regulation, or issue any interpretation or policy statement, that restricts or regulates activity in a qualifying hybrid instrument or swap agreement.

(c) Notwithstanding subsection (b), during the restraint period, the Commission may—

(1) act on a petition for exemptive relief under section 4(c) of the Commodity Exchange Act (7 U.S.C. 6(c));

(2) enter such cease and desist orders and take such enforcement action, including the imposition of sanctions, as the Commission considers necessary to enforce any provision of the Commodity Exchange Act (7 U.S.C. 1 et seq.) or title 17, Code of Federal Regulations, in connection with a qualifying hybrid instrument or swap agreement, to the extent such provision is otherwise applicable to that qualifying hybrid instrument or swap agreement or a transaction involving that qualifying hybrid instrument or swap agreement;

(3) take such action as the Commission considers appropriate with regard to agricultural trade options; and

(4) take such action as the Commission considers appropriate to respond to a market emergency.

(d)(1) The legal status of contracts involving a qualifying hybrid instrument or swap agreement shall not differ from the legal status afforded such contracts during the period—

(A) beginning on—

(i) in the case of swap agreements, July 21, 1989, which was the date on which the Commission adopted a Policy Statement regarding swap agreements (54 Fed. Reg. 30694); and

(ii) in the case of hybrid instruments, April 11, 1990, which was the date that the Statutory Interpretation of the Commission concerning hybrid instruments was published in the Federal Register; and

(B) ending on January 1, 1998.

(2) Neither the comment letter of the Commission submitted on February 26, 1998, to the Securities and Exchange Commission re-

garding the proposal known as "Broker-Dealer Lite", nor the Concept Release of the Commission regarding over-the-counter derivatives published in the Federal Register on May 12, 1998 (63 Fed. Reg. 26114), shall alter or affect the legal status of a qualifying hybrid instrument or swap agreement under the Commodity Exchange Act (7 U.S.C. 1 et seq.).

(e) Nothing in this section shall be construed as reflecting or implying a determination that a qualifying hybrid instrument or swap agreement, or a transaction involving a qualifying hybrid instrument or swap agreement, is subject to the Commodity Exchange Act (7 U.S.C. 1 et seq.).]

[SEC. 761. None of the funds appropriated or otherwise made available by this or any other Act may be used to carry out provision of section 612 of Public Law 105-185.]

[SEC. 762. Section 136 of the Agricultural Market Transition Act (7 U.S.C. 7236) is amended by striking "1.25 cents" each place it appears in subsections (a) and (b) and inserting "3 cents".]

[SEC. 763. In implementing section 1124 of subtitle C of title XI of this Act, the Secretary of Agriculture shall:

(a) provide \$18,000,000 to the states for distribution of emergency aid to individuals with family incomes below the federal poverty level who have been adversely affected utilizing Federal Emergency Management Agency guidelines;

(b) transfer to the Secretary of Commerce for obligation and expenditure (1) \$15,000,000 for programs pursuant to title IX of Public Law 91-304, as amended, of which six percent may be available for administrative costs; (2) \$5,000,000 for the Trade Adjustment Assistance program as provided by the Trade Act of 1974, as amended; and (3) \$7,000,000 for disaster research and prevention pursuant to section 402(d) of Public Law 94-265; and

(c) transfer to the Administrator of the Small Business Administration for obligation and expenditure, \$5,000,000 for the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, for eligible small businesses.]

[SEC. 764. (a) Section 604 of the Clean Air Act is amended by inserting at the end the following:

"(h) METHYL BROMIDE.—Notwithstanding subsection (d) and section 604(b), the Administrator shall not terminate production of methyl bromide prior to January 1, 2005. The Administrator shall promulgate rules for reductions in, and terminate the production, importation, and consumption of, methyl bromide under a schedule that is in accordance with, but not more stringent than, the phaseout schedule of the Montreal Protocol Treaty as in effect on the date of the enactment of this subsection."

(b) Section 604(d) of the Clean Air Act is amended by inserting at the end the following:

"(5) SANITATION AND FOOD PROTECTION.—To the extent consistent with the Montreal Protocol's quarantine and preshipment provisions, the Administrator shall exempt the production, importation, and consumption of methyl bromide to fumigate commodities entering or leaving the United States or any State (or political subdivision thereof) for purposes of compliance with Animal and Plant Health Inspection Service requirements or with any international, Federal, State, or local sanitation or food protection standard.

"(6) CRITICAL USES.—To the extent consistent with the Montreal Protocol, the Administrator, after notice and the opportunity for public comment, and after consultation with other departments or instrumentalities of the Federal Government having regulatory authority related to methyl bromide, including the Secretary of Agriculture, may exempt the production, importation, and consumption of methyl bromide for critical uses."

(c) Section 604(e) of the Clean Air Act is amended by inserting at the end the following:

"(3) METHYL BROMIDE.—Notwithstanding the phaseout and termination of production of methyl bromide pursuant to section 604(h), the Administrator may, consistent with the Montreal Protocol, authorize the production of limited quantities of methyl bromide, solely for use in developing countries that are Parties to the Copenhagen Amendments to the Montreal Protocol."]

[SEC. 765. Notwithstanding any other provision of law, permanent employees of county committees employed on or after October 1, 1998, pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be considered as having Federal Civil Service status only for the purpose of applying for the United States Department of Agriculture Civil Service vacancies.]

[SEC. 766. For grants for the rural empowerment zone and enterprise communities programs, an additional \$15,000,000 is hereby appropriated, to remain available until expended, of which \$10,000,000,

is for grants for entities designated under section 1391(g) of the Internal Revenue Code of 1986 for the Secretary of Agriculture to carry out a second round of the empowerment zone program in rural areas; and of which \$5,000,000 is for grants for rural enterprise communities for the Secretary of Agriculture to designate not more than 20 additional rural enterprise communities provided that such communities meet the designation and eligibility requirements of part I of subchapter U of chapter 1 of the Internal Revenue Code of

1986: *Provided*, That the designation of rural enterprise communities pursuant to this section shall be solely for the purpose of this section and not for tax treatment under the Internal Revenue Code: *Provided further*, That these funds are in addition to any other funds made available for empowerment zones and enterprise communities.】 (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(a).*)